

# ANNUAL REPORT 2014



Premier Bank

প্রিমিয়ার ব্যাংক

Premier Bank  
*service first*



**Registered Office:**

Iqbal Centre, 42, Kemal Ataturk Avenue (4<sup>th</sup> Floor), Banani, Dhaka-1213, Bangladesh  
Tel: +88 02 9820844-8, Fax: +88 02 9820849, Website: [www.premierbankltd.com](http://www.premierbankltd.com)



## Perception

Every day, life presents new challenges and opportunities. Every day, we each have a new story to tell that involves tangible needs and requires clear answers.

In annual report, we illustrate our way of banking with stories of the people, businesses and institutions who use our customized solutions.

These stories were built on entrepreneurship, courageous innovation, respect for tradition, and our strong bonds with local communities. We strongly believe that being a bank today means making a concrete difference, day in and day out, for those who have chosen to do business with us. It means facing challenges together and creating a world of new opportunities.

These are true stories – snapshots of ordinary life that shape the mosaic of our daily work. At Premier Bank, we are creating a world of relationships where our stakeholders can best meet the changing needs of our times.



# "Certificate of Merit Award"

By the Institute of Chartered Accountants of Bangladesh (ICAB).



An award is a recognition of hard work and high inspiration. The Premier Bank Limited was one of the top performing Banks amongst the best published annual accounts and reports for the year 2013 and honored with "Certificate of Merit Award" by the Institute of Chartered Accountants of Bangladesh (ICAB).

This is a testimony to our ability to translate our activities into an art of choice and dedication to refined taste, quality services and good governance practices.

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**P**assionate- To Serve.

**R**esponsible- Proved by Premier Services.

**E**nthusiastic- Explores New Ideas.

**M**ajestic- Shows Impressive Dignity.

**I**ntense- Its Zest of Growth.

**E**xpressive- Ensures a Crystal Clear Disclosures.

**R**eceptive- Value People.





# "I WILL MAKE IT POSSIBLE"



To keep the spirit up under a hazardous economic situation, the visionary entrepreneur and successful industrialist Dr. H. B. M. Iqbal - Honorable Chairman of the Bank would like to immerse in the following slogan adopted by The Premier Bank Limited:

**"I WILL MAKE IT POSSIBLE".**

Every year Honorable Chairman of the Bank brings to our attention some very important philosophy of life. In continuation of our conscious endeavor to implement inspiring and motivational slogans "The Best or Nothing", becoming "Good Human Being", "Determination - be determined like a mirror that never loses its ability to reflect even it is broken into hundred pieces" and "I WILL MAKE IT POSSIBLE" as adopted last four years in all our relationship with all stakeholders, acquaints, friends and family members; in 2015 we wish to reiterate the Slogan **"I WILL MAKE IT POSSIBLE"**. The slogans adopted every year enable us to weather through the difficulties with lot of finesse.

Everyone will agree without any hesitation that our Creator has given us enormous and unlimited ability to achieve our goals.

If we can experience our potential which is hidden in every one of us without any discrimination, we can achieve wonders. In fact all the wonders of this world have been achieved by people who wanted to achieve them. There is nothing impossible if we set our heart in any job and try hard enough.

The reason for all failure is not that the "task is difficult" but it is the doubt about our individual ability. We will have to come out of this perception.

To succeed in any Challenge we must make ourselves believe in the concept of – **"I WILL MAKE IT POSSIBLE"**.

# Contents of Standard Disclosures

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# Financial Indicators - 2014

**10%**

Encouraging dividend commitment for our valued shareholders for 2014

**13.31%**

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

**Tk. 90,750.06 Million**

We continued to succeed in deposit mobilization with a record level deposit balance of Tk.90750.06 million in 2014

**Tk. 70,063.72 Million**

Our Credit portfolio reached at Tk.70063.72 million at the end of 2014

**Tk. 71,739.24 Million**

The Bank Plays vital role in export & import financing

**Tk. 6,077.68 Million**

Inward foreign remittance handled by the Bank during the year 2014

**Tk. 1,817.91 Million**

Operating Profit

**240,000**

Number of customers banking with us

**92**

Branches functioning with State of Art technology to bring Banking Services to 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 to 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. Customers' 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 Jun | 1999 | : Incorporation of the Company as PLC   |
| 10 Jun | 1999 | : Certificate of Commencement of Business   |
| 15 Jun | 1999 | : First meeting of the Board of Directors   |
| 17 Jun | 1999 | : License issued by Bangladesh Bank for commercial banking  |
| 26 Oct | 1999 | : Formal launching of banking business  |
| 21 Jun | 2003 | : Establishment of own Training Institute   |
| 03 Aug | 2003 | : Introduction of Real Time Online Banking  |
| 16 Oct | 2003 | : Commencement of Islamic Banking Business from IBB, Mohakhali                                      |
| 22 Jan | 2004 | : Pioneering VISA Credit Card among the local banks   |
| 30 Jan | 2006 | : Launching of SMS Banking Service  |
| 05 Aug | 2006 | : Launching of CMS Banking Service  |
| 16 May | 2007 | : Listing with Chittagong Stock Exchange Limited  |
| 23 May | 2007 | : Listing with Dhaka Stock Exchange Limited   |
| 27 May | 2007 | : Trading of Shares on DSE & CSE  |
| 28 Oct | 2007 | : Launching of Premier ATM Services   |
| 28 Oct | 2007 | : Introduction of Premier VISA Debit Card and Hajj Card   |
| 12 Apr | 2008 | : Introduction of Bank's own Remittance Software (DRUTI)  |
| 19 Oct | 2008 | : Purchase of DSE Membership  |
| 17 Nov | 2009 | : Purchase of CSE Membership  |
| 01 Dec | 2009 | : Commencement of Brokerage Operation   |
| 17 May | 2010 | : Remittance Deal with Grameen Phone  |
| 23 Jun | 2010 | : Incorporation of Premier Bank Securities Limited - Subsidiary of Bank                             |
| 18 Sep | 2010 | : Migration to Centralized Core-Banking Software  |
| 07 Oct | 2010 | : Live Operation of Bangladesh Automated Cheque Processing System                                   |
| 25 Nov | 2010 | : Launching of Platinum Dual Currency MasterCard  |
| 21 Aug | 2011 | : Establishment of Bank's own DR (Disaster Recovery) Site   |
| 26 Sep | 2011 | : 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 |
| 29 Aug | 2013 | : Incorporation of Premier Bank Foundation  |

# Corporate Directory

## Board of Directors:

|                   |   |
|-------------------|---|
| Chairman          | : Dr. H. B. M. Iqbal                            |
| Vice Chairman     | : Mr. Mohammad Imran Iqbal                      |
| Directors         | : Mr. B. H. Haroon, MP                          |
|                   | : Mr. Abdus Salam Murshedy                      |
|                   | : Mr. Shafiqur Rahman                           |
|                   | : Mr. Shah Md. Nahyan Haroon                    |
|                   | : Mrs. Shaila Shelly Khan                       |
|                   | : Mrs. Fauzia Rekza Banu                        |
|                   | : Mr. Arif Alam                                 |
|                   | : Mr. Yeh Cheng Min                             |
|                   | : Mr. Kazi Abdul Mazid (Till 17.01.2015)        |
|                   | : Mrs. Faiza Rahman                             |
| Managing Director | : Mr. Khondker Fazle Rashid (Since 02.02.2015)  |
|                   | : Mr. K. A. M. Majedur Rahman (Till 01.02.2015) |
| Company Secretary | : Mr. Syed Ahsan Habib, FCMA                    |

## Executive Committee

|          |  |
|----------|--|
| Chairman | : Dr. H. B. M. Iqbal   |
| Members  | : Mr. B. H. Haroon, MP                                       |
|          | : Mr. Abdus Salam Murshedy                                   |
|          | : Mr. Shafiqur Rahman  |
|          | : Mrs. Shaila Shelly Khan                                    |
|          | : Mr. Arif Alam  |
|          | : Mr. Kazi Abdul Mazid (Till 17.01.2015)                     |
|          | : Mr. Khondker Fazle Rashid (Ex-Officio) (Since 02.02.2015)  |
|          | : Mr. K. A. M. Majedur Rahman (Ex-Officio) (Till 01.02.2015) |

## Board Audit Committee

|          |  |
|----------|--|
| Chairman | : Mrs. Faiza Rahman (Since 18.01.2015)   |
|          | : Mr. Kazi Abdul Mazid (Till 17.01.2015) |
| Members  | : Mr. Mohammad Imran Iqbal               |
|          | : Mr. Shah Md. Nahyan Haroon             |

## Risk Management Committee

|          |                              |
|----------|------------------------------|
| Chairman | : Dr. H. B. M. Iqbal         |
| Members  | : Mr. Mohammad Imran Iqbal   |
|          | : Mr. Abdus Salam Murshedy   |
|          | : Mr. Shah Md. Nahyan Haroon |

## Advisor

|                        |
|------------------------|
| : Mr. Md. Ehsan Khasru |
|------------------------|

## Strategy Makers

|                              |   |
|------------------------------|---|
| Managing Director            | : Mr. Khondker Fazle Rashid (Since 02.02.2015)  |
|                              | : Mr. K. A. M. Majedur Rahman (Till 01.02.2015) |
| Additional Managing Director | : Mr. Abu Haniff Khan (Till 14.05.2015)         |
|                              | : Mr. M. Reazul Karim                           |
| Deputy Managing Director     | : 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 companies act, 1994 and Bank companies act, 1991.

## **Registered Office**

Iqbal Centre (4th Floor), 42 Kemal Ataturk Avenue, Banani, Dhaka-1213.

Tel: 9820844-8, Fax: 9820849, 9820808

## **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**

18131074117, dated July 31, 2000

## **ETIN Certificate**

545319115583, dated October 17, 2000

## **Auditors**

1. Syful Shamsul Alam & Co.  
Chartered Accountants  
Paramount Heights (Level-6)  
65/2/1, Box Culvert Road, Purana Paltan  
Dhaka-1000, Bangladesh
2. K. M. Hasan & Co.  
Chartered Accountants  
Home Town Apartment (8th & 9th Floor)  
87, New Eskaton Road,  
Dhaka- 1000, Bangladesh

## **Legal Advisor**

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

## Corporate Profile

The Premier Bank Limited began its journey on an autumnal day of 1999. The Bank has made history not just by passing 15 years of banking endeavor in Bangladesh, but by making every moment valuable and remunerating for our esteemed customers. We have overcome a large number of genuine difficulties to win the unshaken certainty of our valuable clients. Although the Bank offers the entire range of financial services in almost all market segments, it has a clear orientation towards serving enterprises, especially medium and small-sized, and individuals. As well as providing traditional banking services, Premier Bank also has a leading role in developing sectors such as Agricultural Banking, Green Banking and Woman Entrepreneurs foreseeing their potential and dynamics in the years to come. In line with the current financial needs we have revamped our Retail Banking and re-arranged Elite Priority Banking Services. We have continued to strive towards building strong relationships with our customers and provide them fast and quality services as well as the best financial solution according to their 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 and tomorrow for the benefit of all our stakeholders.

Our aim is to provide a consistent and superior banking experience with simplicity, empathy and totality, and catalyze higher inclusive growth for the nation.

In The Premier Bank Limited our differentiation begins with a simple clause-

**'SERVICE FIRST'**



# Board of Directors



**Dr. H. B. M. Iqbal**  
Chairman



**Mr. Mohammad Imran Iqbal**  
Vice Chairman



**Mr. B. H. Haroon, MP**  
Director



**Mr. Abdus Salam Murshedy**  
Director



**Mr. Shafiqur Rahman**  
Director



**Mr. Shah Md. Nahyan Haroon**  
Director



**Mrs. Shaila Shelly Khan**  
Director



**Mrs. Fauzia Rekza Banu**  
Director



**Mr. Arif Alam**  
Director



**Mr. Yeh Cheng Min**  
Director



**Mrs. Faiza Rahman**  
Independent Director



**Mr. Kazi Abdul Mazid**  
Independent Director  
(Till 17.01.2015)



**Mr. Khondker Fazle Rashid**  
Managing Director  
(Since 02.02.2015)



**Mr. K. A. M. Majedur Rahman**  
Managing Director  
(Till 01.02.2015)

# Directors' Profile

A large, detailed wooden ship's steering wheel is the central focus of the image. It features a prominent yellow ring around its outer edge and several wooden spokes radiating from a central hub. The wheel is set against a background of a bright blue sky with scattered white clouds. The lighting is bright, suggesting a sunny day.



# 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 Peoples' Republic of Bangladesh. He was a freedom fighter with specialized guerrilla training from Deradhun, India under a guerrilla force 'MujibBahini/ Bangladesh Liberation Force (BLF)', in the Bangladesh Liberation War in 1971. He is also the group Chairman of a multi-dimensional Corporate Body having interests in the field of Banking, Insurance, Leasing, Manufacturing, Cement, Petroleum & Lubricants, Distribution House, Aviation, Medical Centre, Super Market, HRD, Service Sector and Hotel & Restaurant.

Currently he has the following associated organizations:

Chairman  
**Premier Group of Companies Ltd.**  
Chairman  
**Premier Hotels & Resorts Ltd.**  
(‘Hilton, Dhaka’, 5 Star American Chain Hotel)  
Chairman  
**Premier Hotel Management Company Ltd.**  
(‘Courtyard Marriot, Dhaka’, 5 Star American Chain Hotel)  
Chairman  
**Bengal Tiger Cement Industries Ltd.**

Chairman  
**Premier Technology & Holdings Ltd.**  
Chairman  
**Aero Bengal Ltd.- First Private Airlines**  
Chairman  
**ATAB Centre Ltd.**  
Chairman  
**Bukhara Restaurant (Pvt) Ltd**  
Chairman  
**Banani Travels & Tours Ltd.**  
Chairman  
**The Premier Tele Link Ltd.**  
Managing Director  
**Centaur Limited**  
Managing Director  
**Nawrin Electronics Ltd.**  
Proprietor  
**Iqbal Centre**  
Proprietor  
**Concern International**  
Managing Director  
**Beacon Travel In't Ltd.**  
Chairman  
**Air Concern International Ltd**

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 is also associated with the following institutions:

Founder Chairman  
**Premier Foundation**  
Founder Chairman  
**Premier Bank Foundation**

**Dr. Iqbal Education City:**  
Founder Chairman  
**Z. Rahman Premier Bank School & College**  
Banshgari, Bhairab, Kishoregonj (Education City)  
Founder & Vice Chairman of Board of Trustees  
**Royal University of Dhaka**  
Founder & Former Chairman  
**Viqarunnisa Women's University**  
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  
**HabibullahBahar University College**  
Former Syndicate Member  
**Bangabandhu Medical University, Dhaka**  
Founder & Former Chairman  
**Peoples Leasing & Financial Services Ltd.**  
Former Director  
**Federation of Bangladesh Chambers of Commerce and Industry (FBCCI)**  
Former President  
**Association of Travel Agents of Bangladesh (ATAB)**  
Member, EC  
**Bangladesh Association of Banks (BAB)**  
Member, EC  
**Bangladesh Association of Int'l Recruiting Agencies (BAIRA)**  
Life Member  
**Gulshan Club Ltd., Dhaka**  
Member  
**Army Golf Club, Dhaka**



**Mr. Mohammad Imran Iqbal**  
Vice Chairman

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 an active member of Board Audit Committee and Risk Management Committee. He has business interest in Financial Sector, Manufacturing, Services Sector and Trading in Bangladesh.

He is associated with the following Organizations:

Managing Director  
**Premier Property Development Co. Ltd.**

Additional Managing Director  
**Bentley Sweater Ltd**

Director  
**Premier Group of Companies Ltd.**

Director  
**Premier Hotels & Resorts Ltd.**  
(‘Hilton, Dhaka’, 5 Star American Chain Hotel)

Director  
**Premier Hotel Management Company Ltd.**  
(‘Courtyard Marriot, Dhaka’, 5 Star American Chain Hotel)

Director  
**ATAB Centre Ltd.**

Director  
**Al-Khalij Travels Ltd.**

Director  
**Bukhara Restaurant (Pvt) Ltd.**

Director  
**Nawrin Electronics**

In addition to his success in the trade and business, Mr. Imran is also associated with the following institutions:

Member- Governing Body  
**Premier Foundation**

Member- Governing Body  
**Premier Bank Foundation**

Founder & Member of Board of Trustee

**Royal University of Dhaka**

Member  
**Army Golf Club**



**Mr. B. H. Haroon, MP**  
Director

Mr. B. H. Haroon, MP is an Hon'ble Member of the 10th Parliament of People's Republic of Bangladesh. He is the Chairman of Standing Committee on Ministry of Religious Affairs, Bangladesh Parliament, Chairman of Bangladesh-Saudi Arabia Parliamentary Friendship Group, Joint Secretary, Parliament Member's Club and Member of Library Committee, Bangladesh Parliament. 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 Peoples' Republic of Bangladesh. He is also the founder and patron of different socio-cultural organizations in the country.

He is associated with the following Organization:

Proprietor  
**Al Arab Enterprise International**  
Chairman  
**Rajbithi Travels Ltd.**  
**Al-Humyra Group:**  
Chairman  
**Al-Humyra Health Center Ltd.**  
Chairman  
**Al-Humyra Development Ltd.**  
Chairman  
**Al-Humyra Trade**  
Chairman  
**Al-Humyra Aviation Service**  
Sponsor Director (Former)  
**Purabi General Insurance**

He is also associated with many Institutions like:

Chairman  
**Standing Committee on Ministry of Religious Affairs, Bangladesh Parliament**  
Chairman  
Bangladesh Saudi Arabia Parliamentary Friendship Group  
Joint Secretary  
**Parliament Member's Club**

Member  
**Library Committee, Bangladesh Parliament**  
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**  
Life Member  
**Gulshan Club, Dhaka**  
Member  
**Army Golf Club, Dhaka**  
Advisor & Patron  
**Sheikh Rasel Krira Chakra**





**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 an excellent business background and highly reputed for his relentless endeavors and dynamism. He is a prominent personality in the business arena of this country and is playing significant role in establishing a 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 Fashions 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**  
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  
**Olio Apparels Ltd**  
Managing Director  
**Building Products Ltd**  
Managing Director  
**Sharmin Holdings Ltd**  
Managing Director  
**Sports Media Ltd**  
Managing Director  
**Envoy Towers Ltd.**  
Managing Director  
**Texas Dresses Ltd.**  
Managing Director  
Donier Textile Mills Ltd.  
Chairman  
**Treasure Securities Ltd.**  
Vice Chairman  
**Regional Power Ltd.**  
Director  
**Sheltech Suit (Pvt) Ltd**  
Director  
**Sheltech Cond. (Pvt) Ltd**  
Director  
**Square Hospitals Ltd**



**Mr. Shafiqur Rahman**  
Director

Mr. Shafiqur Rahman, 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 East Pakistan Students Union and he is the President of Altaf Ali College at Laksam. He is an active member of the Executive Committee of the Board of Directors of the The Premier Bank Limited. 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. 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 and possesses an excellent academic record of accomplishment. He is an active and dynamic member of the Board Audit Committee and Risk Management Committee and contributes a lot towards the progress of the Bank. He is associated with a number of business and making progress towards a resourceful business leadership.

He is associated with the following organization:

Managing Director  
**Rajbithi Travels Ltd.**



**Mrs. Shaila Shelly Khan**  
Director

Mrs. Shaila Shelly Khan is one of the Sponsor Directors of the Bank and an active member of Executive Committee of the Board of Directors. She is a Business Graduate. Presently, she is dealing with general trading and wholesale business of different products.



**Mrs. Fauzia Rekza Banu**  
Director

Mrs. Fauzia Rekza Banu has a good academic background and she has been awarded the First Professional Degree of Laws i.e. LLB. She held the position of an Executive Director of Gulf Medical Centre, an approved Medical Check-Up Center of the Executive Board of The Health Minister's Council for G.C.C (Gulf Co-operation Council) States.



**Mr. Arif Alam**  
Director

Mr. Arif Alam is one of the members of Executive Committee of the Board of Directors of the Bank. He is a business graduate having a good academic record of accomplishment. He has business interest in diversified fields such as Manpower and aviation, Financial Sector, Media, Medical and Engineering Sectors in Bangladesh.

Mr. Alam is associated with the following Organizations:

Proprietor

**Purple Aviation Systems**

Managing Director

**Passage Associates**

Managing Director

**Ajmain Ilham Corporation**

Managing Director

**Ilham Engineers & Builders Limited**

Managing Director

**Passage Employment & Training Centre**



**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.

He is associated with the following Organizations:

Chairman

**Alita (BD) Ltd.**

Managing Director

**Ace Bicycle (BD) Ltd.**

Chairman

**Van Green (BD) Ltd.**



**Mrs. Faiza Rahman**  
Independent Director & Chairman  
of Board Audit Committee

Mrs. Faiza Rahman is the Chairman of Board Audit Committee and Independent Director of the Bank. She is a Business Graduate and is dealing with general trading and wholesale business of different products. She has sound knowledge about Economy and Banking Business. She has business interest in various diversified sectors.



**Mr. Kazi Abdul Mazid**  
Independent Director  
(Till 17.01.2015)

Born in Jessore in 1943 Mr. Kazi Abdul Mazid spent his childhood at Kazi Mohallah, Debhata in Satkhira District, Bangladesh where he did his schooling. He studied at Azam Khan Commerce College, Khulna and completed his graduation in Commerce. He joined United Bank Ltd as an Officer in 1964 (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. He was transferred to American Express Bank, New York, USA in recognition of his meritorious services.

In 1983 he joined Bank of Credit & Commerce Ltd. 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. His competent management enabled the Bank to improve its operational performance. The Bank which incurred a loss of about Tk. 200 million in 1991 turned around within 3 years and earned a profit of Tk. 6 million in June '94 at the time of his leaving the Bank.

In 1994, Mr. Mazid joined National Bank Ltd. as its Managing Director, which had just then been criticized by Bangladesh Bank for insider lending and irregularities in loan operations. Mr. Mazid was able to shore-up the sagging morale of the employees and by repositioning business strategy he was able

in just 2 years to increase the Bank's earning power from Tk. 100 million a year to Tk. 600 million a year.

In April 1997, Mr. Mazid joined Prime Bank Ltd as the Managing Director in place of Late 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 Premier Bank Ltd as Advisor. In 2004 he joined the same Bank as the Managing Director & Chief Executive Officer. He is also a Member of the Executive Committee and Chairman, Board Audit Committee of the Board.

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. He was awarded "Best Banker of the Decade" award in 1997 which was handed over to him by Advocate Abdul Hamid, then Deputy Speaker and now the Honorable President of Bangladesh.

Mr. Kazi Abdul Mazid has been the Managing Director of 4 (four) Private Banks in Bangladesh after return from overseas in 1992. Prior to that he worked for American Express Bank for 5 (five) years.

Mr. Mazid can be rightfully named as the father of Credit Cards in Bangladesh. He first introduced American Express Card in Dhaka in 1980 when no one issued Credit Cards in Bangladesh. Foreigners who visited Bangladesh at that time could only charge Credit Cards at Hotel Inter-Continental (now Ruposhi Bangla Hotel) and Hotel Pan Pacific Sonargaon who had to send the charge forms to New York to get reimbursements. Mr. Mazid was the first to introduce Credit Card in local Bank and launched Master Card in National Bank Ltd. in 1996. There after he introduced Credit Card in Prime Bank Ltd. & The Premier Bank Ltd. Mr. Mazid was also the first to issue Visa Card in Bangladesh by The Premier Bank Limited.

In 2002 Mr. Kazi Abdul Mazid was appointed as a Member of Bank Reform Committee by the Ministry of Finance, Government of Bangladesh. The Committee was headed by eminent economist Prof. Dr. Wahiduddin Mahmud. A number of Bank Reform decisions were taken at the recommendation of the Committee.

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

Currently he is the Chairman of the Management Committee of Upazila Health Complex at Debhata, District- Satkhira as the nominee of the Ministry of Health, Government of Bangladesh.

Mr. Kazi Abdul Mazid is now serving Premier Group as Chief Executive Officer. He also sat on the Board of The Premier Bank Limited as an Independent Director till January 17, 2015.

He is married and has 4 (four) daughters and 1 (one) son. Three of his children live in USA.

His associated Organizations are:

Director

**MBF Clothing Ltd.**

Secretary

**Isamoti Somaj Unnayan Uddog**

Proprietor

**Armah Fashions**





**Mr. Khondker Fazle Rashid**  
Managing Director & CEO

An esteemed banker Mr. Khondker Fazle Rashid joined The Premier Bank Limited as the Managing Director on February 01, 2015. With vigorous pursuit and compelling vision for high performance standard, he has been serving in the banking industry for 36 years across five leading Banks of the country. In course of time, he evolved into banker par excellence in all core areas of modern banking. All through his life, he has enriched his career with a good number of prestigious positions at home and abroad. His long career path is studded with country operations and branch management, corporate banking, credit risk review, structured finance, strategic planning business development along with team building and leadership. His banking excellence has added new dimension to productivity, efficiency and quality of the banks he has worked with.

Mr Rashid started his career as a Probationary Officer with Sonali Bank in 1978. The following years saw the continuous rise of his banking genius.

As a top leading executive in Management Hierarchy, he has disseminated his banking excellence in Arab Bangladesh Bank Limited (1982-1999), Southeast Bank Limited (1999-2003), The Premier Bank Limited (2007-2009) and Dhaka Bank Limited (2003-2007 & 2009-2014). Prior to join as the Managing Director of The Premier Bank Limited he had been appointed as an advisor of this Bank on June 2014.

He has accomplished his academic achievement from the Institute of Business Administration (IBA) of Dhaka University as an MBA. He is privileged to take part in many high profile training courses/seminars/symposiums in Bangladesh and overseas regions. He is a regular speaker to electronic and print media on banking and management issues. In addition, he is the former Vice Chairman of Association of Banks, Bangladesh, life member of IBA Alumni Association, DU and a speaker at Bangladesh Institute of Bank Management (BIBM). An admired personality Mr. Rashid has won a number of awards and accolades for his outstanding role for banking development in the country.

## Executive Committee of the Board



**Dr. H. B. M. Iqbal**  
Chairman



**Mr. B. H. Haroon, MP**  
Member



**Mr. Abdus Salam Murshedy**  
Member



**Mr. Shafiqur Rahman**  
Member



**Mrs. Shaila Shelly Khan**  
Member



**Mr. Arif Alam**  
Member

## Board Audit Committee



**Mrs. Faiza Rahman**  
Chairman



**Mr. Mohammad Imran Iqbal**  
Member



**Mr. Shah Md. Nahyan Haroon**  
Member



**Mr. Kazi Abdul Mazid**  
Chairman  
(Till 17.01.2015)

## Risk Management Committee of the Board



**Dr. H. B. M. Iqbal**  
Chairman



**Mr. Mohammad Imran Iqbal**  
Member



**Mr. Abdus Salam Murshedy**  
Member



**Mr. Shah Md. Nahyan Haroon**  
Member

## Shariah Supervisory Committee



**Prof. Moulana Mohammad Salah Uddin - Chairman**

- Khatib  
Baitul Mukarram National Mosque, Dhaka
- Former Principal,  
Madrasha-E Alia, Dhaka
- Former Khatib, Masjid Gausul Azam Mahakhali, Dhaka



**Prof. Dr. M. Shamsher Ali  
Member**

- President  
Education Quality Assurance Foundation (EQAF)
- Immediate Past President,  
Bangladesh Academy of Sciences
- Founder Vice-Chancellor,  
Bangladesh Open University
- Founder Vice-Chancellor,  
Southeast University, Dhaka



**Professor Dr. Anisuzzaman  
Member**

- Chairman  
South Asian Fraternity,  
Bangladesh Chapter
- Former 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, Shari'ah Board,  
Sunlife Insurance Company Ltd.
- Life Member,  
Islamic Foundation Bangladesh
- Life Member,  
Asiatic Society of Bangladesh



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

- Supernumerary Professor  
Department of Islamic Studies  
University of Dhaka
- Former Chairman  
Department of Islamic Studies,  
University of Dhaka
- Former Director,  
Dr. Serajul Hoque Centre for  
Islamic Research
- Life Member, Asiatic Society of  
Bangladesh



**Abu Jafor Muhamamd Ruhul  
Amin Khan - Member**

- Executive Editor  
The Daily Inqilab
- Khatib  
Masjid Gausul Azam  
Mohakhali, Dhaka
- Senior Vice-Chairman  
Bangladesh Jamiatul  
Mudarresin, Dhaka
- Former Member,  
National Zakat Board Bangladesh
- Former Member  
Board of Governors  
Islamic Foundation, Dhaka



**Dr. Mohd. Haroon Rashid  
Member**

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



**Mr. Md. Fariduddin Ahmed  
Member**

- Advisor, EXIM Bank Ltd.
- Former Managing Director &  
CEO, EXIM Bank Ltd.
- Former Managing Director &  
CEO, Islami Bank  
Bangladesh Ltd.

## Ex-officio Members



**Dr. H. B. M. Iqbal  
Chairman**



**Mr. B. H. Haroon, MP  
Director**



**Mr. Abdus Salam Mursheedy  
Director**



**Mr. Shafiqur Rahman  
Director**



**Mr. Khondker Fazle Rashid  
Managing Director**

## Message from the Chairman







**Dr. H. B. M. Iqbal**  
Chairman

# Message from the Chairman

Dear Shareholders,

It gives us immense pleasure to express a deep sense of gratitude to our esteemed Shareholders, for the numerous supports that you have been extending to us over the years. Supports those we receive from you and the continued patronage of our customers that inspires us to grow the Bank and to seek excellence in all facets of business.

The world economy remained stuck in the same rut that it has been in since emerging from the 2008 global financial crisis. Despite seemingly strong government action in Europe and the United States, both economies suffered deep and prolonged downturns. The gap between where they are and where they most likely would have been had the crisis not erupted is huge. In Europe, it increased over the course of the year. Developing countries fared better, but even there the news was grim. The most successful of these economies, having based their growth on exports, continued to expand in the wake of the financial crisis, even as their export markets struggled.

The lowering of global growth forecasts by the World Bank and the International Monetary Fund (IMF) as confirming a loss of global economic momentum. Some of this pessimism also reflects a mistaken interpretation of the reasons behind the recent sharp decline in oil prices and of its likely consequences. There are some arguments that the plunge in oil prices reflects the slowing down of the global economy and the decline in oil prices itself will have a negative impact on global growth by reducing energy investment and causing deflation in some regions. As for key economic areas, while most observers are more upbeat on the United States, many observers seem to expect a major slowdown in China and to view the Eurozone as being on the brink of recession.

However, even the latest IMF forecasts, which have generated so many pessimistic headlines, show the global economy accelerating, not decelerating. The IMF argues that the weakening of global oil demand is due to a loss of momentum concentrated in emerging markets, which have higher energy intensity than advanced economies.

Bangladesh economy's resilience against catastrophes is well known, overcoming from the prevailing disruptive situation is of extreme urgency for protecting the momentum of growth and poverty decline. We hope that peace and tranquility will return soon internationally and locally as well, enabling realization of the growth prospects projected earlier.

The nation is in the process of transition from a predominantly agricultural economy to an industrial and service economy and the private sector is playing an increasingly active role in the economic affairs of the country, while the government concentrates on the physical and social infrastructure when its attention is not diverted by political unrest. Even state-owned enterprises, traditionally an oasis of bureaucratic inefficiency, have been undergoing rapid restructuring.

Some positive impacts have helped Bangladesh economy to maintain six plus (6+) percent annual average real GDP growth for well over a decade amid prolonged global growth slowdown. Growth has averaged 6.2 percent over the last couple of years. Single digit Consumer Price Index (CPI) inflation has stabilized in a steadily downward edging trend. Declining lending interest rates coupled with rising foreign exchange reserves and taka exchange rate stability is enhancing the investor friendliness of the domestic economic scene. Progress in bringing annual average CPI inflation down from 7.35% at the beginning of FY2015 to 6.5% by June 2015 is broadly satisfactory, with 6.99% level by close of the first half of FY2015. The CPI inflation decline is however mainly from the food component of the consumption basket; core (non-food, nonfuel) CPI inflation has been on somewhat upward edging trend in November and December 2014. Rise in Government's nonbank financing and subsidy cost savings from declining petroleum prices have kept government's bank borrowing substantially below earlier projections. Credit growth to private sector though still somewhat below levels projected earlier, has however picked up substantially by the second quarter of FY2015 and remains upward edging.

2014 has been a challenging year for the financial services industry. The year started with uncertainties regarding national elections and investors remain watchful before and after the national election. As a result the disbursement of credit in the banking sector has remained slow. Central bank in the latest monetary policy targeted 16.5% private sector credit growth. However, the actual growth so far is well below the target and hovers around 11%. As a result, the banking sector faces a different challenge with surplus liquidity compared to couple of years ago.

The deposit and lending rates have gone down significantly from the levels seen a couple of years back. The net interest rate spread has been also under pressure. With the increase in non-performing loans and decrease in interest rate spread, the net interest margin has declined too.

If we look at the core business of the banks the objective is to optimize net interest rate margin. The banks have non-interest revenue from fees, capital gains, commissions and others but that too came under pressure with the slowdown of the economy in the last few years.

Honorable Shareholders,

Despite the volatile economy and sluggish business activities, the past year has proven the strategic accuracy of the course we had taken and rewarded us comparatively better results. To summarize its performance in 2014, Premier Bank ended the year with operating profit of BDT 1,817.91 million, deposit of BDT 90,750.06 million, advance of BDT 71,739.24 million and capital of BDT 11,479.27 million. As at the end of the year, Bank's NAV, NOCF and Earning per shares were BDT 15.87, BDT 1.56 and BDT 1.55 respectively. At the level of Subsidiary Companies, Premier Bank Securities Ltd (PBSL) earned interest income of BDT 246.34 million and commission income of BDT 58.86 million from Brokerage operation amidst extreme bearish trend of capital market in 2014. Premier Money Transfer Company Limited, the wholly owned subsidiary of Premier Bank Ltd started operation in UK since July'2011. Total loans and advances from the operation of Offshore Banking amounted to USD22.90 million as on December 31, 2014

and profit growth of OBU is 216 percent. The Bank accords the highest importance towards mobilizing inward foreign remittance from Non-Resident Bangladeshi (NRB) living and working in different parts of the world.

At the end of 2014, credit portfolio of the Bank increased by BDT 17,366.58 million to reach the total of BDT 70,063.72 million against BDT 52,697.13 million in 2013. The growth is recorded 32.96% over the preceding year. During the year, our Corporate CRM, Retail, SME and Corporate Business activities manifested a vibrant expansion and business output. Our Retail Banking products and services are designed to meet the end-to-end need of all types of users and it offers the entire banking experiences under one roof. There was credible growth of both retail deposits and loans, supported by Direct Sales Team, various Campaigns, offering new products. At the end of the year, as a percentage of total loans and advances, SME possessed 24% which was distributed among well diversified sectors. In support of the Government strategies, Premier Bank has disbursed considerable amount in agriculture sector in various arrangements during 2014. Our Bank has received special award in the SME Banking Award- 2014 for the outstanding contribution towards SME Sector in Bangladesh. We take great pride to announce the soft launch of our Priority Lounge last year and it has been a start of Elite Priority Banking journey to serve our elite customers even further.

Our dividend history gives an account of our commitment to our shareholders. In recognition of your support and considering the Bank's earnings per share in 2014, the Board of Directors recommended a dividend of 10% of the paid-up capital for this year. Protecting the value for our shareholders has been a guiding philosophy of the Bank.

National Credit Ratings Ltd. has assigned 'AA' (Double A) rating in the Long Term and 'ST-1' rating in short term to The Premier Bank Limited in consideration of financials up to December 31, 2013 and other relevant as well as qualitative information up to the date of rating declaration on 18.06.2014. Both the ratings in the Long Term and Short Term are one-step ahead compared to the rating in consideration of financials up to December 31, 2012.





The year 2014 has unfolded itself as an opportunity to revive the growth momentum and we will strive hard with renewed vigor to work towards placing the Bank amongst the forerunners in the growth process in 2015. Under the prevailing condition, we made no excuse for our credit quality. As a part of the efforts to improve profitability, our Bank lays renewed emphasis on improving the CASA ratio, Net Interest Margin, reduction of NPLs to a large extent through intensive recovery measures. To some extent, we seriously focused on the recovery of classified loans, avoidance of future classification and compliance with all regulatory requirements. The right lending philosophy is in place, backed by centralized credit administration and risk management that is focused on managing and minimizing risk.

Our Bank, under Corporate Social Responsibility initiatives, has set up Premier Bank Foundation in 2013 and has extended a wide range of social activities in rural and urban areas to serve the community at large. The major CSR initiatives undertaken by the Bank during the year 2014 are as under education, science, arts, sports, social welfare, religious programs, medical, disaster management, sports and government social initiatives. In 2014, Bank contributed total of Tk.130.20 million through CSR.

The bank resolves to achieve continuous and meaningful growth by making effective use of its human resources and leveraging its 92 branches' network and technology amidst the competitive and challenging environment in the industry in order to expand our market share and to improve values and returns to all our stakeholders. We will continue to touch more hearts and spread more smiles as we move forward.

The Philosophy of The Premier Bank Limited is to continue to remain dynamic to the ever changing needs of the customers. The Bank believes that proper Corporate Governance facilitates effective management and control of business. This, in turn, enables the Bank to maintain a level of business ethics and to optimize the value for all its stakeholders. The principles of Corporate Governance require the commitment of the Bank to attain high standard of transparency, accountability, responsibility and financial stability with the ultimate objective of building up values to the stakeholders. It is a great pleasure that the Institute of Chartered Accountants of Bangladesh (ICAB) awarded our Bank

'Certificate of Merit' for Best Presented Annual Reports- 2013 in the private Sector Banks including Cooperative Banks.

The Bank has complied with the guidelines of BB, BSEC, RJSC&F, DSE and CSE etc. Bank gives high priority to good governance, which reflects on transparent ownership structure, management and accounting practice. The Board recognizes its role in promoting good governance and in creating a framework of best practices, processes and ethics to observe and promote high ethical standards. The Bank is also committed to follow high disclosure standards and transparency in financial reporting so as to keep investors and stakeholders adequately well-informed and updated at frequent intervals. Disclosures in compliance with the codes are set out in the Annual Report.

Respected Shareholders,

Our Bank has successfully met the challenges by the economic downturn and I am sure that in the days to follow, the Bank will continue to perform and match your expectations. The Bank has entered the glorious 16th year of its existence, having grown from strength to strength and setting higher performance benchmarks for itself along the way. The sound foundation on which the institution has been built, the inherent strength that it possesses and the stature that it has acquired over the years will stand it in good stead in times to come. The relentless efforts of staff members at all levels help in achieving excellence and business growth, hurl the Bank into the top league and emerge stronger than before. I look forward to your continued support and patronage and assure you of our unstinted efforts. Together let us commit ourselves to achieve higher performance and taking the Bank into the next orbit.

I would like to express my earnest gratitude to the Government of Bangladesh, Bangladesh Bank, BSEC, RJSC&F, DSE and CSE for the valuable guidance and support received from them. I also thank all financial Institutions and correspondent Banks for their co-operation and support; appreciate all staff members of Premier family for their dedicated services and contribution for the overall performance of the Bank.

Dr. H. B. M. Iqbal  
Chairman





## Review of the Managing Director

Dear Shareholders,

It gives me great pleasure to place on record my heartfelt appreciation for the support and trust you have extended to the Bank. It is my endeavor to share with you our Bank's performance for the year ended December 31, 2014 through this annual report and also the developments in the economy to help understanding our progress in a bigger context.

There is an uneasy feeling across the world that the global economy is stuck in neutral and may be even sliding into reverse. Growth across the world is flat despite massive bailouts, deep interest rate cuts, extreme monetary stimulus and painful austerity measures. We are into the sixth year of a recession precipitated by the sub-prime mess and by historical standards; the economy should be firing on all cylinders. While there are marginal improvements here and there, it is a step forward and a couple of steps backward. An American recovery and the anticipated export boom were supposed to be the charm. However, sustained growth has remained elusive. Further, the plunge in oil prices is another ill wind that buffets the economy. The malaise is also spilling over to the once fast-growing BRICS (Brazil, Russia, India, China and South Africa) nations, further magnifying economic woes.

2014 did not prove to be the year global economy found its way back to the path of recovery. Terrorist activity in the Middle East, tensions with Russia over its annexation of Crimea, falling oil prices, combined with

recession and high unemployment rates in several of the Eurozone countries all sent shock waves through the financial markets. The economic drama looks set to continue in 2015 as European leaders try to pull the Eurozone back from the brink. America is expected to storm on ahead and most of the oil-producing nations will be keeping an eye on the oil price.

Despite the volatile global economy, political unrest and frequent natural disasters, Bangladesh achieved laudable progress in social and economic development in recent years. Bangladesh has also made good progress in achieving most of the Millennium Development Goals (MDGs). Although Bangladesh's economic growth has been hovering around 6% for the last years, the IMF had estimated earlier that FY2015 would see a growth rate of about 6.4% and it is well below the Bangladeshi Government's target; the FY2015 budget has set a very ambitious 7.3 per cent growth target. The inherent strength of the economy lies in its macroeconomic balance. The economy continues to have sound macroeconomic fundamentals needed for a take-off into higher growth trajectory.

Inflation is moderating, but much slower than one would like. Food inflation, which is more responsive to international price movements, remains high though non-food inflation has declined significantly in response to monetary tightening directed towards achieving an annual inflation rate of 6.5% for FY2015.

The improved performance in FY2014 of foreign exchange reserve developments, standing at USD 22 billion as of end 2014, may be attributed to the positive impact of 6-month monetary policy statement, improved remittance inflows, increase in export as well as a decline in imports.

Banking sector is an important component of the financial system that mobilizes resources for productive investments in a country in turn contributes to economic development. Over the years, the banking sector in our country has flourished in term of the number of banks and their branches, amount of asset and contributions to the economy.

After several reforms in the banking sector since the eighties, the banking sector had begun exhibit some signs of improvement in a few areas. As the country desires to step into a higher growth momentum through exploring its potentials, the demand on the banking sector will continue to be higher in the coming days. This reiterates the need for improve efficiency of the sector. On deepening the country's financial sector's integration with the global financial markets, realizing Bangladesh's growth and development aspirations will require mobilization of massive investments from global markets, for which Bangladesh's financial sector will need to open up and integrate further with the global finance system.

According to the Bangladesh Bank, the risk-weighted capital adequacy ratio, which is one of the major indicators of the banks' health, stood at 11.35% at the end of December when the amount of reserve capital in banking sector rose to Tk.717.54 billion. The credit growth also marked 13.99% rise in 2014 when banks disbursed Tk.5287.55 billion compared to Tk.4638.71 billion only to the individual borrowers, indicating dynamism of economy.

Honorable Shareholders,

At The Premier Bank Ltd., we are committed to our vision of establishing 'to be the best amongst the top financial institutions' as reflected in our continued focus on business excellence and quality over the last 15 years since our inception.

Despite a challenging macroeconomic environment in 2014, we continued to deliver consistent results through execution as a part of our focus on quality and business excellence. This enabled us to achieve highly satisfactory results and significant value for our stakeholders.

The Bank continued to deliver on all key parameters across all four quarters. In short, it was a rewarding journey in 2014.

The Bank registered a net profit of BDT 872.36 million during the year under consideration. Deposit of the Bank rose to BDT 90,750.06 million indicating a growth rate of 23.44%, Loans and Advances grew by 32.96% during the year 2014. The Bank maintained strong Advance-Deposit ratio 77.21%. At the end of 2014 Capital Adequacy ratio was 13.31%, Earning per Share was BDT 1.55 and NAV stood at BDT 15.87. The day to day banking operations were handled by the top ranking professionals with sound banking expertise.

To make the banking experience more customer-centric, we augmented our SME, Retail, Priority, Corporate and branch banking offerings with comprehensive range of products and services. With a series of new initiatives on the products/services front, the Bank is also getting future ready. By incorporating innovative ideas into our products and services, we are ensuring that Premier Bank is among the best in terms of speed, efficiency and customer delight. For outstanding contribution towards SMEs in Bangladesh, our Bank has received special award in the SME Banking Award, 2014.

The Bank has exhibited quality financing while facilitating total import and export business transacted during 2014 for BDT 39,777.06 million and BDT 31,962.19 million respectively. We have 17 Authorized Dealer Branches equipped with highly trained and well-experienced professionals to handle the import and export business. The number of foreign correspondents is 492 Banks spread across 71 countries and number of Nostro accounts with foreign correspondent banks stood 21 in 10 major international currencies. Total loans and advances from the operation of Offshore Banking Unit amounted to USD22.90 million as on December 31, 2014. The profit of OBU stood at USD693,248.00 in 2014 against USD219,819.00 in 2013 showing a remarkable growth of 216%. During the year 2014, the Bank witnessed 45% growth in remittance volume along with in 54% growth in transactions.

To strengthen our brand identity, we are also associating with contemporary events around the country. We became official sponsor of some auspicious events like- 'Bangladesh Championship League - 2014' organized by

Bangladesh Football Federation, Beach Football tournament- 2014 at Cox's Bazar organized by Impress Telefilm Ltd. (Channel-I), Korean Cup Golf Tournament organized by Korean Community in Bangladesh and so on.

To some extent, we have fully operationalized Machine Readable Passport (MRP) & Machine Readable Visa (MRV) Fees Collection process and we are collecting fees through our branches of all 66 Regional Passport Offices. We have taken initiatives to include 12 branches to collect utility bills of DESCO, REB and BPDB and 3 bill collection booths of Dhaka WASA.

The Bank's continuous endeavor has been to use technology to further improve the customer's experience while transacting with the Bank. The Premier bank has been providing modern banking facilities to its customers since last 15 years.

In 2014, we have introduced Online Protection for Exchange (OPE), FDR Automation, Enterprise Content Management (ECM), Core Firewall, Human Resource Management System (HRMS), Internet Banking and Webmail, which are major deliveries and contributions of IT Division for the betterment of the organization. In addition, we are on the verge of launching our new corporate website, Internet & SMS Banking, E-Statement and Contact Centre and many more.

Our Bank is also proud to have a set of competent and dedicated team of total 1399 employees. The Bank has put in place a stable human resources policy that would ensure availability of personnel well-equipped with the required skill sets and exposure, to overcome the current challenges. The Bank's on-going efforts to train and nurture the young work force entering the banking arena in order to increase productivity are yielding good results and the Bank plans to accelerate these efforts for enhancing productivity further. Bank also ensured career progression by considering promotions in each grade as per the work force and recruitment plan for the year.

The Bank periodically undertakes stress testing in various risk areas to assess the impact of stressed scenario or plausible events on asset quality, liquidity, interest rate, derivatives and for-ex on its profitability and capital adequacy. National Credit Ratings Ltd. (NCR) has assigned 'AA (Double A)' rating in the Long Term and 'ST-1' rating in the Short Term to The Premier Bank Limited in consideration of financials up to December 31, 2013 and other relevant

quantitative as well as qualitative information up to date of rating declaration on June 18, 2014. The Institute of Chartered Accountants of Bangladesh (ICAB) awarded our Bank 'Certificate of Merit' for Best Presented Annual Reports- 2013 in the private Sector Banks including Cooperative Banks.

Respected Shareholders,

As a committed practitioner of Green Banking and substantially, the Bank continues to adopt supportive practices. As part of its green financing, the bank has extended a total of Tk.5015.00 million as of end the year 2014 to 15 industries having ETP (Effluent Treatment Plant). Bank has fairly understood its responsibility towards the society and environment and accordingly had been working towards Corporate Social Responsibility and contributed total of Tk.130.20 million through CSR in 2014.

The large network of branches, efficient customer Service and dedicated human resources are great source of strength to the Bank that would enable the bank to reach new heights in opening up new opportunities besides strengthening the existing relationships. The bank resolves to achieve versatile growth by making effective use of the strength and strategies amidst the competitive and challenging environment in the industry in order to expand our market share and to improve values and returns to our customers, shareholders and employees.

I place on record my sincere appreciation of the contribution of all our employees and also thank all stakeholders, especially our Board of Directors, Bangladesh Bank, BSEC, RJSC&F, DSE and CSE etc. for their valuable support and guidance. I look forward to being in touch with you and sharing my perceptions in future at the coming AGM.

The valuable support of our shareholders and the confidence they repose on the bank will motivate us to work with renewed vigor to improve business performance year after year.

With warm regards,



**Khondker Fazle Rashid**  
Managing Director & CEO



## Report on the Activities of the Board Audit Committee-2014

### Composition of the Board Audit Committee (BAC):

In compliance with BRPD Circular No. 11, dated 27 October, 2013 of Bangladesh Bank and Corporate Governance Guidelines of Bangladesh Securities & Exchange Commission (BSEC Notification dated 07 August, 2012), the Board Audit Committee has been duly appointed by the Board of Directors. The Board of Directors in its 120th Meeting held on June 11, 2014 re-constituted the Board Audit Committee. The Board Audit Committee consists as follows:

| Sl. No. | Names                     | Status with the Committee  | Status with the Board |
|---------|---------------------------|----------------------------|-----------------------|
| 1.      | Mrs. Faiza Rahman         | Chairman                   | Independent Director  |
| 2.      | Mr. Md. Imran Iqbal       | Member                     | Director              |
| 3.      | Mr. Shah Md Nahyan Haroon | Member                     | Director              |
| 4.      | Mr. Kazi Abdul Mazid      | Chairman (Till 17.01.2015) | Independent Director  |

The Company Secretary acts as the Secretary to the Board Audit Committee. Senior Management and Executives of the Bank attend the Meeting on invitation as and when required.

### Major objectives pursued by the Board Audit Committee:

The major objectives of the Audit Committee are the following:

1. To assist the board of directors 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.
2. To review the financial reporting process, the system of internal control and approach to manage risks, the audit process, findings of central bank audit & inspection reports & their recommendations and the process for monitoring compliance with laws and regulations and its own code of business conduct.

### Meetings:

The Audit Committee of the Board of Directors conducted 20 (twenty) Meetings during the year ended 31 December 2014. Minutes of the Audit Committee Meetings have been reported to the Board of Directors. The Minutes have also been sent to Bangladesh Bank to comply the DOS Circular letter no. 07 dated 24 April, 2011.

### Summary of Activities-2014:

During the year 2014, the Audit Committee carried out the following broad activities:

#### Review Internal Control Systems:

The Board Audit Committee:

- Evaluated the Management Information System (MIS) to ensure appropriate computerization system and its uses.
- The Committee reviewed existing Risk Management procedures to ensure an effective internal control system.
- The Committee reviewed corrective measures taken by the management as regards to the reports relating to fraud, forgery, deficiency in internal control or other similar issues detected by internal and external auditors and inspectors of the regulators and inform the Board on a regular basis.
- The Committee evaluated internal control and compliance culture with regard to risk management.



**Review Internal Audit:** The Board Audit Committee reviewed:

- The Committee reviewed and approved “Annual Audit Plan 2014” and emphasized to conduct risk based Audit.
- The efficiency and effectiveness of internal audit functions.
- The findings and recommendations made by the Internal Auditor for removing the irregularities.
- Management response and remedial actions against various deficiencies.
- Whether the internal audit functions have been conducted independently from the Management.

**Review External Audit:**

- The Audit Committee considered and recommended to the Board of Director on the appointment of external auditors, M/s. Syful Shamsul Alam & Co. and M/s. K. M. Hasan & Co. Chartered Accounts to jointly conduct audit of the Bank for the year 2014.
- Discussed the Bangladesh Bank inspection reports on the Branches and Head Office and advised the Management to rectify all lapses and to comply with Bangladesh Bank’s instructions and circulars meticulously.
- Reviewed Draft Financial Statement and after discussing with the External Auditors recommended it to the Board for their considerations.

**Compliance of rules and regulations:**

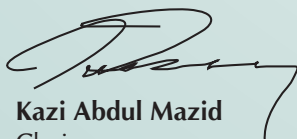
Reviewed the laws & regulations framed by the regulatory authorities (Central bank, BSEC & other bodies) and internal regulations approved by the board.

**Others:**

- To submit compliance report to the board on quarterly basis on regularization of the omission, fraud & forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities.
- To review and recommend various policy of the Bank as requested by the Executive Committee/Board of Directors.
- To attend and answer the questions related to the accounts and audit at the AGM.

**Acknowledgement:**

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.



**Kazi Abdul Mazid**

Chairman

Board Audit Committee



## Performance Highlights and Indicators for 5 Years

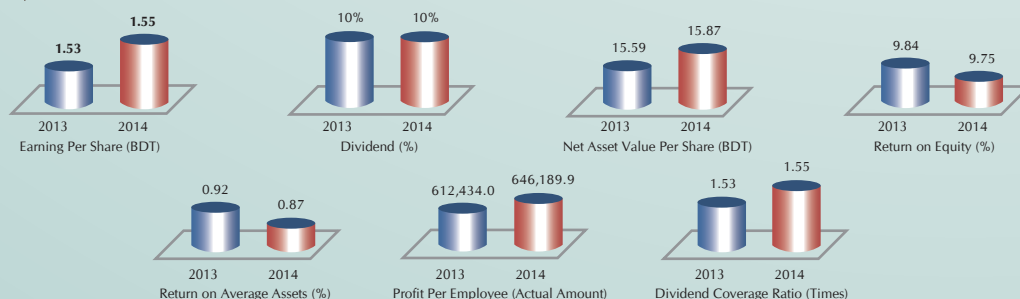
## Performance Highlights for Five Years 2010-2014

(Figure in Million Taka where applicable)

| Particulars                        | 2014      | 2013     | 2012     | 2011     | 2010     |
|------------------------------------|-----------|----------|----------|----------|----------|
| <b>INCOME STATEMENT</b>            |           |          |          |          |          |
| Interest Income                    | 9214.59   | 8294.81  | 8347.40  | 7417.02  | 4979.10  |
| Interest Expense                   | 7283.47   | 6715.82  | 6603.58  | 5679.27  | 3474.33  |
| Net Interest Income                | 1931.11   | 1578.99  | 1743.81  | 1737.75  | 1504.77  |
| Non Interest Income                | 3233.64   | 2855.89  | 2152.64  | 2586.66  | 3271.69  |
| Non Interest Expense               | 3346.84   | 2911.59  | 3072.97  | 3507.11  | 1916.47  |
| Profit before Tax and Provision    | 1817.91   | 1523.29  | 823.48   | 817.30   | 2859.98  |
| Profit after Tax                   | 872.35    | 785.75   | 603.41   | 510.90   | 1772.02  |
| <b>BALANCE SHEET</b>               |           |          |          |          |          |
| Authorized Capital                 | 6000.00   | 6000.00  | 6000.00  | 6000.00  | 6000.00  |
| Paid-up Capital                    | 5637.03   | 5124.58  | 4658.71  | 3818.61  | 2914.97  |
| Shareholder's Equity               | 8943.37   | 7986.73  | 7148.35  | 6673.41  | 6277.11  |
| Deposits                           | 90750.05  | 73516.44 | 67058.19 | 60692.97 | 54691.47 |
| Loans and Advances                 | 70063.72  | 52697.14 | 52210.16 | 49774.91 | 46400.57 |
| Investments                        | 20739.09  | 20033.11 | 12614.02 | 11968.61 | 10195.00 |
| Fixed Assets                       | 1659.53   | 1599.67  | 1423.41  | 1220.87  | 652.52   |
| Total Assets                       | 111576.40 | 88959.31 | 81733.71 | 74951.11 | 68240.35 |
| <b>CAPITAL STRENGTH</b>            |           |          |          |          |          |
| Core Capital (Tier-I)              | 8757.39   | 7885.80  | 7090.08  | 6487.35  | 5976.44  |
| Supplementary Capital (Tier-II)    | 2721.87   | 679.65   | 572.42   | 803.83   | 886.73   |
| Tier-I Capital Ratio               | 10.15%    | 10.55%   | 10.22%   | 9.39%    | 8.72%    |
| Tier-II Capital Ratio              | 3.16%     | 0.91%    | 0.82%    | 1.16%    | 1.29%    |
| Total Capital                      | 11479.26  | 8565.44  | 7662.51  | 7291.19  | 6863.17  |
| Capital Adequacy Ratio             | 13.31%    | 11.46%   | 11.04%   | 10.55%   | 10.01%   |
| <b>CREDIT QUALITY</b>              |           |          |          |          |          |
| Volume of Non Performing Loans     | 6305.09   | 3021.34  | 2812.95  | 2132.34  | 2160.98  |
| % of NPL to Total Loans            | 9.00%     | 5.73%    | 5.39%    | 4.28%    | 4.66%    |
| <b>SHARE INFORMATION</b>           |           |          |          |          |          |
| Earning Per Share (EPS) (Taka)     | 1.55      | 1.53     | 1.30     | 1.34     | 6.08     |
| Net Asset Value (NAV) (Taka)       | 15.87     | 15.59    | 15.34    | 17.48    | 20.50    |
| Price Earning Ratio (Times)        | 6.33      | 7.12     | 12.23    | 22.98    | 10.59    |
| DIVIDEND                           | 10%*      | 10%      | 22%      | 31%      | 30%      |
| <b>OPERATING PERFORMANCE RATIO</b> |           |          |          |          |          |
| Credit to Deposit Ratio            | 77.21%    | 70.76%   | 77.78%   | 82.01%   | 84.84%   |
| Return on Equity (ROE)             | 9.75%     | 9.84%    | 8.44%    | 7.66%    | 28.23%   |
| Return on Assets (ROA)             | 0.87%     | 0.87%    | 0.74%    | 0.68%    | 2.60%    |
| Cost of Fund                       | 8.20%     | 9.31%    | 10.04%   | 9.40%    | 7.61%    |
| <b>OTHER INFORMATION</b>           |           |          |          |          |          |
| Number of Branches                 | 92        | 86       | 79       | 64       | 52       |
| Number of Employees                | 1350      | 1283     | 1259     | 1117     | 965      |
| Number of Foreign Correspondents   | 492       | 476      | 473      | 473      | 454      |

\* Proposed.

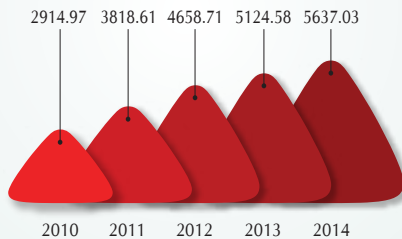
## Graphical View



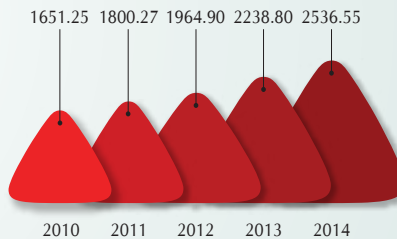
# Performance Indicators for Five Years 2010-2014

(Figure in million Taka where applicable)

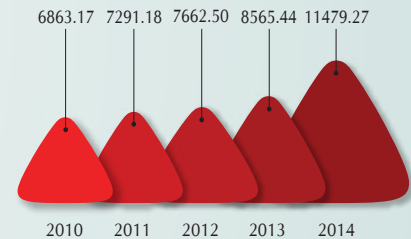
**Paid up Capital**



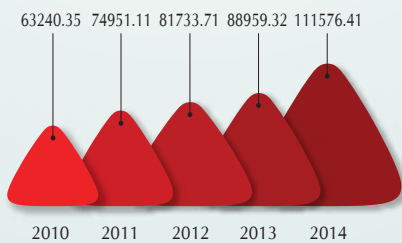
**Reserve Fund**



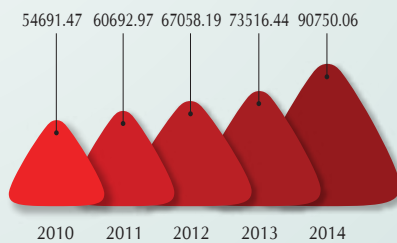
**Total Capital**



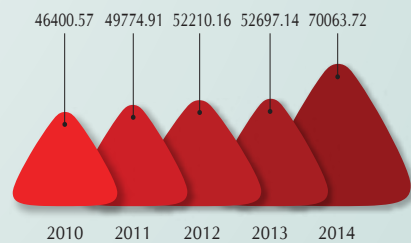
**Total Assets**



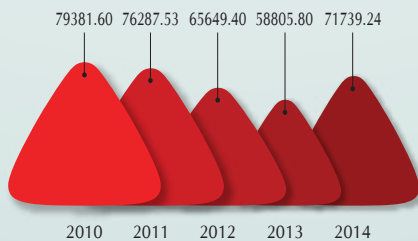
**Total Deposits**



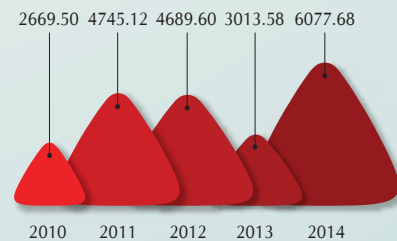
**Loans & Advances**



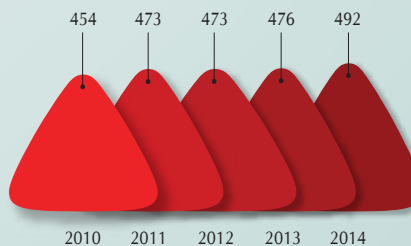
**Foreign Trade**



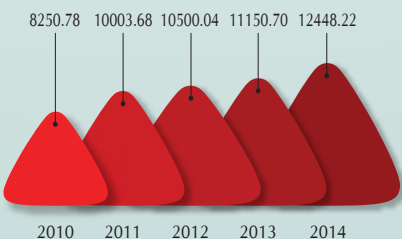
**Foreign Remittance**



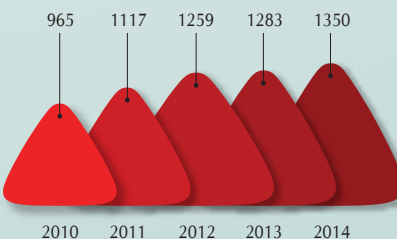
**Foreign Correspondents**



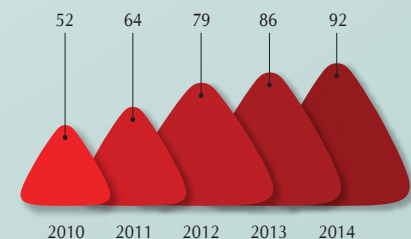
**Income**



**Employee**



**Branch**





## Financial Highlights - The Premier Bank Limited &amp; Consolidated

(Figure in Million Taka where applicable)

| Particulars  | Shareholder's information |            |              |              |            |              |
|--|---------------------------|------------|--------------|--------------|------------|--------------|
|  | The Premier Bank Ltd      |            |              | Consolidated |            |              |
|  | 2014                      | 2013       | % of Changes | 2014         | 2013       | % of Changes |
| <b>Performance during the year</b>                               |                           |            |              |              |            |              |
| Interest/Profit income   | 9,150.80                  | 8,253.72   | 10.87        | 9,214.59     | 8,294.81   | 11.09        |
| Net interest income  | 1,867.33                  | 1,537.90   | 21.42        | 1,931.11     | 1,578.99   | 22.30        |
| Total Operating Income   | 5,015.73                  | 4,312.42   | 16.31        | 5,164.75     | 4,434.88   | 16.46        |
| Operating expense  | 3,216.97                  | 2,787.63   | 15.40        | 3,346.83     | 2,911.59   | 14.95        |
| Earning before interest, Depreciation and Tax                    | 9,231.43                  | 8,374.30   | 10.24        | 9,251.59     | 8,374.11   | 10.48        |
| Operating profit   | 1,798.75                  | 1,524.78   | 17.97        | 1,817.91     | 1,523.29   | 19.34        |
| Total provision  | 310.00                    | 213.32     | 45.32        | 310.00       | 213.32     | 45.32        |
| Profit before taxation   | 1,488.75                  | 1,311.46   | 13.52        | 1,507.91     | 1,309.96   | 15.11        |
| Taxation   | 625.00                    | 515.10     | 21.34        | 635.55       | 524.21     | 21.24        |
| Profit after taxation  | 863.75                    | 796.36     | 8.46         | 872.35       | 785.75     | 11.02        |
| <b>Position at the year end</b>                                  |                           |            |              |              |            |              |
| Investments  | 19,908.99                 | 19,203.10  | 3.68         | 20,739.09    | 20,033.10  | 3.52         |
| Loans, advances, and lease/ investments                          | 69,818.14                 | 52,800.45  | 32.23        | 70,063.72    | 52,697.13  | 32.96        |
| Fixed assets including premises, furniture and fixtures          | 1,654.27                  | 1,593.75   | 3.80         | 1,659.53     | 1,599.66   | 3.74         |
| Total Assets   | 110,984.04                | 88,738.50  | 25.07        | 111,576.40   | 88,959.32  | 24.09        |
| Deposits and other accounts                                      | 90,503.76                 | 73,348.72  | 23.39        | 90,750.05    | 73,516.44  | 23.44        |
| Total Shareholders' Equity                                       | 8,958.17                  | 8,009.96   | 11.84        | 8,943.37     | 7,986.73   | 11.98        |
| Paid up capital  | 5,637.03                  | 5,124.57   | 10.00        | 5,637.03     | 5,124.57   | 10.00        |
| Earning assets   | 90,817.14                 | 73,713.56  | 23.20        | 91,892.82    | 74,440.24  | 23.45        |
| <b>Statutory ratios (%)</b>                                      |                           |            |              |              |            |              |
| Cash reserve ratio   | 7.24%                     | 6.09%      | 18.88        | 7.24%        | 6.09%      | 18.88        |
| Statutory liquidity ratio  | 20.33%                    | 16.35%     | 24.34        | 20.33%       | 16.35%     | 24.34        |
| Capital adequacy ratio   | 13.35%                    | 11.30%     | 18.14        | 13.32%       | 11.46%     | 16.23        |
| <b>Share information</b>   |                           |            |              |              |            |              |
| Earning per share  | 1.53                      | 1.55       | (1.29)       | 1.55         | 1.53       | 1.31         |
| Dividend (%)   | 10%*                      | 10%        | 0            | 10%*         | 10%        | 0            |
| Net asset value per share  | 15.89                     | 15.63      | 1.67         | 15.87        | 15.59      | 1.80         |
| <b>Ratios(%)</b>   |                           |            |              |              |            |              |
| Non performing loan (NPL)  | 6,305.09                  | 3,021.33   | 108.69       | 6,305.09     | 3,021.34   | 108.69       |
| NPL to total loans & advances (%)                                | 9.03                      | 5.72       | 57.82        | 9.00         | 5.73       | 56.96        |
| Return on average shareholders' fund (%)                         | 10.18                     | 10.50      | (3.02)       | 10.31        | 10.38      | (0.75)       |
| Return on equity (%)   | 9.64                      | 9.94       | 71.49        | 9.75         | 9.84       | 92.02        |
| Return on average assets (%)                                     | 0.86                      | 1.77       | (51.26)      | 0.87         | 0.92       | (5.42)       |
| Return on capital employed                                       | 8.60                      | 9.77       | -            | 8.60         | 9.75       | -            |
| <b>Profitability / Dividends/Performance and liquidity ratio</b> |                           |            |              |              |            |              |
| Net interest margin ratio (%)                                    | 2.06                      | 2.09       | (6.39)       | 2.00         | 2.12       | (5.85)       |
| Operating profit as a % of working fund                          | 1.62                      | 1.72       | (5.68)       | 1.63         | 1.69       | (3.83)       |
| Net interest income as a % of Working fund                       | 1.68                      | 1.73       | (2.92)       | 1.73         | 1.76       | (1.45)       |
| Price earning ratio  | 6.41 Times                | 7.03 Times | -            | 6.33 times   | 7.12 Times | -            |
| Debt equity ratio  | 10.79                     | 9.53       | 13.16        | 10.83        | 9.58       | 13.06        |
| Cost to income ratio   | 64.14                     | 64.64      | (0.78)       | 64.80        | 65.65      | (1.30)       |
| Profit per employee (Actual amount)                              | 639,819.67                | 620,703.00 | 3.08         | 646,189.90   | 612,434.0  | 5.51         |
| Dividend coverage ratio (Times)                                  | 1.53*                     | 1.55       | (1.40)       | 1.55*        | 1.53       | 0.93         |
| Efficiency (ratio %)   | 64.14                     | 64.64      | (0.78)       | 64.80        | 65.65      | (1.30)       |

\* Proposed.

# Certificate on Compliance with Conditions of Corporate Governance Guidelines to the Shareholders of The Premier Bank Limited

(Issued under Condition No. 7 (i) of Corporate Governance Guidelines of “BSEC” vide notification no.  
SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012)

We have examined the compliance with conditions of the corporate governance guidelines by The Premier Bank Limited (the “Bank”) for the year ended 31 December 2014. These conditions of corporate governance were issued by the Bangladesh Securities and Exchange Commission (BSEC) vide its notification no. SEC/ CMRRCD/ 2006-158/ 134/ Admin/ 44 dated 07 August 2012 and SEC/ CMRRCD/ 2006-158/ 147/ Admin/ 48 dated 21 July 2013.

Those charged with governance and the management of the Bank is responsible for complying with the conditions of corporate governance guidelines were issued by the Bangladesh Securities and Exchange Commission (BSEC). Those charged with the governance of the Bank are also responsible for stating in the Director's report whether the Bank has complied with the conditions of corporate governance guidelines.

Our responsibility is to provide a certificate about whether the Bank is in compliance with the said conditions of corporate governance based on our examination. Our examination for the purpose of issuing this certificate was limited to the procedures including implementation thereof as adopted by the Bank for ensuring the compliance of the conditions of corporate governance and correct reporting of the status of the compliance on the attached statement on the basis of evidence gathered and representation received. It is neither an audit nor an expression of opinion on the financial statement of the Bank.

To the best of our information and according to the explanations provided to us by the Bank, we certify that, except as reported on the attached status of compliance Statement, The Premier Bank Limited has complied for the year ended 31 December 2014 with the conditions of corporate governance stipulated in the above mentioned BSEC notification dated 07 August 2012.



**Arun Kumer Kundu, ACA**  
Managing Partner  
ARUN & ANJAN  
Chartered Accountants

Place: Dhaka  
Date: April 30, 2015

## 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 shareholders 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 BSEC, DSE, CSE 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.

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

### 1. 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.

### 2. 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 distributions are made among the CEO and his subordinate executives as much as possible. No directors, however, interfere, directly or indirectly, into the process of loan approval.
- ii. The board frame policies for risk management and get them complied with and monitor at quarterly rests the compliance thereof.

### 3. Internal control management:

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 shall focus 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.

## 6. Formation of supporting committees:

There is no committee or sub-committee of the board other than the Executive Committee, the Audit Committee and Risk Management 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 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.
- b. The Chairman steers the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibility.

### Position of Executive Committee (EC)

An Executive Committee consisting of 6 members 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 had been included in the Audit Committee in compliance with corporate governance rules of BSEC.

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 2014, the Board Audit Committee conducted 20 meetings.

**A report by the Board Audit Committee setting out the manner of Corporate Governance Compliance by the Bank during the year 2014 is included in the Annual Report on page 41.**

#### Shariah Supervisory Committee

There are 13 members in Shariah Supervisory Committee out of which 8 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 look after the activities of Islamic Banking Operation of the Bank and provides proper guidance in various banking issues.

#### Risk Management Committee

As per stipulation of section 15(kha) of the Banking Companies Act, 1991, bank has constituted a Risk Management Committee comprising of 4 (four) members of the Board of Directors. The committee is headed by Chairman of the Board of Directors. The Committee plays effective role in minimizing probable and emerging risks in implementing the policies and strategies formulated by bank's Board of Directors and perform the responsibility of the Board of Directors in this regard.

#### 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, ICT Steering Committee, Credit Committee, Asset Liability Management Committee (ALCO) and Integrity Committee 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 BSEC.
6. A Statement of Directors' Responsibility on page 135 of this Annual Report provided details on compliance measures.

**The Bangladesh 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 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. |  | Title  | Compliance Status<br>(Put ✓ in the appropriate column) |              | Explanation for non-compliance with the condition |
|---------------|--|--|--|--------------|---|
|               |  |  | Complied   | Not Complied |   |
| 1.0           | 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  |  |  |              |   |
|               | (i)  | At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.   | ✓  |              |   |
|               | (ii) a)  | Independent director do not hold any share or hold less than one percent (1 %) shares.   | ✓  |              |   |
|               | (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 of the total paid-up shares of the company on the basis of family relationship. | ✓  |              |   |
|               | (ii) c)  | Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies.   | ✓  |              |   |
|               | (ii) d)  | Who is not a member, director or officer of any stock exchange.  | ✓  |              |   |
|               | (ii) e)  | Who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market.  | ✓  |              |   |
|               | (ii) f)  | Who is not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm.   | ✓  |              |   |
|               | (ii) g)  | Who shall not be an independent director in more than 3 (three) listed companies.  | ✓  |              |   |
|               | (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).  | ✓  |              |   |
|               | (ii) i)  | Who has not been convicted for a criminal offence involving moral turpitude.   | ✓  |              |   |
|               | (iii)  | The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).   | ✓  |              |   |



|  |        |  |   |  |   |
|--|--------|--|---|--|---|
|  | (iv)   | The post of independent director(s) can not remain vacant for more than 90 (ninety) days.  | √ |  |   |
|  | (v)    | The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.  | √ |  |   |
|  | (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.   | √ |  |   |
| <b>1.3 Qualification of Independent Director (ID)</b>        |        |  |   |  |   |
|  | (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. | √ |  |   |
|  | (ii)   | The independent director must have at least 12 (twelve) years of corporate management / professional experiences.  | √ |  |   |
|  | (iii)  | In special cases the above qualifications may be relaxed subject to prior approval of the Commission.  |   |  | No such event occurred                  |
| <b>1.4 Chairman of the Board and Chief Executive Officer</b> |        |  |   |  |   |
|  |        | The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals.  | √ |  |   |
| <b>1.5 The Directors' Report to Shareholders</b>             |        |  |   |  |   |
|  | (i)    | Industry outlook and possible future developments in the industry.   | √ |  |   |
|  | (ii)   | Segment-wise or product-wise performance.  | √ |  |   |
|  | (iii)  | Risks and concerns.  | √ |  |   |
|  | (iv)   | A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.   | √ |  |   |
|  | (v)    | Discussion on continuity of any Extra-Ordinary gain or loss.   | √ |  |   |
|  | (vi)   | Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.  | √ |  |   |
|  | (vii)  | Utilization of proceeds from public issues, rights issues and/or through any others instruments.   |   |  | Not applicable for the reporting period |
|  | (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.                           |   |  | Not applicable for the reporting period |
|  | (ix)   | If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.                           |   |  | No such variance occurred               |
|  | (x)    | Remuneration to directors including independent directors.   | √ |  |   |
|  | (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.                           | √ |  |   |

|           |  |   |  |  |
|-----------|--|---|--|--|
| (xii)     | Proper books of account of the issuer company have been maintained.  | √ |  |  |
| (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.  | √ |  |  |
| (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 therefrom has been adequately disclosed. | √ |  |  |
| (xv)      | The system of internal control is sound in design and has been effectively implemented and monitored.  | √ |  |  |
| (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.  | √ |  |  |
| (xvii)    | Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.  | √ |  |  |
| (xviii)   | Key operating and financial data of at least preceding 5 (five) years shall be summarized.   | √ |  |  |
| (xix)     | If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.  |   |  | 10% Stock Dividend declared (Proposed) |
| (xx)      | The number of Board meetings held during the year and attendance by each director shall be disclosed.  | √ |  |  |
| (xxi)     | <b>The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:</b>   |   |  |  |
| (xxi) a)  | Parent/Subsidiary/Associated Companies and other related parties (name wise details);  | √ |  |  |
| (xxi) b)  | Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details).   | √ |  |  |
| (xxi) c)  | Executives (top five salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit).   | √ |  |  |
| (xxi) d)  | Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).   |   |  | Not Applicable                         |
| (xxii)    | <b>In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:</b>   |   |  |  |
| (xxii) a) | A brief resume of the director.  | √ |  |  |

|            |  |   |   |  |  |
|------------|--|---|---|--|--|
|            | (xxii) b)  | Nature of his/her expertise in specific functional areas;   | √ |  |  |
|            | (xxii) c)  | Names of companies in which the person also holds the directorship and the membership of committees of the board.   | √ |  |  |
| <b>2.0</b> | <b>CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY (CS)</b>  |   |   |  |  |
| 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. |   | √ |  |  |
| 2.2        | The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors.  |   | √ |  |  |
| <b>3.0</b> | <b>AUDIT COMMITTEE</b>   |   |   |  |  |
|            | (i)  | The company shall have an Audit Committee as a sub-committee of the Board of Directors.   | √ |  |  |
|            | (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. | √ |  |  |
|            | (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.  | √ |  |  |
| <b>3.1</b> | <b>Constitution of the Audit Committee</b>   |   |   |  |  |
|            | (i)  | The Audit Committee shall be composed of at least 3 (three) members.  | √ |  |  |
|            | (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.  | √ |  |  |
|            | (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.   | √ |  |  |
|            | (iv)   | No vacancy of the Committee members for more than one month.  | √ |  |  |
|            | (v)  | The company secretary shall act as the secretary of the Committee.  | √ |  |  |
|            | (vi)   | The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.   | √ |  |  |
| <b>3.2</b> | <b>Chairman of the Audit Committee</b>   |   |   |  |  |
|            | (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.  | √ |  |  |
|            | (ii)   | Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).   | √ |  |  |
| <b>3.3</b> | <b>Role of Audit Committee</b>   |   |   |  |  |
|            | (i)  | Oversee the financial reporting process.  | √ |  |  |

|        |   |   |  |                        |
|--------|---|---|--|------------------------|
| (ii)   | Monitor choice of accounting policies and principles.   | √ |  |                        |
| (iii)  | Monitor Internal Control Risk management process.   | √ |  |                        |
| (iv)   | Oversee hiring and performance of external auditors.  | √ |  |                        |
| (v)    | Review along with the management, the annual financial statements before submission to the board for approval.  | √ |  |                        |
| (vi)   | Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.                       | √ |  |                        |
| (vii)  | Review the adequacy of internal audit function.   | √ |  |                        |
| (viii) | Review statement of significant related party transactions submitted by the management.   | √ |  |                        |
| (ix)   | Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.  | √ |  |                        |
| (x)    | When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee. |   |  | No such event occurred |

#### 3.4.1 Reporting of the Audit Committee

|         |  |   |  |                          |
|---------|--|---|--|--------------------------|
| (i)     | The Audit Committee shall report on its activities to the Board of Directors.                                    | √ |  |                          |
| (ii)    | <b>The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:</b> |   |  |                          |
| (ii) a) | Report on conflicts of interests.  |   |  | No such matter to report |
| (ii) b) | Suspected or presumed fraud or irregularity or material defect in the internal control system;                   | √ |  |                          |
| (ii) c) | Suspected infringement of laws, including securities related laws, rules and regulations;                        |   |  | No such matter to report |
| (ii) d) | Any other matter which shall be disclosed to the Board of Directors immediately.                                 | √ |  |                          |

#### 3.4.2 Reporting to the Shareholders and General Investors

|     |                              |  |  |                          |
|-----|------------------------------|--|--|--------------------------|
| 3.5 | Reporting to the Authorities |  |  | No such matter to report |
|-----|------------------------------|--|--|--------------------------|

#### 4.00 EXTERNAL/STATUTORY AUDITORS

|       |   |   |  |  |
|-------|---|---|--|--|
| (i)   | Appraisal or valuation services or fairness opinions.                                     | √ |  |  |
| (ii)  | Financial information systems design and implementation.                                  | √ |  |  |
| (iii) | Book-keeping or other services related to the accounting records or financial statements. | √ |  |  |
| (iv)  | Broker-dealer services.   | √ |  |  |
| (v)   | Actuarial services.   | √ |  |  |
| (vi)  | Internal audit services.  | √ |  |  |
| (vii) | Any other service that the Audit Committee determines.                                    | √ |  |  |



|            |  |   |   |  |  |
|------------|--|---|---|--|--|
|            | (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.   | √ |  |  |
| <b>5.0</b> | <b>SUBSIDIARY COMPANY</b>  |   |   |  |  |
|            | (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.  | √ |  |  |
|            | (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.   | √ |  |  |
|            | (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.  | √ |  |  |
|            | (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.  | √ |  |  |
|            | (v)  | The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.  | √ |  |  |
| <b>6.0</b> | <b>DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)</b> |   |   |  |  |
|            | (i)  | <b>They have reviewed financial statements for the year and that to the best of their knowledge and belief:</b>   |   |  |  |
|            | (i) a)   | These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;   | √ |  |  |
|            | (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.   | √ |  |  |
|            | (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.  | √ |  |  |
| <b>7.0</b> | <b>REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE</b>                          |   |   |  |  |
|            | (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. | √ |  |  |
|            | (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.  | √ |  |  |

Annexure 02

# Meetings of the Board of Directors of The Premier Bank Limited Held During the Year-2014.

## Board of Directors:

| Name of the Directors       | Status                                    | No. of Meeting | No. of Attendance | % of Attendance |
|-----------------------------|---|----------------|-------------------|-----------------|
| Dr. H. B. M. Iqbal          | Chairman                                  | 20             | 20                | 100%            |
| Mr. Mohammad Imran Iqbal    | Vice Chairman                             |                | 17                | 85%             |
| Mr. B. H. Haroon, MP        | Director                                  |                | 17                | 85%             |
| Mr. Abdus Salam Murshedy    | Director                                  |                | 19                | 95%             |
| Mr. Shafiqur Rahman         | Director                                  |                | 16                | 80%             |
| Mr. Shah Md. Nahyan Haroon  | Director                                  |                | 16                | 80%             |
| Mrs. Shaila Shelly Khan     | Director                                  |                | 15                | 75%             |
| Mr. Yeh Cheng Min*          | Director                                  |                | 0                 | 0%              |
| Mrs. Fauzia Rekza Banu      | Director<br>(Since 28.10.2014)            |                | 02                | 10%             |
| Mr. Arif Alam               | Director<br>(Since 28.10.2014)            |                | 02                | 10%             |
| Mr. Kazi Abdul Mazid        | Independent Director<br>(Till 17.01.2015) |                | 18                | 90%             |
| Mrs. Faiza Rahman           | Independent Director                      |                | 19                | 95%             |
| Mr. Khondker Fazle Rashid   | Managing Director<br>(Since 02.02.2015)   |                | N/A               | N/A             |
| Mr. K. A. M. Majedur Rahman | Managing Director<br>(Till 01.02.2015)    |                | 20                | 100%            |

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

# Pattern of Shareholding

The Pattern of Shareholding of The Premier Bank Limited as on December 31, 2014 as per SEC's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012:

- a) Shareholding by Parent/Subsidiary/Associated Companies and other related parties : Nil
- b) 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 December 31, 2014:

### i. Shares held by Directors and their Spouses

| Sl. | Name of Directors           | Status                                    | No. of Shares | Name of Spouses            | No. of Shares |
|-----|-----------------------------|---|---------------|----------------------------|---------------|
| 1.  | Dr. H. B. M. Iqbal          | Chairman                                  | 21,696,522    | Dr. Momtaz Begum           | -             |
| 2.  | Mr. Mohammad Imran Iqbal    | Vice Chairman                             | 11,274,601    | Mrs. Zara Ali -            | -             |
| 3.  | Mr. B. H. Haroon, MP        | Director                                  | 11,277,198    | Mrs. Monira Haroon         | -             |
| 4.  | Mr. Abdus Salam Murshedy    | Director                                  | 23,737,780    | Mrs. Sharmin Salam         | 2,028,287     |
| 5.  | Mr. Shafiqur Rahman         | Director                                  | 11,279,046    | Mrs. Amena Rahman          | -             |
| 6.  | Mr. Shah Md. Nahyan Haroon  | Director                                  | 11,277,339    | Mrs. Faiqah Chowdhury      | -             |
| 7.  | Mrs. Shaila Shelly Khan     | Director                                  | 28,175,764    | Mr. H.B.M. Zahidur Rahman  | -             |
| 8.  | Mr. Yeh Cheng Min           | Director                                  | 16,927,999    | Mdm. Chang Ming Wei        | -             |
| 9.  | Mrs. Fauzia Rekza Banu      | Director                                  | 11,569,135    | Late H. B. M. Shah Alam    | -             |
| 10. | Mr. Arif Alam               | Director                                  | 13,294,132    | Mrs. Alvinaz Alam          | -             |
| 11. | Mr. Kazi Abdul Mazid        | Independent Director<br>(Till 17.01.2015) | 193,382       | Mrs. Farjana Yeasmin Nila  | -             |
| 12. | Mrs. Faiza Rahman           | Independent Director                      | 179,243       | Mr. H. B. M. Shahin Rahman | -             |
| 13. | Mr. Khondker Fazle Rashid   | Managing Director<br>(Since 02.02.2015)   | Nil           | Mrs. Mamnuna               | -             |
| 14. | Mr. K. A. M. Majedur Rahman | Managing Director<br>(Till 01.02.2015)    | Nil           | Mrs. Ayesha Nasreen Rahman | -             |

### 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:

| Sl. | Name of Executives  | Designation | No. of Shares | Name of Spouses      | No. of Shares |
|-----|---------------------|-------------|---------------|----------------------|---------------|
| 01  | Mr. Abu Haniff Khan | AMD         | Nil           | Mrs. Nazmun Ara Khan | 3,305         |

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

A close-up photograph of a hand holding a black pen, poised to write on a document. The hand is in sharp focus, while the background is blurred, showing a conference room with red chairs and a table. A semi-transparent dark red banner is overlaid on the upper right portion of the image, containing the title text in white.

# Report of the Board of Directors



# Report of The Board of Directors

It is the immense pleasure of The Board of Directors of the Premier Bank Limited to present the 16th Annual Report of the Bank before the honorable shareholders. The report is composed of Auditors' Report, Directors' Report, Audited Financial Statements and prelude of the Bank. The presentation aims at revealing facts and figures of the Bank in context of global and local scenario of the economy to manifest continuous growth amid tough competition.

## Global Economy

The year 2015 will be a year for the world economy with moderate to vigorous economic growth, low inflation, and decent employment growth in most countries. However, there are some uncertainties looming in the horizon, particularly the prospect of uneven recovery in Europe, a slim, however, remote, chance of an escalation in tensions in the Middle East and East Asia and the continuous tug-of-war between US Congress and the President over debt ceiling and budget negotiations that have the potential to bring the global economic recovery to a screeching halt. Five of the world's six largest economies are underperforming—the European Union, China, Japan, Brazil and Russia. Only the last two quarters of solid growth in the U.S. keeps the total from being six of six. Of those five underperformers, two—Japan and Russia—are in recession, while the EU shakes on the brink and Brazil has only barely emerged.

United Nations stated in its World Economic Situation and Prospects (WESP)- 2015 that the global economy continued to expand during 2014 at a moderate and uneven pace, as the prolonged recovery process from the global financial crisis was still saddled with unfinished post-crisis adjustments. Global recovery was also hampered by some new challenges, including a number of unexpected shocks, such as the heightened geopolitical conflicts in various areas of the world. Growth of World Gross Product (WGP) is estimated to be 2.6 per cent in 2014, marginally better than the growth of 2.5 per cent registered in 2013, but lower than the 2.9 per cent projected in World economic situation and prospects as of mid- 2014. In the outlook period, premised on a set of assumptions and subject to a number of uncertainties and downside risks, the global economy is expected to strengthen in the following two years, with WGP projected to grow by 3.1 and 3.3 per cent in 2015 and 2016 respectively.

The International Monetary Fund (IMF) reduced the global economic growth forecast in an update to its "World Economic Outlook (WEO)". The institution expects the world's economic growth to rise by 3.5% in 2015 and 3.7% in 2016, a pace it describes as "moderate." In 2014, the world economy grew by 3.3%. Growth expectations for these subsequent years were each revised downward by 0.3% from the forecasts set out by the IMF in its October 2014 WEO report. The IMF attributed this downward revision to "a reassessment of prospects" in the Eurozone, Russia, China, and Japan. Due to steep decline in oil prices, weak economic activity among major oil exporters such as Saudi Arabia also contributed to the more subdued growth expectations.

The IMF outlined four major developments that led to a change in its outlook since the release of its WEO report in October 2014:

**Oil price decline-** The IMF noted that in US dollars, oil prices have fallen by around 55% since September 2014. The Organization of the Petroleum Exporting Countries (OPEC), decision not to reduce its production and "unexpected demand weakness" in major economies were cited as the two main reasons for the fall in crude oil prices.

**Divergence in economic growth-** According to the IMF, the world economy is expected to grow by 3.5% in 2015. This rate is 0.3% lower than the IMF's "World Economic Outlook (WEO)", forecast in October 2014. However, it is higher than the 3.3% growth rate seen in 2014. Though both these rates of growth appear to be decent, it's important to note that there is great divergence among the growth rates of individual nations. In 2014, the US economy posted stronger-than-expected, robust growth. Its stock markets reflect that positive growth.

**A strong US dollar-** This was the third factor that reshaped the IMF's economic growth projection. With its economy gaining strength, the US dollar has risen considerably against other major currencies.

**Risk spreads widened-** The fourth factor that the IMF pointed out was the increased risk spreads in emerging market economies. The IMF said, "interest rates and risk spreads have risen in many emerging market economies, notably commodity exporters." This means that investors are demanding more premiums to purchase these countries' risky bonds.

### Slow Growth in Global Trade

In the aftermath of the economic crisis, there has been slow growth in global trade. In the year 2012 and 2013, the global trade expanded by less than 3.5 per cent, which is well below the pre-crisis average annual rate of seven per cent, holding back developing country growth in recent years. Weak demand, mainly in investment but also in consumer demand, is one of the main causes of the deceleration in trade growth. With high-income countries accounting for some 65% of global imports, the lingering weakness of their economies five years after the crisis suggests that weak demand continues to adversely impact the recovery in global trade. However, long-term trends have also slowed trade growth, including the changing relationship between trade and income. Specifically, world trade has become less responsive to changes in global income because of slower expansions of global supply chains and a shift in demand from trade-intensive investment to less trade-intensive private and public consumption.

There are two factors contributed to declining sensitivity. First, the rapid integration of global supply chains- which had triggered rapidly rising shipments of intermediate goods across borders- has settled and the growth in cross-border shipments within supply chains has slowed. Second, since the great recession, the recovery in investment, which has particularly large import content, has lagged behind other demand components (e.g. consumption and government expenditure). Observing that trade will provide less support for global growth in the medium-term, rising global demand will lift trade also.

However, even as global GDP growth recovers, global trade growth is likely to be permanently lower than in the 1990s when supply chains began to rapidly expand across borders and were accompanied by strong investment growth.

**Oil Price Fall- Good News for World Economy**  
The plunge in oil prices since June 2014 may hurt some crude exporters but is overall a good thing for the world economy. There will be winners and losers, but on a net basis, it is good news for the global economy. Oil prices have fallen sharply since late June, losing around 30% as supplies increase and global demand for oil grows more slowly. While some exporters are hurting from the price fall, it will overall add significantly to global growth as consumers and businesses pay less for energy. It is likely to be an additional 0.8% (of growth) for most advanced economies, because all of them are importers of oil, e.g. at US, Japan, certainly Europe and China. Crude oil exporters are taking a hit, for some of them it is a calculated hit, in a reference to the Gulf producers like Saudi Arabia, which have been reticent to cut production to firm up prices. For an academic standpoint, this is simply the market's way of solving the demand=supply equation. Lower oil prices are a consequence of the oil glut to see over the past few years from shale oil production in the US. In short, there is more supply than demand. It also means that oil producers with higher costs of production than the current price of oil will now be forced to shut down. This will drive down supply, eventually forcing the price to come up to a certain equilibrium.

### Half of Global Wealth Held by the 1%

On current trends – by next year, 1% of the world's population will own more wealth than the other 99%. It would use its high-profile role at the gathering to demand urgent action to narrow the gap between rich and poor. It can be assumed that the richest 1% would own more than 50% of the world's wealth by 2016. The increased concentration of wealth seen since the deep recession of 2008-09 was dangerous and needed to be reversed. Rising inequality is dangerous. It is bad for growth and it is bad for governance. It can be seen that a concentration of wealth capturing power and leaving ordinary people voiceless and their interests uncared for.

85 richest people on the planet have the same wealth as the poorest 50% (3.5 billion people). In this year the comparison was now even more stark, with just 80 people owning the same amount of wealth as more than 3.5 billion people, down from 388 in 2010. The scale of global inequality is quite simply staggering and despite the issues shooting up the global agenda, the gap between the richest and the rest is widening fast. Inequality has moved up the political agenda over the past half-decade amid concerns that the economic recovery since the global downturn of 2008-09 has been accompanied by a squeeze on living standards and an increase in the value of assets owned by the rich, such as property and shares.

### BRICS Bank- Glimpse of the Future

For the leaders of the BRICS countries (Brazil, Russia, India, China, and South Africa), the announcement in July of their agreement to establish a "New Development Bank" (NDB) and a "Contingent Reserve Arrangement" (CRA) was a public-relations coup which has long-term implications for global order and development. Not everybody would agree on the importance of the BRICS bank, but the creation of the BRICS bank is significant for future international order for three reasons. First, it demonstrates the viability and dynamics of the BRICS despite all the skepticism and criticism in recent years. Some of the criticisms are legitimate as BRICS nations have experienced slower growth lately; even China's economic growth appears to be slowing down due to a variety of reasons. Second, the BRICS bank demonstrates China's global leadership. Given China's huge size and quick development, there is little doubt that the world truly needs China's leadership. What China needs to be careful about is to maintain a balance between its own influence on the bank and other members' impact. It is thus critical for China to avoid the impression that China dominates the BRICS bank. Unlike the U.S., China should not try to impose its own will and rules on other members and developing countries seeking funding from the bank. Third, the BRICS bank is significant because it is a direct challenge to the global order led by the West. Many view the new BRICS bank as a response to the failed reforms at the IMF and World Bank as developing countries like China and India cannot

increase their influence within those institutions. To be sure, the new BRICS development bank is unlikely to replace the IMF and World Bank in the near future as the latter will still remain powerful players in the global economic order. The most likely relationship between the two is a complementary relationship rather than a conflicting one. That said, in the long run the competition between the two will intensify and the final outcome will depend on the balance of power between the two blocs: the developing world and the developed world.

### Regional Highlights:

The World Bank states regional highlights in its Global Economic Outlook- Vol8/ January 2014 containing more detail on recent economic developments and outlook, including country-specific forecasts. The Highlights are summarized below:

**East Asia and Pacific-** This region continued its gradual adjustment to slower but more balanced growth. Regional growth slipped to 6.9 percent in 2014 as a result of policy tightening and political tensions that offset a rise in exports in line with the ongoing recovery in some high-income economies. The medium-term outlook is for a further easing of growth to 6.7 percent in 2015 and a stable outlook thereafter, reflecting a gradual slowdown in China, which will be offset by a pick-up in the rest of the region in 2016-17. In China, structural reforms, a gradual withdrawal of fiscal stimulus, and continued prudential measures to slow non-bank credit expansion will result in slowing growth to 6.9 percent by 2017 (from 7.4 percent in 2014). In the rest of the region, excluding China, growth will strengthen to 5.5 percent by 2017 (from 4.6 percent in 2014) supported by firming exports, improved political stability, and strengthening investment.

**Europe and Central Asia-** Growth in this developing region is estimated to have slowed to a lower-than-expected 2.4 percent in 2014 as a sputtering recovery in the Euro Area and stagnation in Russia posed headwinds. In contrast, growth in Turkey exceeded expectations despite slowing to 3.1 percent. Regional growth is expected to rebound to 3 percent in 2015, 3.6 percent in 2016 and 4 percent



in 2017 but with considerable divergence. Recession in Russia holds back growth in Commonwealth of Independent States whereas a gradual recovery in the Euro Area should lift growth in Central and Eastern Europe and Turkey. The tensions between Russia and Ukraine and the associated economic sanctions, the possibility of prolonged stagnation in the Euro Area, and sustained commodity price declines remain key downside risks for the region.

**Latin America and the Caribbean-** Growth slowed markedly to 0.8 percent in 2014, but with diverging developments across the region. South America slowed sharply as domestic factors, exacerbated by economic slowdown in major trading partners and declining global commodity prices, took their toll on some of the largest economies in the region. In contrast, growth in North and Central America was robust, lifted by strengthening activity in the United States. Strengthening exports on the back of the continued recovery among high-income countries and robust capital flows should lift regional GDP growth to an average of around 2.6 percent in 2015-17. A sharper-than-expected slowdown in China and a steeper decline in commodity prices represent major downward risks to the outlook.

**Middle East and North Africa-** Following years of turmoil, some economies in this region appear to be stabilizing, although growth remains fragile and uneven. Growth in oil-importing countries was broadly flat in 2014, while activity in oil-exporting countries recovered slightly after contracting in 2013. Fiscal and external imbalances remain significant. Regional growth is expected to pick up gradually to 3.5 percent in 2017 (from 1.2 percent in 2014). Risks from regional turmoil and from the volatile price of oil are considerable; political transitions and security challenges persist. Measures to address long-standing structural challenges have been repeatedly delayed and high unemployment remains a key challenge. Lower oil prices offer an opportunity to remove the region's heavy energy subsidies in oil-importing countries.

**South Asia-** Growth rose to an estimated 5.5 percent in 2014 from a 10-year low of 4.9 percent in 2013 in this region. The upturn was

driven by India, the region's largest economy, which emerged from two years of modest growth. Regional growth is projected to rise to 6.8 percent by 2017, as reforms ease supply constraints in India, political tensions subside in Pakistan, remittances remain robust in Bangladesh and Nepal, and demand for the region's exports firms. Past adjustments have reduced vulnerability to financial market volatility. Risks are mainly domestic and of a political nature. Sustaining the pace of reform and maintaining political stability are key to maintaining the recent growth momentum.

**Sub-Saharan Africa-** Growth in this region picked up only moderately in 2014 to 4.5 percent, reflecting a slowdown in several of the region's large economies, notably South Africa. Growth is expected to remain flat in 2015 at 4.6 percent (lower than previously expected), largely due to softer commodity prices, and rise gradually to 5.1 percent by 2017, supported by infrastructure investment, increased agriculture production, and buoyant services. The outlook is subject to significant downside risks arising from a renewed spread of the Ebola epidemic, violent insurgencies, lower commodity prices, and volatile global financial conditions. Policy priorities include a need for budget restraint for some countries in the region and a shift of spending to increasingly productive ends, as infrastructure constraints are acute. Project selection and management could be improved with greater transparency and accountability in the use of public resources.

## Bangladesh Economy

The year 2014 saw some stability in Bangladesh both economically and politically following the general elections in January. This phenomenon along with a couple of global developments has influenced the economic landscape of Bangladesh. Over the last two fiscal years (FY2013 and FY2014) economic growth in Bangladesh fell well short of the ambitious target set out in plan documents and corresponding budgets. Past research works concerning Bangladesh showed that capital accumulation (through private investment) played a major role in driving and accelerating the pace of economic



growth, followed by growth in the labour force. Compounding the situation, slow progress in implementing the necessary economic reforms has made it increasingly difficult to attain a breakthrough in the economic growth front. One may recall that political confrontation which was often accompanied by violence also constrained economic activities in FY2014, contributing to a slowing down in the pace of economic growth. However, since the national elections held in January 2014, the economy had been benefitted from absence of major political violence. To a large extent, macroeconomic stability was maintained. On the flipside, for the policymakers the challenge was to make the best of the prevailing macroeconomic stability to instill growth momentum in the economy.

The Bangladesh economy had performed well in 2014, managing to keep the inflation rate at 7.2 per cent, GDP (gross domestic product) growth rate at 6.3 per cent and the per capita income rose by US\$ 136 and reached US\$ 1,190. The economy of the country had lots of uncontrollable challenges. This, in turn, afflicted the economic growth of the country. The investment flow dropped in both public and private sectors. The financial sector, especially the public banking companies, suffered badly due to huge loan defaults by their clients, large-scale loan scams and corruption. The stock market and real estate market performed very badly in 2014 that hit employment of a large number of people.

### Enhancing Global Image

Bangladesh's pro-active role in global forums achieved new heights in 2014. Bangladesh was elected to the top leadership of two highly reputed multilateral bodies – the Commonwealth Parliamentary Association (CPA) and Inter Parliamentary Union (IPU). These two global parliamentary bodies that exchange knowledge, practices of parliamentary democracy in the member assemblies and encourage parliamentary dialogue worldwide are very influential in the global arena. In yet another diplomatic accomplishment, Bangladesh became a member of the United Nations Human Rights Council (UNHRC) for the period of 2015-17. The country was also elected as an executive member to International Telecommunication Union (ITU) for the second time. The achievement of global

support could boost the country's image abroad – which is critical for national development, particularly for attracting foreign investors.

Undoubtedly, it has been a rare diplomatic success in the history of Bangladesh that the country has been elected to four global bodies via secret votes of member nations. Bangladesh's ruling regime termed it a success in creating global leadership. They attribute these achievements to the global recognition of the country as a role model due to its stunning success in the socioeconomic development. The country maintained its diplomatic influence in regional form, such as SAARCs. In the 2014, Bangladesh played a key role in salvaging the SAARC Summit. As widely appreciated by SAARC members, Dhaka initiated hectic efforts during the Summit to sign at least the energy cooperation agreement. This resulted in the foreign ministers of the eight countries SAARC countries signing the SAARC Framework Agreement for Energy Cooperation (Electricity) during the concluding ceremony of the 18th SAARC Summit.

### Bangladesh economy- World Bank Projection

Bangladesh's economy will expand steadily in the next three years, with the growth of the gross domestic product (GDP) rising to 7 per cent in 2017, according to the latest report of the World Bank. The report, Global Economic Prospects 2015, released in Washington DC, projects that GDP growth in Bangladesh will be 6.2 per cent this year, and it will maintain steady a pace to escalate at 6.5 percent in 2016 and 7 per cent in 2017. The WB projects continual growth for the country when the global economy would also improve, but amidst the downside risks from divergent trends. The Bank said the economic growth would be supported this year and afterwards by continued robust remittances and recovery in private consumption demand, but political stability would be vital to its sustainability. On the major economic fronts, the Bank's outlook was mixed as it noted slow export growth as demand in key export markets softened. In addition, textile manufacturing production was affected by disruptions due to social unrest and by stricter enforcement of regulations on working conditions following the collapse of Rana Plaza. In the report, the Bank

said that exports would improve after transition to better enforcement of factory safety standards and working conditions though wage pressures in the absence of productivity gains could erode its competitiveness. On the other hand, the Bank observed that trade facilitation reforms in the region could significantly boost integration into global trade. The Bank admitted that the activity in Bangladesh began to normalize in 2014 as social unrest abated from a spike in the run-up to national elections in January 2014. With government spending offsetting softness in private demand, the economy is estimated to have grown by 6.1 per cent in financial year 2013-14, ostensibly because increased agriculture and service sector growth outweighed the decrease in industrial growth.

### Global oil market and Bangladesh

Global oil prices have gone record low during the last several months. Lower oil price in the global market is a blessing for Bangladesh as it can save foreign exchange which in turn can be used for other imports. While Bangladesh is in the process of rationalizing oil prices through phasing out subsidies and hiking its prices commensurate with the global price, a subdued global petroleum market would imply lesser subsidy requirement. Savings from lower subsidies could otherwise be used for infrastructure development and social protection. A depressed fuel price also provides leverage for the government to keep domestic fuel prices low which in turn will give some respite to consumers, particularly the low and fixed income groups who can then spend their savings for other purposes. Low petroleum prices also help domestic inflation to be low since a significant amount is spent on petroleum products by consumers in Bangladesh. Globally, such low oil prices have been pushing down inflation below the target. This has affected the manufacturing prices causing deflation in many countries. During such period exporting countries could face low demand which may cause lowering of export prices. Bangladesh depends on RMG exports and remittances through temporary migrants abroad for high foreign exchange reserves. If oil rich countries plan to cut down their apparel imports and reduce employing foreign labour, it will seriously hurt countries like Bangladesh. Thus the country will need to remain

cautious and adopt strategies to face any such sputtering situation. Proactive role to gain duty free market access to developed and advanced developing countries, diversification of products and markets and skills development of workers are some of the measures that should be undertaken by the government.

### Stock Market- Fear Factors

It is far more important for the stock market in Bangladesh as far as we aspire for its sustainable development. But until and unless all the stakeholders including BSEC (Bangladesh Securities and Exchange Commission), stock exchanges, policy makers, stock market practitioners, small investors and other major stakeholders work jointly, sustainable development of the market is not possible. In Bangladesh most of the stock market investors are small investors and their knowledge about investments in the share market is not up to the mark. So, if the regulator Institutions and Stakeholders of the capital market ensure proper safeguards inside the share market, then it will be better not only for the institutional investors, but also for the small investors. The stock market in Bangladesh is still deemed a frontier market in the global perspective.

### Industrial Sector

In successive national budgets, government has provided various fiscal and budgetary support to domestic industries in order to encourage private investment. In FY2014-15, government provided incentives to SMEs and export-oriented industries through reduction of Custom Duties (CDS) and Excise Duties (SDs) on raw materials and intermediate products. Reduction of tax at source from 0.8 per cent to 0.3 per cent for export-oriented RMG sector, reduction of SD on 40 basic raw materials of the pharmaceutical industry may be noted in this connection. In the national budget for FY2014 as well the government had provided various types of support to industries which included continuation of tax holiday facility for 17 industrial undertakings and 17 physical infrastructure, jute goods, fabrics, poultry, fisheries and shrimp, imposition of CD on imported agricultural products, exemption of CD on raw materials for textile sector and iron and

steel etc. It appears that fiscal incentives are not proving to be adequate to stimulate investment. Only supported by improved basic infrastructures will such fiscal measures be able to have tangible impact on investment.

### RMG sector

The RMG sector of Bangladesh has set itself an export target of \$50 billion by 2021. The target appears slightly ambitious and quite a few people are skeptical about its attainability. In the backdrop of pronounced skepticism of some quarters, the wisest thing would be to remove the existing road blocks and facilitate the smoothening process towards achieving the target. To achieve a target of this magnitude in only seven years, will require a steady growth of around 13 per cent in export income per year. Bangladesh exported readymade garments worth \$ 24.5 billion during the last financial year. A growth of 13 per cent in one year means an increase by \$3.25 billion. There is a continuing sluggish trend in growth. Therefore, it may not be possible for the developed countries to reciprocate by buying more or paying more. Export of RMG products to the developed countries mostly comprises cheap items and export of high value items is very limited. Export of mid-value items like, suits, blazers, synthetic and polyester dresses is also not very encouraging, which suggests that the export market needs to be diversified to prosper. That is, the number of importing countries will have to be increased which is no mean a task. Despite the odds, the encouraging feature is, export to countries outside USA, Canada and Europe is increasing every year. Turkey, Russia, Japan, India, China, Australia, Brazil etc., have been added to the list of buyers. It is predicted that China might emerge as a prospective buyer overtaking the European Union by 2015. Increased export calls for increased production and more entrepreneurs are needed for increased production. At the same time, infrastructural facilities like, land, electricity, gas, road, railways, port etc., are to be improved. Skilled workers alongside efficient administration are also required. Special attention has to be paid to the training of workers. Side by side, foreign investment will have to be attracted. There are, however, differences of opinion regarding foreign investment in the RMG sector. Banks are also extending financial help to the entrepreneurs

of this sector. It is necessary to set up textile and other linkage industries to help the RMG sector. The economy of Bangladesh is largely dependent on agriculture. However, the readymade garments sector has experienced an exponential growth since the 1980s. The sector contributes significantly to the GDP. It also provides employment to around 4.2 million Bangladeshis, mainly women from low income families.

### Agribusiness:

The latest finding of high levels of toxic substances in poultry feed brings much cause for concern as it reflects on the low food safety standards employed by the country, even in its largest agriculture sector. Indeed, structural problems still plague the industry. In the medium term, for example, the frequent occurrences of strikes, or hartals and road blockades will keep our optimism for the industry at bay as these often aggravate the logistical challenges of food transportation within the country, causing the biggest hurt to the farmers. Over the long term, we believe that there is much more room for growth and improvement in sub-sectors such as grains and livestock. As the agriculture sector in Bangladesh employs close to 70% of the working population but contributes to only 20% of the country's GDP; there is an obvious need for improvement in efficiency of operations.

### Remittance:

From the perspectives of replenishing the foreign exchange reserves of Bangladesh, money remitted from overseas Bangladeshi migrants have traditionally played an important role. The contribution of remittances in maintaining a healthy overall balance of payments (BOP) is key factor in Bangladesh's context. During the post-global financial crisis period when export earnings decelerated, remittances inflow played a significant role in the economy. According to the Bangladesh Bank's 'Monetary Policy Statement: Jan-Jun, 2015' remittance growth started gaining in the second half of FY2014 and became positive in the first half of FY2015. Remittance growth in FY2014 became negative of 1.6 percent against larger growth of 2.6 percent in FY2013 though this growth did faster to 5.6 percent during the second half of the year compared to the corresponding period of FY2013.



## Exchange Rate

The nominal value of the Taka against USD slightly depreciated by 0.41 percentage points in the first half of FY2015 though there was scope for further depreciation. In order to stabilize foreign exchange rate (Taka/USD), Bangladesh Bank continued its participation in the domestic foreign exchange market as required, with a net purchase of foreign currencies amounting to USD 986.45 million during the first half of FY2015. Consequently, the foreign exchange market remained stable during the first half of FY2015.

## Interest Rate

Deposit and lending interest rates of banks and financial institutions maintained a decreasing trend in line with decline in CPI inflation; intermediation spreads between weighted average deposit and lending interest rates of banks and financial institutions came down to five percentage points or lower in the state owned banks and the majority of private sector banks. Declining lending interest rates coupled with rising foreign exchange reserves and Taka exchange rate stability has made the domestic economy more investment friendly.

## Call Money Rate

Call money rates have leveled off and average retail interest rate spreads have fallen close to 5 percent. Call money rates have declined since their peaks in early 2012 when they were around 20 percent, and also fell in the second half of FY2013 from around 10 percent in January 2013 to around 7 percent in June 2013. They have since leveled off ranging from around 6.5-7.9 percent in the last half of 2014 with some seasonal pikes. This is also reflected in below average advance to deposit ratios (70.45 percent) in November 2014. The weighted average call money rate rose to 7.94 percent in December, 2014 from 7.77 percent of previous month because of increased liquidity demand in the inter-bank money market.

## Monetary Policy

The monetary policy, for the second half of the current fiscal (2014-15), is a cautious one. A major focus, as the indications suggest, will be on

keeping inflationary rate within a reasonable limit. The crafters of the policy at the central bank have considered it prudent to continue with a quasi-conservative approach to contain inflation. The rate, according to the Bangladesh Bank (BB), is needed to be brought down to 6.5 per cent by June next. The bank at the same time expects the economy to grow at a respectable 6.5-6.8 per cent during the current fiscal. And to make that happen, the monetary policy has set the target of private sector credit growth at 15.5 per cent during the remaining part of the fiscal. The latest monetary policy has projected the private sector credit growth to a level that is otherwise sufficient to spur investment. But credit growth alone will certainly provide no guarantee about investments picking up in a situation where maintenance of current operations at the existing capacity level is in serious jeopardy, uncertainty about future developments prevails on a wide scale and medium- and long-term business planning is almost impossible. The private sector credit growth as of November last was 12.7 per cent, lower by 1.7 per cent than the BB's projection. The public sector credit growth, too, was nearly half of the projected level during the period. The central bank projects the public sector credit to expand at 25.3 per cent at the end of the current fiscal. It will be well-nigh impossible to achieve the objectives of the monetary policy in the event of prolongation of the current political troubles amid the persistence of structural deficiencies. The decline in income of people, loss of employment opportunities and rise in inflation because of the supply-chain disruption will tend to foul up things further. However, the central bank might have to go for a few changes in its monetary policy as and when normalcy returns. It might be required to make adjustments in some areas of its policy to help put the economic activities on track again. The banks, too, may be required to lower their lending rates to a reasonable level for the sake of encouraging investment and promoting growth. But that will largely depend on the rate of inflation.

## Exports

Bangladesh's exports rose 4.8 percent in January 2015 from a year ago to \$2.88 billion, increasing for a third straight month and boosted by stronger sales of ready-made garments. Exports from July



2014 to January 2015, the first seven months of the financial year FY2015, rose 2 percent from a year earlier to \$17.8 billion, according to the Export Promotion Bureau. Sales of ready-made garments, comprising knitwear and woven items, generated \$14.44 billion in the July-January period, compared with \$14.17 billion a year ago. However, prolonged political turmoil could cast a pall over the garment industry, which has already been under pressure after factory accidents, including the collapse of a building housing factories in April 2013 that killed more than thousand people.

### Imports:

Imports have been sluggish for the past two years, averaging only 5% for FY12-14. Imports have started to pick up this fiscal year growing 13.6% in July-September compared to the last fiscal year. This was primarily due to an increase in imports of crude oil, industrial raw materials and capital machinery as business confidence is picking up and domestic investment might be getting back on track.

### Foreign Exchange Reserve

As of December 2014, foreign exchange reserves stood at USD 22.31 billion. With this, Bangladesh became second (behind India) in the holding of foreign exchange reserves in the subcontinent. This improved performance in FY14 may be attributed to the positive impact of 6-month monetary policy statement, improved remittance inflows, increase in export as well as a decline in imports (over the past year), complemented by the recent inflows of extra remittances on occasion of Eid-ul-Fitr and Ei-ul-Azha in August and October respectively. These high reserves are expected to settle import bills for around six months, which is comparable to many East Asian economies like South Korea, Singapore, Hong Kong, Indonesia and Malaysia. The high reserves will help boost the country's credit rating. It will be possible to make foreign borrowings at competitive rates, which will help increase investment. In addition, these high levels of reserves may also act as a cushion against balance of payments crises.

### Balance of Payments

The surplus in the Balance of Payments (BoP), an

accounting record of all monetary transactions between Bangladesh and the rest of the world, eroded by almost half to \$1.45 billion in the first six months of fiscal 2014-15, compared to the same period of the previous fiscal year, due mainly to a significant rise in imports. A weak BoP in the first half of this fiscal year is partly attributed to negative current account balance owing to high growth in import of goods against a slow rise in exports of goods and services.

### Foreign Direct Investment

To achieve a higher growth trajectory, Bangladesh has to attract FDIs to address infrastructure deficit, productivity gap and diversification of export base as well as transparent and timely decision-making and ensuring stricter enforcement of government commitments. There is no denying the fact that FDI inflow into the country has been increasing for the last several years. It stood at US\$ 1.73 billion in FY 2013, registering a 45 per cent growth over US\$ 1.19 billion a year ago. However, According to Foreign Investment & External Debt (FIED) Division, Statistics Department, Bangladesh Bank, FDI inflow had registered decrease by 13% to US\$ 1.5 billion in FY 2014.

### Another worrying year for the banking sector

The banking sector continues to cast shadow on the overall economic scenario through malpractices and inefficiencies. Low pick up of investment led to low credit growth in the banking sector. Till June 2014 domestic credit grew by only 11.6 percent against the target of 17.8 percent in MPS. Actual growth of domestic credit up to September 2014 was 12.3 percent while the target for December 2014 was 13.8 percent. Both credit to the public and private sectors remained sluggish during those periods. In September 2014 interest rate spread was 5.1 percent, a decline from 5.3 percent in June 2014. Despite demands for lower interest rate, banks in Bangladesh charge high lending rates. Similarly, the deposit rate was also high in Bangladesh due to which banks were reluctant to lower lending rates. The central bank has directed commercial banks to keep the interest rate spread within 5 percent, which could not be followed quite often.

Commercial banks claim that it is difficult to lower interest rate due to high cost of fund which is the result of inefficiency, high risks and low profitability of the sector.

With the objective to improve their capital base, in addition to recapitalization of SCBs by injecting Taka 50 billion in FY2014, the government has also made budgetary allocation of Taka 55 billion in FY2015. However, the core problem of the banking sector lies in inefficiency, weak monitoring, political influence and above all, lack of governance. These are manifested through rescheduling of loans and extension of repayment period for the powerful ones. Rescheduling of these loans may for the time being show lower NPL, but the fragility of the sector continue to exist. Hence, budgetary allocation for the loss making banks by the government is tantamount to subsidizing the sector for their malpractices and fraudulent at the cost of the common people.

### Prospects, Challenges & Opportunities

The yearlong calm that we experienced during 2014 has been ruptured by recent events that put a damper on the long awaited recovery. In the fiscal year 2014-15 the economy was expected to grow at a respectable pace though not nearly as high as the planned 7.3 per cent for the current fiscal year.

The global outlook for 2015 gives mixed signals for the Bangladesh economy. The strongest rebound in growth came from the United States, the aftermath of the economic crisis continues to haunt the euro area, and growth in Japan is and will remain modest. Growth elsewhere, including in other Asian advanced economies, Canada, and the United Kingdom, is projected to be solid. Global trade, according to IMF, is projected to pick up ahead of GDP as the global recovery strengthens as trade growth typically outstrips output growth in an expanding global economy. Given a weak recovery next year, the difference between trade and GDP growth is projected to remain below recent pre-crisis averages. Nevertheless, a 5% projected trade growth is expected to provide the tailwinds necessary to give Bangladesh exports the needed shot in the arm in 2015.

As compared to FY2013, the higher expected GDP growth in FY2014 is mainly due to higher growth in Agriculture, Construction, Education, Health and Social Works. With the current state of political tension, and hoping it will taper out by the end of this fiscal year, the projected growth rate in keeping with the rebased GDP for FY2015 stands at around 6.4%.

The FY2015 budget has set GDP 7.3% growth target. Given an average incremental capital output ratio (ICOR) of 4.5 for FY2012-14, achieving this would require the total investment to GDP ratio to rise by over 5 percentage points-from 28.7% in FY2014 to 33.8% (new 2005/06 base).

In terms of FTAs, the challenge for Bangladesh lies in gearing up its economic diplomacy in order not to be left out of some of the emerging mega trade and investment partnerships such as RCEP (Regional Comprehensive Economic Partnership), TPP (Trans Pacific Partnership), and a few other notable ones. Because, just as China will lose out when TTIP (Trans Atlantic Trade and Investment Partnership) and TPP are functional, Bangladesh will lose by being left out of the free trade and investment arrangements that will be exclusive to members of the mega partnerships. However, properly positioning itself for a possible FTA deal with ASEAN and under the larger umbrella of FTAAP (Free Trade Agreement of Asia and the Pacific) sometime in the future would remain an option for Bangladesh to pursue.

# The Premier Bank Limited

## At a Glance

The Premier Bank Limited started its journey on an autumnal day of 1999. The Bank has made history not just by passing 15 years of banking endeavor in Bangladesh but by making every moment useful and rewarding for our valued clients. We have overcome many of real challenges to win the unshaken confidence of our partners. In our long journey, we have been 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 BDT 11479.27 million and capital adequacy ratio 13.31%. In line with the current financial needs we have revamped our Retail Banking, SME, Agriculture, Green Banking 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 relationship with the customers and provide them fast and quality services as well as the best financial solution according to their genuine 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 and tomorrow for the benefit of all our stakeholders.

## Overview

### Core Banking Activities

The range of banking activities comprises deposits mobilization, extending credit facilities 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.

## Products and Services

In the advent of growing customers' demand, sophisticated pricing of products was not the only weapon for higher market share. 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 are offering to the customers. We have trained officers to have adequate knowledge on the products and services. Our innovations in offering new products and services were also in a high spirit in 2014.

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 channel. All 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 Centre" at Head office and Branches stands open for attending all complaints and suggestions that guide us to how we would move forward.

Our well experienced Senior Management works as a team to review the financial products and services 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 takes best care about any query, suggestion, objection or even allegation, no matter how irrelevant they look like. In line with variant choices of our clientele our services are tailored and streamlined.

## Financial Performance: 2014

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 2014. Against the multi-faceted adversities, both external and internal, the performance of the Premier Bank Limited was mixed. Balance sheet growth was stiff as lending and deposit mobilization slowed down. To minimize 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 2014, the Bank earned profit after taxation of BDT 872.36 million against BDT 785.75 million in 2013. An amount of BDT 635.56 million has been earmarked as tax contribution to government exchequer. Key performance indicators remained strong with Return on Equity at 9.75 percent and Return on Assets at 0.87 percent for the year 2014. The Bank continued to have a strong capital adequacy ratio of 13.31 percent in line with Bangladesh Bank guidelines

### Operating Income:

The Bank generated Operating Income of BDT 5164.75 million in 2014 recording a growth of 16.46 percent over 2013 in the core banking business. Year-round bearish trend of the capital market after a havoc in 2013 brought heavy sufferings on the Banking Industry. The net Interest Income of BDT 1931.12 million for the year reflects an increase of BDT 352.12 million over 2013 while Income stream of fees and commissions aggregated BDT 866.40 million, a 16.78 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 BDT 2367.24 million compared to BDT 2166.62 million for 2013 showed a strong/moderate growth due to increase in business volumes and profit from miscellaneous activities like rent of lockers, postage recoveries, Telex/Fax charges, dividend on shares and so forth.

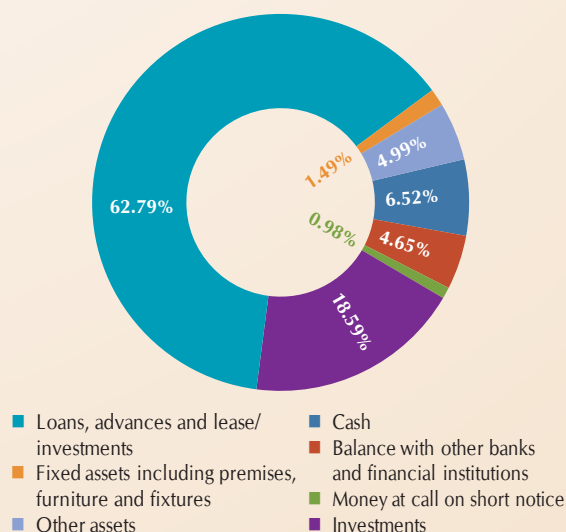
### Operating Expenses

Operating Expenses at BDT 3346.84 million showed an increase of BDT 435.25 million or 14.95 percent over the previous year. Employee expenses increased from BDT 969.69 million in 2013 to BDT 1141.89 million in 2014 arising from annual salary revision, performance related rewards and increase of human resources. Other Operating Expenses of BDT 2204.95 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 BDT 111576.41 million in 2014 as against BDT 88959.31 million of previous year which was attributed mainly to a growth of 32.96 percent in the Loans and Advances portfolio. As at December 31, 2014, Loans and Advances as a percentage of Total Assets was 62.79 percent as compared to 58.61 percent at the end of year 2013. The increase in the loan book was mainly due to enhanced participation in local corporate and SME credit-lines, syndicated facilities, strengthening and broadening of business relationship in the country and the attractiveness of our retail and consumer credit products.

### Composition of total Assets

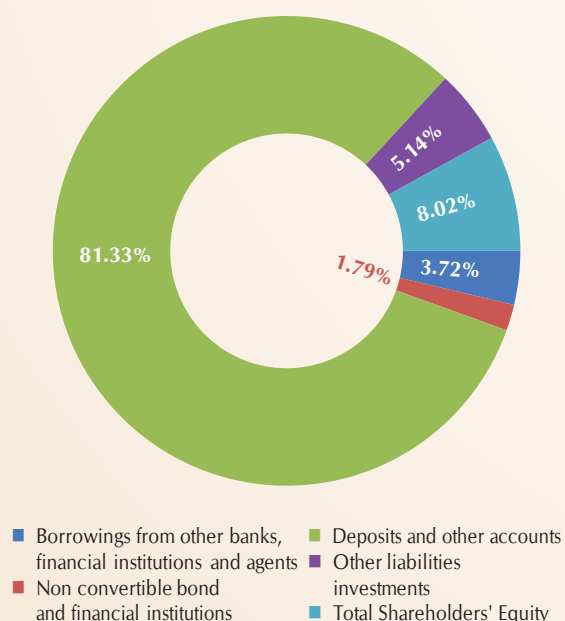




### Liabilities

Customers' Deposit posted a robust 23.44 percent growth to reach at BDT 90750.06 million at the year-end 2014 from BDT 73516.44 million at the end of 2013. Borrowings from Banks and Financial Institutions including refinance facility from Bangladesh Bank stood at BDT 4146.55 million at year-end 2014, against year end 2013 levels of BDT 3019.25 million. The ratio of Customers' Deposits to total Liabilities stood at 88.42 percent compared to 90.79 percent at the end of preceding year.

Composition of Liabilities & Equity



### Capital Strength

At the year-end 2014, Bank's equity including retained earnings was BDT 8943.37 million which was 10.36 percent of Risk Weighted Assets. 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 2014 with Core Capital (Tier-I) of BDT 8757.39 million and Supplementary Capital (Tier –II) of BDT 2721.87. million; total Capital fund of BDT 11479.26 million.

**Table: Presentation of Capital Strength**

(in million Taka)

| Capital Split                                | Year - 2014      | Year - 2013     |
|--|------------------|-----------------|
| Paid-up Capital                              | 5,637.03         | 5,124.58        |
| Statutory Reserve                            | 2,536.54         | 2,238.80        |
| Retained Earnings                            | 583.79           | 522.40          |
| General Reserve                              | -                | -               |
| Dividend Equalization Account                | -                | -               |
| Proposed Cash Dividend                       | -                | -               |
| <b>Total Tier I Capital</b>                  | <b>8757.39</b>   | <b>7,885.80</b> |
| % of Risk Weighted Assets                    | 10.18%           | 10.55%          |
| General Provision on Unclassified Loans      | 404.21           | 404.21          |
| General Provision on Off Balance Sheet Items | 225.44           | 225.44          |
| Revaluation Reserve on securities (50%)      | 71.26            | 29.04           |
| Revaluation Reserve for fixed Assets (50%)   | 20.96            | 20.96           |
| Exchange Equalization                        | -                | -               |
| Subordinate Bond                             | 2,000.00         | -               |
| <b>Total Tier II Capital</b>                 | <b>2,721.87</b>  | <b>679.65</b>   |
| % of Risk Weighted Assets                    | 3.15%            | 0.91%           |
| <b>Total Tier III Capital</b>                | <b>-</b>         | <b>-</b>        |
| <b>Total Capital</b>                         | <b>11,479.26</b> | <b>8,565.44</b> |
| Total Risk Weighted Assets                   | 86,321.80        | 74,735.10       |
| Capital Adequacy Ratio (CAR)                 | 13.30%           | 11.46%          |

### Deposits

Deposit builds up the strong foundation of operating assets of the Bank. It is recognized as the blood of financial institution and gives strength to run the business activities. In pursuit of deposit mobilization the bank continued to succeed during 2014 with deposit balance of BDT 90750.05 million from BDT 73516.43 million in 2013 registering a growth of 23.44 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 have 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, current and savings deposit, special notice deposit etc.

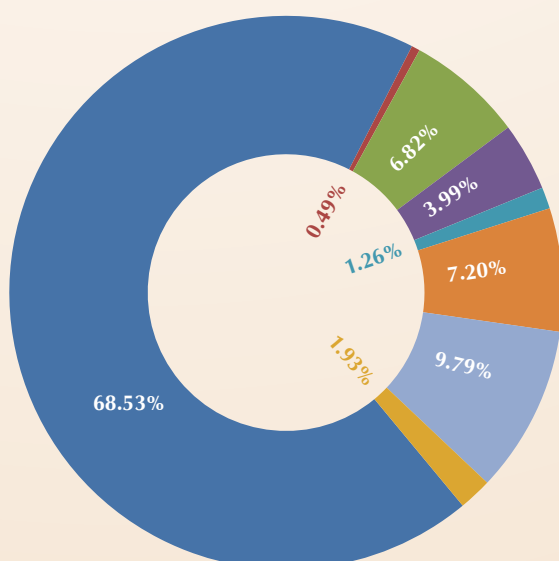
Stretching over the year 2014, Premier Bank has redesigned many of its liability products keeping in view the market demand, global impact on local market, new monetary policy as well as to increase low/no cost deposits for a ideal deposit mix. We have tailored terms and tenure of different monthly schemes extending 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, combined efforts were worth rewarding in swelling our deposit balance all over the year 2014. In 2015, intense drives will be initiated to build a healthy line of deposits comprising no cost deposits, low cost deposits and high cost deposits at an ideal mix portion.

#### Table:

#### Comparative Deposit Blend of the Bank:

(in million Taka)

| Sl. | Type                             | 2014             | 2013            |
|-----|----------------------------------|------------------|-----------------|
| 01  | Fixed Deposits                   | 62,192.11        | 49,043.04       |
| 02  | Savings Bank Deposits            | 4,447.73         | 3,844.82        |
| 03  | Current Deposits                 | 6,185.73         | 2,950.41        |
| 04  | Other deposits                   | 3,624.19         | 3,247.70        |
| 05  | Bills payable                    | 1,139.14         | 1,065.07        |
| 06  | Deposit Schemes                  | 6,533.66         | 5,137.37        |
| 07  | Special Notice Deposits          | 8,880.55         | 8,602.66        |
| 08  | Deposit (Off Shore Banking Unit) | 1,749.91         | 578.84          |
|     | <b>Total</b>                     | <b>90,750.06</b> | <b>73516.44</b> |



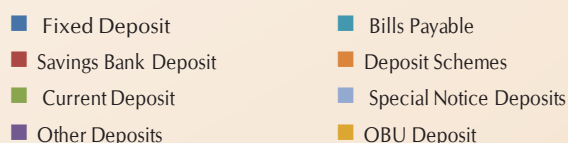
## Credit Portfolio

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 and 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 2014, credit portfolio of the Bank increased by BDT 17366.58 million to reach the total of BDT 70063.72 million against BDT 52697.13 million in 2013. The growth recorded was 32.96 percent over the preceding year. Our loan recovery efforts were successful and total non-performing loans accounted for 9 percent of total loans at the year-end 2014. Bank's Credit/Deposit ratio was 77.21 percent as at 31st December 2014. The Bank is very much cautious and selective in choosing borrowers to maintain asset quality at highest standard.

## Deposit Blend of the Bank in 2014



**Table:**  
**SECTORS & SUBSECTORS/INDUSTRIES OF THE**  
**NATIONAL ECONOMY AS ON 31.12.2014**

(Amount in crore)

| Sl | Sector                                | Sub-sector/Industries                                | Outstanding Amount | Percentage    |
|----|---------------------------------------|--|--------------------|---------------|
| 1  | Agriculture                           | a. Crops   | 31.25              | 0.45          |
|    |                                       | b. Forestry  | -                  | -             |
|    |                                       | c. Livestock   | 1.49               | 0.02          |
|    |                                       | d. Fisheries   | 35.80              | 0.53          |
|    |                                       | e. Others  | 241.95             | 3.35          |
| 2  | Mining & Quarrying                    | a. Lime Stone  | -                  | -             |
|    |                                       | b. White Clay  | -                  | -             |
| 3  | Industry                              | i) Large Scale                                       |                    |               |
|    |                                       | a. Food Manufacturing                                | 114.14             | 1.68          |
|    |                                       | b. Beverage  | 46.58              | 0.68          |
|    |                                       | c. Tobacco   | 88.57              | 1.30          |
|    |                                       | d. RMG & Textile                                     | -                  | -             |
|    |                                       | i. RMG   | 429.72             | 8.23          |
|    |                                       | ii. Textile  | 212.35             | 4.07          |
|    |                                       | e. Footwear, other wearing apparel & make up Textile | -                  | -             |
|    |                                       | f. Wood work & allied products                       | 15.34              | 0.23          |
|    |                                       | g. Furniture & Fixture                               | -                  | -             |
|    |                                       | h. Paper & paper products                            | 175.54             | 2.58          |
|    |                                       | i. Printing, Publishing & allied industries          | -                  | -             |
|    |                                       | j. Leather & Leather products                        | 115.45             | 1.75          |
|    |                                       | k. Rubber products                                   | 153.43             | 2.26          |
|    |                                       | l. Chemical & chemical products                      | 107.36             | 1.58          |
|    |                                       | m. Petroleum & coal products                         | -                  | -             |
|    |                                       | n. Non-metallic mineral                              | -                  | -             |
|    |                                       | o. Basic metal products                              | 233.35             | 3.43          |
|    |                                       | p. Metal products except machinery                   | -                  | -             |
|    |                                       | q. Machinery except electrical                       | 149.87             | 2.20          |
|    |                                       | r. Electrical machinery & apparatus                  | 90.63              | 1.33          |
|    |                                       | s. Transport Equipment                               | -                  | -             |
|    |                                       | t. Other manufacturing industries                    | 185.23             | 2.72          |
|    |                                       | u. Ship Building                                     | 20.43              | 0.30          |
|    |                                       | v. Ship Breaking                                     | 65.33              | 0.96          |
|    |                                       | w. Pharmaceutical                                    | 102.45             | 1.51          |
|    |                                       | ii) Small scale                                      | 849.03             | 12.48         |
| 4  | Construction                          |  | -                  | -             |
| 5  | Power, Gas, Water & Sanitary Services | a. Power   | 185.61             | 2.73          |
|    |                                       | b. Gas   | -                  | -             |
|    |                                       | c. Water & Sanitary Services                         | -                  | -             |
| 6  | Transport, Storage & Communication    | a. Land Transport                                    | 47.49              | 0.70          |
|    |                                       | b. Air Transport                                     | 13.64              | 0.20          |
|    |                                       | c. Water Transport                                   | 29.10              | 0.43          |
|    |                                       | d. Communication                                     | 3.27               | 0.05          |
|    |                                       | e. Storage   | -                  | -             |
| 7  | Trade Services                        |  | 886.04             | 13.03         |
| 8  | Housing Services                      | i) Urban   |                    |               |
|    |                                       | a. Commercial  | 512.86             | 7.54          |
|    |                                       | b. Residential                                       | 104.90             | 1.54          |
|    |                                       | ii) Rural  | 12.04              | 0.18          |
| 9  | Public Admn. Defense                  | a. Central Government                                | -                  | -             |
|    |                                       | b. Local Government                                  | -                  | -             |
| 10 | Banking & Insurance                   | i) Banking   |                    |               |
|    |                                       | a. Public  | -                  | -             |
|    |                                       | b. Private   | 51.80              | 0.76          |
|    |                                       | ii) Insurance  |                    |               |
|    |                                       | a. Public  | -                  | -             |
|    |                                       | b. Private   | -                  | -             |
| 11 | Professional & Misc. services         | a. Educational Services                              | 35.61              | 0.52          |
|    |                                       | b. Medical Services                                  | -                  | -             |
|    |                                       | c. Legal Services                                    | -                  | -             |
|    |                                       | d. Recreation Services                               | -                  | -             |
|    |                                       | e. Personal Services                                 | -                  | -             |
|    |                                       | f. Hotel & Restaurant Services                       | 236.56             | 3.48          |
|    |                                       | g. Religious Services                                | -                  | -             |
|    |                                       | h. Domestic Services                                 | -                  | -             |
|    |                                       | i. Others  | 540.77             | 7.95          |
|    |                                       | j. Car Loan  | 194.48             | 2.86          |
|    |                                       | k. Credit Card                                       | 62.00              | 0.91          |
|    |                                       | l. Media Financing                                   | -                  | -             |
|    | <b>Grand Total</b>                    |  | <b>6802.52</b>     | <b>100.00</b> |

## Credit Risk Management Division

Credit Risk Management Division undertakes the most critical role of independent assessment of credit proposals before approved by delegated Credit Authority/ Executive Committee of the Board/ Board of Directors. Professionally qualified and well experienced Credit Analysts/ thoroughly examines the credit proposals forwarded by Marketing Officers/ Branches following the Credit Risk Management Guidelines prescribed by the Bangladesh Bank, relevant regulations and our own policies.

## Credit Administration Division

Credit Administration Division (CAD) authorizes disbursement by branches against sanction of loans through issuing Commitment ID. It ensures completeness of documentation and compliance of loan terms and covenants before allowing Commitment ID. It conducts physical verification of documents for loan of Tk.10.00 million and above.

CAD also monitors conduct of loan accounts and issues early awareness to the branches. Repayment time/schedule of loans is closely monitored and branches are alerted two months ahead of the time by CAD. CAD reviews credit activities of the branches on regular basis and apprise top Management of the status of credit disbursement, recovery, overdue and classified loans as well documentation status. Besides, it prepares and submits regulatory returns/statement related to credit to the concerned bodies and Bank Management on regular basis.

## Recovery & Law Divisions

The Bank has an independent and fully dedicated Recovery Division headed by an Additional Managing Director which monitors the performance and recovery of the loans, identifies early signs of delinquencies in portfolio and takes corrective measures including legal action to mitigate risks, improve loan quality and to ensure recovery of loans in time. There is a dedicated and high-level Management recovery team to deal with the problem loans for early and most appropriate settlements directly with the defaulted borrowers.

Bank has also a separate Law Division guided by a retired High Court Justice which deals with the law and policy issues related to legal action and filing of suits against defaulted borrowers as well as monitor the suits filed by the other conducting/panel lawyers of the bank for early disposal of the cases with a view to recover the bank's Non-Performing Loans. With continuous follow up and legal pressure the Recovery Division has become stronger and better recovery results are expected in future.

## Operations Division

Operations Division oversees various departments, and branches' operations. Besides business, The Premier Bank Limited focuses on its operational issues, operational efficiency, and segregation of duties. As such, the Operations division is established to facilitate branch operations in terms of guidance towards problem resolution, formulating processes and monitoring adherence and lead creating a platform for centralization of some critical activities.

The Operations Division of the Bank also acts as the second line of assurance as per the Framework for Operational Risk Management. For Operational Risk Management, the operations division intends to carry out a continual cyclic process which includes risk identification, risk measurement, risk assessment, risk decision making, and implementation of risk controls to bring the risks to the Bank's Risk Appetite.

Hence, the Bank is continuing its endeavour to establish a suitable structure of Operations Division & Operational Risk Management with the objective of the following:

- Roll out of processes for the units under purview to enhance control and service.
- Centralization of Operations to ensure segregation of duty and reduction of duplication.
- Optimization of human resources to increase productivity.
- Re-engineering: to review processes to make it more service oriented and risk focused.
- Ensuring delivery of the core objectives as opposed to ad-hoc activities.

- Forward looking approach to address the inherent lapses in the processes.
- Reduce Turn Around time to maximize profit.
- Create an operational platform to ensure incremental business delivery.

## Service Quality and System & Procedure

Banks, now-a-days, are not only profit making institutions, rather these are the organizations for providing financial services to the people. The banking system in Bangladesh is still the most important conduit for delivery of financial services. And that's why the matter of customer services is the prime factor in banking industry. Therefore the quality and content of dispensation of customer service has become a prime necessity in the industry, mainly to handle the soaring demands and expectations of the customers. With this end in view, we have formed a central customer service and central complaint management cell named as service quality and customer experience management (SQ&CEM) team in end of 2013. The team has already completed to benchmark:

- Our service-wise customer satisfaction
- Net Promoter Score (NPS)

The team receives/hears customer complaints from different channels like:

- Branches' complaint box
- Written or verbal complaints from customers
- Bangladesh Bank's Financial Integrity & Customer Service Division
- Electronic media like; website & email

This team also resolves the complaints and let the complainant know the feedback/update of the complaint.

To strengthen our bank's customer service and efficient operation, System and Procedure department is working relentlessly. The department is working with three components of an "Enterprise Operational infrastructure". Those are people, process and technology. Our departmental goal is to:

- Ensure a successful delivery of operational services to internal customers (users) according to Business Requirement Definition



(BRD) for the specific business, assigned by Chief Executive Officer (CEO) and Head of Operations in order to achieve complete customer satisfaction within budget.

- Manage business-operation relationship specialists (either outsourced or in-house) and will prepare BRD and negotiate with stakeholders on behalf of banking operation.
- Responsible to the Head of Operations to monitor operational processes and ensure that deviations from laid down requirements receive attention as appropriate.
- Work along with operations, stakeholders, IT, partners in order to implement new projects into production
- Address all new requirements and recurring operational issues in the Bank to ensure smooth Service Delivery & Management.

#### Values added during the Year 2014:

An end to end service quality assurance framework has been defined and preparing to deploy an automated process to improve our service quality day by day particularly for our loan & advance booking, collection & recovery and customers' complaint management.

#### Future Plan:

- Address and facilitate to resolve critical Transaction Processing (TP) systems' issues
- Lead cost-effective, innovative and creative solutions with minimal change in existing TP systems to cater higher volume
- Familiarize users with new systems to minimize human errors & facilitate useful business intelligence
- Process simplification
- System Consolidation
- Strategic Investment-Roadmap finalization
- System Migration
- Lead to deploy state-of-art system for the organization
- Reduce paper usage in the organization to emphasize green banking
- Conduct Customer Satisfaction Survey
- Implement Service counters at branches

## Operations Review:

### Corporate Business

Legal form of corporate clients includes sole Proprietorship, Partnership, 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 like documentary credit, post import finance, CC, OD, SOD, Work Order Finance/Construction Finance etc.

**Export Financing:** To facilitate the exporter bank undertakes direct and indirect export financing that covers back to back documentary credit, EDF L/C, UPAS L/C, packing credit, OD, export bills discounting and collection of bills, BG etc.

**Industrial Financing:** The bank offers term loans, working capital, import financing for capital machinery, raw material and other receivable 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 within 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.

### Corporate Banking Division

Corporate Banking Division is the biggest originator of customer overall asset & liability management, which caters to a broad range of customized solutions and services targeted towards corporate and institutional clients, which includes multinationals, top-tier local corporate houses, government and semi government entities. In 2014, our key focus was to utilize existing credit limit by providing best services besides to penetrate in the market to procure the new large corporate business in the form of funded and non-funded, which will support us to achieve the budgetary goal of 2014. Corporate Banking Division has also taken a great initiative to achieve agri-business to fulfill Bangladesh Bank agri-business requirement. However, in the year 2014, we have set up a desk at Corporate Banking Division to bring non-funded business from the Chinese business community in Bangladesh. In this regard, we have established banking relationship with some Chinese companies. In the year 2015, we will concentrate more on the following:

- Seasoned customer who has credit appetite but availing credit facility from other banks.
- Utilization of existing credit limit.
- Enhance our foot print into diversified business sector like Agri-business, Consumer Foods & beverage, Fast Moving Consumer Goods, Pharmaceuticals, RMG, Steel, Ship breaking and trading sector.

We firmly believe that above initiatives will take us to meet our budgetary goal and can contribute substantially in profitability of the bank in the year 2015.

### Cash Management

The Cash Management Unit is a unique area to provide wide range of fund management solution for the large and medium business enterprises to improve company's overall financial profitability. The main focus of cash management unit is to provide flexible transactional solution to the

customers. In 2014, Cash Management Unit has mobilized BDT 1415.87 Crore through 2888 account relationships. Major cash management business initiatives are given below:

- Fully operationalize Machine Readable Passport (MRP) & Machine Readable Visa (MRV) Fees Collection process of Department of Immigration and Passport (DIP) and collecting 66 RPO's MRP Fees through our all online Branches all over the country.
- Tuition fees collection solution to BGMEA University of Fashion and Technology (BUFT) and Premier Payroll Account solution for all BUFT staffs and faculties.
- Premier Payroll Account Services to Charka Textiles Limited a sister concern of PRAN RFL Group.
- Included 12 branches to collect utility bills of DESCO, REB and BPDB and 3 bill collection booths of Dhaka WASA.

In the year 2015, we are going to establish a Utility Bill Collection Module in our core banking system which will enable us an extra edge to customize Clients account services and collection solution to mobilize low cost deposit through collection accounts. We believe that above initiative will help us to expand our Cash Management Client portfolio in 2015 through penetrating multi-various client segments, customized products and services for changing business environment in our lands cape.

### SME Division

SMEs are recognized as engine of economic growth and employment generation for sustainable industrialization in both the developed and developing countries of the world. In context of Bangladesh, there is no alternative of small and medium enterprises for rapid industrialization and national economic growth through lower capital investment and employment generation. In Bangladesh, about 95 per cent of the private sector enterprises are SMEs and the major portion of non-agricultural workforce is working in this sector. The SMEs contributed up to 25 per cent of GDP including about 40 per cent of gross manufacturing output and around 25 per cent of the total labour force (Source: Bangladesh Research Publication Journal, Volume: 6, Issue: 3, Page: 317 - 329,

January - February, 2012). Apart from the significant role in generating economic growth and job opportunities, the SMEs make a considerable contribution to export and inclusive growth of Bangladesh.

Keeping in view to the contribution of small and Medium Enterprise in the growth of the economy of Bangladesh, our SME Division has been staffed with experienced and well-groomed personnel to provide state of the art services to the SME clients. At the end of 2014, SME loans accounted for about 24% of total loans which has been distributed among well diversified sectors such as light engineering, cottage, handy crafts, CNG stations, power loom, garments, agro-machineries, agro-processing industries, animal feed, small trading, poultry, dairy, fruit preservation, fisheries etc.

Outstanding loans to SME Segment recorded at Tk. 16,768.98 million (Limit Tk. 21,109.37 million) at the end of 2014. Last year's strategic growth has enabled us to grab a higher market share in the SME sector. The Bank formulated comprehensive guidelines on SME Banking to penetrate the market prudently and to provide best services to the clientele. SME Banking portfolio of the bank has reached a significant height last year. For the outstanding contribution towards SMEs in Bangladesh The Premier Bank Limited has received special award in the SME Banking Award, 2014.

### Women Entrepreneurs Finance

Women Entrepreneurs Finance is exclusively tailored to give women entrepreneurs extra edge and advantage to achieve their financial freedom through their innovative venture. Our Women Entrepreneurs Finance department is actively participating in extending finance to self-reliant Women Entrepreneurs, developing their saving habit and making social contact of Women Entrepreneurs through banking services. Our bank is encouraging the undertaking of small projects by women entrepreneurs to create employment and to participate in the socio economic development of the country.

### Agriculture Finance

In order to ensure food security through raising food production, Government has attached top priority to develop Agriculture Sector. In this perspective Bangladesh Bank initiated a disbursement target of agricultural credit through the commercial banks of the country. In support of the Government strategies, the Premier Bank

Limited has disbursed considerable amount in agriculture sector under various arrangements during the year 2014. Bank has 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.

### Retail Banking Division

Retail Banking is a fast moving sector by virtue of product and service differentiation, customer acquisition and retention, and the integration of wealth management and aggressive sales proposition. Today, banks earn a significant portion of their profits from retail banking.

Customer now have many more personal financial options, growing credit culture, willingness to switch between financial service providers, and demand for lower interest rates. Retail banking solutions from Premier Bank offer smart features and benefits to ensure that customers are made most of the relationship with us. Our retail banking products and services are designed to cater to the end-to-end needs of all types of users. Premier Bank is preferred because it offers the entire banking experience under one roof. Amazing offers, customized solutions and quick turnaround times are some of the hallmarks of Premier Bank that has made it the banker of choice in Bangladesh.

Presently the division offers a wide range of retail product under both asset and liability portfolio, The Deposit Product are Premier Savings Account(SB), Premier Current Account(CD), Premier Payroll Account, Premier Genius Account, Fixed Deposit Account(FDR), Double Benefit Scheme(DBS), Monthly Savings Scheme(MSS), Monthly Income Scheme(MIS) and Education Saving Scheme(ESS). Our Retail Loan Products Comprise of Home Loan, Car Loan, Master Card and Visa Card etc.

### Elite Banking Service

Elite Banking is an exclusive banking concept aimed at recognizing high profile retail banking customers. It revolves around five main cornerstones of service- Personal, Professional, Profitable, Private and Privileged and to ensure providing these services to retail bank's most valued customers.

Elite Banking not only recognizes high profile customers but also offers convenient and prompt banking services than conventional banking.



In order to meet the highest expectations of our high potential and high net-worth clients, Elite Banking service is uniquely designed. As an Elite Banking customer one will have the advantage of enjoying customized benefits that recognize the relationship with bank and services that have been tailored to suit customer's individual needs.

#### Services & Exclusivity in the Offering

1. Home Delivery of Pay order, Cheque Book, ATM Cards, Bank Statements, Solvency Certificates etc. upon request of the customer.
2. Each Elite Customer will get an exclusive personalized plastic card during account opening which will ensure 'priority service' in every single branch pan bank either in service counter or cash counter.
3. Pre-Approved Credit Cards
4. Free Internet Usage for customers at lounge
5. Quarterly Meeting of customer (Focused Group Discussion)
6. MGM (Member gets Member ) Program for free locker offer
7. Dedicated Relationship Manager
8. Meet & Greet Service at Dhaka International Airport
9. Door Step Banking
10. Separate Elite Banking Center
11. Separate Collaterals

#### Banani Lounge

We take great pride to announce the soft launch of our priority lounge last year. It was launched in presence of our Honorable Chairman Dr. H.B.M. Iqbal. This has been a start of Elite Banking's journey to serve our customers even further. Others present at the ceremony were our Honorable Ex-Managing Director, Mr. K. A. M. Majedur Rahman as well as other high officials of Premier Bank. Distinguished clients from several branches were also present at the launching ceremony.

#### Lease Finance

In the last few years, Leasing has become very popular among Entrepreneurs of various Corporate, Small and Medium Enterprises (SMEs). Lease Financing in Bangladesh reveals that the product has some inherent advantages

and ability to attract Entrepreneurs away from traditional financial solutions such as bank loans. It offers numerous flexibilities to the lessee in respect of availability, simple security arrangement, convenience, lower transaction cost etc. Thus this is a convenient long term sources of financing available in the country as part of financial inclusion strategy of the Bank.

Apart from existing financing sectors, Bank is considering to include the emerging sectors like pharmaceuticals, chemicals, foods, beverage and allied products, engineering and distribution services, industries like ICT, gas and energy, hotel and tourism, hospitals, clinics and diagnostic centre, educational institutions, aluminium, ceramic, glass, tiles, textiles and PPP Projects as the potential fields for Lease Finance.

#### International Business

##### Trade Finance

The Bank has exhibited quality financing while facilitating total import and export business transacted during 2014 for BDT 39,777.06 million and BDT 31,962.19 million respectively. The L/C outstanding at the year end of 2014 is BDT 8,592.78 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, Ceramics, Handicrafts, Pharmaceutical, food items etc. The Bank has 17 Authorized Dealer Branches equipped with highly trained and well experienced professionals to handle the import and export business.

##### 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 2014, the number of foreign correspondents is 492 Banks spread across 71 countries and number of Nostro accounts with foreign correspondent banks stood 21 (twenty one) in 10 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 since 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 Export Processing Zones customers under category 'A' in foreign currency. OBU also discounts bills accepted by ADs in Bangladesh against import L/Cs opened on deferred/usance basis applying due diligence. Moreover, Off-shore Banking units are free to accept deposit from or to borrow from persons/institutions not resident in Bangladesh including Bangladeshi national working abroad. Type-A Companies in the EPZs get tax benefits on their investment. Total loans and advances from the operation of offshore banking amounted to USD22.90 million as on December 31, 2014. The OBU earned a profit of USD693,248.00 in 2014 registering 216% growth compared to USD219,819.00 in 2013.

### **Remittance Services**

The Bank accords the highest importance towards mobilizing inward foreign remittance from Non-Resident Bangladeshis (NRB) living and working in different parts of the world. Premier Bank has endeavored to make the remittance settlement simple, easy and fast 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 remitters is highly satisfactory and the volume is increasing day by day. We have also developed local network throughout the country to ensure delivery of the service at the door steps of the beneficiaries.

In order to ensure smooth operation and faster delivery of the remittances we have developed a modern centralized operation

with software named 'Druti' signifying '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, Xpress Money Services Ltd- UAE, Multinet Trust Exchange LLC-UAE, Universal Exchange Centre-UAE, Arabian Exchange Co. WLL-Qatar, Joyalukkas Exchange-UAE, Joyalukkas Exchange-Kuwait, KMB International Money Transfer Ltd.- UK, Lulu International Exchange – UAE, Western Union Money transfer, Majan Exchange, UAE and Metro Money Exchange Sdn.Bhd Malaysia. Due to this arrangement, even the far-off recipient of remittance has been connected with the Bank's network. Meanwhile bank has also established strategic alliance with a number of local Banks to increase remittance flow.

The Bank is now capable to make cash payment against remittances to the beneficiaries through 450 outlets all over Bangladesh apart from its own network of 92 branches. Premier Bank has established remittance disbursement arrangement with Jagorani Chakra Foundation, a prominent Micro Finance Institution in Bangladesh which has over 262 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. Arrangement with a good number of other reputed NGOs and MFI's for making cash payment of remittances are also under process.

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

Our large global network enables NRB customers anywhere in the world to send both Instant Cash Transactions and Account

Credits. Third party account credits are settled promptly through BEFTN (Bangladesh Electronic Fund Transfer Network). In fact, we are able to cover whole Bangladesh with our wide network. The Bank attaches a very high priority to increase remittance flow to the country. With this objective, the Bank has set up a centralized Remittance Operation Department ensuring prompt delivery of remittances to the beneficiaries in the shortest possible time and settlement of any query. There are designated “Remittance Help Desk” in the branches to help customers for payment of cash remittance transaction and open their accounts. The first ever two months remittance promotion campaign was held from 15th September, 2014 to 14th November, 2014. All remittance customers were given a gift as a token of our appreciation to them.

During the year 2014, the Bank witnessed 45% growth in remittance volume along with in 54% growth in transactions. Persistent efforts are being made to multiply global network of partners which will contribute to further growth of remittance in 2015.

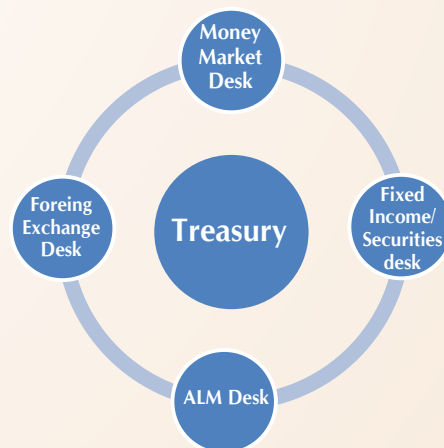
## Treasury Operations

Treasury contributes to bank’s success by ensuring an efficient utilization of cash and financial services. Treasury is also obliged by law to comply with Cash Reserve Requirement (CRR) and Statutory Liquidity Requirement (SLR) set by the central Bank. Treasury actively participates in money market operation and efficiently manages investment, cash balances along with money at call and short notice. Also treasury monitors price movement of foreign exchange with various measures to minimize risk factors.

In keeping with global system Premier Bank Treasury is well- equipped with up to date facilities. We have independent dealing room equipped with SWIFT, on -line dealing system, Internet, Television with reputed financial channels, Voice recorder, World time Display and so on. Treasury operations are also considered as a key source of income generation. Our treasury division has efficiently and prudently managed Bank’s liquidity and earned significant revenue even in a downtrend market

in the year 2014. In 2014, Treasury earned a total income of Tk.1816.60 million registering a growth of 17.85% over the preceding year. Active participation in trading of secondary government securities has also contributed to the growth of revenue generated from money market business.

We have separate Front office and Back office with different reporting line as per international best practices for treasury management. Front office is responsible for dealing activities while back office for settlement of transaction. Our Treasury Front Office has the following separate desk-



A centralized treasury operation enhanced by on-line connectivity has endowed our customers with fast and excellent service. Dealers quote every competitive cross currency spot forward and swap rates to the clients while complying with Bangladesh Bank’s foreign exchange Risk Management Guidelines. Under the apt guidance of Management our treasury is playing 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 various products like Treasury Bills and Treasury Bonds, Repo, Reverse Repo, Call and Term etc.

## Information Technology

The Premier bank has been providing modern banking facilities to it’s customers since last 15 years. Now-a-days Information Technology has introduced new ways of delivering banking services and products to the customers through

different Alternative Delivery Channel (ADC), such as SMS banking, Internet Banking, Mobile Banking etc. Bangladesh Bank is regularly investing profoundly in Information Technology on its thrust area. It is essential for the Premier Bank to have an insight into the continuing enhancements, evolution of technology and practices in the area of Information Technology. IT Division of Premier Bank is preparing himself for such emerging and futuristic technology for the betterment of the organization and delivery of business needs.

Major delivery and contribution of IT Division in 2014 included among others:

**Online Protection for Exchange (OPE):** We have deployed a solution in the Bank to combat threats, including email hosting services, email filtering and encryption. Microsoft Online Protection for Exchange (OPE) is providing enterprise-class reliability for messaging security and management. This service is helping our bank by protecting against spam and malware, encrypting data to help preserve confidentiality and maintaining access to email during and after emergency situation.

**OPE Provides:**

- Multi Engine Virus and Spam Filtering
- Maximum 5 days email archiving facilities at Microsoft cloud
- Active Content, connection and Policy-based filtering
- Near real time Message Trace and reporting
- Automatic Spooling
- Policy based encryption from sender to recipient add-on service
- Identity based Encryption (IBE) technology uses a common ID at the public key.
- Zero download Messenger-Web-Based decryption and encrypted replies.
- Enterprise Class Reliability
- Reduced Costs
- Enhanced Email Routing Scenarios
- Comprehensive Customer Support
- Comprehensive Protection
- Simplified Management
- Hybrid Messaging Protection

**FDR Automation:** We have deployed automated FDR printing during issuance which helped us to

eliminate human error and ensured operational risk management. Being a modern and fast growing bank, such kind of automation and standardization is helping us to move forward and reflecting customer's positive impression to the Bank.

**Enterprise Content Management (ECM):** We have deployed a document Management Solution-Enadoc, in our bank. Enadoc is a web based advanced document imaging, archiving and document digitization solution which provides number of features and options to manage and administrate electronic document archives, libraries, repositories, document life cycles, users and their activities with electronic documents. It provides fast and easy document retrieval, manipulation and process oriented workflows while providing advanced document repository management. Enadoc provides advanced security options to control accessibility including symmetric key encryption, disaster recovery center management, system audits, report & log management, Authorization and authentication management and advanced security integration with Microsoft Active Directory.

**Core Firewall Implementation:** We have deployed Firewall in the Bank. A firewall is a piece of firmware, which monitors the network traffic. A firewall has a set of rules which are applied to each packet. The rules decide if a packet can pass, or whether it is discarded. To protect our network & data center and to prevent-disclosure of internal data, unauthorized access to internal hosts, Interception or alteration of data, Vandalism & denial of service, wasted employee time, we implemented Firewall.

**Human Resource Management System (HRMS):** To align individual employee goal with the organizational goal, improve & accelerate operational execution, increase employee morale & improve retention, we have implemented enterprise level modern Human Resource Management System (HRMS) in our Bank. To build and implement a new Human Resource Management System (HRMS) for premier bank to cater its present and future need with: Improve administrative, responsiveness & efficiency, Create performance culture, Automate critical HR workflows, Automate





business to employee and employee to business communication, Workflow based, web-based browser independent system, Human Capital Management etc.

**Internet Banking:** Premier Bank introduced Internet Banking Services to cater its position in the market in terms of technology based Banking. Responding to the customer needs the Bank has deployed Internet Banking solution which will provide the following benefits for customers:

- Anywhere Banking;
- Account Summary and Details;
- Customer Profile;
- Fund Transfer between his/her own accounts;
- Account Statement; etc.

**Webmail:** We have introduced webmail, which is facilitating PBL employees to access his/her email from anywhere in the world in secured manner. Now PBL user can send, receive and review email by using web browser from any place using any mobile devices over internet. It ensures, non-stop services to the Bank for any critical correspondence or decision.

#### **Ensuring IT Compliance & Security through AD:**

Active Directory (AD) is a directory service that Microsoft developed for Windows domain networks and is included in most Windows Server operating systems as a set of processes and services. Active Directory simplifies the security and administration of resources throughout the network (including the computers that are part of the network) by providing a single point of administration for all objects on the network. To ensure IT compliance and security we have implemented AD and ensures following security features as a compliances:-

- Role based AD policy are applied aligned with Bangladesh Bank ICT Guideline;
- Security patches for Operating system are centrally deploying to all PC and Servers;
- Enterprise Level Antivirus are getting updated automatically from central server; and so on.

We have following priorities in our pipeline for the year 2015-

- Standard Remote Control Access deployment;
- Web Gateway: to regulate, control and monitoring of Internet Access;
- Reduce telecommunication cost IP Telephony over Microsoft Lync;

- Implement Microsoft System Center Operation Manager (SCOM);
- Implement Microsoft Service Center System Management (SCSM);
- Core Switch for our Data Center & Disaster Recovery Site;
- Standardization of our Data Center and Disaster Recovery site;
- Storage For Core Database & DPM.

### SBIM & Analytics Division

With excellent vision of industry leading experienced Board and top management of The Premier Bank Ltd., SBIM (Strategic Business Information Management) & Analytics has started its journey in Q4, 2013. In today's environment of information overload, SBIM & Analytics is required to identify the information that influences critical business decisions, to test assumptions, to validate information needs and to get data driven insight using established industry models.

The Premier Bank Ltd. SBIM & Analytics created enormous values including the following:

- Increased revenue
- Provided strategic advantage
- Helped to take informed & improved decision making
- Provided innovative insights
- Increased margins
- Increased productivity
- Reduced operational costs
- Reduced decision making time

Despite of being a new division, SBIM & Analytics contributed in a various ways including the following:

- Created an MIS & Analytics platform for the Bank from the scratch
- Designed and developed Business KPI calculator and Business KPI simulator
- Developed and circulated various types of reports including business KPI reports, business reports, campaign performance reports, management dashboard
- Identified business opportunities on upgrade, cross sell and retention across different segments and recommended actionable initiatives
- Automated some regulatory reports for various departments



- Developed and provided business model for DST Business with commission structure.

SBIM & Analytics of The Premier Bank Ltd. is building its capacity in the field of Analytics and Business Intelligence. This, in turn, is an essential guide for the roadmap to an intelligent enterprise to get maximum profit from minimum investment.

### Digital Banking Division:

Keeping up with the flow of time and the demand of modern and technology driven banking services, Digital Banking Division of the Bank started its journey to create a robust digital platform which will exceed customer's expectation and lead us to the Digital Main Bank.

In recent years, Bangladesh Bank opens the gate of digitization in banking through Phone Banking, Internet Banking, Mobile Banking and Green Banking initiatives to save our planet and by adapting various fundamentals and the art of providing privileged banking services through Digital Channels. Our Bank is also catching up new epoch of banking that goes beyond the counter by going green and with a web of digital services.

2014 was the year of laying the foundation of Digital Channels through introductions of different dimensions of banking in the tide of the tailor made services which is suited to our customer's needs, affluence and aspiration. We have successfully strengthened existing Alternate Delivery Channels through expansion, optimization and re-engineering. We are on the verge of launching our new Corporate Website, Internet Banking, SMS Banking, E-statement and Call Centre.

In 2015, the goal of Digital Banking is to provide customers the best modern banking solution through Digital Channels. Customers will be getting door step solutions through our Digital Channels. The state of the art of digitization will certainly provide a **"Cost Effective"** delivery channels to the customers and attain service excellence in the days of technology and modern busy life in terms of: Convenience through fast

and friendly service, easy accessibility to 24/7 one window service, secured & technology based structured solutions, increasing Customer Satisfaction through comfort and delight, and through best service fulfilling the **"Wow Factor"** of Digital Channels. We are committed to provide our customers a breathing space from the hustle and bustle of corporate life with a soothing digital platform fulfilling the financial needs to calm down after a day's work.

### Internal Control & Compliance

Globalization in banking has increasingly enlarged its horizons worldwide. High risks in the banking functions, strong and effective internal control systems have become really important to ensure good corporate governance, transparency and accountability. Internal Control encompasses not only regulatory and legal requirements but also various internal rules, policies, procedures and practices based on the best practices of local and global banks. It plays an important role in preventing and detecting fraud and protecting the organization's resources.

Internal control is a process effected by the board of directors, senior management and all levels of personnel. It is not solely a procedure or policy that is performed at a certain point in time, but rather it is continually operating at all levels within the bank. Internal Control contains internal audit, Compliance and monitoring risk function of the bank.

Key features of Internal Control System are as follows:

a. **Management Oversight and the control culture:**

The board of directors provides governance, guidance and oversight to senior management. It is responsible for approving and reviewing the overall business strategies and significant policies of the organization and bears the ultimate responsibility for ensuring an adequate and effective system of internal controls.

b. **Risk identification and assessment:**

An effective internal control system requires

that the material risks that could adversely affect the achievement of the bank's goals are being identified and continually assessed. This assessment should cover all risks facing the bank. This process includes the identification of six core risk areas of bank which are as follows:

1. Credit Risk
2. Asset and Liability/Balance Sheet Risk
3. Foreign Exchange Risk
4. Internal Control and Compliance Risk
5. Money laundering Risk
6. Information and Communication Technology Security Risk

**c. Control activities and segregation of duties:**

An effective internal control system should include: top level reviews; appropriate activity controls for different departments or divisions; physical controls; checking for compliance with exposure limits and follow-up on non compliance; a system of approvals and authorizations and, a system of verification and reconciliation.

**d. Information and communication:**

An effective internal control system requires that there are adequate and comprehensive internal financial, operational and compliance data, as well as external market information about events and conditions that are relevant to decision making. Information should be adequate, reliable, timely, accessible, and provided in a consistent format.

**e. Monitoring activities and correcting deficiencies:**

The overall effectiveness of the bank's internal controls should be monitored on an ongoing basis. Monitoring of key risks should be part of the daily activities of the bank as well as periodic evaluations by the business lines and internal audit.

At the PBL, the Head of ICC (Internal Control & Compliance) has dual reporting line direct to the Audit Committee of the Board and simultaneously to the CEO and management for discussion of necessary information. ICC acts as a watchdog to ensure safe, sound and compliant operations of the Bank. Internal Control & Compliance Division (ICCD) of

Premier Bank is to update the Board Audit Committee for safe and sound operation. To minimize the operational risks of the Bank, the Division conducts regular audit/inspection on the business affairs of the Bank based on Internal Audit manuals and various instructions, rules, procedures laid down by Bangladesh Bank and other regulatory authorities from time to time.

The Premier Bank Limited (PBL) has restructured its Internal Control and Compliance Division headed by a senior level executive in light of Core Risk Management guidelines of Bangladesh Bank. Under the umbrella of Internal Control and Compliance Division (ICCD), PBL has established three separate units based on the guidelines framed by the Bangladesh Bank:

1. Audit and Inspection unit
2. Compliance unit
3. Monitoring unit

**Internal Audit**

Internal Audit is an ongoing independent, material and consultancy activity, which adds value and improves the functioning of a bank. It helps the bank achieve its aims by means of a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and the management process.

Internal audit provides not only an independent assessment of the adequacy of the internal control system and compliance with, the bank's established policies and procedures but also accomplishment of the regulatory requirements of the Central bank and other regulatory body. As such, the unit prepares an Inclusive Risk Based Audit program containing financial audit, compliance audit, operations audit and management audit on annual as well as quarterly basis which approved by the senior management and Audit Committee of the Board.

**Scope of Internal audit**

Scope of an Internal Audit Function includes:

- the examination and evaluation of the adequacy and effectiveness of the internal control systems;
- the review of the management and financial information systems, including

the electronic information system and electronic banking services in the aspect of Banking book as well as Trading book;

- the review of the accuracy and reliability of the accounting records and financial reports; also to find out whether the books of accounts and financial statements are properly drawn in conformity with the Bank Companies Act 1991 and Bank Company (Amendment) Act 2013, various circulars as issued by Bangladesh Bank, Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS) and the requirements of other regulator;
- the creation of encouragement among the staffs to establish as well as execution of the self-monitoring mechanisms, and actions are taken to correct/rectify deficiencies as they are identified;
- the review of the systems established to ensure compliance with legal and regulatory requirements, code of conduct and the implementation of policies and procedures.

### Compliance Unit

This unit mainly delegated to ensure that bank complies with all regulatory requirements as well as the internal policies and procedures while operating its business. They mainly maintain liaison with the all regulators and communicate the changes/modifications for updated compliance related issues.

#### Scope

Scope of Compliance Unit includes:

- Ensure compliance of all Comprehensive and Special Inspection reports of Bangladesh Bank.
- Ensure compliance of Internal Audit Report.
- Ensure compliance of the requirements of the regulatory bodies like the Central Bank, tax authority, Ministry of Finance, Law enforcing agencies and other regulators.
- Follow up of Bank's regular and adhoc submission of reports/return/queries to Bangladesh Bank and other regulatory bodies.
- Time to time arranging various training

among the employees on the audit findings for its update knowledge.

### Monitoring Unit

This unit is responsible to ensure the effective monitoring system over the branches and departments. Regularly follow-up monitoring system and ensure the effectiveness of the bank's internal control system on an ongoing basis. This will be enriched of compliances and regularization of deficiencies that are identified by audit and Inspection team and other special issues throughout the year.

#### Scope

Scope of Monitoring Unit includes:

- Ensuring that there are no deviations and misreporting on the Departmental Control Function Checklist (DCFCL), Loan Documentation Checklist (LDCL), and Quarterly Operational Report (QOR).
- Ensuring effective monitoring on the key and high risk items identified.
- Recommending to the Head of ICCD for arranging special inspection on the divisions of Head office/branches, when major deviations are detected.
- Regular monitoring on loan disbursement.
- Periodic efforts to ensure that management has promptly followed up on recommendations and concerns expressed by auditors and supervisory authorities on internal control weaknesses.

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. For risk assessment and mitigation the ICCD used some major tools which are:

- An ICCD manual containing a framework for business and support functions to identify their major operational risks and mitigation plans.
- Policy guidelines for internal risk recognition, assessment, regulatory compliance and monitoring.
- Quarterly Operational Report (QOR).
- Departmental Control Function Checklist (DCFCL).



- Loan Documentation Checklist (LDCL)
- Prime Risk Indicator (PRI).
- Spot/Surprise Check.
- Incident Report.

### IT Audit and IT Security

IT audit is an integral part of the overall auditing process of the Bank, which is one of facilitators for internal operation in the aspect of Core Banking System (CBS). To assess and minimize the operational risk in technological environment, our IT auditors continuously conduct comprehensive and special audit with high priorities. Skilled IT professionals conducted the IT audit at Head Office and Branch level. The auditors also ensured whether control objectives in accordance with the ICT Guidelines of Bangladesh Bank are followed.

#### Scope

The scope of IT audit includes:

- Ensure that Core Banking System of the bank is properly protected and is free from unauthorized access, illegal tempering and malicious actions.
- Ensure Drill of transactions by all branches and department through Disaster Recovery (DR) site was done to ensure that DR site works okay.
- Ensure confidentiality of bank's valuable data, integrity of the information provided by the systems of the division of the Head Office & its branches.
- Ensure that acceptable standard of IT 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.

### Achievement during 2014

Audit and Inspection conducted by the Division during the year 2014:

| SL. | Nature of Inspection  | No. of Audit conducted |
|-----|---|------------------------|
| 01. | Comprehensive Inspection  |                        |
|     | Branches  | 73                     |
|     | Divisions of Head Office  | 07                     |
| 02. | Surprise (Monthly and Quarterly) Audit (Branches and Divisions) | 94                     |
| 03. | Special Inspection (On Branches and Divisions)                  | 205                    |
| 04. | IT Audit (Branches and Divisions)                               | 42                     |

### Other Information

#### Independence and impartiality

Independence requires that the internal auditors should not have a conflict of interest with the bank. ICCD is also free to report its findings and appraisals and to disclose them internally. The internal audit department operates under the direct control of the bank's Board Audit Committee. Internal audit has given an appropriate standing within the bank and to carry out its assignments with objectivity and impartiality.

#### Risk focus and Audit Plan

For 2015 the management of the ICCD has prepared a plan for all the assignments to be performed. The audit plan includes the timing and frequency of planned internal audit work. This audit plan is prepared based on a methodical control risk assessment and the comprehensive inspection and other inspection conducted in the immediate past year. A control risk assessment documents the internal auditor's understanding of the Bank's significant activities and their associated risks. Surprise inspections have been introduced to monitor the operational risk to avoid fraud and forgery in the branch operations. On the basis of the results of the risk analysis, an audit plan for the next year is established, taking into account the degree of six risk e.g. Credit risk, Market risk, Operational risk, ALM risk, Foreign Exchange risk, ICT risk etc.

#### Future Plans and Strategies

We believe on "Service First" without compromising with our Service excellence, Values, Systems, Policies and Procedures, Corporate Governance and Regulatory Compliances. Our strategies:

- Creation of new avenues to ensure the effectiveness of internal control and compliance system of the bank.
- Integrate sustainable principles into business strategy not only by achieving profit target but also ensuring compliance.
- Strengthening internal controls through clearly laid down internal and external regulatory policies, procedures and processes and their effective execution.



- Process is going on to appoint more skilled personnel with professional competence in the ICCD to carry out activities with more professionalism.
- Closely monitoring operational activities to assess operational risk and mitigation thereof, also to ensure customer friendly culture through state-of-the-art IT solutions.
- Putting more & more efforts to make sure that all branches and divisions of Head Office are complied with the internal policies and procedures as well as the legal requirement of all regulators.

### Card Business

As the first Principal member bank of Visa Credit Card, Premier Bank Limited has been playing a significant role in leading the Credit Card Business in the country since 2004. Premier Card is now conducting its operations as principal member of MasterCard and Visa Int'l and doing Card Issuing and Acquiring business both. Any local or foreign MasterCard, VISA credit/debit card users have wider access to our own 24-hours ATM network. The launching of both VISA & MasterCard Debit Card has opened up new horizon for Premier Customers. We have played significant role to support the country wide HAAB Member with their entire satisfaction through Premier Hajj Card which added new dimension in card business of the bank.

2014 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 2014, our credit card growth increased 29,500 Credit Cards and 58,252 Debit Cards which include both Visa and MasterCard. We have installed 14 ATMs which will accelerate to increase our CASA & Debit Card growth. We have sponsored Midland Bank to obtain VISA Membership and Lanka Bangla for obtaining MasterCard Membership

Our selective approach towards lending for 2014 meant that business growth was steady, which 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. We have appointed new Recovery Agents for collection of long standing cards overdue and also introduced physical verification through the CPV Agent for Credit Card application to secure

and faster the application processing. We have achieved significant success from prepaid Visa Hajj Card under Hajj Project in the year. We have achieved load value of Tk.125.33 Crore through Prepaid Visa & MasterCard Hajj Card. We have also incorporated standardized CIB reporting through online as per Bangladesh Bank guidelines and introduced Card duplication policy to minimize the risk in the card business areas. The Credit Card total outstanding was Tk.32.47 Crore while merchant turnover at Tk.81.00 Crore. Presently 420 POS Terminals are at different potential merchant outlets for Cards Acquiring business and earned of Tk. 1.56 Crore as MSF earning through acquiring business. So, the working spirit that we have shown in 2014, will continue to drive more in 2015 to improve the revenue line of Card Division to minimize the cost line under the support and co-operation of the respective Board of Directors and Top Management of the Bank.

Card Division already set its ambitious strategies for making consistent business growth in 2015 and the priorities are as follows:

- Up gradation of Core Card System with full certification of PCI-DSS and EMV Compliance
- More focus on Collection and Recovery issue to reduce the bad loan amount of Card Portfolio.
- Introduce market competitive value added services for our valued cardholders to create loyal customers for the bank under new Product Development initiatives i.e. Conversion of VISA Platinum card from existing GOLD Card, Premier Safety Plus, Balance Transfer, Prepaid Card for Students, Insta Buy, Reward Program, Card Sales Campaign, Discount Campaign, Branch POS, Priority Pass for the improvement of Card Business.
- Branding at POS, Branches Service Adviser Desk and major locations.
- Special One stop service for branch people, introducing new Card Desk with PC and Card System connectivity with the help of IT.
- Increase debit card to 2 Lacs
- Increase the number of ATM booths to 50
- Introduce Cross-sell through Retail/SME Banking Division/Elite banking Division.

We are committed to keep growing to deliver quality services 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 to become country best in near future.

## Islamic Banking

The Bank is maintaining a separate accounting system for Islamic Banking operation which is completely different from Conventional Banking system ensuring the standard adopted by Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI). At present, the Bank has 02 (two) Islamic Banking Branches under its banking network: one at Mohakhali, Dhaka and another at Laldighirpar, Sylhet. These branches are performing well with increasing growth of business since inception.

To stimulate knowledge and expertise on Shari'ah based banking, the Bank undertakes regular training and workshops for its employees on Shari'ah Principles, Investment and Foreign Exchange operations 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 'Shari'ah' 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.

Performance Highlights of Islamic Banking Business from 2010 to 2014:

Amount in Million Taka

| Year        | Deposit        | Investment     | Operating Profit |
|-------------|----------------|----------------|------------------|
| 2010        | 5680.98        | 2059.75        | 134.21           |
| 2011        | 6750.22        | 3572.03        | 294.97           |
| 2012        | 6139.12        | 3436.66        | 331.29           |
| 2013        | 5518.70        | 3320.50        | 434.10           |
| <b>2014</b> | <b>7806.20</b> | <b>4623.50</b> | <b>356.80</b>    |

Premier Bank "Shari'ah Supervisory Committee" under the chairmanship of Prof. Maulana Md. Salah Uddin reviews comprehensive performance and provides directives for operation of the branches. There are 13 members in "Shari'ah Supervisory Committee" out of which 8 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 "Shari'ah Supervisory Committee". The Committee looks after the activities of Islamic Banking Operation of the Bank and provides proper guidance in various banking issues.

04 (four) meetings of "Shari'ah Supervisory Committee" were held in the year 2014 wherein operational issues were reviewed and other relevant issues were discussed for the development of Islamic Banking operation.

Our Islamic Banking Branches offer following Deposit Products under Al-Wadiah and Mudaraba Principles:

- Al-Wadiah Current Deposit (AWCD)
- Mudaraba Savings Deposit (MSD)
- Mudaraba Short Notice Deposit (MSND)
- Mudaraba Term Deposit Receipt (MTDR)
- 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)
- Mudaraba Premier Excel Savers Account (MPESA)
- Mudaraba Premier Esteem Savers Account (MPESA)

Investment Operations are conducted as per Shari'ah under Islamic Investment mode, such as: Bai'-Muajjal, Bai'-Murabaha, Bai'-Salam, Hire

Purchase under Shirkatul Melk, Quard etc. Some Investment Products are:

- Consumer Investment Scheme
- Housing/Apartment Investment Scheme
- Doctors' Investment Scheme
- Rural Investment Scheme
- SME Investment Scheme
- Students' Investment Scheme
- Women Entrepreneurs' Investment Scheme
- Lease Investment Scheme
- Project/Commercial Investment Scheme etc.

In addition to the above, to invest the unutilized Islamic Banking fund in the capital market, a guideline has been formulated and accordingly the Bank maintains a separate portfolio based on Shari'ah principle.

## Human Resources Management

Human resource occupies the center stage in any organization and more so in a service industry like banking. As such Premier Bank the most progressive Banks in the country is moving forward with a vision of converting human resources into human capital through the processes of providing appropriate knowledge, skills, abilities and personal attribution.

In 2014, we began to place more of a focus on making people the heart of what we do, by putting people first. We believe that the source of our competitive advantage lay deep inside our company, in our people. Our core brand has always been our employees, appreciated for their passion to perform. We do not offer our employees a job, we offer them a career.

In 2015, Human Resources made putting people first a lens through which we identified major projects and activities and through which we started to shift how we approach our day-to-day work. This year's HR Objective is all about what we did to put people first and how we did it. In this year, we take three major HR initiatives these are focus on engaging employees: recognition and awards programs, the People First employee engagement programs and fostering communication between leaders and employees.

### HR as a Business Partner

We are strategic business partners forcibly involved in the success of organizations evaluating not just hiring, employee separation and traditional hiring advisory roles but so much

more. HR helps in increasing the productivity and quality, and to gain the competitive advantage of a workforce strategically aligned with the Bank's goals and objectives. We have clients within the organization and we provide resources and build relationships with focusing on the missions and objectives set forth by the Bank. We are committed to retaining staff that makes a substantial contribution to Banks success with their skills and dedicated efforts.

### The Premier Bank Human Resource Outlook

We recognize that our human capital drives the Bank's customer-driven business model. Therefore, we continuously strive to attract and retain the best talent from the local markets; clearly define their roles and responsibilities; include them into robust performance management system; create an inspiring and rewarding work environment; engage them into an inclusive work place; impart training and create development opportunities for increasing employee knowledge and efficiency to make them future ready; and create career opportunities.

Our company is an equal opportunity employer and is committed to ensuring that the work environment at all its locations is conducive to fair, safe and harmonious relations between employees. It follows a structured recruitment policy, service rules and compensation package for its workforce at all tiers. It strongly believes in maintaining the dignity of all its employees, irrespective of their gender or seniority. Discrimination and harassment of any type are strictly prohibited.

The Premier Bank Limited always considers its employees as the most valuable resource and crucial part of all its operations. Since its inception, the bank has recruited highly talented professional manpower coupled with fresh university graduates and build up the finest team to cope up with the growing business competition. Premier Bank is currently running 92 Branches including 12 SME Branches with as many as 1399 employees across the country.

### Data analysis of our personnel

| Particular      | Year-2014 | Year-2013 |
|-----------------|-----------|-----------|
| Total Staff     | 1399      | 1356      |
| Permanent Staff | 1350      | 1283      |
| Female Staff    | 260       | 241       |
| Share of women  | 18.58%    | 17.77%    |
| Average Age     | 35 years  | 34 years  |



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 employees Birthday Celebration, Annual Picnic Party, Award Giving Ceremony and New Year Celebration for Premier Bank family members in the most amusing location around the country.

### Developing Human Resources to Human Capital

As a development partner in the economy Premier Bank has a key role to play in providing not only financial service but also disseminating knowledge. Recognizing the fact we have concentrated on converting human resource into human capital through identification of skill gap and imparting the required training and optimize the ability of the staff.

The Bank has institutionalized a program of recruiting MTO/TJO/TJO (Cash) officers, through competitive examination conducted independently by renowned organizations at various locations in Dhaka. The objective is to attract the best talent for the Bank's future leadership. Besides, a good number of representatives of the Bank attended specialized program at BIBM, foreign bank and leading training institutes at home and abroad.

### Premier Bank Learning and Talent Development Center

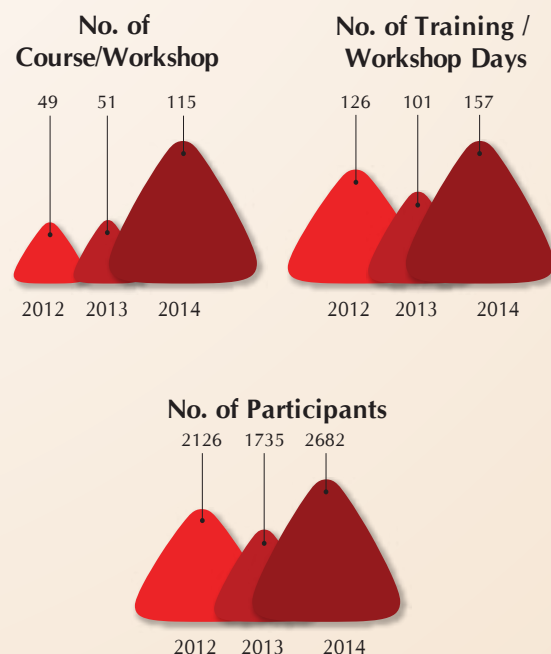
Learning and Talent Development Center (LTDC) conducted 115 training programs in the year 2014. LTDC for the first time-incorporated task based, and content based learning where participants were taught necessary concepts and skills which they can implement in their day to day task. Role-play, quiz competition, games, video etc. were some of the teaching methods that have been applied to ensure maximum involvement of the participants, for example, Operational Risk Management, AML/CFT, Foundation Training Course, TEAM Building. At LTDC, emphasis is given on hands-on activities which require participants to be interactive. Both individual and collaborative learning are included in our teaching methodology. It also includes project based learning, a comprehensive approach to classroom teaching and learning that is designed to engage

participants in investigation of authentic problems. LTDC is going to start 2015 with a target of 124 no. of trainings covering participants from all branches.

At the close of the year LTDC along with HRD started visiting different branches in order to get feedback from the participant him/herself about their training requirements for the year 2015. This visit helped not only to build rapport with the officials in different branches but also to identify the right officials for the right training. The meeting with different branch officials in particular helped LTDC to prepare an effective training calendar for the upcoming year.

The organized, and structured approach help LTDC to build a high quality in-house training system in the bank. The below comparative study will help to understand the gradual progress of LTDC.

Comparative Position of Performance of LTDC in Academic year 2014 with prior years:



| Year | No. of Course/ Workshop | No. of Days | No. of Participants |
|------|-------------------------|-------------|---------------------|
| 2012 | 49                      | 126         | 2126                |
| 2013 | 51                      | 101         | 1735                |
| 2014 | 115                     | 157         | 2682                |



## Risk Management Division

The Bank has a robust and integrated Risk management Division headed by the Chief Risk officer to ensure that risks assumed by it are within the defined risk appetites/limits and are properly addressed.

Risk Management Division prepares risk management papers identifying and measuring potential risks in Bank's activities and portfolios, arranges meeting of all Risk Committee and appraise the higher management as well as the Risk Management Committee of the Board and recommend remedial measures to mitigate the identified risks. Funding gap analysis, Duration gap analysis, VaR analysis is presented in the risk management paper. RMD undertake Stress tests on quarterly basis to assess risk resilience capacity of the bank. Stress tests are conducted under the scenario of minor, moderate and high level of shocks.

## Green Banking and Finance

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

Reckoning with the concern of Bangladesh Bank, we sincerely think about formulating environment-friendly financing policy and promoting eco-friendly scheme for industries. We are also eager to offer loans to those projects which are eco-friendly while benefitting 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 and hazardous waste disposal plant, bio gas plant, bio-fertilizer plant will be the targeted areas for financing by our bank in 2015.

## 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, ICT Steering Committee, Credit Committee, Asset Liability Management Committee (ALCO) and

Integrity Committee etc. In the Management team, the Managing Director is assisted by Additional Managing Directors, Deputy Managing Directors, and Divisional Heads. 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 Policy issues, new initiatives, business performance etc. 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.

## Integrity Committee

In line with The National Integrity Strategy of the Government to institutionalize integrity and good governance for building a happy, prosperous and corruption free Bangladesh, the Bank has constituted a 7 members Integrity Committee. The Committee meets quarterly or as often as necessary to review and update integrity related issues. It also draws action plan and submit quarterly report on status of implementation of action plan on integrity to Bangladesh Bank as well as the EC/Board of Directors of the Bank.

## Credit Rating Report

National Credit Ratings Ltd. (NCR) has assigned 'AA (Double A)' rating in the Long Term and 'ST-1' rating in the Short Term to The Premier Bank Limited in consideration of financials up to 31st December 2013 and other relevant quantitative as well as qualitative information up to date of rating declaration on 18.06.2014.

Commercial Banks rated 'AA (Double A)' 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-1' 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 2014 will be disclosed within stipulated time for the shareholders upon completion of rating process by NCR.

### Anti-Money Laundering (AML)

Money Laundering is one of the vital core risks in banking sector. Any failure in AML compliance brings reputational, legal & regulatory risks for a bank. Being a banking company, The Premier Bank Limited has statutory obligation to comply with all applicable Anti Money Laundering (AML) rules & regulations.

Our Board of Directors & Senior Management are fully committed to combating Money Laundering & Terrorist Financing. Under their guidance the bank has already put in place an appropriate AML framework to promote sound business, good governance & risk management.

The key objective of our bank is to prevent its products & services, Alternative Delivery Channels & branch networks from being used as a conduit for money laundering. Accordingly, we have a sound KYC program including IT infrastructure for detection and prevention of money laundering. Moreover, our customer due diligence process, employee-customer screening mechanism and training for all employees serve as a cushion against all AML risks and uphold our image as a compliant bank.

### 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 of sustainable 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 Bangladesh Securities & Exchange Commission (BSEC). Details Compliance Report on Corporate Governance Practice is stated in a separate under the head 'Corporate Governance' stated on page from 47 to 60 of the Annual report.

### The Board of Directors

The Board is currently comprised of 11 Directors including 01 Independent Directors led by the Chairman. 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 majority of valid votes. The nominees for directorship are to meet certain 'fit and proper' criteria pursuant to rules and regulations of Bangladesh Bank, MoA, AoA and Company Law- 1994.

### Sub-Committee of Board of Directors

#### Executive Committee

An Executive Committee consisting of 6 members (excluding 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 BSEC. The roles and responsibilities of the Board Audit Committee are governed/guided by Bangladesh Bank's BRPD Circular 11 dated 27.10.2014 and BSEC's Notification 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.

#### Risk Management Committee

As per stipulation of section 15(kha) of the Banking Companies Act, 1991, bank has constituted a Risk Management Committee comprising of members of the Board of Directors. The committee is headed by

Chairman of the Board of Directors. The Committee plays effective role in minimizing probable and emerging risks in implementing the policies and strategies formulated by bank's Board of Directors and perform the responsibility of the Board of Directors in this regard.

The Committee monitors whether or not appropriate measures are taken by management to mitigate the risks that are identified and measured. The Committee also monitors whether or not required Capital and provisions are maintained against the risks.

### 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 138 to 232 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 are 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 131 of the Annual Report.

### 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. Syful Shamsul Alam & Co., Chartered Accountants and K. M. Hasan & Co., Chartered Accountants have served as External Auditors of the Bank for the year 2014. As per Bangladesh Bank guidelines, they are eligible for appointment and they have expressed their willingness for the next term being eligible for re-appointment by the shareholders in the 16<sup>th</sup> AGM of the Bank.

### Appointment of Independent Director

The Board of Directors of the Bank had two Independent Directors as on December 31, 2014. However, one of them Mr. Kazi Abdul Mazid has resigned from the Board and the Board accepted the resignation of him with effect from 18.01.2015 in its 131<sup>st</sup> meeting on 11.01.2015. At present there are 1(one) Independent Director of the Bank and one more Independent Director will be appointed soon for complying of Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRC/2006-158/134/Admin/44 dated August 07, 2012 and Bank Company (Amendment) Act- 2013.

### Retirement and re-election of Directors

In the 16<sup>th</sup> 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 – 2014.

### Meetings

During the year 2014, the number of the meetings held by the Board of Directors is 20 and by the Executive Committee is 44. The Audit



Committee of the Board of Directors held 20 meetings and the Shariah Supervisory Committee of the Bank sat for 4 meetings during the period under review. The number of meeting held by the Risk Management Committee of the Board is 01 in the last year.

### Remuneration of Directors

The Directors' Remuneration for the year ended December 31, 2014 is given in Note 33 of the financial statements.

### Dividend

The Board of Directors of the Bank has recommended dividend @10% in the form of Bonus Shares to the Shareholders for the year ended on December 31, 2014 subject to approval of Shareholders in the 16<sup>th</sup> Annual General Meeting (AGM) of the Bank.

### 16<sup>th</sup> Annual General Meeting

16<sup>th</sup> Annual General Meeting of the Bank will be held on the June 16, 2015 at Bashundhara Convention Center- 02, Bashundhara R/A, Dhaka- 1229, Bangladesh at 10.30 a.m. The Directors' Report and Financial Statements were adopted in the 137<sup>th</sup> Board Meeting held on the April 30, 2015 for presentation and approval of the Shareholders in the AGM.

### Outlook, Opportunities and our Strategy

The underlying conditions for our business in the year 2014 may be similar to those we have experienced in the recently completed year. However, we are well positioned to meet the needs of our customers the economy should rebound more quickly than anticipated. We have a truly excellent management team leading the Group and, in this challenging world 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 potential 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 2015 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.



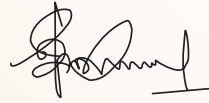
We perceive a positive outlook about the years ahead. The challenges we faced in the financial markets during the last couple of years have been significant and are likely to continue to have an impact on banking operations in 2015. We remain confident that Premier Bank will successfully manage through this period of upheaval. The accomplishments of the past years and a well-planned growth strategy for future have already given us the confidence to keep the bank well positioned in 2015 and beyond.

### Thanks and gratitude

The Board of Directors take the opportunity to express 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 a prestigious position.

On behalf of  
The Board of Directors



**Dr. H. B. M. Iqbal**  
Chairman  
The Premier Bank Limited

A close-up photograph of a hand holding a black pen, poised to write on a clipboard. The background is a blurred conference room with several red chairs and a table with papers.

## পরিচালকবৃন্দের প্রতিবেদন

## পরিচালকবৃন্দের প্রতিবেদন

### সম্মানিত শেয়ারহোল্ডারবৃন্দ,

আমরা অত্যন্ত আনন্দের সাথে দি প্রিমিয়ার ব্যাংক লিমিটেড- এর ষষ্ঠদশ বার্ষিক সাধারণ সভায় আপনাদেরকে স্বাগত জানাচ্ছি। ২০১৪ সালে ব্যাংকের ব্যবসা পরিচালনার ক্ষেত্রে আপনাদের অব্যাহত সহযোগিতা ও পৃষ্ঠপোষকতার জন্য জানাই আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা। সেই সাথে ২০১৪ সালের নিরীক্ষিত হিসাব বিবরণীসহ ব্যাংকের ষষ্ঠদশ বার্ষিক প্রতিবেদন আপনাদের সামনে উপস্থাপন করছি যেখানে পূর্ববর্তী বছরের সাথে ২০১৪ সালের পরিচালন কর্মকাণ্ডের তুলনামূলক মূল্যায়ন এবং বিশ্লেষণ করা হয়েছে। তাছাড়া বাংলাদেশ এবং বিশ্ব অর্থনীতির সামগ্রিক অবস্থা, কর্মকাণ্ডের ও সম্ভাবনার সার্বিক চিত্রও উপস্থাপন করা হয়েছে।

### বিশ্ব অর্থনৈতিক মন্দা ও সম্ভাবনা

সুদৃঢ় অর্থনৈতিক কর্মকাণ্ড, মুদ্রাস্ফীতির নিম্নমুখী অবস্থান এবং উল্লেখযোগ্য কয়েকটি দেশের কর্মসংস্থান বৃদ্ধির পরিপ্রেক্ষিতে ২০১৫ সাল ব্যবসায়িক কর্মকাণ্ডের একটি আদর্শ বছর হবে। যদিও কিছু অনিশ্চয়তা, যেমন- ইউরোপের মন্ডর পুনরুদ্ধার, মধ্যপ্রাচ্য ও পূর্ব এশিয়ার মধ্যে উত্তেজনা, মার্কিন সরকারের অভ্যন্তরীণ দ্বন্দ্ব প্রধান অর্থনীতিসমূহের মন্দাভাব কাটিয়ে উঠার অন্তরায় হয়ে দাঁড়িয়েছে।

আন্তর্জাতিক মুদ্রা তহবিল (আইএমএফ)- এর সর্বশেষ প্রকাশিত ওয়ার্ল্ড ইকোনমিক আউটলুক (ডব্লিউইও) অনুযায়ী ২০১৪ সালে বিশ্বের গড় প্রবৃদ্ধি দাঁড়িয়েছে ৩.৩ শতাংশ যা আইএমএফ- এর অক্টোবরে প্রকাশিত প্রতিবেদনে উল্লেখ্য অনুমানের তুলনায় ০.৩ শতাংশ কম। তেলের দাম কমে যাওয়ায় বিশ্ব অর্থনীতিতে বেশকিছুটা গতি সঞ্চারের সম্ভাবনার বিপরীতে আগামী দিনগুলোতে কম প্রবৃদ্ধি হওয়ার আভাস দিয়েছে আইএমএফ। ইউরোঅঞ্চলের অর্থনীতিতে গতি থাকা সত্ত্বেও অন্যান্য কিছু নেতিবাচক দিক বিশেষত দুর্বল বিনিয়োগ, চীনের অর্থনৈতিক প্রবৃদ্ধি কমে যাওয়া প্রভৃতি কারণে অর্থনীতিতে নেতিবাচক প্রভাব পড়েছে। তবে আন্তর্জাতিক এই প্রতিষ্ঠানটি তার প্রতিবেদনে উল্লেখ করে ২০১৫ ও ২০১৬ সালে অর্থনৈতিক আনুমানিক প্রবৃদ্ধি হবে যথাক্রমে ৩.৫ এবং ৩.৭ শতাংশ।

পক্ষান্তরে, জাতিসংঘের ওয়ার্ল্ড ইকোনমিক সিচুয়েশন এন্ড প্রসপেক্টস (ডব্লিউইএসপি)- ২০১৫ অনুযায়ী ২০১৪ সালেও বৈশ্বিক অর্থনীতির প্রসারণ দীর্ঘ ও মধ্যপন্থী পুনরুদ্ধার প্রক্রিয়ায় অব্যাহত ছিল। বৈশ্বিক আর্থিক সংকট পুনরুদ্ধারের প্রতিবন্ধকতা হিসেবে কিছু চ্যালেঞ্জ উল্লেখ করা হয়েছে তার মধ্যে অন্যতম হল বিশ্বের বিভিন্ন অঞ্চলের ভূ-রাজনৈতিক দ্বন্দ্ব, যা ছিল অপ্রত্যাশিত। ২০১৪ সালে মোট বৈশ্বিক উৎপাদন (ডব্লিউজিপি) এর প্রবৃদ্ধির হার অনুমান করা হয় ২.৬ শতাংশ যা

তুলনামূলকভাবে ২০১৩ সালের নিবন্ধিত ডব্লিউজিপি- এর প্রবৃদ্ধির হার ২.৫ শতাংশের চেয়ে বেশি, কিন্তু ২০১৪ সালের মাঝামাঝিতে প্রবৃদ্ধির হার ২.৯ শতাংশ ধারণা করা হয়েছিল যার থেকে বর্তমান প্রবৃদ্ধি অনেক কম। তবে জাতিসংঘের প্রতিবেদন অনুযায়ী, দুর্বল অর্থনৈতিক প্রবৃদ্ধি, কিছু অনিশ্চয়তা ও বৈশ্বিক অর্থনৈতিক ভঙ্গুরতা সত্ত্বেও ডব্লিউজিপির প্রবৃদ্ধির হার ২০১৪ সালের ২.৬ শতাংশ হতে ২০১৫ সালে ৩.১ এবং ২০১৬ সালে ৩.৩ শতাংশে উন্নীত হবে বলে প্রত্যাশা করা হয়েছে।

### বাংলাদেশ পরিস্থিতি

২০১৩ সালের সংঘাতের রাজনীতি কাটিয়ে ২০১৪ সালে বাংলাদেশের অর্থনীতি ঘুরে দাঁড়িয়েছে। মূল্যস্ফীতি, রেমিটেন্স, রপ্তানী, আমদানী, রিজার্ভসহ প্রায় সবগুলো সূচকই ছিল ইতিবাচক। ২০১৪ সালের শুরুতেই নির্বাচনকে কেন্দ্র করে অর্থনৈতিক ও রাজনৈতিক অনিশ্চয়তা থাকলেও গোটা বছরের অর্থনীতিতে তার তেমন আঁচ লাগেনি। বরং সামষ্টিক অর্থনীতির কোন কোন ক্ষেত্রে আগের চেয়ে অধিক শক্তিশালী হয়েছে। গত তিন বছরের ধারাবাহিকতায় এ বছরও কমেছে মূল্যস্ফীতি, বেড়েছে রেমিটেন্স, ব্যাংক থেকে কম ঋণ নিয়েছে সরকার, রাজস্ব আদায় বেড়েছে। প্রবৃদ্ধি কম হলেও রপ্তানী আয়ের ইতিবাচক ধারা বজায় রেখেছে বাংলাদেশ। বছরজুড়ে রাজনৈতিক স্থিতিশীলতা থাকলেও বিনিয়োগ স্থবিরতার কারণে এই অর্থবছরে অর্থনৈতিক প্রবৃদ্ধির হার প্রত্যাশিত পর্যায়ে অর্জিত নাও হতে পারে। তবে বিশ্ববাজারে জ্বালানী তেল ও খাদ্য পণ্যসহ অন্যান্য পণ্যের দাম কিছুটা কমায় বাংলাদেশের অর্থনীতিতে স্বস্তি ফিরে এসেছে এবং পদ্মা সেতু, মেট্রো রেল, ঢাকা-চট্টগ্রাম চার লেন, গ্যাস-বিদ্যুৎসহ প্রকল্পগুলো বাস্তবায়িত হলে বিনিয়োগ বৃদ্ধির দৃষ্টিতে কেটে যাবে বলে আশা করা হচ্ছে। ২০১৪ সালে দেশে বিনিয়োগের পরিমাণ জিডিপির প্রায় ২৮.৬৯ শতাংশ হিসেব করা হয় যা ২০১৩ সালে ছিল ২৮.৩৯ শতাংশ। এখানে উল্লেখ্য যে, বিদেশী মুদ্রার সঞ্চয়ন ছাড়িয়ে গেছে সবকিছুকে। বাংলাদেশে বিদেশী মুদ্রার মজুদ এখন ২২ বিলিয়ন ডলারের বেশি, যা পাকিস্তানের রিজার্ভের চেয়ে প্রায় দ্বিগুণ; শ্রীলংকার তিনগুণ।

চলতি অর্থবছরে বাংলাদেশের মোট দেশজ উৎপাদনের (জিডিপি) প্রবৃদ্ধির হার ৬.২৫ শতাংশ হবে বলে অনুমান করেছে আন্তর্জাতিক মুদ্রা তহবিল (আইএমএফ)। এদিকে বাংলাদেশের জিডিপি প্রবৃদ্ধির হার গত অর্থবছরে (২০১৩-১৪) ছিল ৬.১২ শতাংশ আর তার আগের বছর ছিল ৬.০৩ শতাংশ। সরকার চলতি অর্থবছরে ৭.৩ শতাংশ হারে প্রবৃদ্ধি অর্জনের লক্ষ্যমাত্রা নির্ধারণ করেছে। এশীয় উন্নয়ন ব্যাংক (এডিবি) এক পূর্বাভাসে উল্লেখ করে এ বছর জিডিপি প্রবৃদ্ধির হার হবে ৬.৪ শতাংশ। অন্যদিকে, জাতিসংঘ তার এক প্রতিবেদনে উল্লেখ করে যে, বাংলাদেশ ২০১৪-১৫ অর্থবছরে জিডিপি প্রবৃদ্ধির হার ৬.২ শতাংশ অর্জন করবে এবং পরবর্তী দুই অর্থবছরে অর্থাৎ ২০১৫-১৬ এবং ২০১৬-১৭ অর্থবছরে এই হারের পরিমাণ হবে যথাক্রমে ৬.৫ এবং ৭.০ শতাংশ।



## সাফল্যের ১৫ বছর

১৯৯৯ সালের ২৬শে অক্টোবরে যাত্রা শুরু করে প্রিমিয়ার ব্যাংক অত্যন্ত সফলতার সাথে ব্যাংকিং কার্যক্রম অব্যাহত রেখেছে। আপনাদের সকলের সহযোগিতা, আস্থা ও মূল্যবান পরামর্শ আমাদের এ অগ্রযাত্রায় পাথেয় হিসাবে ছিল যা ভবিষ্যতেও অব্যাহত থাকবে বলে আমরা বিশ্বাস করি। “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 ১২টি এসএমই শাখাসহ ৯২টি শাখার মাধ্যমে আমরা সারাদেশে ব্যাংকিং কার্যক্রম পরিচালনা করে যাচ্ছি।

## ব্যাংকিং সেবার বহুমুখীকরণ

আমাদের প্রধান ব্যবসায়িক কর্মকাণ্ড হিসেবে চিহ্নিত খাতসমূহ হচ্ছে কর্পোরেট ও রিটেইল আমানত গ্রহণ, ঋণ বিতরণ, ট্রেড ফাইনান্স, প্রকল্প অর্থায়ন, লীজ ফাইনান্স, চলতি মূলধন ও অন্যান্য অর্থায়ন, দেশীয় ও আন্তর্জাতিক ক্রেডিট কার্ড সার্ভিস, অন্তর্মুখী রেমিটেন্স সেবা প্রভৃতি। প্রচলিত ব্যাংকিং ব্যবস্থার পাশাপাশি প্রিমিয়ার ব্যাংকের রয়েছে শাখায় ইসলামিক ব্যাংকিং সেবা। প্রিমিয়ার ব্যাংকের নিজস্ব সাবসিডিয়ারী কোম্পানী “প্রিমিয়ার ব্যাংক সিকিউরিটিজ কোম্পানী লিঃ” প্রতিষ্ঠার মাধ্যমে ব্রোকারেজ সেবা এবং পুঁজিবাজারে বিনিয়োগের জন্য মার্জিন লোন দিয়ে থাকে। অন্তর্মুখী বিদেশী রেমিটেন্স সেবাকে সহজ ও দ্রুততর করতে গত ২০১১ সাল থেকে লন্ডনে “প্রিমিয়ার মানি ট্রান্সফার কোম্পানী লিমিটেড” নামে ব্যাংকের নিজস্ব সাবসিডিয়ারী কোম্পানী হিসেবে নিরন্তর সেবা প্রদান করে যাচ্ছে।

## পণ্য ও সেবা

পরিবর্তনশীল অর্থনীতি এবং গ্রাহকের চাহিদার দিকে লক্ষ্য রেখে প্রিমিয়ার ব্যাংক সবসময় নিত্য নতুন পণ্য এবং সেবার দিকে মনোযোগ দিয়েছে। ২০১৪ সালে বিদ্যমান বাজার চাহিদার বিপরীতে একটি সম্পূর্ণ আধুনিক ব্যাংকিং পণ্য ও সেবার অঙ্গীকার নিয়ে আমরা রিটেইল ও এসএমই ব্যাংকিং ব্যবসাকে সম্প্রসারিত করেছি। সেবার মানোন্নয়নে আমরা কাজ করে চলেছি প্রতিনিয়ত। এটিএম সার্ভিসের মতো স্বয়ংক্রিয় পদ্ধতিতে ব্যাংকের কিছু বিকল্প ডেলিভেরি চ্যানেল রয়েছে। দ্রুত সেবা প্রদান, ঋণ প্রক্রিয়ার সময় হাস, অনলাইন জমা এবং রেমিট্যান্স প্রদান ছাড়াও আরও নানা ধরনের উন্নত সেবার মাধ্যমে আমরা ব্যাংকিং শিল্পে নিজেদেরকে অনন্য স্থানে নিয়ে এসেছি।

## আর্থিক মূল্যায়ন

দেশ এবং বিদেশের নানারকম চ্যালেঞ্জ সত্ত্বেও প্রিমিয়ার ব্যাংক সবধরনের ব্যাংকিং কার্যক্রমে প্রশংসনীয় প্রবৃদ্ধি অর্জন করেছে।

প্রবৃদ্ধি অর্জনের ধারা অব্যাহত রাখতে গত বছর প্রিমিয়ার ব্যাংক ব্যবসায় প্রসার, বহুমুখীকরণ এবং ব্যবসায়িক যোগাযোগ বৃদ্ধিতে দৃষ্টি কেন্দ্রীভূত করে। ২০১৪ সাল শেষে ব্যাংকের কর পরবর্তী নিট মুনাফার পরিমাণ দাঁড়ায় ৮৭২.৩৫ মিলিয়ন টাকা, মোট সম্পদের পরিমাণ দাঁড়ায় ১১১৫৭৬.৪১ মিলিয়ন টাকা।

এই সময়ে মূল ব্যাংকিং নিয়ামকসমূহ ছিল উৎসাহব্যঞ্জক যার মধ্যে ইকুইটিটির উপর আয় (রিটার্ন অন ইকুইটি) ৯.৭৫% এবং সম্পদের উপর আয় (রিটার্ন অন অ্যাসেট) ০.৮৭% রেকর্ড করা হয়। ব্যাসেল-২ এ্যাকর্ড ও বাংলাদেশ ব্যাংক গাইডলাইন এ বর্ণিত মূলধন আবশ্যিকতার বিচারে ব্যাংকের মূলধন পর্যাপ্ততার অনুপাত ছিল ১৩.৩১%। মোট সম্পদের পর্যাপ্ত নগদ সম্পদ নিয়ে ব্যাংকের তারল্য স্থিতি ছিল সন্তোষজনক।

## পরিচালন আয়

ব্যাংকের মোট পরিচালন আয় ২০১৪ সালে ৫১৬৪.৭৫ মিলিয়ন টাকায় উন্নীত হয় যার মধ্যে বিনিয়োগ থেকে আয়ের পরিমাণ ছিল ১৯৬৬.৮৫ মিলিয়ন টাকা, নিট সুদ আয় হয় ১৯৩১.১২ মিলিয়ন টাকা। অন্যদিকে ব্যাংকের ফি ও কমিশন ভিত্তিক আয়ের পরিমাণ মোট পরিচালন আয়ের ১৬.৭৭% হিসেবে ৮৬৬.৪০ মিলিয়ন টাকায় লিপিবদ্ধ হয়।

## অন্যান্য আয়

২০১৪ সালে মোট অন্যান্য আয় রেকর্ড করা হয় ৪০০.৩৯ মিলিয়ন টাকা যা ২০১৩ সালে ছিল ৪৭৭.০০ মিলিয়ন টাকা যা অর্জিত হয় মূলত ব্যবসায়িক পরিধির বিস্তৃতি এবং বিবিধ কর্মকাণ্ডের মুনাফার প্রবৃদ্ধি থেকে যেমন: লকার সার্ভিস, টেলিফ্র্যাঞ্চাইজ, ব্রোকারেজ কার্যক্রম ইত্যাদি।

## পরিচালন ব্যয়

২০১৪ সালে ব্যাংকের পরিচালন ব্যয় ৩৩৪৬.৮৪ মিলিয়ন টাকা পূর্ববর্তী বছরের তুলনায় ৪৩৫.২৫ মিলিয়ন টাকা বেশি লক্ষ্য করা যায়। ব্যাংকের স্টাফদের ভাতা বাবদ ব্যয় ৯৬৯.৬৯ মিলিয়ন টাকা থেকে বেড়ে ২০১৪ সালে ১১৪১.৮৯ মিলিয়ন টাকায় উন্নীত হয় যার মধ্যে প্রধান বিবেচ্য বিষয় ছিল ভালো পারফরমারদের স্বীকৃতি ও পুরস্কার 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।

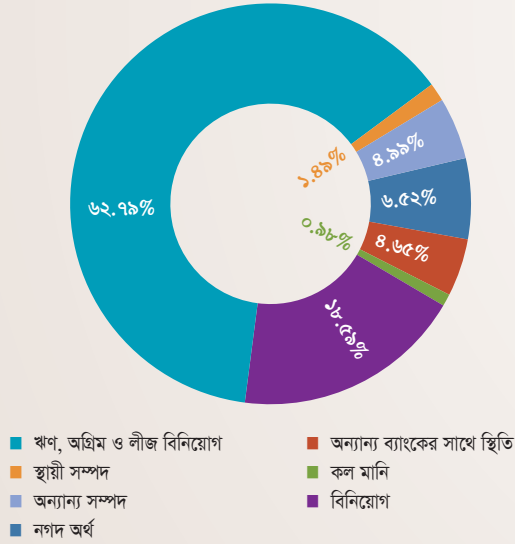
## সম্পদ

২০১৪ সালে মোট সম্পদের পরিমাণ ১১৫৭৬.৪১ মিলিয়ন টাকা যা ২০১৩ সালের উপর ২৫.৪২% প্রবৃদ্ধি নির্দেশ করে। ৩১ ডিসেম্বর ২০১৪ তারিখে, ঋণ ও অগ্রিমের সাথে মোট সম্পদের অনুপাত ছিল ৬২.৭৯% যা ২০১৩ সালে ছিল ৫৮.৬১%। লোন হিসাবের উল্লেখিত বৃদ্ধির পিছনে প্রভাব রেখেছে কর্পোরেট ও এসএমই ক্রেডিট লাইনে বর্ধিত



অংশগ্রহণ, সিম্ভিকেশন ঋণ, দেশের বিভিন্ন খাতে ব্যবসায়িক সম্পর্কের সুদৃঢ়করণ, রিটেইল ও ভোক্তা ঋণ পণ্যের উৎকর্ষ ও আকর্ষণ ইত্যাদি।

### মোট সম্পদের শ্রেণীবিন্যাস



### দায়

ব্যাংকে গ্রাহকদের আমানত ব্যাপকভাবে বৃদ্ধি পেয়ে ২০১৪ সালে দাঁড়ায় ৯০৭৫০.০৬ মিলিয়ন টাকা, ২০১৩ সালে এর পরিমাণ ছিল ৭৩৫১৬.৪৩ মিলিয়ন টাকা। সাশ্রয়ী কিংবা স্বল্প ব্যয়নির্ভর ডিপোজিট এর উপর অগ্রাধিকার দিয়ে ব্যবসায়ের প্রায় সকল খাত থেকেই আমরা ডিপোজিট সংগ্রহ করি। বাংলাদেশ ব্যাংকের পুনঃঅর্থায়ন সুবিধা সহ ব্যাংক এবং আর্থিক প্রতিষ্ঠানসমূহে প্রিমিয়ার ব্যাংকের দায়ের পরিমাণ ছিল ৪১৪৬.৫৫ মিলিয়ন টাকা, ২০১৩ সালে এর পরিমাণ ছিল ৩০১৯.২৫ মিলিয়ন টাকা। ২০১৪ সাল শেষে ব্যাংকের মোট দায়ের শতকরা ৮৮.৪২ ভাগ ছিল গ্রাহক ডিপোজিট, ২০১৩-এ এর তুলনামূলক অনুপাত ছিল শতকরা ৯০.৯০ ভাগ।

### মূলধন শক্তি

২০১৪ সাল শেষে সংরক্ষিত আয় সহ ব্যাংকের ইকুইটি পরিমাণ দাঁড়ায় ৮৯৪৩.৩৭ মিলিয়ন টাকা। এই সময়ে মোট সম্পদের বিপরীতে ইকুইটির অনুপাত বজায় থাকে ৮.০২%।

প্রধানত ঋণ ঝুঁকি, কার্যক্রম উদ্ভূত ঝুঁকি এবং বাজার ঝুঁকির নিরীখে ব্যাংকের মূলধন পর্যাঙ্কতা ব্যাসেল-২ এর বিধিবদ্ধ ১০% এর উপরে সন্তোষজনক অবস্থানে থাকতে সক্ষম হয়। ব্যাংকের বলিষ্ঠ মূলধন পর্যাঙ্কতার প্রধান সহায়ক হিসেবে কাজ করেছে শক্ত মূলধন ভিত্তি, শ্রেণীকৃত সম্পদের নিম্ন হার যার বিপরীতে যথাযথ সংস্থান নিশ্চিত করা হয় এবং ব্যালেন্স শীট ও অফ ব্যালেন্স শীট হিসাবের রিস্ক প্রোফাইল ও সংরক্ষিত মূলধনের পরিমাণ নিম্নে উপস্থাপন করা হলঃ

### মূলধন পর্যাঙ্কতার বিস্তারিত বিবরণ

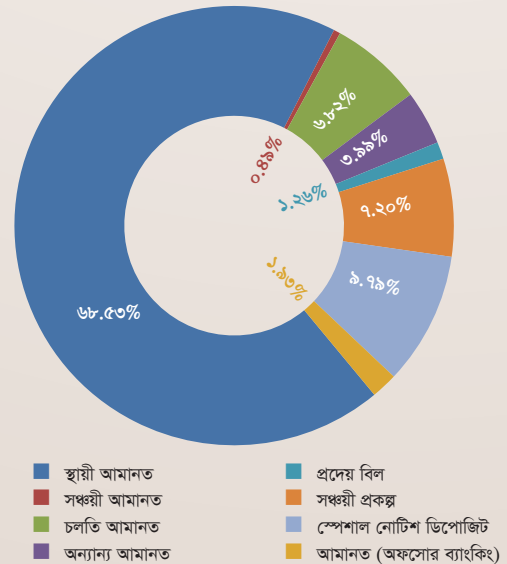
মিলিয়ন টাকায়

| মূলধনের শ্রেণীবিভাগ                   | ২০১৪            | ২০১৩            |
|---------------------------------------|-----------------|-----------------|
| পরিশোধিত মূলধন                        | ৫৬৩৭.০৩         | ৫,১২৪.৫৮        |
| সংবিধিবদ্ধ আয়                        | ২৫৩৬.৫৪         | ২,২৩৮.৮০        |
| সংরক্ষিত আয়                          | ৫৮৩.৭৯          | ৫২২.৪০          |
| সাধারণ রিজার্ভ                        | -               | -               |
| ডিভিডেন্ড ইকুয়ালাইজেশন হিসাব         | -               | -               |
| প্রস্তাবিত নগদ লভ্যাংশ                | -               | -               |
| <b>মোট টায়ার-১ মূলধন</b>             | <b>৮৭৫৭.৩৬</b>  | <b>৭,৮৮৫.৮০</b> |
| ঝুঁকিভিত্তিক সম্পদের হার              | ১০.১৮%          | ১০.৫৫%          |
| অশ্রেণীকৃত ঋণের জন্য সংস্থান          | ৪০৪.২১          | ৪০৪.২১          |
| ব্যালেন্স শীট বহির্ভূত সাধারণ সঞ্চিতি | ২২৫.৪৪          | ২২৫.৪৪          |
| সিকিউরিটিজ পুনঃমূল্যায়ন রিজার্ভ      | ৭১.৯৬           | ২৯.০৪           |
| সম্পদ পুনঃমূল্যায়ন রিজার্ভ           | ২০.৯৬           | ২০.৯৬           |
| এক্সচেঞ্জ ইকুয়ালাইজেশন হিসাব         | -               | -               |
| সার্বভিনেট বন্ড                       | ২০০০            | -               |
| <b>মোট টায়ার-২ মূলধন</b>             | <b>২৭২১.৮২</b>  | <b>৬৭৯.৬৫</b>   |
| ঝুঁকিভিত্তিক সম্পদের হার              | ৩.১৫%           | ০.৯১%           |
| <b>মোট টায়ার-৩ মূলধন</b>             | <b>-</b>        | <b>-</b>        |
| <b>মোট মূলধন</b>                      | <b>১১৪৭৯.২৬</b> | <b>৮,৫৬৫.৪৪</b> |
| মোট ঝুঁকিভিত্তিক সম্পদ                | ৮৬৩২১.৮         | ৭৪,৭৩৫.১০       |
| <b>মূলধন পর্যাঙ্কতার অনুপাত</b>       | <b>১৩.৩০%</b>   | <b>১১.৪৬%</b>   |

### আমানত

ব্যাংকের পরিচালন দায়ের ভিত গড়ে তোলে আমানত। আমানত সংগ্রহের দিক থেকে ২০১৪ সাল ছিল প্রিমিয়ার ব্যাংকের জন্য একটি সফল বছর। এ সময় ব্যাংকের মোট আমানতের পরিমাণ ২০১৩ সালের ৭৩৫১৬.৪৩ মিলিয়ন টাকা থেকে শতকরা ২৩.৪৪ ভাগ বৃদ্ধি পেয়ে ২০১৪ সালে রেকর্ড পরিমাণ ৯০৭৫০.০৬ মিলিয়ন টাকায় উন্নীত হয়। উন্নত গ্রাহক সেবা নিশ্চিত করতে আমাদের সম্মিলিত প্রচেষ্টা এই অর্জনকে সম্ভব করেছে। স্থায়ী বা মেয়াদী

### ব্যাংকের আমানত মিশ্রণ-২০১৪





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 ইসলামিক ব্যাংকিং শাখার আওতায় আমরা বিভিন্ন ডিপোজিট প্রোডাক্ট চালু করেছি।

### ঋণ পোর্টফোলিও

আমাদের ঋণ পোর্টফোলিও গড়ে উঠেছে কর্পোরেট, ক্ষুদ্র ও মাঝারি শিল্প এবং রিটেইল ব্যবসাকে ঘিরে যাকে ‘কোর ব্যাংকিং এভিনিউ’ হিসেবে চিহ্নিত করা হয়। আমাদের ঋণ ব্যবস্থাপনা প্রথাগত ও শরীয়াহ্ ব্যবস্থার উপর ভিত্তি করে প্রতিষ্ঠিত। ব্যাংকের ঋণ কর্মকাণ্ড পরিচালিত হয় প্রধান কার্যালয়ের ব্যবস্থাপনা কমিটির তত্ত্বাবধানে। এ ক্ষেত্রে ঋঁকি বিশ্লেষণ, ঋণ বিতরণ ও সুষ্ঠু তদারকির স্বার্থে সুনির্দিষ্ট দায়িত্ব বন্টন করা হয়।

২০১৪ সালে ঋণ ও অগ্রিমের দিক থেকে শতকরা ৩২.৯৬ ভাগ প্রবৃদ্ধি পরিলক্ষিত হয়। এ সময় ২০১৩ সালের ৫২৬৯৭.১৩ মিলিয়ন টাকা থেকে বৃদ্ধি পেয়ে ব্যাংকের মোট ঋণ ও অগ্রিম এর পরিমাণ দাঁড়ায় ৭০০৬৩.৭২ মিলিয়ন টাকায়। এ বছর গ্রাহকদের কাছে বিতরণকৃত ঋণের পরিমাণ ছিল মোট সম্পদের শতকরা ৬২.৭৯ ভাগ যা ২০১৩ সালে রেকর্ড করা হয় শতকরা ৫৯.২৪ ভাগ। এই সময় ব্যাংকের ঋণ আদায়ের হার ছিল যথেষ্ট আশাব্যঞ্জক এবং শ্রেণীকৃত ঋণের পরিমাণ ছিল মোট ঋণের শতকরা ৯ ভাগ। শিল্প, ব্যবসা, সেবা, প্রকৌশল ও নির্মাণসহ সকল অর্থনৈতিক কর্মকাণ্ডে প্রিমিয়ার ব্যাংকের ক্রেডিট পোর্টফোলিও বিস্তৃতি লাভ করেছে। ব্যাংকের বহুমুখী ঋণ ও অগ্রিমের মধ্যে রয়েছে প্রকল্প খাতে অর্থায়ন, রপ্তানী খাতে অর্থায়ন, ক্ষুদ্র ও মাঝারি শিল্প ঋণ, কমার্শিয়াল ক্রেডিট, চলমান ঋণ, কৃষি ঋণ, গৃহনির্মাণ ঋণ এবং স্টাফ লোন 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 পোর্টফোলিওর অন্যতম প্রধান একটা অংশ হচ্ছে কর্পোরেট লোন। বড় এবং মাঝারি ধরনের 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, সিডিকেশন সব ক্ষেত্রেই আমরা দক্ষ ও আধুনিক সেবা দিয়ে যাচ্ছি।

### এসএমই ব্যাংকিং

সাম্প্রতিক সময়ে বিশ্বব্যাপী অর্থনৈতিক সংকটের মুখে প্রতিষ্ঠিত

আর্থিক প্রতিষ্ঠান সমূহের পতন ঋণ বহুমুখীকরণের প্রয়োজনীয়তাকে অবশ্যসম্ভাবী করে তুলেছে। এসএমই খাতে বিনিয়োগ ব্যাংকের পোর্টফোলিও ঋঁকি কমিয়ে আনতে ব্যাপকভাবে সাহায্য করে। ২০১৪ সালে প্রিমিয়ার ব্যাংকের এসএমই কর্মকাণ্ডে যথেষ্ট গতিশীলতা, সম্প্রসারণ এবং উৎপাদনমুখী তৎপরতা লক্ষ্য করা যায়। দেশ ব্যাপী মোট ৯২টি শাখার মাধ্যমে এ সেবা প্রদান করা হয়। এসএমই গ্রাহকদের দ্রুত ও অগ্রাধিকার ভিত্তিক সেবা প্রদান করার জন্য এই বিভাগকে অত্যন্ত দক্ষ ও পেশাদার জনশক্তি দিয়ে সুসংগঠিত করা হয়েছে। এসএমই ব্যবসাকে সম্প্রসারিত করতে ইতোমধ্যে একটি কার্যকর বাজেট প্রণয়ন করা হয়েছে। একটি কার্যকর এসএমই পলিসিসহ প্রোডাক্ট পলিসি গাইডলাইন প্রস্তুত করা হয়েছে। প্রিমিয়ার ব্যাংক ২০১৪ সালে কৃষি যন্ত্রপাতি, পশুখাদ্য, ক্ষুদ্র ব্যবসা, পশুপাখি পালন, দুগ্ধজাত পণ্য, ফল সংরক্ষণ প্রভৃতি খাতকে অত্যন্ত সম্ভাবনাময় বিবেচনা করে এসএমই ব্যবসার মূলকেন্দ্রবিন্দুতে পরিণত করতে দৃঢ় প্রতিজ্ঞ। ২০১৪ সাল শেষে এসএমই খাতে ব্যাংকের বকেয়া ঋণের পরিমাণ ছিল ১৬,৭৬৮.৯৮ মিলিয়ন টাকা যেখানে ঋণ সীমার পরিমাণ ২১,১০৯.৩৭ মিলিয়ন টাকা যা ব্যাংকের মোট ঋণ পোর্টফোলিও এর ২৪ শতাংশ। এসএমই খাতে অসামান্য অবদানের জন্য প্রিমিয়ার ব্যাংক ২০১৪ সালে এসএমই ব্যাংকিং এ্যাওয়ার্ড- ২০১৪ অর্জন করেছে যা পরবর্তী বছরগুলোতে এই খাতকে আরো গতিশীল করার প্রেরণা যোগাবে।

### রিটেইল ব্যাংকিং সেবা

২০১৪ সালে বিদ্যমান বাজার চাহিদার বিপরীতে একটি সম্পূর্ণ আধুনিক ব্যাংকিং পণ্য ও সেবার অঙ্গীকার নিয়ে আমরা রিটেইল ব্যাংকিং ব্যবসাকে ঢেলে সাজিয়ে সম্প্রসারিত করেছি। গ্রাহকদের যতবেশী সম্ভব আর্থিক সেবা প্রদানের লক্ষ্যে রিটেইল ব্যাংকিং ব্যবসাকে একটি “বিরতিহীন সেবা কেন্দ্র” হিসেবে আমরা গড়ে তুলতে চাই। এ বছরে রিটেইল ব্যাংকিং ব্যবসার সম্প্রসারণের লক্ষ্যে বেশ কয়েকটি ক্যাম্পেইনের আয়োজন, ডিরেক্ট সেলস্ টিম নিয়োগ এবং কয়েকটি নতুন আকর্ষণীয় ডিপোজিট ও লোন প্রোডাক্ট চালু করাসহ বেশ কিছু পদক্ষেপ গ্রহণ করা হয়েছে। সর্বাধিক দক্ষতা ও উৎপাদনশীলতার সমন্বয়ে বিভিন্ন গ্রাহক শ্রেণীকে উন্নত সেবা প্রদানের কথা বিবেচনা করলে ২০১৪ সালকে রিটেইল ব্যবসার একটি সফল বছর বলা যেতে পারে।

### মহিলা উদ্যোক্তা

সমাজের পিছিয়ে পড়া নারীদের অর্থনৈতিক মুক্তিতে বিশেষ অবদান রাখার লক্ষ্যে ক্ষুদ্র ও মাঝারি নারী উদ্যোক্তাদের উৎসাহ প্রদান ও তাঁদের ব্যবসায়িক কার্যক্রম সম্প্রসারণকে ত্বরান্বিত করতে ব্যাংক Women Entrepreneur Finance এর আওতায় ঋণ প্রদান কর্মসূচী হাতে নিয়েছে। Women Entrepreneur Finance এর আওতায় ঋণ প্রদান কর্মসূচীর মূল উদ্দেশ্যগুলো হচ্ছে-

১. স্বনির্ভর নারী উদ্যোক্তাদের অর্থনৈতিক সহযোগিতা প্রদান।

২. নারী উদ্যোক্তাদের মধ্যে সঞ্চয়ী মনোভাব তৈরী ও ব্যাংকিং সেবার মাধ্যমে তাঁদেরকে সামাজিক কর্মকাণ্ডে অধিকতর সম্পৃক্ত করা।
৩. নতুন কর্মসংস্থানের সুযোগ সৃষ্টির উদ্দেশ্যে নারীর ক্ষুদ্র উদ্যোগকে উৎসাহিত করা।
৪. দেশের আর্থ-সামাজিক উন্নয়নে সক্রিয় ভূমিকা রাখা।

Women Entrepreneur Finance কার্যক্রমকে অর্থবহ করতে এবং নারী উদ্যোক্তাদের বিশেষ সেবা প্রদান করতে ব্যাংকের প্রতিটি শাখায় পৃথক ডেস্ক/কাউন্টার-এর ব্যবস্থা করা হচ্ছে। তাছাড়া ব্যাংকিং সুবিধা গ্রহণে নারীদের উৎসাহিত করতে “মহিলা শাখা” 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 যা ব্যাংকের আয়ের একটি অন্যতম চালিকাশক্তি হিসেবে অবদান রাখছে।

পুঁজিবাজারে বিনিয়োগকারীকে 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:

১. পুঁজিবাজারে শেয়ার ও সিকিউরিটিজ লেনদেন সহজতর করা।
২. শেয়ার লেনদেনের হিসাব নিকাশ ও নিরাপত্তা নিশ্চিত করা।
৩. প্রবাসী বাংলাদেশি ও বিদেশি বিনিয়োগকারীদের সহযোগিতা প্রদান করা।
৪. দেশের পুঁজিবাজারের উন্নয়নের স্বার্থে বিশ্লেষণ ও গবেষণা কার্যক্রম পরিচালনা করা।
৫. পুঁজিবাজারের বিনিয়োগকারীদের ঋণ 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 অ্যাকুইজিশন
- সিন্ডিকেশন
- ব্রিজ ফাইন্যান্সিং

### লীজ ফিন্যান্স

লীজ ফাইন্যান্স ব্যাংকিং সেবা ও পণ্যের সহজপ্রাপ্যতা, সাবলীল বিতরণ ব্যবস্থা, সাধারণ জামানত পদ্ধতি, কর সুবিধা সহ নিজস্ব কিছু স্বতন্ত্র বৈশিষ্ট্যের কারণে অল্প সময়ে দেশের বৃহৎ, ক্ষুদ্র ও মাঝারি উদ্যোক্তাদের মাঝে খুবই জনপ্রিয়তা অর্জন করতে সক্ষম হয়েছে। দীর্ঘমেয়াদী ঋণ চাহিদা পূরণে লীজ ফাইন্যান্স 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, পরিবহন (যেমন বাস, মিনিবাস, ট্রাক, কার, পিক-আপ প্রভৃতি) খাতে লীজ অর্থায়ন সুবিধা দিয়ে থাকে।

### কৃষি বিনিয়োগ

খাদ্য উৎপাদন বৃদ্ধি করে খাদ্য নিরাপত্তা নিশ্চিত করে এউচ-তে অবদান বৃদ্ধির জন্য সরকার কৃষি খাত 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। ২০১৪ সালে কৃষি খাতে আমরা সন্তোষজনক পরিমাণ ঋণ অনুমোদন ও বিতরণ করেছি।

### আন্তর্জাতিক বাণিজ্য

#### ট্রেড ফিন্যান্স

আমদানী ও রপ্তানীতে বিনিয়োগের মাধ্যমে আন্তর্জাতিক বাণিজ্য ত্বরান্বিত করতে ব্যাংকগুলো বিশেষ ভূমিকা পালন করে থাকে। গত ২০০৮ সাল থেকে শুরু হওয়া বিশ্বব্যাপী অর্থনৈতিক মহামন্দা ও অস্থিরতা সত্ত্বেও, ২০১৪ সালে আমদানী ও রপ্তানী বাণিজ্যে ব্যাংক সন্তোষজনক ও স্থিতিশীল অগ্রগতি অর্জন করেছে। ২০১৪ সালে প্রিমিয়ার ব্যাংক ৩৯,৭৭৭.০৬ মিলিয়ন টাকার আমদানী বাণিজ্য এবং ৩১,৯৬২.১৯ মিলিয়ন টাকার রপ্তানী বাণিজ্য সম্পন্ন করে। ২০১৪ সালে ঋণপত্র খোলা হয় সর্বমোট ৮,৫৯২.৭৮ মিলিয়ন টাকার। আমদানী ও রপ্তানী বাণিজ্যের ভিন্নমুখী চাহিদা পূরণের জন্য সুশিক্ষিত ও দক্ষ জনশক্তির সমন্বয়ে ব্যাংকের ১৭টি অথোরাইজড ডিলার শাখার মাধ্যমে সেবা প্রদান করা হচ্ছে।





### করেন্সপন্ডেন্ট ব্যাংকিং

বৈদেশিক বানিজ্য লেনদেন সহজীকরণের লক্ষ্যে গত এক দশক ধরে আমাদের ব্যাংক বিশ্বব্যাপী বিভিন্ন বৈদেশিক সহযোগী ব্যাংকের সাথে দ্বিপাক্ষিক সম্পর্ক স্থাপন করেছে। ৩১শে ডিসেম্বর ২০১৪ পর্যন্ত বৈদেশিক করেন্সপন্ডেন্টের সংখ্যা ছিল ৪৯২টি যা বিশ্বের ৭১টি দেশে বিস্তৃত এবং ১০টি প্রধান প্রধান বৈদেশিক মুদ্রায় নফ্টো অ্যাকাউন্টের সংখ্যা ছিল ২১টি।

### অফ-শোর ব্যাংকিং

বেপজা এবং বাংলাদেশ ব্যাংকের অনুমোদন নিয়ে প্রিমিয়ার ব্যাংক বর্তমানে অফ-শোর ব্যাংকিং কার্যক্রম পরিচালনা করেছে। অফ-শোর ব্যাংকিং ব্যাংকের সামনে সম্ভাবনার নতুন দরজা উন্মোচন করে দিয়েছে। প্রবাসী বাংলাদেশী এবং বিদেশীরা অফ-শোর ব্যাংকিং ইউনিটে একাউন্ট খোলার ক্ষেত্রে অগ্রাধিকার ও বিশেষ সুবিধা পাচ্ছে। অফ-শোর ব্যাংকিং থেকে ব্যাংক ২০১৩ সালের পরিচালন মুনাফা ২১৯,৮১৯.০০ মার্কিন ডলারের বিপরীতে ২০১৪ সালে ব্যাপকভাবে বৃদ্ধি পেয়ে ৬৯৩,২৪৮.০০ মার্কিন ডলার অর্জন করতে সক্ষম হয়েছে যা গত বছরের তুলনায় ২১৬.০০ শতাংশ বৃদ্ধি পেয়েছে।

### রেমিট্যান্স সেবা

আমাদের দেশের অর্থনৈতিক প্রবৃদ্ধির ক্ষেত্রে প্রবাসী বাংলাদেশীদের প্রেরিত অর্থ বা রেমিট্যান্স একটি অপরিহার্য উপাদান হিসেবে গুরুত্বপূর্ণ স্থান দখল করে আছে। অর্থনীতিতে প্রবাসীদের অবদানের কথা বিবেচনা করে অন্তর্মুখী রেমিট্যান্স প্রবাহকে সহজতর করতে প্রিমিয়ার ব্যাংক সম্ভাব্য সবকিছুই করেছে এর অত্যাধুনিক প্রযুক্তিনির্ভর অবকাঠামোর মাধ্যমে। রেমিট্যান্স প্রবাহের গতিকে ত্বরান্বিত করতে ব্যাংকের নিজস্ব সফটওয়্যার ‘দ্রুতি’-র ব্যবহার সর্বজন প্রশংসিত। রেমিট্যান্স প্রবাহ বৃদ্ধি করতে প্রিমিয়ার ব্যাংক বিশ্বব্যাপী বেশ কিছু রেমিট্যান্স পার্টনার বা এজেন্ট কোম্পানীর সাথে দীর্ঘ মেয়াদী চুক্তি স্বাক্ষর করেছে। ফলশ্রুতিতে, দেশের প্রত্যন্ত অঞ্চলের গ্রাহকগণ ব্যাংকের রেমিট্যান্স নেটওয়ার্কের আওতায় চলে এসেছেন। ইতোমধ্যেই ব্যাংক স্থানীয় বিভিন্ন ব্যাংকের সাথে পারস্পরিক আদানপ্রদান ও সহযোগিতামূলক চুক্তি স্বাক্ষর করেছে দেশের যে কোন স্থানে রেমিট্যান্স ডেলিভারী স্বচ্ছন্দ ও সহজতর করতে। রেমিট্যান্স প্রবাহ বৃদ্ধির লক্ষ্যে যুক্তরাজ্যে “প্রিমিয়ার মানি ট্রান্সফার কোম্পানী লিঃ” নামে ব্যাংকের সম্পূর্ণ মালিকানাধীন একটি কোম্পানীর কার্যক্রম আমরা শুরু করতে সক্ষম হয়েছি।

২০১৪ সালে প্রিমিয়ার ব্যাংকের মোট রেমিট্যান্স প্রবাহ ২০১৩ সালের তুলনায় ৪৫ শতাংশ বৃদ্ধি পেয়েছে এবং মোট লেনদেন বেড়েছে ৫৪ শতাংশ। রেমিট্যান্স সার্ভিসের আওতায় সুবিধাভোগী গ্রাহক বা বেনিফিশিয়ারীর কাছে সার্ভিস পৌঁছে দেয়া সম্ভব হয়েছে আমাদের সকল শাখার নিবেদিতপ্রাণ ব্যাংক অফিসারদের নিরলস প্রচেষ্টায়।

ন্যূনতম সময়ে রেমিট্যান্স গ্রাহকদের কাছে পৌঁছে দিতে আমরা রেমিটেন্স সার্ভিস সিস্টেমে আমূল পরিবর্তন আনতে যাচ্ছি যার ফলে রেমিট্যান্সের টাকা আসার সাথে সাথে বেনিফিশিয়ারীগণকে রেমিট্যান্স আপডেট জানানো সম্ভব হবে অত্যাধুনিক প্রযুক্তির সহায়তায়। এই বছরে প্রিমিয়ার ব্যাংক ১৫ সেপ্টেম্বর, ২০১৪ থেকে শুরু করে ১৪ নভেম্বর, ২০১৪ পর্যন্ত দুই মাস ব্যাপী প্রথমবারের মত রেমিটেন্স ক্যাম্পেইনের আয়োজন করে যা ব্যাংকের রেমিট্যান্স প্রবাহ বৃদ্ধির অন্যতম কারণ।

### 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 অন্তর্ভুক্ত। প্রতিষ্ঠানগ্ন থেকে প্রিমিয়ার ব্যাংক ব্যয় কমিয়ে এবং অপচয়হ্রাসের মাধ্যমে সম্পদের যথাযথ ব্যবহার নিশ্চিত করে পরিবেশ রক্ষায় সচেতনতার সাথে দায়িত্ব পালন করে আসছে। ২০১৪ 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।

### ট্রেজারী কার্যক্রম

বিশ্বমানের প্রতিযোগিতার সাথে সঙ্গতি রেখে প্রিমিয়ার ব্যাংকের ট্রেজারী বিভাগকে সুসজ্জিত করা হয়েছে অত্যাধুনিক প্রযুক্তির সুবিধা দিয়ে। আমাদের ডিলিং রুমটি 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 আন্তঃব্যাংক লেনদেন এবং বৈদেশিক মুদ্রা বিনিময় বাজারে গুরুত্বপূর্ণ ভূমিকা পালন করে থাকেন। আমাদের ট্রেজারী কর্মকর্তাগণ CRR, SLR এর বাধ্যবাধকতা প্রতিপালনের পাশাপাশি ট্রেজারী বিল, ট্রেজারী বন্ড, রিপো, রিভার্স রিপো, কল ও টার্ম, ইত্যাদির ক্ষেত্রে উৎকৃষ্ট বিনিয়োগ পোর্টফোলিও রক্ষণাবেক্ষণ করে থাকে। ট্রেজারী বিভাগ ব্যাংকের ইনকাম পোর্টফোলিওতে সর্বাধিক হার/মুনাফা নিশ্চিত করতে প্রতিশ্রুতিবদ্ধ। এটি সব সময়ই প্রিমিয়ার ব্যাংকের মুনাফা অর্জনের একটি গুরুত্বপূর্ণ শাখা হিসেবে বিবেচিত। আলোচ্য ২০১৪ সালেও এই ধারাবাহিকতা বজায় রাখে ট্রেজারী বিভাগ। এ সময় মুদ্রা বাজার ও বৈদেশিক মুদ্রা বিনিময় কার্যক্রম থেকে ব্যাংকের মোট আয় হয় ১,৮১৬.৬০ মিলিয়ন টাকা যা গত বছরের চেয়ে বৃদ্ধি পেয়েছে ১৭.৮৫ শতাংশ। ট্রেজারী বিভাগ অত্যাধুনিক অন-লাইন সংযোগের মাধ্যমে আমাদের গ্রাহকদের দ্রুত ও উৎকৃষ্ট সেবা নিশ্চিত করতে সর্বদা নিয়োজিত। ডিলারগণ সর্বদা গ্রাহকদের অত্যন্ত প্রতিযোগিতাপূর্ণ ক্রস কারেন্সী স্পট, ফরওয়ার্ড ও সোয়াপ রেট অফার করেন বাংলাদেশ ব্যাংকের বৈদেশিক মুদ্রা ঝুঁকি ব্যবস্থাপনার সঙ্গে সঙ্গতি রেখে। লেনদেন লিপিবদ্ধকরণের লক্ষ্যে আমাদের রয়েছে পৃথক ব্যাক অফিস ও মিড অফিস।



## তথ্য প্রযুক্তি

বিশ্বব্যাপী প্রযুক্তিগত উন্নয়নের সাথে তাল মিলিয়ে প্রিমিয়ার ব্যাংক এর তথ্য প্রযুক্তি খাতের অবকাঠামোগত উন্নয়নে সদা সচেষ্ট। ২০১৪ সালের শুরু থেকেই আইটি নেটওয়ার্ক শক্তিশালীকরণ, গ্রাহক সেবার বহুমুখীকরণ ও মানোন্নয়ন এবং অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থার উন্নয়নে তথ্যপ্রযুক্তির সর্বোচ্চ ব্যবহার সুনিশ্চিতকল্পে বিভিন্নমুখী পদক্ষেপ গ্রহণ করা হয়েছে। এরই ধারাবাহিকতায় ডিজিটাল বিশ্বের স্বনামধন্য ও বহুল আলোচিত মাইক্রোসফট কর্পোরেশনের- এর সাথে প্রিমিয়ার ব্যাংকের একটি এন্টারপ্রাইজ চুক্তি স্বাক্ষরিত হয়েছে। এ চুক্তির আওতায় আমাদের ব্যাংক মাইক্রোসফট এর বেশ কটি পণ্য যেমন- মাইক্রোসফট এক্সচেঞ্জ, ডোমেন কন্ট্রোলার, শেয়ার পয়েন্ট, এন্টি ভাইরাস, সিস্টেম সেন্টারসহ অপারেটিং সিস্টেমস সম্পর্কিত আরো অনেক সেবা গ্রহণের সুযোগ পাচ্ছে। ব্যাংকে সকল তথ্য, কর্মকাণ্ড ও সেবাকে সহজ, বহুমুখী, সুনিয়ন্ত্রিত ও সুরক্ষিত করতে প্রিমিয়ার ব্যাংকে সেন্ট্রালাইজড কোর ব্যাংকিং সফটওয়্যারের সাম্প্রতিক সংস্করণ BankUltimus Release-২ এর ব্যবহার নিশ্চিত করা হয়েছে। অত্যন্ত মেধাবী ও দক্ষ জনশক্তির সমন্বয়ে ব্যাংকের আইটি টিম গঠন করা হয়েছে - যাদের নিরন্তর প্রচেষ্টায় প্রথাগত ও প্রচলিত পদ্ধতিকে ক্রমান্বয়ে সরিয়ে ব্যাংকিং কর্মকাণ্ডে নতুন ও অত্যাধুনিক প্রযুক্তির ব্যবহার সুনিশ্চিত করা সম্ভব হচ্ছে। ব্যাংকের কর্মকর্তাদের তথ্যপ্রযুক্তিতে প্রশিক্ষিত করার লক্ষ্যে তথ্যপ্রযুক্তি বিষয়ক প্রশিক্ষণের আয়োজন করা হয়েছে। আইটি ডিভিশনে আধুনিক প্রযুক্তির সুবিধা যুক্ত আলাদা প্রশিক্ষণ কেন্দ্র স্থাপন করা হয়েছে।

## অভ্যন্তরীণ নিয়ন্ত্রণ ও পরিপালন

যে কোন কার্যক্রমের ত্রুটি 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 প্রতিরোধের প্রয়োজনীয় ক্ষেত্র প্রস্তুত করে। অভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষা শুধু নিয়মিত কর্ম সম্পাদনকেই নির্দেশ করে না বরং তা সম্পাদিত কর্মের যৌক্তিকতা ও সঠিকতাকে নিরূপণ করে। এই ধরনের নিয়ন্ত্রণমূলক ব্যবস্থা কর্মজীবনে দায়বদ্ধতা ও স্বচ্ছতার এক অনুকূল পরিবেশ তৈরি করে।

আধুনিক ব্যাংক ব্যবস্থাপনা এবং তদারকী মূলতঃ নিবন্ধ থাকে বিভিন্ন বিষয়ের ঝুঁকি ও এর নিয়ন্ত্রণের উপর। প্রিমিয়ার ব্যাংক সম্ভাব্য সব ধরনের ঝুঁকি নিয়ন্ত্রণের জন্য সমন্বিত ব্যবস্থা গ্রহণ করেছে। সম্প্রসারিত ঋণের বিপরীতে আগামী চ্যালেঞ্জগুলিকে বিবেচনা করে প্রিমিয়ার ব্যাংক কেন্দ্রীয় ব্যাংকের নীতিমালার সঙ্গে সঙ্গতি রেখে ঋণ ঝুঁকির প্রয়োজনীয় বিধিবিধান ও নির্দেশনাবলী প্রস্তুত করেছে। অনিয়মিত হিসাব সমূহকে সঠিকভাবে তত্ত্বাবধানের জন্য প্রিমিয়ার ব্যাংকে রয়েছে একটি পৃথক ঝুঁকি ব্যবস্থাপনা ডিভিশন। ব্যাংকের অভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষা

বিভাগ, বোর্ড অডিট ডিভিশন, কেন্দ্রীয় পরিপালন ও নিয়ন্ত্রণ 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 উদ্ভূত ঝুঁকি মোকাবেলায় সুনিপুনভাবে প্রস্তুত করা হয়। অভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষা কার্যক্রম যথাযথভাবে চালানোর জন্য অভ্যন্তরীণ নিয়ন্ত্রণ ও পরিপালন ম্যানুয়াল প্রস্তুত করা হয়েছে।

প্রিমিয়ার ব্যাংকের অভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষা বিভাগ ব্যাংক ব্যবস্থাপনার এক অবিচ্ছেদ্য অংশ এবং নিরাপদ ও সঠিক কার্যক্রমের ভিত্তিস্বরূপ। এই বিভাগের কর্মবিন্যাসকে নিম্নবর্ণিত শ্রেণীতে বিভক্ত করা যায়ঃ

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

আমাদের অভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষা বিভাগকে একজন উচ্চ পর্যায়ের এক্সিকিউটিভ - এর নেতৃত্বে অত্যন্ত দক্ষ ও অভিজ্ঞ কর্মকর্তাদের সমন্বয়ে তৈরি করা হয়েছে। বিভাগীয় হেড এর প্রধান কর্মকাণ্ডের মধ্যে পড়ে ব্যাংকের নিরীক্ষা, পরিদর্শন ও মনিটরিং কার্যাবলীর সঠিক মূল্যায়ন এবং ঝুঁকি বিশ্লেষণ। এই বিভাগটি 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 ব্যাংক শাখায় যাবতীয় কার্যক্রমকে অবলোকন করে। কার্যক্রমের যে কোন বিচ্যুতি ধরা পড়লে তা তাৎক্ষণিকভাবে অভ্যন্তরীণ নিরীক্ষা প্রধানের কাছে উপস্থাপনা করে। নিরীক্ষা ইউনিট সাধারণত নিয়মিত ও বিশেষ নিরীক্ষা কর্ম সম্পাদন করে।

অভ্যন্তরীণ নিরীক্ষা ও পরিদর্শন বিভাগ ব্যাংকের বিভিন্ন অপারেশনাল রিস্ক - এর মোকাবেলায় নিয়মিতভাবে ব্যবসায়িক কার্যক্রম পরিচালনায় ব্যাংকের নীতি, ম্যানুয়াল ও নির্দেশনা যথাযথভাবে অনুসরণ করা হয় কি না - তা নিয়মিতভাবে পর্যবেক্ষণ করে থাকে। তাছাড়াও ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক গৃহীত বিভিন্ন সিদ্ধান্তের বাস্তবায়নের অবস্থাও নিরীক্ষা করে থাকে। ২০১৪ সালে অভ্যন্তরীণ নিরীক্ষা ও পরিদর্শন বিভাগ ব্যাংকের বিভিন্ন শাখা ও প্রধান কার্যালয়ের বিভিন্ন বিভাগসমূহে সর্বমোট ৮০ বার বিশদ, ২০৫ বার বিশেষ (বিষয়ভিত্তিক) এবং ৯৪ বার আকস্মিক নিরীক্ষা ও পরিদর্শন সম্পন্ন করেছে ও বিভিন্ন অনিয়ম



দুরীকরণের সুপারিশসহ ব্যবস্থাপনা কর্তৃপক্ষের কাছে প্রতিবেদন দাখিল করেছে। এছাড়া, বাংলাদেশ ব্যাংকের আইসিটি নির্দেশনা যথাযথভাবে অনুসরণ করা হয় কি-না তাও ব্যাংকের আইটি অডিট বিভিন্ন শাখা ও প্রধান কার্যালয়ের বিভিন্ন বিভাগসমূহে ৪২ বার নিরীক্ষা ও পরিদর্শন সম্পন্ন করেছে।

## 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 করেছে। ব্যাংকের ক্রেডিট কার্ড কার্যক্রম 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। মাস্টারকার্ড এবং ভিসা ডেবিট কার্ড এর প্রচলন প্রিমিয়ার গ্রাহকদের সামনে এক নতুন দিগন্ত উন্মোচন করেছে। এটি আমাদের পরিশুদ্ধ ও আড়ম্বরপূর্ণ ব্যাংকিং সেবার দৃঢ় অঙ্গীকারের একটি বলা যেতে পারে। আমরা কার্ড মার্চেন্ট নেটওয়ার্ককে দ্রুত সম্প্রসারণ করছি বিকাশমান কার্ড ব্যবসার সাথে তাল মিলিয়ে।

২০১৪ সাল পর্যন্ত আমরা ২৯,৫০০ টি ক্রেডিট কার্ড এবং ৫৮,২৫২ টি ডেবিট কার্ড ইস্যু করতে সক্ষম হয়েছি - যা থেকে এ পর্যন্ত আমাদের আয় হয়েছে ১৬.৯৭ কোটি টাকা। এ পর্যন্ত প্রিমিয়ার ব্যাংক বিভিন্ন স্থানে মোট ১৪টি এটিএম মেশিন স্থাপন করতে সক্ষম হয়েছে। প্রিমিয়ার ব্যাংক সমস্ত চ্যালেঞ্জকে ছাপিয়ে কার্ড শিল্পের জগতে একটি শক্ত ভিত্তি স্থাপন করেছে। তাছাড়া প্রিমিয়ার ব্যাংকের কার্ড ব্যবসায় ভিসা প্রিপেইড ট্রাভেল কার্ড, প্রিমিয়ার হজ্জ কার্ড, ডেবিট এবং ক্রেডিট মাস্টার কার্ড সংযোজন আমাদের কার্ড ব্যবসায়কে নতুন উচ্চতায় উন্নীত করেছে। আমাদের ব্যাংকের স্পন্সরশীপে মিডল্যান্ড ব্যাংক ভিসা এর সহযোগী সদস্যপদ এবং লংকা বাংলা মাস্টারকার্ডের সদস্যপদ লাভ করেছে।

## ইসলামিক ব্যাংকিং

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 ইসলামিক ব্যাংকিং এ স্থানান্তরের সিদ্ধান্ত নিয়েছি।

বর্তমানে ঢাকার মহাখালী এবং সিলেটের লালদিঘীর পাড়- এই দুইটি ব্রাঞ্চ থেকে আমরা ইসলামিক ব্যাংকিং সেবা দিয়ে যাচ্ছি। কার্যক্রম শুরুর প্রথম থেকেই শাখা দুটি দ্রুত ব্যবসায়িক প্রবৃদ্ধি অর্জন করে চলেছে। ইসলামিক ব্যাংকিং নীতিমালা এবং এ বিষয়ে দক্ষতা বৃদ্ধির লক্ষ্যে আমরা নিয়মিত শরীয়াহ্ আইন, ইসলামিক ব্যাংকিং নীতি, এবং ইসলামিক অর্থনীতির ওপর প্রশিক্ষণ এবং কর্মশালার আয়োজন করে চলেছি।

দেশের প্রখ্যাত ওলামা, অভিজ্ঞ ব্যাংকার এবং স্বনামধন্য অর্থনীতিবিদদের সমন্বয়ে গঠিত ১৩ (তের) সদস্য বিশিষ্ট শরীয়াহ্ সুপারভাইজরী কমিটি ব্যাংকের ইসলামিক ব্যাংকিং কার্যক্রম পর্যবেক্ষণ, তত্ত্বাবধান ও দিক-নির্দেশনা দিয়ে থাকেন। ২০১৪ সালে শরীয়াহ্ সুপারভাইজরী কমিটির ৪টি সভা অনুষ্ঠিত হয়েছে।

ইসলামিক ব্যাংকিং এ আমাদের পণ্য সমূহের মধ্যে রয়েছে:

- আল-ওয়াদিয়াহ্ চলতি হিসাব
- মুদারাভা সঞ্চয়ী আমানত হিসাব
- মুদারাভা স্বল্প মেয়াদী আমানত হিসাব
- মুদারাভা মেয়াদী আমানত প্রাপ্তি হিসাব
- মুদারাভা মাসিক সঞ্চয় প্রকল্প
- মুদারাভা মাসিক আয় প্রকল্প
- মুদারাভা শিক্ষা সঞ্চয় প্রকল্প
- মুদারাভা বিশেষ সঞ্চয় প্রকল্প
- মুদারাভা ডাবল বেনিফিট প্রকল্প
- মুদারাভা হজ্জ সঞ্চয় প্রকল্প
- মুদারাভা বৈদেশিক মুদা আমানত হিসাব
- মুদারাভা এক্সেল সঞ্চয় প্রকল্প
- মুদারাভা এস্টিম সঞ্চয় প্রকল্প

ইসলামিক ব্যাংকিং এর অধীনে আমাদের বিনিয়োগ সেবার মধ্যে রয়েছে

- গ্রাহক বিনিয়োগ প্রকল্প
- আবাসন/অ্যাপার্টমেন্ট বিনিয়োগ
- চিকিৎসক বিনিয়োগ প্রকল্প
- গ্রামীণ বিনিয়োগ প্রকল্প
- এসএমই বিনিয়োগ প্রকল্প
- শিক্ষা বিনিয়োগ প্রকল্প
- মহিলা উদ্যোক্তা বিনিয়োগ প্রকল্প
- লীজ ফিন্যান্স
- প্রজেক্ট/বানিজ্যিক বিনিয়োগ প্রকল্প

## 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 নিপুন টিমওয়ার্ক গঠনের অভিপ্রায় নিয়ে। সারাদেশে ব্যাংকের প্রধান কার্যালয়সহ ৯২টি শাখায় মোট ১৩৯৯ 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/কর্মচারীদের মাঝে পারস্পরিক যোগাযোগ ও ভাবের আদান প্রদানকে অনুপ্রাণিত করি। এতে করে স্বকীয় চেতনার উন্মোচন ঘটে এবং প্রাতিষ্ঠানিক বন্ধন আরো দৃঢ় হয়। তাঁদের দায়িত্ববোধ বৃদ্ধি পায়। ফলে সামগ্রিকভাবে ব্যাংক সম্পর্কে পারস্পরিক বোঝাপড়া আরো গভীর হয়।

### কর্পোরেট ব্যাংকিং ব্যবসা

আমাদের কর্পোরেট ব্যবসাসমূহ আমাদের বিভিন্ন শাখার পাশাপাশি প্রধান কার্যালয়ে অবস্থিত কর্পোরেট ব্যাংকিং ডিভিশন কর্পোরেট ব্যবসা সম্প্রসারণের কাজ করে থাকে। কর্পোরেট ব্যাংকিং ডিভিশন পারস্পরিক 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 সৃজনশীলতার প্রতি লক্ষ্য রেখে দেশের অর্থনৈতিক ক্ষেত্রে একটি টেকসই উন্নয়ন ঘটাতে ও পারস্পরিক উপযোগিতার ভিত্তিতে গ্রাহকসম্পর্ক গড়ে বন্ধপরিষ্কার। এই ধারাবাহিকতায় কর্পোরেট ব্যাংকিং ডিভিশন একটি ডাইভার্সিফায়ড অ্যাসেট পোর্টফোলিও গড়ে তুলতে প্রয়োজনীয় কৌশল গ্রহণ করে। নীতি ও নৈতিকতার সমন্বয়ে কর্পোরেট কালচার গড়ার অভিপ্রায় নিয়ে এই বিভাগ 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 ব্যাংকিং।

কর্পোরেট ব্যাংকিং ডিভিশন ব্যাংকের অনেক গতিশীল কর্মকাণ্ডের সাথে জড়িত। এর মধ্যে উল্লেখযোগ্য হচ্ছে বিভিন্ন বাণিজ্য মেলায় অংশগ্রহণ, সামাজিক দায়িত্ব পালন, গবেষণা ও উন্নয়ন, কর্পোরেট চুক্তি স্বাক্ষর, ইভেন্ট ম্যানেজমেন্ট ইত্যাদি। অধিকন্তু প্রাথমিকভাবে ব্যাংকের সকল আর্থিক সেবা ও পণ্যের পরিকল্পনা, রূপায়ন ও বিপণন করে থাকে এই বিভাগ।

### 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 কর্মপর্যবেক্ষণ সৃষ্টি করে। প্রিমিয়ার ব্যাংক সূচনা থেকেই ব্যবসায়িক কর্মকাণ্ডের সকল স্তরে নিরবচ্ছিন্নভাবে সুশাসনের অনুশীলন নিশ্চিত করেছে। ব্যাংকের গতিশীল পরিচালনা পর্ষদ (Board of Directors) ব্যবসার লক্ষ্যমাত্রা নির্ধারণ, নীতি প্রণয়ন, কৌশলগত পরিকল্পনা গ্রহণ, সকল ব্যবসায়িক কর্মকাণ্ড পর্যবেক্ষণ ও ব্যবস্থাপনা কার্যকলাপ তত্ত্বাবধান, প্রভৃতি অত্যন্ত সুচারু ও দক্ষতার সাথে পালন করেছে। প্রধান কার্যালয়স্থিত ম্যানেজমেন্ট কমিটি যে কোন পরিস্থিতিতে নিশ্চিত করে যে ব্যাংকের যাবতীয় কর্মকাণ্ড সর্বোচ্চ নৈতিক আদর্শে অনুপ্রাণিত এবং তা সম্মানিত শেয়ারহোল্ডারদের স্বার্থ সংরক্ষণে সংঘটিত। ব্যাংকের আন্তঃবিভাগীয় সমন্বয় ও কার্যক্রম সঠিকভাবে পরিচালিত হয় এবং এর কর্মপ্রবাহ ও দায়িত্ব সুনির্দিষ্ট। অভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষা বিভাগ ব্যাংকের অভ্যন্তরীণ 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।

### পরিচালনা পর্ষদ

বর্তমানে চেয়ারম্যানের অধীনে একজন স্বতন্ত্র পরিচালকসহ ১১ (এগারো) জন পরিচালক নিয়ে পরিচালনা পর্ষদ কাজ করে যাচ্ছে। পর্ষদ যেন তার দায়িত্ব সঠিকভাবে পালন করে সে ব্যাপারে চেয়ারম্যান সর্বদা লক্ষ্য রাখেন। কোম্পানীর বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের ভোটে পরিচালনা পর্ষদের সদস্যরা নির্বাচিত হন। ব্যাংক কোম্পানীর নীতি প্রণয়ন ও বাস্তবায়ন, ঝুঁকি ব্যবস্থাপনা, অভ্যন্তরীণ নিয়ন্ত্রণ, অভ্যন্তরীণ নিরীক্ষা ও তা পরিপালন করার অভিপ্রায়ে প্রিমিয়ার ব্যাংকের সুদক্ষ পরিচালনা পর্ষদ কাজ করে যাচ্ছে।

### নির্বাহী কমিটি

পরিচালনা পর্ষদের সভা অনুষ্ঠানের মধ্যবর্তী সময়কালে জরুরী এবং দৈনন্দিন বা রুটিন কার্যক্রম পরিচালনা অব্যাহত রাখার স্বার্থে পর্ষদের অত্যন্ত দক্ষ ও নিষ্ঠাবান ৬ সদস্য সমন্বয়ে নির্বাহী কমিটি গঠিত। ব্যাংক কোম্পানী আইন, ১৯৯১ কিংবা অন্যান্য সংশ্লিষ্ট আইন ও বিধি-বিধানে যে সব দায়িত্ব ও সিদ্ধান্ত গ্রহণের ক্ষমতা সুনির্দিষ্টভাবে পূর্ণাঙ্গ পর্ষদের ওপর ন্যস্ত করা আছে সে সব ক্ষেত্রে ব্যতীত পর্ষদ কর্তৃক নির্দেশিত অন্যান্য সব ক্ষেত্রে নির্বাহী কমিটি দায়িত্ব পালন ও সিদ্ধান্ত গ্রহণ করে। পরবর্তীতে কমিটি কর্তৃক গৃহীত সিদ্ধান্ত পর্ষদ সভায় অনুসমর্থন করে নেয়া হয়।

### 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 অভ্যন্তরীণ ও বহিঃনিরীক্ষকগণের মাঝে সেতুবন্ধন হিসেবে কাজ করে। বিশ্বায়নের এ যুগে অপরিণীত বাজার সম্ভাবনা ও তীব্র প্রতিযোগিতার মাঝে অত্যাধুনিক ইলেক্ট্রনিক ও তথ্যপ্রযুক্তির বহুল ব্যবহার, লেনদেনের জটিলতা বৃদ্ধি ও আন্তর্জাতিক পরিসরে বিভিন্ন নিয়ন্ত্রণমূলক নীতি-পদ্ধতির বাধ্যবাধ্যকতায় অডিট কমিটির কার্যক্রমের ব্যাপ্তি বৃদ্ধি পেয়েছে অনেক গুণ।

দেশীয় ও আন্তর্জাতিক পরিসরে নিয়ন্ত্রণ ও পরিপালন ব্যবস্থার উৎকৃষ্ট রীতি অনুযায়ী কমিটির চেয়ারম্যান হিসেবে পরিচালনা পর্ষদের একজন স্বতন্ত্র পরিচালকসহ দক্ষ সদস্যদের সমন্বয়ে প্রিমিয়ার ব্যাংকের বোর্ড অডিট কমিটি গঠিত। কমিটির সদস্যগণ তিন বৎসরের জন্য নির্বাচিত হয়ে থাকেন। অডিট কমিটির কার্যক্রমের সঠিক দিকনির্দেশনা ও তত্ত্বাবধানের জন্য বোর্ড কর্তৃক একজন চেয়ারম্যান মনোনীত করা হয়। বিভিন্ন নিয়ন্ত্রক কর্তৃপক্ষের নিরীক্ষা পত্রের খুঁটিনাটি যাচাই করতে অডিট কমিটি নিয়মিতভাবে সভার আয়োজন করে। প্রতিটি সভায় কমিটি ব্যাংকের সামগ্রিক কার্যক্রম পর্যালোচনা করে যাতে ব্যাংকে একটি অনুকূল পরিপালন মূল্যবোধের সৃষ্টি করা যায়। যে কোন সম্ভাব্য ঝুঁকি 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 লঙ্ঘন কিংবা যে কোন বিষয় যা বোর্ডের নিকট প্রকাশযোগ্য, ইত্যাদি সম্পর্কিত রিপোর্ট পরিচালনা পর্ষদের কাছে পেশ করে থাকে।

### ঝুঁকি ব্যবস্থাপনা কমিটি

ব্যাংক কোম্পানীর পরিচালনা পর্ষদ কর্তৃক প্রণীত কৌশল ও কর্মপরিকল্পনা বাস্তবায়নের ক্ষেত্রে উদ্ভূত ও সম্ভাব্য ঝুঁকি হ্রাসে কার্যকর ভূমিকা পালন এবং এ সংক্রান্ত পরিচালনা পর্ষদের দায়িত্ব সুচারুরূপে সম্পন্ন করার লক্ষ্যে ২০১৪ সালে পর্ষদের ৬ সদস্যবিশিষ্ট একটি ঝুঁকি ব্যবস্থাপনা কমিটি গঠন করা হয়

### ব্যবস্থাপনা কমিটি

সফল ঝুঁকি ব্যবস্থাপনা ও নিরবচ্ছিন্ন মনিটরিং ব্যবস্থা নিশ্চিতকল্পে প্রিমিয়ার ব্যাংক দক্ষ ও যোগ্য ব্যবস্থাপনা সদস্যবৃন্দের সমন্বয়ে গড়ে তুলেছে কতিপয় কমিটি। উল্লেখযোগ্য কমিটিগুলো হচ্ছে ম্যানেজমেন্ট কমিটি, ক্রেডিট কমিটি, এসএমই ক্রেডিট কমিটি,

অ্যাসেট-লায়বিলিটি কমিটি, আইসিটি ম্যানেজমেন্ট কমিটি, ইন্সট্রিটি কমিটি ইত্যাদি। ব্যবস্থাপনা কার্যক্রমে ব্যবস্থাপনা পরিচালককে সহযোগিতা করেন অতিরিক্ত ব্যবস্থাপনা পরিচালক, উপ-ব্যবস্থাপনা পরিচালক, এসইভিপি, ইভিপি, এসভিপি, ভিপি, এফভিপি এবং অন্যান্য নির্বাহীবৃন্দ। ব্যাংকের দৈনন্দিন কর্মকাণ্ড পরিচালিত হয় আধুনিক ব্যাংকিং - এ পারদর্শী এ সব 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 অধিকতর নিয়ন্ত্রণ প্রতিষ্ঠা করা। এই পদক্ষেপসমূহ প্রধান কার্যালয় ও শাখাগুলিতে বয়ে এনেছে গতিশীলতা, দায়িত্ব সম্পৃক্ততা এবং দ্রুত সিদ্ধান্ত গ্রহণ পদ্ধতির উন্নয়ন।

### ঝুঁকি ব্যবস্থাপনা

ঝুঁকি ব্যবস্থাপনা প্রিমিয়ার ব্যাংকে সর্বদাই রক্ষণশীল এবং স্বপ্রণোদিত কর্মকাণ্ড হিসেবে দেখা হয়েছে যার মূল উদ্দেশ্য হচ্ছে রিস্ক এবং রিটার্নের মধ্যে একটি সুসম সম্পর্ক তৈরী করা। আর এই উদ্দেশ্য সফল করতেই প্রিমিয়ার ব্যাংকের ঝুঁকি ব্যবস্থাপনা বিভাগ নিরলস প্রচেষ্টা করে চলেছে। দীর্ঘ ব্যাংকিং কার্যক্রম পরিচালনার অভিজ্ঞতাকে কাজে লাগিয়ে প্রিমিয়ার ব্যাংক ঝুঁকি ব্যবস্থাপনাকে চেলে সাজিয়েছে। ঝুঁকি ব্যবস্থাপনাকে নিয়ন্ত্রণমূলক বিধিবিধানের চেয়ে কর্পোরেট সংস্কৃতি হিসেবে বেশি মূল্যায়ন করা হয়। ঝুঁকি 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। বিশ্বব্যাপী বর্তমান আর্থিক সংকটের প্রেক্ষাপটে ঝুঁকি ব্যবস্থাপনার উন্নয়নকে এখন সর্বোচ্চ অগ্রাধিকার দেয়া হচ্ছে।

বাংলাদেশ ব্যাংকের নির্দেশনা অনুযায়ী একটি পৃথক ঝুঁকি ব্যবস্থাপনা বিভাগ তৈরি করা হয়েছে। এই বিভাগ অন্য ব্যবসায় বিভাগগুলো থেকে সম্পূর্ণ আলাদাভাবে ঝুঁকি বিশ্লেষণের কাজ করে এবং সংশ্লিষ্ট কর্তৃপক্ষকে প্রয়োজনীয় পরামর্শ দিয়ে সাহায্য করে। ব্যবসায় ইউনিট এবং ঝুঁকি ব্যবস্থাপনা বিভাগের 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 নীতিমালায় সঙ্গে সঙ্গতি রেখে ঋণ ঝুঁকির প্রয়োজনীয় বিধিবিধান ও নির্দেশনাবলী প্রস্তুত করেছে। আমাদের ঝুঁকি কৌশলের প্রধান বৈশিষ্ট্য হিসেবে আমরা ঋণ বিপণনকে ঋণ প্রশাসন থেকে সম্পূর্ণ পৃথক করেছি।



ঋণ প্রশাসন বিভাগ অনুমোদিত ঋণগুলোর ক্ষেত্রে বিভিন্ন শর্ত ও নির্দেশনা পরিপালন তদারকী করে। বিদ্যমান ও সম্ভাব্য গ্রাহকদের সঠিক মূল্যায়নের জন্য ক্রেডিট রিস্ক থ্রেডিং গাইডলাইনস্ প্রণয়ন করা হয়েছে। দেশে ও বাইরে ঋঁকির পরিবর্তিত প্রেক্ষাপটে মানব সম্পদের যথাযথ উন্নতিসাধন নতুন আলোকে বিবেচিত হচ্ছে। অদৃষ্ট এবং সম্ভাব্য ঋঁকি মোকাবেলায় এটিকে উৎকৃষ্ট ঢাল বলা যেতে পারে।

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

### আইনী ঋঁকি

ব্যাংকের নিজস্ব আইনজ্ঞ ঋণ ঋঁকির পাশাপাশি মঞ্জুরীকৃত ঋণের বিপরীতে প্রদত্ত শর্তগুলো প্রয়োগের ঋঁকি যথাযথভাবে বিশ্লেষণ করে পরামর্শ প্রদান ও প্রয়োজনে আইনী ব্যবস্থা গ্রহণ করে।

### তারল্য ঋঁকি

সম্পদ ও দায়ের ম্যাচুরিটি জনিত অমিল থেকে উদ্ভূত ঋঁকি কে তারল্য ঋঁকি বলা হয়। তারল্য ঋঁকি 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 ঋঁকি ব্যবস্থাপনার প্রধান দায়িত্ব পালন করে আমাদের ট্রেজারি ডিভিশন। ব্যাংকের ট্রেজারি 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) ক্রমবর্ধিষ্ণু ক্যাশ ফ্লো মিসম্যাচের একটি সহনীয় সীমা নির্ধারণ করে (খ) ঋণ-আমানতের অনুপাত নির্দিষ্ট করে (গ) দুর্বল প্রাতিষ্ঠানিক আমানতের নির্ভরতা ভারসাম্য করে।

২০১৪ সালের ৩১শে ডিসেম্বরে ব্যাংকের তরল সম্পদ এবং মোট সম্পদের অনুপাত দাড়িয়েছে ১৯.২৯% যা সম্ভাব্য তহবিল চাহিদার বিপরীতে যথেষ্ট। অ্যাসেট লায়াবিলিটি কমিটি ব্যাংকের ব্যবস্থাপনা পরিচালকের সভাপতিত্বে নিয়মিত বৈঠক করে এবং পরিস্থিতি অনুযায়ী তরল সম্পদের সরবরাহ নিশ্চিত করতে কৌশল নির্ধারণ করেন।

### সুদের/লাভের হার ঋঁকি

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

### বাজার ঋঁকি

গুণগত মান ও সন্তোষজনক রেটিং এই দুইটি বিষয়ের উপর নির্ভর করেই ব্যাংক বিনিয়োগযোগ্য সম্পদ নির্বাচন করে থাকে। বর্তমান বাজারমূল্য, সম্পদমূল্য, আয় প্রভৃতি মৌলিক বিষয়গুলো বিবেচনায় এনে ব্যাংক মার্কেট ঋঁকি নিয়ন্ত্রণ করে।

### কার্যক্রম উদ্ভূত ঋঁকি

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

### বৈদেশিক মুদ্রা ঋঁকি

ট্রেজারির মূখ্য ব্যাংকিং কার্যক্রমের একটি প্রধান দায়িত্ব হল বৈদেশিক মুদ্রা ঋঁকি নিয়ন্ত্রণ করা। ব্যাংকের বৈদেশিক মুদ্রা ঋঁকি মুদ্রা বাজার মূল্যের 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 নীরক্ষণ ও হালনাগাদ করা হয়। মাসিক ভিত্তিতে সকল নষ্ট হিসাব সমন্বয় করা হয় এবং ৩০ দিনের বেশি অসমন্বিত স্থিতি দ্রুত নিষ্পত্তির জন্য ব্যাংক ব্যবস্থাপনা কর্তৃক ব্যবস্থা গ্রহণ করা হয়। বহিঃনিরীক্ষক দ্বারা আমাদের নষ্ট 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। 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 এন্টি মানি লন্ডারিং কর্মকাণ্ড পর্যবেক্ষণ করার জন্য রয়েছে স্বয়ংসম্পূর্ণ কেন্দ্রীয় প্রতিপালন বিভাগ। মানি লন্ডারিং প্রতিরোধ কার্যক্রমকে কড়া নজরদারীতে রাখতে নিবেদিতপ্রাণ নির্বাহী গ্রুপ গড়ে তোলা হয়েছে। ব্যাংক কর্মকর্তাদের মানি লন্ডারিং ইস্যুতে সচেতন করতে সর্বদা প্রশিক্ষণ ও ওয়ার্কশপের ব্যবস্থা করা হয়। ব্যাংক মানি লন্ডারিং প্রতিরোধ আন্দোলনকে ইলেক্ট্রনিক মাধ্যমেও প্রচার করেছে।

মানি লন্ডারিং প্রতিরোধ কার্যক্রমকে জোরদার করতে ব্যাংক ইতিমধ্যে নিম্নোক্ত পদক্ষেপগুলো গ্রহণ করেছে-

১. নিয়মিত প্রশিক্ষণ ও ওয়ার্কশপের আয়োজন করা
২. সন্দেহজনক লেনদেনগুলোকে সর্বদা পর্যবেক্ষণ করা
৩. প্রতিটি গ্রাহকের কেওয়াইসি (Know Your Customer) নবায়ন ও পরিপূর্ণ করা
৪. বিভিন্ন শাখা থেকে নগদ ও সন্দেহজনক লেনদেনে রিপোর্ট নির্দিষ্ট সময়ের মধ্যে সংগ্রহ করে পর্যবেক্ষণ করা

## ব্যাংক ২

ব্যাংকিং কার্যক্রম তদারকির জন্য ব্যাংক-২ বর্ণিত নীতিমালা তিনটি মূল ভিত্তির উপর প্রতিষ্ঠিত- (ক) ন্যূনতম মূলধন পর্যাগুতা (যা ক্রেডিট রিস্ক, অপারেশন রিস্ক এবং মার্কেট রিস্ক এর ভিত্তিতে নির্ধারিত) (খ) নজরদারিত্ব পর্যালোচনা এবং (গ) বাজার শৃঙ্খলা। ব্যাংক-২ কাঠামোর বাস্তবায়ন ব্যাংকের ঝুঁকি ব্যবস্থাপনা ও মূলধন পর্যাগুতার ক্ষেত্রে একটি সম্ভাবনাময় ভবিষ্যতের ইঙ্গিত বহন করে।

ব্যাংক-২ প্রস্তাবকে সামনে রেখে মূলধন পর্যাগুতার ক্ষেত্রে বাংলাদেশ ব্যাংকের সংশোধিত নীতিমালা বিভিন্ন স্তরের ঝুঁকি

এবং ব্যালেন্স শীট ও ব্যালেন্স 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 সাপ্লিমেন্টারী ক্যাপিটাল হিসেবে। ব্যাংক-২ বাস্তবায়নের পথে মেম্বার ব্যাংকসমূহের প্রস্তুতিকে সামনে রেখে কেন্দ্রীয় ব্যাংকের নির্দেশনা অনুযায়ী ঝুঁকিভিত্তিক সম্পদ ও মূলধনের অনুপাত জুলাই, ২০১১ হতে ১০ শতাংশ হারে সংরক্ষণ করা হচ্ছে।

বৈশ্বিক মানদণ্ড এবং বাংলাদেশ ব্যাংকের গৃহীত নীতিমালা অনুসারে প্রিমিয়ার ব্যাংক বিশ্ব বাজারে সম্পৃক্ত হতে প্রয়োজনীয় পদক্ষেপ গ্রহণ করেছে। ব্যাংক ব্যাংক-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 দেশে ও বিদেশের অনেক খ্যাতনামা প্রশিক্ষণ কেন্দ্রে বিশেষায়িত প্রশিক্ষণের ব্যবস্থা করা হয়েছে। প্রায় সকল ব্যবসায়িক কর্মকাণ্ডে বিভিন্ন ঝুঁকি ব্যবস্থাপনার প্রবর্তন করা হয়েছে। অত্যাধুনিক প্রযুক্তির মাধ্যমে ব্যাংকের সকল কার্যক্রম পরিচালনা করতে একটি সক্ষম আইটি প্ল্যাটফর্ম বাস্তবায়ন করতে যাচ্ছে প্রিমিয়ার ব্যাংক। ব্যাংকের সুশাসনের সাথে সম্পৃক্ত করা হয়েছে পরিচালনা পর্ষদ, নির্বাহী কমিটি, অডিট কমিটি এবং ঝুঁকি ব্যবস্থাপনা কমিটির শক্ত নজরদারী। মূলধন পর্যাগুতার উন্নয়ন ঘটাতে প্রয়োজনীয় পদক্ষেপ গ্রহণ করা হয়েছে যাতে ঝুঁকি, পরিচালনা ঝুঁকি ও বাজার ঝুঁকি বাংলাদেশ ব্যাংকের নির্দিষ্ট সময় সীমার মধ্যে মোকাবেলা করা সম্ভব হয়। ব্যাংক-২ নীতিমালার আওতায় কেন্দ্রীয় ব্যাংকের আরও বেশ কিছু পদক্ষেপকে ধারাবাহিকভাবে বাস্তবায়ন করে চলেছে ব্যাংক। এর সংক্ষিপ্ত বিবরণ নিম্নরূপ :

১. নিয়মিতভাবে স্বীকৃত ক্রেডিট রেটিং এজেন্সি কর্তৃক ক্রেডিট রেটিং সম্পন্ন করা হচ্ছে। ক্যামেল (CAMEL) রেটিং এর আধুনিক সংস্করণ ক্যামেলস (CAMELS) সঠিকভাবে অনুসরণ করা হচ্ছে।
২. ব্যাংকের প্রতিটি শাখায় যথাযথভাবে কেওয়াইসি (Know Your Customer) প্রোফাইল সংগ্রহ ও সংরক্ষণ করা হয়।
৩. মানি লন্ডারিং প্রতিরোধকল্পে ব্যাংক কেন্দ্রীয় ব্যাংককে পুরোপুরি সহযোগিতা করে থাকে।
৪. সন্দেহজনক লেনদেন (যেমন- সিটিআর, এসটিআর) রিপোর্টিং সৃষ্টিভাবে সম্পন্ন করা হয়।
৫. অভিজ্ঞ ও দক্ষ সুপারভাইজরি টিম গঠন করা হয়েছে।
৬. ব্যাংকের দৈনন্দিন কর্মকাণ্ডে রিস্ক অ্যানালাইসিস অনুশীলন করা হয়ে থাকে। তদানুযায়ী কোর রিস্ক ব্যবস্থাপনা (CRM) এর কাঠামো বিন্যাস, গাইড লাইনস্ ও রেগুলেশনস্ যথাযথভাবে পরিপালন করা হয়।

## ক্রেডিট রেটিং প্রতিবেদন

ন্যাশনাল ক্রেডিট রেটিংস্ লিমিটেড (এনসিআর) ২০১৩ সালের ডিসেম্বর পর্যন্ত আর্থিক অবস্থান এবং অন্যান্য সংশ্লিষ্ট পরিমাণগত এবং গুণগত বিষয়ের ভিত্তিতে প্রিমিয়ার ব্যাংক লিমিটেডকে দীর্ঘ মেয়াদে “এএ (ডাবল এ)” এবং স্বল্প মেয়াদে “এসটি-১” রেটিং প্রদান করেছে। ২০১৪ সালের ব্যাংকের ক্রেডিট রেটিং এনসিআর কর্তৃক রেটিং প্রক্রিয়া শেষ হবার সাথে সাথেই শেয়ারহোল্ডারদের জানানো হবে।

## বহিঃনিরীক্ষক নিয়োগ

পঞ্চদশ বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারকর্তৃক যৌথভাবে মেসার্স সাইফুল শামসুল আলম এন্ড কোং এবং মেসার্স কে, এম, হাসান, চার্টার্ড অ্যাকাউন্ট্যান্ট -কে ২০১৪ সালে ব্যাংকের বহিঃনিরীক্ষক হিসেবে দায়িত্ব পালনের জন্য নিয়োগ করা হয়। ষষ্ঠদশ বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারকর্তৃক পরবর্তী বছরের জন্য নতুন নিরীক্ষক নিয়োগ করা হবে।

## পরিচালক নির্বাচন

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

## সভা

২০১৪ সালে ব্যাংকের পরিচালনা পর্ষদের ২০টি সভা অনুষ্ঠিত হয়। কার্যনির্বাহী কমিটির সভা হয় ৪৪টি আর অডিট কমিটি উক্ত বছরে ২০টি সভায় মিলিত হন। অন্যদিকে শরীয়াহ সুপারভাইজরী কমিটি ও ঝুঁকি ব্যবস্থাপনা কমিটির যথাক্রমে ৪টি ও ১টি সভা অনুষ্ঠিত হয়।

## লভ্যাংশ

ব্যাংকের পরিচালনা পর্ষদ ২০১৪ ইং অর্থবছরের উপর ১০ শতাংশ লভ্যাংশ (বোনাস শেয়ার) সুপারিশ করেছে যা আগামী ১৬ জুন, ২০১৫ ইং তারিখে অনুষ্ঠিতব্য ব্যাংকের ষষ্ঠদশ বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদন সাপেক্ষে কার্যকর হবে।

## ষষ্ঠদশ বার্ষিক সাধারণ সভা

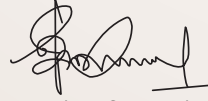
ব্যাংকের ষষ্ঠদশ বার্ষিক সাধারণ সভা আগামী ১৬ জুন, ২০১৫ ইং তারিখে বসুন্ধরা কনভেনশন সেন্টার- ২, উম্মে কুলসুম সড়ক, বসুন্ধরা আবাসিক এলাকা, বারিধারা, ঢাকা-১২২৯ এ বেলা ১০.৩০ ঘটিকায় অনুষ্ঠিত হবে। পরিচালনা পর্ষদের প্রতিবেদন এবং আর্থিক হিসাবপত্র ব্যাংকের ৩০ এপ্রিল ২০১৫ এ অনুষ্ঠিত ১৩৭তম পর্ষদ সভায় শেয়ারহোল্ডারদের সমীপে পেশ করার জন্য অনুমোদিত হয়।

## ধন্যবাদ ও কৃতজ্ঞতাজ্ঞাপন

ব্যাংকের পরিচালনা পর্ষদ ব্যাংকের সকল শেয়ারহোল্ডার, শ্রদ্ধেয় গ্রাহক, পৃষ্ঠপোষক ও শুভানুধ্যায়ীদের প্রতি আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপন করছে যাঁরা সর্বাত্মক সহযোগিতার মাধ্যমে প্রিমিয়ার ব্যাংককে একটি অন্যতম ব্যাংক হিসেবে গড়ে তুলতে প্রধান ভূমিকা পালন করেছেন। আমরা তেমনি কৃতজ্ঞতা পাশে আবদ্ধ গণপ্রজাতন্ত্রী বাংলাদেশ সরকার, বাংলাদেশ ব্যাংক, বাংলাদেশ সিকিউরিটিজ অ্যান্ড একচেঞ্জ কমিশন সহ অন্যান্য নিয়ন্ত্রক সংস্থা এবং আর্থিক প্রতিষ্ঠানের প্রতি তাঁদের মূল্যবান উপদেশ ও পরামর্শের জন্য। পরিশেষে পরিচালনা পর্ষদ ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ ও সকল পর্যায়ের কর্মকর্তা/কর্মচারীদের প্রতি 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 সহযোগিতা ভবিষ্যতে প্রিমিয়ার ব্যাংককে এক নতুন উচ্চতায় পৌঁছে দিবে বলে আমি আশা করি।

পরিচালনা পর্ষদের পক্ষে



ডাঃ এইচ, বি, এম, ইকবাল  
চেয়ারম্যান  
দি প্রিমিয়ার ব্যাংক লিমিটেড



# Subsidiaries of The Premier Bank Ltd.

## Premier Bank Securities Ltd.

Premier Bank Securities Ltd. (formerly The Premier Bank Ltd. - Brokerage Division) a wholly owned subsidiary concern 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:

|   |   |
|---|---|
| <p><b>a. Brokerage Services:</b></p> <ul style="list-style-type: none"> <li>Trade Execution on behalf of the customers</li> <li>Any branch trading</li> <li>Separate arrangements for VIP investors</li> <li>Special lounge for Women investors</li> <li>Trading arrangement with both DSE &amp; CSE</li> <li>Competitive fees and charges</li> <li>Investment advisory services</li> <li>IPO Application process</li> </ul>  | <p><b>b. Margin Loan Facilities:</b></p> <p>Margin Loans are being facilitated to the customers for investment in the capital market against margin deposit within the limit set from time to time by the management as per Margin Loan Policy of the company and Margin Rules, 1999 of Bangladesh Securities &amp; Exchange Commission (BSEC).</p> |
| <p><b>c. Services as Full Service DP:</b></p> <ul style="list-style-type: none"> <li>BO (Beneficiary Owner) accounts opening</li> <li>Safe keeping of shares and securities</li> <li>Verify and register of securities</li> <li>Dematerialization &amp; Re-materialization of shares</li> <li>Transfers and Transmission</li> <li>Pledging, Un-pledging and Confiscation</li> <li>Corporate Action Inquiry</li> <li>BO ISIN Balance and master maintenance inquiry, etc.</li> </ul> | <p><b>d. Phone/Fax/ E-mail Services:</b></p> <ul style="list-style-type: none"> <li>Buy /Sale order &amp; Confirmation</li> <li>Stock Position</li> <li>Balance of financial Ledger</li> <li>Purchase power inquiry</li> <li>Portfolio Position inquiry</li> <li>Market momentum</li> <li>Margin call</li> <li>IPO Application</li> </ul>           |
| <p><b>e. Dealer Services:</b></p> <ul style="list-style-type: none"> <li>Own portfolio investment</li> </ul>  | <p><b>f. Research and Analysis:</b></p> <ul style="list-style-type: none"> <li>Market momentum have been provided by experienced Market Research and Analysis team.</li> </ul>  |

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.

It was hoped that the market trend in the year 2014 will be favorable for investment & recovery than the previous years and Premier Bank Securities Ltd. will achieve significant profit margin during this year. The capital market continued its bearish trend for the 4 (four) consecutive years, i.e. 2011, 2012, 2013 & 2014. As a result, expected profit margin could not be achieved from the brokerage operations.

However, Premier Bank Securities Ltd. has achieved profit Tk.3.03 crore out of its projected budget of Tk.22.88 crore for the year 2014.

The management has targeted to profit Tk.50.19 crore in the year 2015. We are hopeful to achieve the target of the year.

## Premier Money Transfer Company Limited, UK

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



## Report of Chief Risk Officer

Bank confronts 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. Credit Administration also reviews conduct of loan accounts and issue early alerts to the branches concerned and follows up actions taken at their end. The recovery unit handles classified loans. It monitors repayment of the classified loans and initiate effective steps/ measures for recovery/ regularization of the same. 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, are looked into by the Internal Control and Compliance Division and Operation Division of the bank. In discharging its responsibility, the Internal Control and Compliance Division conducts regular and special audit and inspections. During the year 2014 the division conducted 80 Comprehensive Audit in different branches and divisions of the Head Office. Besides, it conducted 205 special audits and surprise audits in different branches of the bank. 42 IT audits were also carried out during the year. The Internal Control and Compliance Division works under direct supervision of bank's Board Audit Committee.

Bank's overall risk management function is overseen by the Risk Management Division headed by the Chief risk Officer. The division prepares, inter alia, risk management papers identifying and measuring potential risks in bank's activities and portfolios, arranges meeting of all Risk Committee comprising of members of senior management of the bank and heads of related functional units/divisions and apprise the Board/ Risk Management Committee of the identified risks and management's recommendations to address the risks. Stress tests, in keeping with guidelines issued by Bangladesh Bank, are carried out on quarterly basis in order to assess bank's capacity to absorption potential risks. The stress tests include among other things, Funding gap analysis and Duration gap analysis. Besides, VaR is calculated to measure maximum expected loss of trading portfolios at 95% confidence level.



**Mir Abdur Rahim**  
Chief Risk Officer &  
Head of Risk Management Division

# Risk Management Report

Over a decade of banking operations in the country, Premier Bank has structured risk management into core competence and positioned itself well to meet challenges. The Bank evaluates risk with regard to the impact on capital/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 (ICCD)**

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

## Risk Management Division

In accordance with Bangladesh Bank directives, a separate Risk Management Division has been set up in the Bank. The division 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 Division to achieve the requisite balance between risk and return. The “Risk Management Division” under Chief Risk Officer 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 are also to be reviewed :
  - ✓ Operational Risk
  - ✓ Market Risk
  - ✓ Liquidity Risk
  - ✓ Reputation Risk
  - ✓ Insurance Risk/Residual Risk
  - ✓ Sustainability Risk
- Setting the portfolio objectives and tolerance limits/ parameters for each of the risks;
- Formulation of strategies and different models consistent 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 division works 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 division will also work for substantiality of capital to absorb the associated risk in banking operation.

## Stress Testing

Risk Management Division (RMD) 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
- Credit Risk

- Exchange Rate Risk
- Equity Price Risk
- Liquidity Risk

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 directors 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 ensures compliance and 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 rigorous 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 2014, Bank's provision was satisfactory 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 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. The ratio of statutory liquid assets to total liabilities as at December 31, 2014 was 20.32%. 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 in 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 to Bank's 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 united 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 a 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 as follows:

- 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 advice of Bangladesh Bank, the Premier Bank limited has already achieved prescribed capital adequacy requirement (Minimum 10%). During the year 2014 the bank has taken necessary steps towards the implementation of BASEL II. Capable IT platform has been established to cover the entire operation of the Bank. Strong oversight by the Board, Executive Committee and the Audit Committee resulted in adherence to various corporate actions to improve capital adequacy ratio so as to cover Credit Risk, Operation Risk and Market Risk. Bank's initiatives to this effect 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/entities rated by recognized Credit Rating Companies.
- All Credit Portfolio have been segregated into 'General' & '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.



# Disclosures on Risk Based Capital (Basel II)

For the year ended December 31, 2014



# The Premier Bank Limited

## Disclosures on Risk Based Capital (Basel II)

### For the year ended December 31, 2014

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 (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. Scope of Application

The Risk Based Capital framework applies to The Premier Bank Limited on 'Solo' basis as well as 'Consolidated' basis as there are subsidiaries of the Bank as on 31 December 2014. The name of the two subsidiary companies is Premier Bank Securities Limited and Premier Money Transfer Company Limited.

#### 2. 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 five years.

The capital fund of The Premier Bank Limited stood at Tk. 794.26 crore as of 31st December 2014 comprising of 70.01% Core Capital (Tier -1 Capital) and 29.29% Supplementary Capital (Tier – 2 Capital). Core Capital (Tier -1 Capital) comprises of 563.70 crore as Paid up capital, 253.65 crore as Statutory Reserve, 60.01 crore as Retained Earning and 321.29 crore adjusted from core capital as pre regulatory requirements and Supplementary Capital (Tier – 2 Capital ) 62.96 crore as General Provision, 9.21 crore as Asset Revaluation and 166.00 crore as Sub-ordinated Bond as a part of Total supplementary 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.   | a) The amount of Tier-II capital of the Premier Bank Limited as of 31st December 2014 is 42.83% of Tier-I capital.   |
| b) 50% of revaluation reserves for fixed assets and securities eligible for Tier – II Capital.  | b) Tier-II Capital of the Premier Bank Limited as of 31st December 2014 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.   | c) Tier-II Capital of the Premier Bank Limited as of 31st December 2014 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.  | d) The Premier Bank have a Subordinated bond of amounting Taka 166.00 crore which is 29.85% of Tier I capital.   |
| 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. | e) 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  | 563.70        |
| 1.2   | Statutory Reserve   | 253.66        |
| 1.3   | Non-repayable Share premium account   | 0.00          |
| 1.4   | General Reserve   | 0.00          |
| 1.5   | Retained Earnings   | 60.01         |
| 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          |
| <b>1.10</b>                                     | <b>Sub-Total: (1.1 to 1.9)</b>  | <b>877.37</b> |
| Deductions from Tier -1 (Core Capital)          |   |               |
| 1.11  | Book value of Goodwill and value of any contingent assets which are shown as assets | 0.00          |
| 1.12  | Shortfall in provisions required against classified assets                          | 245.99        |
| 1.13  | Shortfall in provisions required against investment in shares                       | 75.30         |
| 1.14  | Reciprocal crossholdings of Bank capital/subordinated debt                          | 0.00          |
| 1.15  | Any investment exceeding the approved limit under section 26(2) of Bank Company Act | 0.00          |
| 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)   | 321.29        |
| 1.19  | Total Eligible Tier-1 Capital (1.10 - 1.18)   | 556.08        |
| 2. Tier-II (Supplementary Capital)              |   |               |
| 2.1   | General Provision (Unclassified loans + SMA + off Balance Sheet exposure)           | 62.96         |
| 2.2   | Assets Revaluation Reserves up to 50%   | 2.10          |
| 2.3   | Revaluation Reserve for Securities up to 50%  | 7.13          |
| 2.4   | Revaluation Reserves for equity instruments up to 10%                               | 0.00          |
| 2.5   | All other preference shares   | 0.00          |
| 2.6   | Subordinated debt   | 166.00        |
| 2.7   | Other (if any item approved by Bangladesh Bank)                                     | 0.00          |
| 2.8   | Sub-Total (2.1 to 2.5)  | 238.18        |
| 2.9   | Deductions if any   | 0.00          |
| <b>2.10</b>                                     | <b>Total Eligible Tier-II Capital (2.8 - 2.7)</b>                                   | <b>238.18</b> |
| <b>Total Capital (Tier – I &amp; Tier – II)</b> |   | <b>794.26</b> |

### 3. 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 of 31st December 2014:

- Intangible asset e.g. Book value of goodwill and value of any contingent assets, etc.
- Remaining deficit on account of revaluation of investments in securities after netting off from any other surplus on the securities.
- Reciprocal/crossholdings of Bank's capital /subordinated debt artificially intended to inflate the capital position of Banks
- 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.
- 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:

| Sl | Particulars                              | Amount in Crore BDT |
|----|--|---------------------|
| 1  | Capital requirement for Credit Risk      | 719.21              |
| 2  | Capital requirement for Market Risk      | 76.35               |
| 3  | Capital requirement for Operational Risk | 66.67               |
|    | <b>Total Capital Requirement</b>         | <b>862.23</b>       |
| 4  | Tier – 1 Capital                         | 556.08              |
| 5  | Tier – 2 Capital                         | 238.18              |
|    | <b>Total Capital Maintained</b>          | <b>794.26</b>       |
| 6  | Total Capital Ratio (Maintained)         | 9.21%               |
| 7  | Tier - 1 Capital Ratio (Maintained)      | 6.45%               |
| 8  | Tier – 2 Capital Ratio (Maintained)      | 2.76%               |

#### 4 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    |
|----------------------------------|-----------------|
| <b>Credit Risk</b>               |                 |
| For On- Balance sheet Assets     | 5,926.77        |
| For Off-Balance sheet Assets     | 1,265.39        |
| <b>Total RWA for Credit Risk</b> | <b>7,192.14</b> |



**SUMMARY OF CREDIT RISK:**

| Exposure Type   | Amount in Crore Taka |                     |
|---|----------------------|---------------------|
|   | Exposure             | Risk weighted Asset |
| <b>A. Credit Risk for On-Balance Sheet Exposures:</b>   |                      |                     |
| Cash  | 117.74               | 0.00                |
| Claims on GoB and BB  | 1,552.00             | 0.00                |
| Claims on Public Sector Entities (excluding equity exposure)  | 11.24                | 5.62                |
| Claims on Banks and NBFIs (denominated in domestic as well as foreign currency)   | 890.46               | 256.48              |
| Claims on Corporate (excluding equity exposures)  | 3,716.25             | 2,517.14            |
| Claims on SME   | 1,301.65             | 1,020.61            |
| Claims under Credit Risk Mitigation for Corporate   | 353.10               | 100.33              |
| Claims under Credit Risk Mitigation for Retail & SME  | 98.84                | 0.05                |
| Consumer finance  | 83.64                | 83.64               |
| Claims fully secured by residential property  | 33.09                | 16.55               |
| Claims fully secured by commercial real estate  | 47.03                | 47.03               |
| Past Due Claims   |                      |                     |
| Specific Provision < 20% of outstanding amount  | 232.75               | 349.13              |
| Specific Provision from 20% up to 50% of outstanding amount   | 68.49                | 68.49               |
| Specific Provision > 50% of outstanding amount  | 27.15                | 13.58               |
| Specific Provision < 50% of outstanding amount in case of Residential Property  | 5.05                 | 5.05                |
| Capital Market Exposure   |                      |                     |
| 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. | 95.08                | 118.85              |
| Investments in premises, plant and equipment and all other fixed assets   | 165.44               | 165.44              |
| All other assets  |                      |                     |
| i) Claims on GoB & BB   | 66.58                | 0.00                |
| ii) Staff loan / investment   | 41.71                | 8.34                |
| ii) Claims on Off-shore Banking Units (OBU)   | 173.57               | 173.57              |
| iii) Other assets (net off specific provision)  | 793.2                | 793.2               |
| <b>Sub Total</b>  | <b>10,089.33</b>     | <b>5,936.65</b>     |
| <b>B. Credit Risk for Off-Balance Sheet Exposures:</b>  |                      |                     |
| Claims on Corporate   | 1,237.36             | 1,243.62            |
| Claims on SME   | 29.03                | 21.77               |
| <b>Sub Total</b>  | <b>1,266.39</b>      | <b>1,265.39</b>     |
| <b>Grand Total</b>  | <b>11,355.72</b>     | <b>7,202.04</b>     |

**5. 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, Plant 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 2014 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 of 31st December 2014 at Cost price.

Banking Book Equities Investments of Premier Bank Securities Limited – a subsidiary of The Premier Bank Limited as of 31st December 2014 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 of 31st December 2014 stood at Tk. 185.90 Crore as per following details:

| Sl. | Name of Companies                     | Amount in crore Taka | Remarks                 |
|-----|---------------------------------------|----------------------|-------------------------|
| 01. | Central Depository Bangladesh Limited | 0.51                 |                         |
| 02. | SWIFT                                 | 0.12                 |                         |
| 03. | Energyprima & Lanka Bangla finance    | 1.45                 | Unquoted share          |
| 04. | Corporate Bond (Equity Investment)    | 10.00                | FSIBL Subordinated Bond |
| 05. | Corporate Bond                        | 37.50                |                         |
| 06. | Premier Bank Securities Ltd.          | 50.00                | Subsidiary company      |
| 07. | Premier Money Transfer Company Ltd    | 3.32                 | Subsidiary company      |
|     | <b>Total</b>                          | <b>102.9</b>         |                         |

Banking Book Equities investments of The Bank's subsidiary company namely - Premier Bank securities limited as of 31st December 2014 stood at Tk. 83.00 crore as per following details

| Sl. | Name of Companies              | Amount in crore Taka | Remarks |
|-----|--------------------------------|----------------------|---------|
| 01. | Dhaka Stock Exchange Ltd.      | 65.00                |         |
| 02. | Chittagong Stock Exchange Ltd. | 18.00                |         |
|     | <b>Total</b>                   | <b>83.00</b>         |         |

| Particulars   | Disclosure 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 of 31st December 2014 had been shown at cost Price amounting Tk.148.40 crore. |
| The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.   | No realized gains/ Losses  |
| <ul style="list-style-type: none"> <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<br>No revaluation gains<br>Not included in Tier-II   |

**6. Interest Rate Risk in the Banking Book:**

**Qualitative disclosure:**

Interest rate risk is the risk where changes in market interest rate might adversely affect a bank's financial condition. Changes in interest rates affect both the current earnings (earnings perspective) as well as the net worth of the bank (economic value perspective). Re –pricing risk is often the most apparent source of interest rate risk for a bank and is often gauged by comparing the volume of a bank's assets that mature or re-price within a given time period with the volume of liabilities that do so.

The short term impact of changes in interest rates is on the bank's Net interest Income (NII). In a longer term, changes in interest rates impact the cash flows on the assets, liabilities and off-balance sheet items, giving rise to a risk to the net worth of the bank arising out of all re-pricing mismatches and other interest rate sensitive position.

The responsibility of interest rate risk management rests with the bank's Assets Liability Management Committee (ALCO). The bank periodically computes the interest rate risks in the banking book that arises due to re-pricing mismatches in interest rate sensitive assets and liabilities. Interest rate risk is assessed and managed by GAP analysis as well as Duration Gap Analysis under stress testing.

#### **Quantitative disclosure:**

##### **Maturity Bucket**

Figure in crore Taka

| Particulars    | < 3 Months | 3 – 6 Months | 6 – 12 Months |
|----------------|------------|--------------|---------------|
| Gap            | 451.01     | (1352.78)    | (529.47)      |
| Cumulative Gap | 451.01     | (901.77)     | (1,431.24)    |

##### **Interest Rate Stress Test:**

|  | Minor<br>1%  | Moderate<br>2% | Major<br>3%  |
|--|--------------|----------------|--------------|
| <b>Assumed changes in Interest Rate</b>            |              |                |              |
| Net Interest Income Impact                         |              |                |              |
| < 12 Months  | -14.31       | -28.62         | -42.94       |
| Capital after shock                                | 1,054.76     | 1,040.45       | 1,026.13     |
| <b>CAR After Shock (%)</b>                         | <b>12.71</b> | <b>12.54</b>   | <b>12.37</b> |
| Change in CAR after shock(%)                       | -0.17        | -0.35          | -0.52        |
| <b>Repricing Impact</b>                            |              |                |              |
| Change in value of the bond portfolio              | -37.20       | -74.41         | -111.61      |
| Capital after shock                                | 1,017.55     | 966.04         | 914.52       |
| <b>CAR After Shock (Percent)</b>                   | <b>12.26</b> | <b>11.64</b>   | <b>11.02</b> |
| Change in CAR after shock (%)                      | -0.45        | -0.90          | -1.35        |
| Overall change in CAR (NII and repricing impact %) | -0.62        | -1.24          | -1.86        |

## **6. 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:

- The risks pertaining to interest rate related instruments and equities in the Trading Book.
- 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:

- Interest Rate Risk,
- Equity Price Risk,
- Commodity Price Risk and
- Foreign Exchange Risk

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

The objective of investment policy covering various fact 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/policies 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.

#### **Quantitative Disclosures:**

##### **Capital Charges for Market Risk**

| Sl. | 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)                          |
| A.  | Interest Rate Related instruments | 0.00                             | 12.60                                  | 12.60                                |
| B.  | Equities                          | 31.00                            | 31.00                                  | 62.00                                |
| C.  | Foreign Exchange Position         | -                                | 1.75                                   | 1.75                                 |
| D.  | Commodities                       | -                                | -                                      | -                                    |
|     | <b>Total ( A + B + C + D)</b>     | <b>31.00</b>                     | <b>45.35</b>                           | <b>76.35</b>                         |

#### **8. 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.



**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:

BDT in Crore

| Particulars   | Y-2014   | Y-2013 | Y-2012 |
|---|----------|--------|--------|
| Gross Income*   | 532.67   | 444.29 | 357.66 |
| Total gross Income of three previous                              | 1,334.62 |        |        |
| Average Gross Income  | 444.87   |        |        |
| Previous three years Capital Charge (15% of Average Gross Income) | 66.73    |        |        |

\* Including Interest Suspense.

**Risk Management Unit**

The Premier Bank Limited has formed a separate “Risk Management Division” 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.
- Ensure compliance with the core risks management guidelines at the department level, and at the desk level;
- The Division 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 Division will also work for substantiality of capital to absorb the associated risk in banking operation.

**Stress Testing**

Risk Management Division (RMD) 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 in conformity 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 and regulatory Authorities. Related party transactions to the Honorable Directors for the year ended December 31, 2014 are mentioned in Note 3.9 page no. 160-161 of the financial statements.

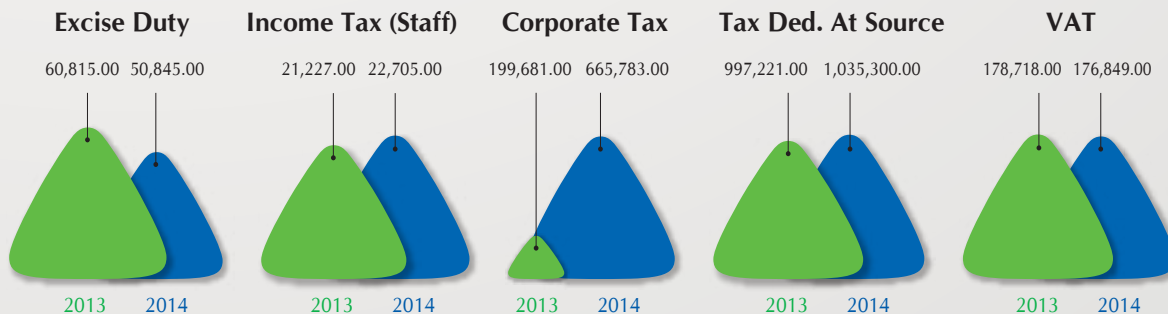
## Report on Usage & Maintenance of Vehicles/Pool cars of the Bank

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, 02 cars for Additional Managing Directors, 01 car for Deputy Managing Director. The remaining 13 (thirteen) cars are being used Bank own purpose.

During the period from 01.01.2014 to 31.12.2014, total Tk.31,68,571.00 only has been incurred towards repairing and maintenance of the above pool Vehicles/pool Cars of the Bank.

## Contribution to National Exchequer

| Particulars        | 2014                | 2013                |
|--------------------|---------------------|---------------------|
|                    | BDT                 | BDT                 |
| Excise Duty        | 50,845.00           | 60,815.00           |
| Income Tax (Staff) | 22,705.00           | 21,227.00           |
| Corporate Tax      | 665,783.00          | 199,681.00          |
| Tax Ded. At Source | 1,035,300.00        | 997,221.00          |
| VAT                | 176,849.00          | 178,718.00          |
| <b>Total</b>       | <b>1,951,482.00</b> | <b>1,457,662.00</b> |



As a contributor of the government and a withholding authority the bank plays vital role to collect and deposit Tax and VAT to the government exchequer.

During the year 2014, the Bank contributed BDT 1.95 million to national exchequer which was BDT 1.46 million in 2013.

بسم الله الرحمن الرحيم

## Annual Report of Shari'ah Supervisory Committee, 2014

الحمد لله رب العالمين الصلاة والسلام على سيدنا محمد و آله 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 of the Shari'ah which is our source of inspiration, confidence and strength.

During the year 2014, the Shari'ah Supervisory Committee met in 04 (four) meetings. In these meetings different operational issues were discussed and prudent guidance/opinions were given in the light of Shari'ah principles. The Council reviewed the Final Accounts for 2014 of Islamic Banking operation in accordance with Shari'ah Principles.

### Opinion of Shari'ah Supervisory Committee over the Shari'ah Audit Report:

- i) Shari'ah Supervisory Committee expressed their heartiest thanks to Almighty Allah and appraised the Management of the bank for publishing 'Shari'ah Manual for Investment Operation' of The Premier Bank Limited and also for taking necessary steps to comply the lapses as reflected in the Shari'ah Audit Reports by the Murakib.
- ii) The Committee observed that the awareness about the compliance of Shari'ah has increased significantly among the officials regarding the investment operations and also among the investment clients.
- iii) The Committee further appraised for taking steps to improve the MIS & reports of Islamic Banking software 'BankUltimus' that will help to strengthen its operation and develop the standard of services complying Shari'ah principles.
- iii) The Committee opined to follow the 'Guidelines for Islamic Banking' issued by Bangladesh Bank and 'Shari'ah Manual for Investment Operation' of the bank in every sphere of its operation.

### Shari'ah Supervisory Committee has given following suggestions:

- a) The Executives/Officers of Islamic Banking Branches should be more knowledgeable in Shari'ah 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 Shari'ah 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 Shari'ah in every sphere of our life.



**Professor Maulana Mohammad Salahuddin**  
Chairman, Shari'ah Supervisory Committee  
The Premier Bank Limited

# History of Growth over 10 Years

Figure in Million Taka where applicable

| Particulars                    | 2005     | 2006     | 2007     | 2008     | 2009     | 2010     | 2011     | 2012     | 2013     | 2014      |
|--------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| Authorized Capital             | 2000.00  | 2000.00  | 2000.00  | 2000.00  | 6000.00  | 6000.00  | 6000.00  | 6000.00  | 6000.00  | 6000.00   |
| Paid-up Capital                | 557.55   | 845.00   | 1689.99  | 1689.99  | 2242.28  | 2914.97  | 3818.61  | 4658.71  | 5124.58  | 5637.03   |
| Reserve Fund                   | 403.85   | 543.76   | 649.79   | 870.22   | 1148.59  | 1651.25  | 1800.27  | 1964.90  | 2238.80  | 2536.54   |
| Total Capital Funds            | 1318.99  | 1855.58  | 2792.33  | 3603.03  | 4965.10  | 6863.17  | 7291.19  | 7662.51  | 8565.44  | 11479.26  |
| Deposits                       | 20290.47 | 24199.01 | 27114.47 | 32059.62 | 37381.96 | 54691.47 | 60692.97 | 67058.19 | 73516.43 | 90750.05  |
| Advance                        | 18032.50 | 20677.68 | 23637.61 | 30319.53 | 33664.59 | 46400.57 | 49774.91 | 52210.16 | 52697.14 | 70063.72  |
| Investment in Govt. Securities | 2240.78  | 2392.01  | 3461.45  | 4107.03  | 5872.65  | 7289.20  | 9239.80  | 8727.47  | 13755.40 | 14836.28  |
| Foreign Trade                  | 33850.23 | 38797.18 | 43222.20 | 59546.70 | 56470.03 | 79381.60 | 76287.53 | 65649.40 | 58805.80 | 71739.24  |
| Foreign Remittance             | 1427.40  | 940.10   | 1620.60  | 2786.40  | 2223.20  | 2669.50  | 4745.12  | 4689.60  | 5302.20  | 6077.68   |
| Income                         | 2863.86  | 3622.05  | 4186.33  | 5070.04  | 5762.92  | 8250.78  | 10003.68 | 10500.04 | 11150.70 | 12448.22  |
| Expenditure                    | 1964.83  | 2679.98  | 3188.22  | 3797.10  | 4371.06  | 5390.79  | 9186.38  | 9676.56  | 9627.41  | 10630.31  |
| Operating Profit               | 899.03   | 942.07   | 998.11   | 1272.94  | 1391.87  | 2859.98  | 817.30   | 823.48   | 1523.29  | 1817.91   |
| Fixed Assets                   | 165.48   | 163.93   | 219.79   | 298.85   | 529.55   | 652.52   | 1220.87  | 1423.41  | 1599.67  | 1659.53   |
| Total Assets                   | 22767.84 | 27170.45 | 32573.19 | 38723.49 | 47343.24 | 68240.25 | 74951.11 | 81733.71 | 88959.32 | 111576.40 |
| Book Value Per Share (Taka)    | 203.31   | 192.44   | 145.88   | 138.97   | 187.51   | 20.50    | 16.99    | 15.34    | 15.59    | 15.87     |
| Earning Per Share (Taka)       | 32.45    | 43.63    | 4.66     | 29.02    | 48.54    | 6.08     | 1.34     | 1.30     | 1.53     | 1.55      |
| Dividend                       | 24.00%   | 10.00%   | 7.00%    | 24.00%   | 30.00%   | 31.00%   | 22%      | 10%      | 10%      | 10%*      |
| Credit-Deposit Ratio           | 88.87%   | 85.45%   | 87.18%   | 94.57%   | 90.06%   | 84.84%   | 82.01%   | 77.78%   | 70.76%   | 77.21     |
| NPL as a % of Total Loan       | 3.86%    | 4.91%    | 596%     | 4.55%    | 1.83%    | 4.66%    | 4.28%    | 5.39%    | 5.73%    | 9%        |
| Capital Adequacy Ratio         | 8.24%    | 10.66%   | 12.66%   | 12.71%   | 15.14%   | 10.01%   | 10.55%   | 11.04%   | 11.46%   | 13.30%    |
| No. of Foreign Correspondents  | 345      | 350      | 397      | 414      | 439      | 454      | 473      | 473      | 476      | 492       |
| Number of Employees            | 605      | 677      | 731      | 834      | 893      | 965      | 1117     | 1259     | 1283     | 1350      |
| Number of Branches             | 21       | 26       | 27       | 30       | 38       | 52       | 64       | 79       | 86       | 92        |

\*Proposed



## 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 2013 and 2014

Figure in million Taka

| Particulars   | 2014            | 2013            |
|---|-----------------|-----------------|
| <b>Total Value Added</b>  | <b>2,860.49</b> | <b>2,279.66</b> |
| Income from Operating activities  | 12448.28        | 4,434.89        |
| Less: Cost of services rendered   | 9277.79         | 1,941.90        |
| Value Added by Operating Activities   | 3170.49         | 2,492.99        |
| Less: Provision for loan loss and others  | 310             | 213.33          |
| <b>Distribution of added value</b>  |                 |                 |
| To sharehokders as dividend (*)   | 563.7*          | 512.46          |
| To employee as salaries and other benefits  | 1141.89         | 969.69          |
| To Government as income tax   | 611.17          | 524.21          |
| To statutory reserve fund   | 297.75          | 273.90          |
| To expansion and growth   |                 |                 |
| "To retained earnings for dividend for current year (after deduction of dividend for current year)" | 20.08*          | (0.61)          |
| Depreciation and repair of Bank's assets  | 201.52          | -               |
| Deferred tax  | 24.38           | -               |
| Total Distribution  | 2860.49         | 2,279.66        |

Note: The accumulated retained earnings are not included in the current year.

\* Proposed.

## Economic Value Addition (EVA)

Economic Value Addition or the true economic profit is an appropriate performance metric for the organization. Share holders are always concern about value addition of their share. EVA is the measure of value generated from funds invested by the equity holder considering the Net operating Profit after tax(NOPAT) and total cost of capital i.e. how much value created by the Bank. Though a Banking company we are more cocious to create value to all of our stakeholders.

Taka in million

| Particulars   | 2014             | 2013            | 2012            |
|---|------------------|-----------------|-----------------|
| <b>NOPAT (Net Operating Profit After Tax) (A)</b>   |                  |                 |                 |
| Net profit after tax  | 872.36           | 796.36          | 608.32          |
| Add: Provision made during the year   | 310.00           | 213.33          | (96.70)         |
|   | <u>1,182.36</u>  | <u>1,009.69</u> | <u>511.62</u>   |
| Less: write off during the year   | -                | -               | -               |
|   | <u>1,182.36</u>  | <u>1,009.69</u> | <u>511.62</u>   |
| <b>Total capital invested</b>   |                  |                 |                 |
| Shareholders equity   | 8943.37          | 8,009.96        | 7,161.43        |
| Accumulated provision for loans & advance, investment, off balancesheet items, and others | 1871.83          | 1,540.87        | 1,146.25        |
|   | <u>10,815.20</u> | <u>9,550.84</u> | <u>8,307.68</u> |
| <b>Average capital invested (B)</b>   | <u>10,183.02</u> | <u>8,929.26</u> | <u>8,166.77</u> |
| Risk free rate of Return (Based on Shanchay Patra issued by Bangladesh Government)        | 12%              | 12%             | 12%             |
| Add: Risk premium   | 2%               | 2%              | 2%              |
| <b>Cost of equity</b>   | <u>14%</u>       | <u>14%</u>      | <u>14%</u>      |
| <b>Average cost of equity (C)</b>   | <u>14%</u>       | <u>14%</u>      | <u>14%</u>      |
| <b>Cost of equity (D = BxC)</b>   | <u>1,425.62</u>  | <u>1,250.10</u> | <u>1,143.35</u> |
| <b>Economic value addition (E = A-D)</b>  | <u>(243.26)</u>  | <u>(240.41)</u> | <u>(631.72)</u> |

## 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 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 Committee 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 41 and 42.

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**  
Chief Financial Officer



**Khondker Fazle Rashid**  
Managing Director & CEO



# Financials 2014

(Auditors' Report to the Shareholders)



## K.M. Hasan & Co.

Chartered Accountants  
Hometown Apartment (8th and 9th Floor),  
87, New Eskaton Road, Dhaka – 1000

## Syful Shamsul Alam & Co

Chartered Accountants  
Paramount Height (Level 6), 65/2/1,  
Box Culvert Road, Purana Paltan, Dhaka - 1000

# Independent 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 separate financial statements of The Premier Bank Limited (the “Bank”), which comprise the consolidated balance sheet and the separate balance sheet as at 31 December 2014 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management’s Responsibility for the Financial Statements and Internal Controls

Management is responsible for the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also the separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Companies Act, 1991 (as amended in 2013) and the Bangladesh Bank regulations require the management to ensure effective internal audit, internal control and risk management functions of the Bank. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements of the Group and the separate financial statements of the Bank based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements of the Group and the separate 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 separate financial statements of the Bank. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and the separate financial statements of the Bank, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation of consolidated financial statements of the Group and the separate financial statements of the Bank that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 separate 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, except for the effects of the matters discussed in note 14.5 and 28 relating to “provision for corporate taxation” and “rent taxes, insurance electricity etc. (VAT on office rent)” respectively, the consolidated financial statements of the Group and also the separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2014, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards.

## Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, Securities and Exchange Rules 1987, the Bank Companies Act 1991 (as amended in 2013) and the rules and regulations issued by Bangladesh Bank and the Bangladesh Bank Letter: BRPD(P-1)/661/13/2015-3157 dated 27 April 2015, we also report the following:

- (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) to the extent noted during the course of our audit work performed on the basis stated under the Auditors' Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Control:
  - i) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in note 3.11 appeared to be adequate with immaterial control deficiencies as identified in management report;
  - ii) Nothing has come to our attention regarding material instances of forgeries or irregularities or administrative error and exception or anything detrimental committed by employee of the Bank and its related entities;
- (c) financial statements of subsidiary companies of the Bank namely Premier Bank Securities Limited has been audited by K. M. Hasan & Co., Chartered Accountants and Premier Money Transfer (UK) Limited has not been audited which does not qualify to be audited as per laws of UK. However, the accounts preparation responsibilities have been undertaken by Jahan & Co., Chartered Accountants;
- (d) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (e) the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank dealt with by the report are in agreement with the books of account;
- (f) the expenditure incurred was for the purposes of the Bank's business;
- (g) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and Bangladesh Financial Reporting Standards as explained in note 3.14, as well as with related guidance, circulars issued by Bangladesh Bank and also the decision taken in tripartite meeting amongst Inspection Team of Bangladesh Bank, External Auditors and the Management of Premier Bank Limited held on April 25, 2015;
- (h) provisions have been made for loans and advances (Note – 14.1) which are, in our opinion are doubtful of recovery and provision for off-balance sheet item (Note – 14.3), other assets (Note – 14.4.1 and 14.4.2), gratuity (Note – 14.2) and investment in shares (Note – 14.4.3) have been made in line with the Bangladesh Bank Letter: BRPD(P-1)/661/13/2015-3157 dated 27 April 2015;
- (i) in our opinion, proper books of account as required by law have been kept by Premier Bank Limited 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 76 branches not visited by us;
- (i) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (k) the information and explanations required by us have been received and found satisfactory;
- (l) 80% of the risk-weighted assets have been audited covering 16 branches; and
- (m) we have spent approximately 4,500 man hours for the audit of the books and account of the bank.

  
**K. M. HASAN & CO.**  
Chartered Accountants

Date: 29 April 2015  
Place: Dhaka

  
**Syful Shamsul Alam & Co.**  
Chartered Accountants

# The Premier Bank Limited

## Consolidated Balance Sheet as at December 31, 2014

|   |        | Amount in Taka         |                       |
|---|--------|------------------------|-----------------------|
|   | Notes  | 2014                   | 2013                  |
| <b>PROPERTY AND ASSETS</b>  |        |                        |                       |
| <b>Cash</b>   | 4(a)   | <b>7,277,078,390</b>   | <b>5,408,387,754</b>  |
| In hand (including foreign currencies)  | 4.1(a) | 1,178,340,047          | 1,138,229,783         |
| Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) | 4.2    | 6,098,738,343          | 4,270,157,971         |
| <b>Balance with other banks and financial institutions</b>                        | 5(a)   | <b>5,183,641,631</b>   | <b>3,760,277,075</b>  |
| In Bangladesh   |        | 4,873,403,062          | 3,450,916,389         |
| Outside Bangladesh  |        | 310,238,569            | 309,360,686           |
| <b>Money at call on short notice</b>  | 6      | <b>1,090,000,000</b>   | <b>1,710,000,000</b>  |
| <b>Investments</b>  | 7(a)   | <b>20,739,094,903</b>  | <b>20,033,108,701</b> |
| Government securities   | 7.1    | 14,836,281,245         | 13,755,395,043        |
| Others  | 7.2(a) | 5,902,813,658          | 6,277,713,658         |
| <b>Loans, advances and lease/ investments</b>                                     | 8(a)   | <b>70,063,724,793</b>  | <b>52,697,135,148</b> |
| Loans, cash credits, overdrafts, etc.   |        | 66,112,635,053         | 49,997,867,028        |
| Bills purchased and discounted  |        | 3,951,089,740          | 2,699,268,120         |
| <b>Fixed assets including premises, furniture and fixtures</b>                    | 9(a)   | <b>1,659,538,695</b>   | <b>1,599,669,560</b>  |
| <b>Other assets</b>   | 10(a)  | <b>5,563,329,526</b>   | <b>3,750,739,358</b>  |
| <b>Non-banking assets</b>   |        | <b>-</b>               | <b>-</b>              |
| <b>Total Assets</b>   |        | <b>111,576,407,938</b> | <b>88,959,317,596</b> |
| <b>LIABILITIES AND CAPITAL</b>  |        |                        |                       |
| <b>Liabilities</b>  |        |                        |                       |
| <b>Borrowings from other banks, financial institutions and agents</b>             | 11(a)  | <b>4,146,546,458</b>   | <b>3,019,246,099</b>  |
| <b>Non-convertible variable coupon rate bonds</b>                                 | 12     | <b>2,000,000,000</b>   | <b>-</b>              |
| <b>Deposits and other accounts</b>  | 13(a)  | <b>90,750,056,737</b>  | <b>73,516,436,046</b> |
| Savings bank/ Mudaraba Saving deposits  |        | 4,444,773,517          | 3,844,823,504         |
| Fixed deposits/Mudaraba term deposits   |        | 62,192,111,823         | 49,043,039,622        |
| Current deposits and other accounts   |        | 22,974,032,896         | 19,563,502,698        |
| Bills payable   |        | 1,139,138,501          | 1,065,070,222         |
| <b>Other liabilities</b>  | 14(a)  | <b>5,736,434,437</b>   | <b>4,436,903,003</b>  |
| <b>Total Liabilities</b>  |        | <b>102,633,037,632</b> | <b>80,972,585,148</b> |
| <b>Capital/ Shareholders' Equity</b>  |        |                        |                       |
| <b>Paid-up capital</b>  | 15     | <b>5,637,033,670</b>   | <b>5,124,576,082</b>  |
| <b>Statutory reserve</b>  | 16     | <b>2,536,549,137</b>   | <b>2,238,797,814</b>  |
| <b>Other reserve</b>  | 17(a)  | <b>185,978,583</b>     | <b>100,935,214</b>    |
| <b>Retained earnings</b>  | 18(a)  | <b>583,786,684</b>     | <b>522,401,890</b>    |
| <b>Non controlling interest</b>   |        | <b>22,232</b>          | <b>21,448</b>         |
| <b>Total Shareholders' Equity</b>   |        | <b>8,943,370,306</b>   | <b>7,986,732,448</b>  |
| <b>Total Liabilities and Shareholders' Equity</b>                                 |        | <b>111,576,407,938</b> | <b>88,959,317,596</b> |

# The Premier Bank Limited

## Consolidated Balance Sheet as at December 31, 2014

|   |       | Amount in Taka        |                       |
|---|-------|-----------------------|-----------------------|
|   | Notes | 2014                  | 2013                  |
| <b>Off-Balance Sheet Items</b>  |       |                       |                       |
| <b>Contingent Liabilities</b>   |       | <b>33,871,049,288</b> | <b>27,897,286,236</b> |
| Acceptances and endorsements  |       | 7,302,215,648         | 7,520,823,594         |
| Letters of guarantee  | 19.1  | 11,507,246,010        | 8,617,173,149         |
| Irrevocable letters of credit   |       | 8,918,905,328         | 6,604,363,451         |
| Bills for collection  |       | 6,142,682,302         | 5,154,926,042         |
| Other contingent liabilities  | 19.2  | -                     | -                     |
| <b>Other commitments</b>  |       | <b>-</b>              | <b>234,311,400</b>    |
| Documentary credits and short term trade-related transactions         |       | -                     | -                     |
| Forward assets purchase and forward deposits placement                | 20    | -                     | 234,311,400           |
| Spot and forward foreign exchange contracts                           |       | -                     | -                     |
| Undrawn note issuance and revolving underwriting facilities           |       | -                     | -                     |
| Undrawn formal standby facilities, credit lines and other commitments |       | -                     | -                     |
| <b>Total Off-Balance Sheet Items</b>                                  |       | <b>33,871,049,288</b> | <b>28,131,597,636</b> |

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




Chairman



Director



Director




Director



Managing Director

See annexed auditors' report of even date



**K. M. HASAN & CO.**  
Chartered Accountants

Date: 29 April 2015

Place: Dhaka



**Syful Shamsul Alam & Co.**  
Chartered Accountants

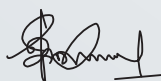


# The Premier Bank Limited

## Consolidated Profit and Loss Statement for the year ended December 31, 2014

|   |                | Amount in Taka       |                      |
|---|----------------|----------------------|----------------------|
|   | Notes          | 2014                 | 2013                 |
| <b>OPERATING INCOME</b>                               |                |                      |                      |
| Interest income/profit on islamic investments         | 22(a)          | 9,214,592,101        | 8,294,811,431        |
| Interest/profit paid on deposits, borrowings, etc     | 23(a)          | (7,283,474,420)      | (6,715,818,939)      |
| <b>Net interest income/ net profit on investments</b> |                | <b>1,931,117,681</b> | <b>1,578,992,492</b> |
| Investment income                                     | 24             | 1,966,847,133        | 1,689,619,641        |
| Commission, exchange and brokerage                    | 25(a)          | 866,398,896          | 689,267,804          |
| Other operating income                                | 26(a)          | 400,390,662          | 477,006,734          |
| <b>Total Operating Income (A)</b>                     |                | <b>3,233,636,691</b> | <b>2,855,894,179</b> |
| <b>OPERATING EXPENSES</b>                             |                |                      |                      |
| Salary and allowances                                 | 27(a)          | 1,132,094,662        | 959,892,007          |
| Rent, taxes, insurance, electricity, etc.             | 28(a)          | 1,115,456,764        | 986,964,684          |
| Legal expenses  | 29(a)          | 44,482,611           | 2,778,701            |
| Postage, stamps, telecommunication, etc.              | 30(a)          | 57,373,505           | 48,941,524           |
| Stationery, printing, advertisement, etc.             | 31(a)          | 550,897,265          | 374,003,252          |
| Chief executive's salary and fees                     | 32             | 9,800,000            | 9,800,000            |
| Directors' fees                                       | 33             | 2,865,000            | 1,875,000            |
| Auditors' fee   |                | 625,000              | 1,004,749            |
| Depreciation and repair of Bank's assets              | 34(a)          | 201,526,143          | 166,219,946          |
| Charges on loan losses                                |                | 1,467,650            | -                    |
| Other expenses  | 35(a)          | 230,251,447          | 360,113,422          |
| <b>Total Operating Expenses (B)</b>                   |                | <b>3,346,840,047</b> | <b>2,911,593,285</b> |
| <b>Profit before provision (C = A-B)</b>              |                | <b>1,817,914,325</b> | <b>1,523,293,386</b> |
| Specific Provision                                    | 36             | -                    | 53,011,805           |
| General Provision                                     | 36             | -                    | 315,000              |
| Provision for off-balance sheet items                 |                | -                    | 97,500,000           |
| Provision for investment in shares                    | 14.4.3         | 300,000,000          | 50,000,000           |
| Other provisions                                      | 14.2, 14.4.1-2 | 10,000,000           | 12,500,000           |
| <b>Total provision (D)</b>                            |                | <b>310,000,000</b>   | <b>213,326,805</b>   |
| <b>Profit before taxation (C-D)</b>                   |                | <b>1,507,914,325</b> | <b>1,309,966,581</b> |
| <b>Provision for taxation</b>                         |                |                      |                      |
| Current Tax   | 13.4(aa)       | 611,175,212          | 460,251,880          |
| Deferred tax  | 14.5           | 24,382,729           | 63,961,926           |
|   |                | 635,557,941          | 524,213,806          |
| <b>Profit after taxation</b>                          |                | <b>872,356,384</b>   | <b>785,752,775</b>   |
| <b>Retained earnings brought forward</b>              |                | <b>521,641,443</b>   | <b>476,421,762</b>   |
| <b>Profit available for appropriation</b>             |                | <b>1,393,997,827</b> | <b>1,262,174,537</b> |
| <b>Appropriations</b>                                 |                |                      |                      |
| Statutory reserve                                     | 16             | 297,751,311          | 273,902,067          |
| Issue of bonus shares                                 | 18             | 512,457,600          | 465,870,550          |
| Non controlling interest                              |                | 784                  | 30                   |
|   |                | 810,209,695          | 739,772,647          |
| <b>Retained earnings carried forward</b>              |                | <b>583,788,132</b>   | <b>522,401,890</b>   |
| <b>Earnings per share (EPS)</b>                       | 37(a)          | <b>1.55</b>          | <b>1.53</b>          |

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



Chairman



Director



Director



Director



Managing Director

See annexed auditors' report of even date



K. M. HASAN &amp; CO.

Chartered Accountants

Date: 29 April 2015

Place: Dhaka



Syful Shamsul Alam &amp; Co.

Chartered Accountants

# The Premier Bank Limited

## Consolidated Statement of Changes in Equity For the year ended 31 December 2014

Amount in Taka

| Particulars  | Equity attributable to shareholder of Premier Bank Ltd. |                   |               |                   | Total         | Minority interest | Total         |
|--|---|-------------------|---------------|-------------------|---------------|-------------------|---------------|
|  | Paid-up capital   | Statutory reserve | Other reserve | Retained earnings |               |                   |               |
| <b>Balance as at 01 January 2014</b>                     | 5,124,576,082   | 2,238,797,814     | 100,935,214   | 522,401,890       | 7,986,711,000 | 21,448            | 7,986,732,448 |
| Prior period adjustment                                  | (12)  | 12                | -             | (760,447)         | (760,447)     | -                 | (760,447)     |
| <b>Restated balance</b>                                  | 5,124,576,070   | 2,238,797,826     | 100,935,214   | 521,641,443       | 7,985,950,553 | 21,448            | 7,985,972,001 |
| Surplus/deficit on account of revaluation of properties  | -   | -                 | -             | -                 | -             | -                 | -             |
| Surplus/deficit on account of revaluation of investments | -   | -                 | 85,043,369    | -                 | 85,043,369    | -                 | 85,043,369    |
| Currency translation differences                         | -   | -                 | -             | -                 | -             | -                 | -             |
| Net profit for the year ended                            | -   | -                 | -             | 872,356,384       | 872,356,384   | 784               | 872,357,168   |
| Payment of cash dividend                                 | -   | -                 | -             | -                 | -             | -                 | -             |
| Transfer to statutory reserve                            | -   | 297,751,311       | -             | (297,751,311)     | -             | -                 | -             |
| Transfer to general and other reserve                    | -   | -                 | -             | -                 | -             | -                 | -             |
| Issue of bonus shares for 2013                           | 512,457,600   | -                 | -             | (512,457,600)     | -             | -                 | -             |
| Non controlling interest                                 | -   | -                 | -             | (2,232)           | (2,232)       | -                 | (2,232)       |
| <b>Balance as at 31 December 2014</b>                    | 5,637,033,670   | 2,536,549,137     | 185,978,583   | 583,786,684       | 8,943,348,074 | 22,232            | 8,943,370,306 |
| <b>Balance as at 31 December 2013</b>                    | 5,124,576,082   | 2,238,797,814     | 100,935,214   | 522,401,890       | 7,986,711,000 | 21,448            | 7,986,732,448 |

See annexed auditors' report of even date.

  
Chairman

  
Director

  
Director

  
Director

  
Managing Director

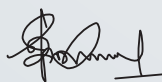
# The Premier Bank Limited

## Consolidated Cash Flow Statement For the year ended December 31, 2014

Amount in Taka

|  | Notes   | 2014                  | 2013                   |
|--|---------|-----------------------|------------------------|
| <b>Cash Flows from Operating Activities</b>  |         |                       |                        |
| Interest received in cash  |         | 11,223,590,948        | 10,245,411,690         |
| Interest paid  |         | (7,283,474,420)       | (6,966,550,137)        |
| Fee and commission received in cash  |         | 418,593,966           | 385,852,036            |
| Payments to employees  |         | (1,163,093,380)       | (978,535,599)          |
| Payments to suppliers  |         | (602,180,733)         | (405,222,498)          |
| Income taxes paid  |         | (665,783,022)         | (199,681,363)          |
| Receipts from other operating activities   |         | 400,390,662           | 477,006,734            |
| Payments for other operating activities  |         | (1,450,295,073)       | (1,401,678,080)        |
| <b>Cash generated from operating activities before changes in operating assets and liabilities</b> |         | <b>877,748,948</b>    | <b>1,156,602,783</b>   |
| <b>Increase/decrease in operating assets and liabilities</b>                                       |         |                       |                        |
| Loans and advances to customers  |         | (17,368,057,295)      | (486,978,295)          |
| Other assets   |         | (1,822,131,728)       | (138,663,672)          |
| Deposits from other banks  |         | 173,822,924           | (526,008,512)          |
| Deposits from customers  |         | 17,233,620,691        | 7,411,726,217          |
| Other liabilities  |         | 1,008,206,598         | (55,562,646)           |
|  |         | <b>(774,538,810)</b>  | <b>6,204,513,092</b>   |
| <b>Net cash from operating activities (A)</b>  |         | <b>103,210,138</b>    | <b>7,361,115,875</b>   |
| <b>Cash Flows from Investing Activities</b>  |         |                       |                        |
| Purchase/sale of trading securities, shares, bonds, etc.   |         | 374,900,000           | (2,169,746,758)        |
| Purchase of property, plant and equipment  |         | (210,322,163)         | (324,556,351)          |
| <b>Net cash used in investing activities (B)</b>   |         | <b>164,577,837</b>    | <b>(2,494,303,109)</b> |
| <b>Cash Flows from Financing Activities</b>  |         |                       |                        |
| Dividend paid  |         | -                     | -                      |
| Issue of shares  |         | -                     | -                      |
| Issue of non-convertible variable coupon rate bond   |         | 2,000,000,000         | -                      |
| <b>Net cash from financing activities (C)</b>  |         | <b>2,000,000,000</b>  | <b>-</b>               |
| <b>Net increase in cash (A + B + C)</b>  |         | <b>2,267,787,975</b>  | <b>4,866,812,766</b>   |
| <b>Effects of exchange rate changes on cash and cash equivalents</b>                               |         | <b>447,804,930</b>    | <b>303,415,768</b>     |
| <b>Cash and cash equivalents at beginning of the year</b>  |         | <b>25,530,396,532</b> | <b>20,360,167,998</b>  |
| <b>Cash and cash equivalents for the period ended (*)</b>  |         | <b>28,245,989,437</b> | <b>25,530,396,532</b>  |
| (*) Cash and cash equivalents at the end of the period:  |         |                       |                        |
| Cash in hand (including foreign currencies)  | 4.1(a)  | 1,178,340,047         | 1,138,229,783          |
| Investments in government securities   |         | 14,695,269,416        | 13,698,254,268         |
| Money at call on short notice  | 6       | 1,090,000,000         | 1,710,000,000          |
| Balance with Bangladesh Bank and its agent bank(s)   | 4.2     | 6,098,738,343         | 4,270,157,971          |
| Balance with other banks and financial institutions  | 5(a)    | 5,183,641,631         | 4,713,754,510          |
|  |         | <b>28,245,989,437</b> | <b>25,530,396,532</b>  |
| <b>Net operating cash flow per share (NOCFPS)</b>  | 37.1(a) | <b>1.56</b>           | <b>2.26</b>            |

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



Chairman



Director



Director



Director



Managing Director

# The Premier Bank Limited

## Consolidated Statement of Liquidity Analysis (Maturity of Assets and Liabilities) as at December 31, 2014

Amount in Taka

| Particulars   | Up to 1 month's maturity | 1-3 month's maturity    | 3-12 month's maturity   | 1-5 years' maturity   | More than 5 years' maturity | Total                  |
|---|--------------------------|-------------------------|-------------------------|-----------------------|-----------------------------|------------------------|
| <b>Assets</b>   |                          |                         |                         |                       |                             |                        |
| Cash  | 7,277,078,390            | -                       | -                       | -                     | -                           | 7,277,078,390          |
| Balance with other banks and financial institutions                             | 353,973,291              | 1,529,668,340           | 3,300,000,000           | -                     | -                           | 5,183,641,631          |
| Money at call on short notice   | 1,090,000,00             | -                       | -                       | -                     | -                           | 1,090,000,000          |
| Investments   | 6,857,181,913            | 956,812,883             | 1,716,637,817           | 7,240,135,954         | 3,968,326,336               | 20,739,094,903         |
| Loans and advances  | 20,998,184,890           | 7,844,072,703           | 22,037,212,893          | 13,842,781,789        | 5,341,472,518               | 70,063,724,793         |
| Fixed assets including premises, furniture and fixtures                         | -                        | -                       | -                       | 1,027,165,105         | 632,373,590                 | 1,659,538,695          |
| Other assets  | 1,003,488,246            | 2,346,185,875           | 325,023,320             | 1,888,632,085         | -                           | 5,563,329,526          |
| Non-banking assets  | -                        | -                       | -                       | -                     | -                           | -                      |
| <b>Total Assets (A)</b>   | <b>37,579,906,730</b>    | <b>12,676,739,801</b>   | <b>27,378,874,030</b>   | <b>23,998,714,933</b> | <b>9,942,172,444</b>        | <b>111,576,407,938</b> |
| <b>Liabilities</b>  |                          |                         |                         |                       |                             |                        |
| Borrowings from Bangladesh Bank, other banks, financial institutions and agents | 400,000,000              | 600,000,000             | 3,146,546,458           | -                     | -                           | 4,146,546,458          |
| Non convertible variable coupon rate bonds                                      | -                        | -                       | -                       | 2,000,000,000         | -                           | 2,000,000,000          |
| Deposits and other accounts   | 16,327,182,103           | 33,185,185,817          | 33,373,848,962          | 6,709,367,551         | 1,154,472,304               | 90,750,056,737         |
| Provision and other liabilities   | 1,231,770,743            | 1,142,020,932           | 1,034,673,975           | 1,129,938,292         | 1,198,030,495               | 5,736,434,437          |
| <b>Total Liabilities (B)</b>  | <b>17,958,952,846</b>    | <b>34,927,206,749</b>   | <b>37,555,069,395</b>   | <b>9,839,305,843</b>  | <b>2,352,502,799</b>        | <b>102,633,037,632</b> |
| <b>Net Liquidity Excess/(Shortage) (C = A-B)</b>                                | <b>19,620,953,884</b>    | <b>(22,250,466,948)</b> | <b>(10,176,195,365)</b> | <b>14,159,409,090</b> | <b>7,589,669,645</b>        | <b>8,943,370,306</b>   |



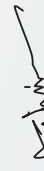
Chairman



Director



Director



Director



Managing Director





# The Premier Bank Limited

## Balance Sheet as at December 31, 2014

|   |       | Amount in Taka         |                       |
|---|-------|------------------------|-----------------------|
|   | Notes | 2014                   | 2013                  |
| <b>PROPERTY AND ASSETS</b>  |       |                        |                       |
| <b>Cash</b>   | 4     | <b>7,276,187,578</b>   | <b>5,408,269,827</b>  |
| In hand (including foreign currencies)  | 4.1   | 1,177,449,235          | 1,138,111,856         |
| Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) | 4.2   | 6,098,738,343          | 4,270,157,971         |
| <b>Balance with other banks and financial institutions</b>                        | 5     | <b>5,159,293,651</b>   | <b>3,753,709,887</b>  |
| In Bangladesh   | 5.2   | 4,849,055,082          | 3,444,354,945         |
| Outside Bangladesh  | 5.3   | 310,238,569            | 309,354,942           |
| <b>Money at call on short notice</b>  | 6     | <b>1,090,000,000</b>   | <b>1,710,000,000</b>  |
| <b>Investments</b>  | 7     | <b>19,908,994,903</b>  | <b>19,203,108,701</b> |
| Government securities   | 7.1   | 14,836,281,245         | 13,755,395,043        |
| Others  | 7.2   | 5,072,713,658          | 5,447,713,658         |
| <b>Loans, advances and lease/ investments</b>                                     | 8     | <b>69,818,140,464</b>  | <b>52,800,455,593</b> |
| Loans, cash credits, overdrafts, etc.   | 8.1.1 | 65,867,050,724         | 50,101,187,473        |
| Bills purchased and discounted  | 8.1.2 | 3,951,089,740          | 2,699,268,120         |
| <b>Fixed assets including premises, furniture and fixtures</b>                    | 9     | <b>1,654,273,934</b>   | <b>1,593,757,787</b>  |
| <b>Other assets</b>   | 10    | <b>6,077,151,738</b>   | <b>4,269,204,832</b>  |
| <b>Non-banking assets</b>   |       | -                      | -                     |
| <b>Total Assets</b>   |       | <b>110,984,042,268</b> | <b>88,738,506,627</b> |
| <b>LIABILITIES AND CAPITAL</b>  |       |                        |                       |
| <b>Liabilities</b>  |       |                        |                       |
| Borrowings from other banks, financial institutions and agents                    | 11    | 4,146,546,458          | 3,019,246,099         |
| <b>Non-convertible variable coupon rate bonds</b>                                 | 12    | <b>2,000,000,000</b>   | -                     |
| <b>Deposits and other accounts</b>  | 13    | <b>90,503,763,183</b>  | <b>73,348,723,237</b> |
| Savings bank/ Mudaraba Saving deposits  |       | 4,444,773,517          | 3,844,823,504         |
| Fixed deposits/Mudaraba term deposits   |       | 62,192,111,823         | 49,043,039,622        |
| Current deposits and other accounts   |       | 22,727,739,342         | 19,395,789,889        |
| Bills payable   |       | 1,139,138,501          | 1,065,070,222         |
| <b>Other liabilities</b>  | 14    | <b>5,375,555,824</b>   | <b>4,360,574,252</b>  |
| <b>Total Liabilities</b>  |       | <b>102,025,865,465</b> | <b>80,728,543,588</b> |
| <b>Capital/ Shareholders' Equity</b>  |       |                        |                       |
| Paid-up capital   | 15    | 5,637,033,670          | 5,124,576,082         |
| Statutory reserve   | 16    | 2,536,549,137          | 2,238,797,814         |
| Other reserve   | 17    | 184,456,650            | 99,999,439            |
| Retained earnings   | 18    | 600,137,346            | 546,589,704           |
| <b>Total Shareholders' Equity</b>   |       | <b>8,958,176,803</b>   | <b>8,009,963,039</b>  |
| <b>Total Liabilities and Shareholders' Equity</b>                                 |       | <b>110,984,042,268</b> | <b>88,738,506,627</b> |

# The Premier Bank Limited

## Balance Sheet as at December 31, 2014

|   |       | Amount in Taka        |                       |
|---|-------|-----------------------|-----------------------|
|   | Notes | 2014                  | 2013                  |
| <b>Off-Balance Sheet Items</b>  |       |                       |                       |
| <b>Contingent Liabilities</b>   |       | <b>33,871,049,288</b> | <b>27,897,286,236</b> |
| Acceptances and endorsements  |       | 7,302,215,648         | 7,520,823,594         |
| Letters of guarantee  | 19.1  | 11,507,246,010        | 8,617,173,149         |
| Irrevocable letters of credit   |       | 8,918,905,328         | 6,604,363,451         |
| Bills for collection  |       | 6,142,682,302         | 5,154,926,042         |
| Other contingent liabilities  | 19.2  | -                     | -                     |
| <b>Other commitments</b>  |       | <b>-</b>              | <b>234,311,400</b>    |
| Documentary credits and short term trade-related transactions         |       | -                     | -                     |
| Forward assets purchase and forward deposits placement                | 20    | -                     | 234,311,400           |
| Spot and forward foreign exchange contracts                           |       | -                     | -                     |
| Undrawn note issuance and revolving underwriting facilities           |       | -                     | -                     |
| Undrawn formal standby facilities, credit lines and other commitments |       | -                     | -                     |
| <b>Total Off-Balance Sheet Items</b>                                  |       | <b>33,871,049,288</b> | <b>28,131,597,636</b> |

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



Chairman



Director



Director



Director



Managing Director

See annexed auditors' report of even date



**K. M. HASAN & CO.**  
Chartered Accountants

Date: 29 April 2015  
Place: Dhaka



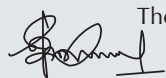
**Syful Shamsul Alam & Co.**  
Chartered Accountants

## The Premier Bank Limited

## Profit and Loss Statement for the year ended December 31, 2014

|   |        | Amount in Taka       |                      |
|---|--------|----------------------|----------------------|
|   | Notes  | 2014                 | 2013                 |
| <b>OPERATING INCOME</b>                               |        |                      |                      |
| Interest income/profit on Islamic investments         | 22     | 9,150,805,308        | 8,253,723,271        |
| Interest/profit paid on deposits, borrowings, etc.    | 23     | (7,283,474,420)      | (6,715,818,939)      |
| <b>Net interest income/ net profit on investments</b> |        | <b>1,867,330,888</b> | <b>1,537,904,332</b> |
| Investment income                                     | 24     | 1,966,847,133        | 1,689,619,641        |
| Commission, exchange and brokerage                    | 25     | 802,311,546          | 631,880,534          |
| Other operating income                                | 26     | 379,241,214          | 453,020,296          |
|   |        | <b>3,148,399,893</b> | <b>2,774,520,471</b> |
| <b>Total Operating Income (A)</b>                     |        | <b>5,015,730,781</b> | <b>4,312,424,803</b> |
| <b>OPERATING EXPENSES</b>                             |        |                      |                      |
| Salary and allowances                                 | 27     | 1,109,730,580        | 937,533,275          |
| Rent, taxes, insurance, electricity, etc.             | 28     | 1,024,817,076        | 900,075,031          |
| Legal expenses  | 29     | 44,099,315           | 2,482,876            |
| Postage, stamps, telecommunication, etc.              | 30     | 57,123,991           | 48,680,756           |
| Stationery, printing, advertisement, etc.             | 31     | 550,443,717          | 373,128,040          |
| Chief executive's salary and fees                     | 32     | 9,800,000            | 9,800,000            |
| Directors' fees                                       | 33     | 2,865,000            | 1,875,000            |
| Auditors' fee   |        | 575,000              | 948,000              |
| Depreciation and repair of Bank's assets              | 34     | 200,418,319          | 164,878,233          |
| Charges on loan losses                                |        | 1,467,650            | -                    |
| Other expenses  | 35     | 215,633,580          | 348,235,052          |
| <b>Total Operating Expenses (B)</b>                   |        | <b>3,216,974,228</b> | <b>2,787,636,263</b> |
| <b>Profit before provision (C = A-B)</b>              |        | <b>1,798,756,553</b> | <b>1,524,788,540</b> |
| Provision against loans and advances                  | 36     | -                    | 53,326,805           |
| Provision for off-balance sheet items                 | 14.3   | -                    | 97,500,000           |
| Provision for investment in shares                    | 14.4.3 | 300,000,000          | 50,000,000           |
| Other provisions                                      | 14.4   | 10,000,000           | 12,500,000           |
| <b>Total provision (D)</b>                            |        | <b>310,000,000</b>   | <b>213,326,805</b>   |
| <b>Profit before taxation (C-D)</b>                   |        | <b>1,488,756,553</b> | <b>1,311,461,735</b> |
| <b>Provision for taxation</b>                         |        |                      |                      |
| Current tax   | 14.5   | 600,617,271          | 451,138,074          |
| Deferred tax  | 14.5   | 24,382,729           | 63,961,926           |
|   |        | <b>625,000,000</b>   | <b>515,100,000</b>   |
| <b>Profit after taxation</b>                          |        | <b>863,756,553</b>   | <b>796,361,735</b>   |
| Retained earnings brought forward                     | 18     | 546,589,704          | 490,000,586          |
| <b>Profit available for appropriation</b>             |        | <b>1,410,346,257</b> | <b>1,286,362,321</b> |
| Appropriations  |        |                      |                      |
| Statutory reserve                                     | 16     | 297,751,311          | 273,902,067          |
| Issue of bonus shares                                 | 18     | 512,457,600          | 465,870,550          |
|   |        | <b>810,208,911</b>   | <b>739,772,617</b>   |
| <b>Retained earnings carried forward</b>              |        | <b>600,137,346</b>   | <b>546,589,704</b>   |
| <b>Earnings per share (EPS)</b>                       | 37     | <b>1.53</b>          | <b>1.55</b>          |

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



Chairman



Director



Director

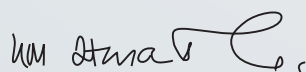


Director



Managing Director

See annexed auditors' report of even date



K. M. HASAN &amp; CO.

Chartered Accountants

Date: 29 April 2015

Place: Dhaka



Syful Shamsul Alam &amp; Co.

Chartered Accountants

# The Premier Bank Limited

## Statement of Changes in Equity for the year ended December 31, 2014

Amount in Taka

| Particulars  | Paid-up capital      | Statutory reserve    | Other reserve      | Retained earnings  | Total                |
|--|----------------------|----------------------|--------------------|--------------------|----------------------|
| <b>Balance as at 1 January 2014</b>                                  | <b>5,124,576,082</b> | <b>2,238,797,814</b> | <b>99,999,439</b>  | <b>546,589,704</b> | <b>8,009,963,039</b> |
| Prior year's adjustment  | (12)                 | 12                   | -                  | -                  | -                    |
| <b>Restated balance</b>  | <b>5,124,576,070</b> | <b>2,238,797,826</b> | <b>99,999,439</b>  | <b>546,589,704</b> | <b>8,009,963,039</b> |
| Surplus/deficit on account of revaluation of properties              | -                    | -                    | -                  | -                  | -                    |
| Surplus/deficit on account of revaluation of investments             | -                    | -                    | 84,457,211         | -                  | 84,457,211           |
| Currency translation differences                                     | -                    | -                    | -                  | -                  | -                    |
| Net gains and losses not recognised in the Profit and Loss Statement | -                    | -                    | -                  | -                  | -                    |
| Net profit for the year  | -                    | -                    | -                  | 863,756,553        | 863,756,553          |
| Payment of cash dividend   | -                    | -                    | -                  | -                  | -                    |
| Transfer to statutory reserve  | -                    | 297,751,311          | -                  | (297,751,311)      | -                    |
| Transfer to general and other reserve                                | -                    | -                    | -                  | -                  | -                    |
| Issue of bonus shares for the year 2013                              | 512,457,600          | -                    | -                  | (512,457,600)      | -                    |
| New issue of shares through RPO                                      | -                    | -                    | -                  | -                  | -                    |
| <b>Balance as at 31 December 2014</b>                                | <b>5,637,033,670</b> | <b>2,536,549,137</b> | <b>184,456,650</b> | <b>600,137,346</b> | <b>8,958,176,803</b> |
| <b>Balance as at 31 December 2013</b>                                | <b>5,124,576,082</b> | <b>2,238,797,814</b> | <b>99,999,439</b>  | <b>546,589,704</b> | <b>8,009,963,039</b> |



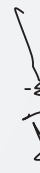
Chairman



Director



Director



Director



Managing Director





# The Premier Bank Limited

## Cash Flow Statement for the year ended 31 December 2014

|  |       | Amount in Taka        |                        |
|--|-------|-----------------------|------------------------|
|  | Notes | 2014                  | 2013                   |
| <b>Cash Flows from Operating Activities</b>  |       |                       |                        |
| Interest received in cash  |       | 11,159,874,853        | 9,953,592,332          |
| Interest paid  |       | (7,283,474,420)       | (6,715,818,939)        |
| Fee and commission received in cash  |       | 354,506,616           | 328,464,766            |
| Payments to employees  |       | (1,140,729,298)       | (956,176,867)          |
| Payments to suppliers  |       | (601,669,753)         | (404,297,198)          |
| Income taxes paid  |       | (665,783,022)         | (199,681,363)          |
| Receipts from other operating activities   |       | 379,241,214           | 453,020,296            |
| Payments for other operating activities  |       | (1,345,113,962)       | (1,302,296,715)        |
| <b>Cash generated from operating activities before changes in operating assets and liabilities</b> |       | <b>856,852,228</b>    | <b>1,156,806,312</b>   |
| <b>Increase/decrease in operating assets and liabilities</b>                                       |       |                       |                        |
| Loans and advances to customers  |       | 17,019,152,521        | (263,417,956)          |
| Other assets   |       | (1,807,994,408)       | (143,458,904)          |
| Deposits from other banks  |       | 1,127,300,359         | (526,008,512)          |
| Deposits from customers  |       | 16,201,562,511        | 7,243,646,599          |
| Other liabilities  |       | 724,811,611           | (120,987,464)          |
|  |       | <b>(773,472,448)</b>  | <b>6,189,773,763</b>   |
| <b>Net cash from operating activities (A)</b>  |       | <b>83,379,780</b>     | <b>7,346,580,075</b>   |
| <b>Cash Flows from Investing Activities</b>  |       |                       |                        |
| Purchase/sale of trading securities, shares, bonds, etc.   |       | 375,000,000           | (2,176,165,000)        |
| Purchase of property, plant and equipment  |       | (209,731,640)         | (311,300,155)          |
| <b>Net cash used in investing activities (B)</b>   |       | <b>165,268,360</b>    | <b>(2,487,465,155)</b> |
| <b>Cash Flows from Financing Activities</b>  |       |                       |                        |
| Dividend paid  |       | -                     | -                      |
| Issue of shares  |       | -                     | -                      |
| Issue of non-convertible variable coupon rate bond   |       | 2,000,000,000         | -                      |
| <b>Net cash from financing activities (C)</b>  |       | <b>2,000,000,000</b>  | <b>-</b>               |
| <b>Net increase in cash (A + B + C)</b>  |       | <b>2,248,648,140</b>  | <b>4,859,114,920</b>   |
| <b>Effects of exchange rate changes on cash and cash equivalents</b>                               |       | <b>447,804,930</b>    | <b>303,415,768</b>     |
| <b>Cash and cash equivalents at beginning of the year</b>  |       | <b>25,522,775,642</b> | <b>20,360,244,954</b>  |
| <b>Cash and cash equivalents at end of the year (*)</b>  |       | <b>28,219,228,712</b> | <b>25,522,775,642</b>  |
| (*) Cash and cash equivalents at the end of the year:  |       |                       |                        |
| Cash in hand (including foreign currencies)  | 4.1   | 1,177,449,235         | 1,138,111,856          |
| Investments in government securities   |       | 14,693,747,483        | 13,697,318,493         |
| Money at call on short notice  | 6     | 1,090,000,000         | 1,710,000,000          |
| Balance with Bangladesh Bank and its agent bank(s)   | 4.2   | 6,098,738,343         | 4,270,157,971          |
| Balance with other banks and financial institutions  | 5     | 5,159,293,651         | 4,707,187,322          |
|  |       | <b>28,219,228,712</b> | <b>25,522,775,642</b>  |
| <b>Net operating cash flow per share (NOCFPS)</b>  | 37.1  | <b>1.52</b>           | <b>2.26</b>            |

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



Chairman



Director



Director



Director



Managing Director

# The Premier Bank Limited

## Statement of Liquidity Analysis (Maturity of Assets and Liabilities) as at December 31, 2014

| Particulars   | Amount in Taka           |                         |                         |                       |                             |
|---|--------------------------|-------------------------|-------------------------|-----------------------|-----------------------------|
|   | Up to 1 month's maturity | 1-3 month's maturity    | 3-12 month's maturity   | 1-5 years' maturity   | More than 5 years' maturity |
| <b>Assets</b>   |                          |                         |                         |                       | <b>Total</b>                |
| Cash  | 7,276,187,578            | -                       | -                       | -                     | 7,276,187,578               |
| Balance with other banks and financial institutions                             | 353,973,291              | 1,505,320,360           | 3,300,000,000           | -                     | 5,159,293,651               |
| Money at call on short notice   | 1,090,000,000            | -                       | -                       | -                     | 1,090,000,000               |
| Investments   | 6,857,181,913            | 956,812,883             | 886,537,817             | 7,240,135,954         | 19,908,994,903              |
| Loans and advances  | 20,998,184,891           | 7,844,072,703           | 22,037,212,892          | 13,597,197,460        | 69,818,140,464              |
| Fixed assets including premises, furniture and fixtures                         | -                        | -                       | 256,782,167             | 1,027,128,663         | 370,363,104                 |
| Other assets  | 1,003,488,246            | 2,346,185,875           | 325,023,320             | 1,869,193,305         | 6,077,151,738               |
| Non-banking assets  | -                        | -                       | -                       | -                     | -                           |
| <b>Total Assets (A)</b>   | <b>37,579,015,919</b>    | <b>12,652,391,821</b>   | <b>26,805,556,196</b>   | <b>23,733,655,382</b> | <b>110,984,042,268</b>      |
| <b>Liabilities</b>  |                          |                         |                         |                       |                             |
| Borrowings from Bangladesh Bank, other banks, financial institutions and agents | 400,000,000              | 600,000,000             | 3,146,546,458           | -                     | 4,146,546,458               |
| Non convertible variable coupon rate bonds                                      | -                        | -                       | -                       | 2,000,000,000         | 2,000,000,000               |
| Deposits and other accounts   | 16,327,182,103           | 32,938,892,263          | 33,373,848,962          | 6,709,367,551         | 90,503,763,183              |
| Provision and other liabilities   | 1,231,770,743            | 1,142,020,932           | 673,795,362             | 1,129,938,292         | 5,375,555,824               |
| <b>Total Liabilities (B)</b>  | <b>17,958,952,846</b>    | <b>34,680,913,195</b>   | <b>37,194,190,782</b>   | <b>9,839,305,843</b>  | <b>102,025,865,465</b>      |
| <b>Net Liquidity Excess/(Shortage) (C = A-B)</b>                                | <b>19,620,063,073</b>    | <b>(22,028,521,374)</b> | <b>(10,388,634,586)</b> | <b>13,894,349,539</b> | <b>8,958,176,803</b>        |



Chairman



Director



Director



Director



Managing Director

# The Premier Bank Limited

## Notes to Financial Statements for the year ended December 31, 2014

### 1 The Bank and its activities

#### 1.1 The Premier Bank Limited

"The Premier Bank Limited ("the Bank") is one of the third generation private commercial bank incorporated in Bangladesh on 10 June 1999 as a public company limited by shares under the Companies Act, 1994, governed by the Banking Companies Act, 1991. The Bank went for public issue of its share by initial public offering in 2007 and its share is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The Registered office of the company is located at Iqbal centre, 42 Kamal Ataturk Avenue, Banani, Dhaka-1213, Bangladesh."

At present the Bank has 80 branches, 12 SME Service Centres/Agricultural Branches and 14 own ATM booths with no overseas branch. The Bank has two subsidiary company namely, Premier Bank Securities Limited and Premier Money Transfer Company Limited. The Bank also operates one Offshore Banking Unit (OBU) after obtaining its licence from Bangladesh Bank on 10 November 2009.

#### 1.2 Principal activities

The principal activities of the Bank are to provide all kinds of conventional and islamic commercial banking services to its customers which includes deposit banking, loans and advances, export & import financing, inland and international remittance facility etc. through its branches, islamic windows, SME centres, and vibrant alternative delivery channels (atm booths, mobile banking, internet banking) in Bangladesh.

#### 1.3 Premier Bank Securities Limited

Premier Bank Securities Limited, a majority owned subsidiary company of The Premier Bank Limited was incorporated as a private company limited by share in Bangladesh on 23 June 2010 bearing certificate of incorporation no. C-85332/10 under the Companies Act, 1994 having its registered office at Iqbal Centre(3rd Floor), 42 Kamal Ataturk Avenue, Banani, Dhaka-1213, Bangladesh. which has commenced its business on the 17 April 2011.

#### 1.4 Premier Money Transfer Company Limited

Premier Money Transfer Company Limited (UK) was incorporated as a private company limited by share under United Kingdom Companies Act and registered with Companies House of England and Wales vide registration no. 07085086 as a fully owned subsidiary company of The Premier Bank Limited, Premier Money Transfer Company Limited launched its operation in London on 20 February 2012. Premier Money Transfer Company Limited attaches a fresh width to the Bank's remittance operation and expands its global presence for remittance services. The Premier Bank stretched its business in United Kingdom through its wholly owned subsidiary to facilitate speedy and dependable medium for remitting the hard-earned money of expatriates to home.

#### 1.5 Islamic Banking Unit

The Bank obtained permission from Bangladesh Bank to operate Islamic Banking Unit vide Bangladesh Bank's letter no. BRPD(P-3)745(53)/2008-4804 dated 17 December, 2008. The Bank commenced operation of this Unit from 24 December 2008. The Islamic Banking Unit is governed under the rules and regulations of Bangladesh Bank. Out of the 92 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.

#### 1.6 Offshore Banking Units

The Bank obtained two off-shore banking units permission from Bangladesh Bank vide its letter no. BRPD (P-3)744(102)/2009-4138 dated 10 November 2009 in Dhaka Export Processing Zone and Chittagong Export Processing Zone. Operation of these units commenced from 07 December 2009 from the Bank Head Office. Presently one unit is operating at full-fledged from Banani Branch premises from July 2011. Off-shore banking unit is governed under the rules and regulations of Bangladesh Bank.

## 2 Significant Accounting Policies

### 2.1 Basis of preparation of the financial statements

"These financial statements of the Bank have been prepared in accordance with the "First Schedule (Section 38) of the Banking Companies Act 1991 as amended by Banking Regulation and Policy Department (BRPD) circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, International Financial Reporting standards (IFRS), adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), named as Bangladesh Financial Reporting standards (BFRSs). The bank complied with the requirements of the following regulatory and legal authorities:

1. Banking Companies Act 1991 (As amended in 2013),
2. The Companies Act 1994,
3. Bangladesh Securities and Exchange Ordinance 1969,
4. Bangladesh Securities and Exchange Rules 1987,
5. Bangladesh Securities and Exchange Commission Act 1993,
6. Bangladesh Securities and Exchange Commission (Public Issues) Rules 2006,
7. Income Tax Ordinance 1984,
8. Value Added Tax Act 1991,
9. Rules, regulation and circulars issued by the Bangladesh Bank from time to time,
10. DSE, CSE and CDBL rules and regulation and other laws and rules applicable thereto. Wherever appropriate, such principles are explained in succeeding notes."

### 2.2 Basis of measurement

These financial statements of the Bank are prepared on the basis of historical cost except for investment in shares and treasury bills and treasury bonds which have been "Marked to market" in accordance with the DOS Circular 05 (28 January 2009) and represent the financial performance and financial position of the branches in operation within Bangladesh.

### 2.3 Use of estimates and judgement and changes of estimate

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. Revision to accounting estimates are recognised prospectively. Changes in estimate applied with BAS-8.

### 2.4 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 Financial Reporting Standards and as per Bangladesh Bank circular. A separate balance sheet and profit and loss account are shown in Annexure-H and figures under different heads appearing in the annexure have been converted into relevant heads of accounts under conventional banking for consolidation and incorporation.

### 2.5 Basis of Consolidation

"The consolidated financial statements have been prepared in accordance with Bangladesh accounting standard 27: Separate financial statements and Bangladesh Financial Reporting Standard (BFRS) 10: Consolidated Financial Statements, for a common financial period ended 31 December 2014.

The financial statements includes the main operation of The Premier Bank Ltd and its two business units namely, Islamic banking Unit and Offshore Banking Unit operating in Bangladesh.

The consolidated financial statements include the financial statements of The Premier Bank Limited and its subsidiaries which consists of Premier Bank Securities Limited and Premier Money Transfer Company (UK) Limited made up to the end of the financial year."

#### 2.5.1 Basis of Consolidation

Intra-group balances, and income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.



### 2.5.2 Non-controlling interest

For each business combination, the Group elects to measure any non-controlling interests in the acquiree either:

- a) at fair value; or
- b) at their proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

Subsidiaries are the entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

## 2.6 Foreign currency transaction

### 2.6.a Functional and presentation currencies

Items included in the financial statements of the Bank are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements of the Bank are presented in Bangladesh Taka (BDT) which is the Bank's functional and presentation currency. Functional currency for Off-shore banking unit is US Dollar and for Premier money transfer company limited is UK pound sterling. Except as indicated, financial information have been rounded off to the nearest Taka.

### 2.6.b Foreign currency transactions

- (a) According to BAS 21 "The Effects of Changes in Foreign Exchange Rates" transactions in foreign currencies are recorded in the functional currency at the rate of exchange prevailing on the date of the transactions.
- (b) Assets and liabilities in foreign currencies as at 31 December 2014 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.

### 2.6.c Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in the financial statements have been translated at contracted rates. Contingent liabilities/commitments for letter of credit, letter of guarantee and acceptance denominated in foreign currencies have been expressed in Taka currency at the rate of notional rate.

### 2.6.d Translation gain / losses

Gains/ losses arising out of translation of foreign exchange have been included in the profit and loss statement, except those arising on the translation of net investment in foreign subsidiaries.

### 2.6.e Foreign operation

The result of financial statements of the Bank whose functional currency is not Bangladesh taka are translated into Bangladesh taka as follows:

- i. Asset and Liabilities for each statement of Balance sheet have been translated at notional rate on the date of the Balance sheet.
- ii. Income and expenditure for profit and Loss statement have been translated at notional rate.
- iii. All resulting exchange difference have been recognised as a separate components of equity.

## 2.7 Statement of Cash flows

Generally statement of cash flows is prepared in accordance with BAS 7: "Statement of cash flows"; however, Statement of Cash Flows are prepared and presented for the Banks under direct method as per guidelines of BRPD circular no. 14 dated 25 June 2003 issued by Bangladesh Bank.

## 2.8 Reporting period

These financial statements cover one calendar year from 01 January 2014 to 31 December 2014.

## 3 Significant Accounting Policies

The accounting policy set out below have applied consistently to all the periods presented in the financial statements and have been applied consistently by the bank. Any changes in accounting policy are complied with BAS 8: Accounting policies, changes in accounting estimate and errors.

### 3.1 Assets and basis of their valuation

#### 3.1.1 Cash and cash equivalent

Cash and cash equivalent includes cash in hand, balance with Bangladesh Bank and its agent Bank, balance with others bank and financial institution, money at call on short notice and prize bonds.

#### 3.1.2 Investment

Investment in securities (bill and bonds) are initially recognised at purchased price excluding commission and accrued coupon interest. Investment are segregated in two broad categories i.e held to maturity (HTM) and held for trading (HFT).

##### 3.1.2.a Held to Maturity (HTM)

Securities that a firm has intention to hold until maturity. Thereof these are reported at amortised cost and which is not affected by the market fluctuation.

##### 3.1.2.b Held for trading (HFT)

Securities that a firm has intention to sell in order to generate profit. HFT securities are revalued at market price.

##### 3.1.2.c Revaluation of bond

As per Bangladesh Bank DOS circular letter no. 5 dated 28 January 2009, HFT securities are revalued each week using Marked to market concept and HTM securities are amortised once a year according to Bangladesh Bank guideline. The HTM securities are also revalued if these are reclassified to HFT category with the Board approval.

Value of investment has been enumerated as follows:

| <u>Items</u>                            | <u>Applicable accounting value</u>                   |
|---|--|
| Government Treasury Bills & Bonds (HTM) | At present value (applying marked to market concept) |
| Government Treasury Bills & Bonds (HFT) | At present value ( applying amortisation concept)    |
| Prize Bonds                             | At cost  |
| Unquoted Shares                         | At cost  |
| Quoted Shares                           | At cost  |

#### 3.1.3 Investment in quoted share

Investment in quoted share are bought and held primarily for the purpose of selling them in future or hold for dividend income. Such share measured at cost. Unrealise gains are not recognised in the profit and loss statement, but provision kept for unrealised loss (diminuation in value of investment).

#### 3.1.4 Investment in unquoted share

Investment in unquoted share is reported at cost. Adjustment is given for any shortage of book value over cost for determining the carrying amounts of investment in unquoted share.

#### 3.1.5 Investment in subsidiary

Investment in subsidiaries is accounted for under the cost method of accounting in the banks financial statements in accordance with BAS 27: "Separate Financial Statements" BFRS 3: "Business Combination" and BFRS 10: "Consolidated Financial Statements".

### 3.1.6 Property Plant and Equipment

#### 3.1.6.a Recognition and Measurement

- (a) Fixed assets have been shown at cost less accumulated depreciation as per BAS 16: "Property Plant and Equipment" except land, which is measured at cost.
- (b) The cost of an item of property plant and equipment is recognised as an assets if and only if: It is probable that future economic benefits associated with the item will flow to the entity; and The cost of the item can be measured reliably.

#### 3.1.6.b Initial cost

The initial cost of an item of property plant and equipment includes its purchase price, and any directly attributable cost such as import duties, non-refundable vat/taxes, duties and any cost to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

#### 3.1.6.c Subsequent cost

The cost of replacing part of an item of fixed assets is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of fixed assets are recognised in profit or loss as incurred.

#### 3.1.6.d Depreciation

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. For additions during the period, depreciation is charged for the remaining days of the period and in case of disposal, depreciation is charged up to the date of disposal. No depreciation is charged on land.

| <u>Asset categories</u> | <u>Rate of depreciation</u> | <u>Method of depreciation</u> |
|-------------------------|-----------------------------|-------------------------------|
| Vehicles                | 20%                         | Straight-line                 |
| Furniture and fixtures  | 10%                         | Reducing balance              |
| Equipment and computers | 20%                         | Reducing balance              |
| Land & Building         | 2.5%                        | Reducing balance              |

#### 3.1.6.e Impairment

As per BAS 36: Impairment of assets, at each balance sheet date, the Bank assess whether there is any indication that the carrying amount of an asset exceeds its recoverable amount. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired and an impairment loss is recognised as an expense in the profit and loss statement unless the asset is carried at revalued amount in accordance with Bangladesh Accounting Standard (BAS) 16 - Property, Plant and Equipment, in which case any impairment loss of a revalued asset should be treated as a revaluation decrease under that Accounting Standard. No impairment loss was recognized for the year 2014 as there were no such indication existed as on Balance Sheet date.

### 3.1.7 Loans and advances/investments

Loans and advances of conventional banking and investments of islamic banking branches are stated in the balance sheet on gross basis.

Interest/profit is calculated on daily product basis, but charged and accounted for quarterly on accrual basis. Interest/profit on classified loans and advances/investments is kept in interest suspense account as per BRPD circulars no. 14 dated September 23, 2012 on Master Circular: Loan Classification and Provisioning. Interest/ profit is not charged on bad and loss loans and advances/ investments as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

Commission and discounts on bills purchased and discounted are recognised at the time of realisation.

Provision for loans and advances is made on the basis of periodical review by the management throw following instruction contained in the Bangladesh Bank BRPD Circular no.5 dated 29 May 2013, BRPD Circular no.14 dated 23 September 2012 and BRPD 19 dated 27 December 2012. The rates of povision are given below:

| Types of loans and advances  |  | Provision |     |     |     |      |
|--|--|-----------|-----|-----|-----|------|
|  |  | UC        | SMA | SS  | DF  | BL   |
| Consumer   | House building and professional                              | 2%        | 5%  | 20% | 50% | 100% |
|  | Other than housing finance & professionals to setup business | 5%        | 5%  | 20% | 50% | 100% |
| Provision for loan to broker house, merchant banks, stock dealers, etc |  | 2%        | 5%  | 20% | 50% | 100% |
| Short-term agri-credit and micro credit                                |  | 5%        | 5%  | 5%  | 5%  | 100% |
| Small and medium enterprise finance                                    |  | 0.25%     | 5%  | 20% | 50% | 100% |
| Others   |  | 1%        | 5%  | 20% | 50% | 100% |

Loans and advances/ investment are written off in accordance with Bangladesh bank Guideline to the extent that (i) there is no realistic prospect of recovery, and (ii) 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.

### 3.1.8 Inventories

Inventories are measured As per BAS 2: Inventories, at the lower of cost and net realisable value.

### 3.1.9 Other assets

Other assets include all other financial assets and include fees and other unrealised income receivable, advance for operating and capital expenditure and stocks of stationery and stamps. Details are shown in Note 10.

## 3.2 Liabilities

### 3.2.1 Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents includes call money deposit, borrowings, Bangladesh Bank refinance borrowing and other term borrowings from banks. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in Note 11.

### 3.2.2 Deposit and other accounts

Deposits are recognised when the banks enter into contractul provisions of the arrangements with the counterparties on arrangements date and initially measured at the considaration received. Which includes non interest-bearing current deposit redeemable at call, bills payable, interest bearing on demand and special notice deposits, savings deposit and fixed deposit. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in Note 13.

### 3.2.3 Other liabilities

As per BAS 37 "Provisions, Contingent Liabilities and Contingent Assets" the Bank recognises provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

#### 3.2.3.a Provisions on balances with other banks and financial institutions (Nostro accounts)

Provisions for unsettled transactions on nostro accounts made are reviewed semi - annual basis by management and certified by our external auditors in accordance with Bangladesh Bank Foreign Exchange Policy Department (FEPD) Circular No. 677 (13 September, 2005).



### 3.2.3.b Provisions for off balance sheet exposures

BRPD Circular No.10 (18 September, 2007) requires a general provision for off balance sheet exposures to be calculated at 1% on all off balance sheet exposures as defined in BRPD Circular No.10 (24 November, 2002). Accordingly the bank has recognised a provision of 1% on the following off balance sheet items:

- \* Acceptance and endorsements
- \* Letters of guarantee
- \* Irrevocable letters of credit
- \* Foreign exchange contracts

### 3.2.3.c Provisions for other assets

BRPD Circular No.14 (25 June, 2001) requires a provision of 100% on other assets which are outstanding for one year and above.

## 3.3 Shareholders' equity

### 3.3.1 Authorised capital

Authorised capital is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association.

### 3.3.2 Paid-up capital

Paid up capital represents total amount of share capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of winding-up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to receive any residual proceeds of liquidation. Details are shown in Note 15.

### 3.3.3 Statutory reserve

Statutory reserve has been maintained @ 20% of profit before tax in accordance with provisions of section 24 of the Banking Companies Act 1991 until such reserve equal to its paid-up capital together with the share premium.

### 3.3.4 Revaluation reserve

As per BAS 16: "Property Plant and Equipment" revaluation surplus on fixed assets directly transferred to equity under the head of revaluation reserve and subsequently the reserve will be transferred to retained earnings proportionately year by year.

Another revaluation reserve arises from the revaluation of Treasury bills and bonds (HFT & HTM) in accordance with the Bangladesh Bank DOS circular no. 5 dated 26 May 2008. The tax effects on revaluation gain are measured and recognised in the financial statements as per BAS 12: "Income Taxes".

### 3.3.5 Non-controlling interest

Non-controlling interest in business is an accounting concept that refers to the portion of a subsidiary company's stock that is not owned by the parent company. The magnitude of the minority interest in The Premier Bank Securities Limited, a majority owned subsidiary (99.99%) of The Premier Bank Limited is very insignificant. Non-controlling interest belongs to a sponsor Director of the Bank and is reported on the consolidated balance sheet to reflect the claim on assets belonging to the other non-controlling shareholder. Also, non-controlling interest is reported on the consolidated income statement as a share of profit belonging to the Non-controlling shareholder.

### 3.3.6 Non convertible variable coupon rate bond

The Bank issued subordinate variable coupon rate bond on 23 December 2014 After obtaining approval from Bangladesh bank and securities exchange Commission vide their letter no BRPD(BIC)661/14B(P)/2013/2497 Dated 29 December 2013 which is count as Tier II capital of the bank. The interest rate is 11.50% per annum.

## 3.4 Contingent liabilities

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or any present obligation that arises from past events but is not recognized because:

- i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated.

Contingent assets are not recognized in the financial statements as this may result in the recognition of income which may never be realised.

### 3.5 Revenue recognition

The accounting policies adopted for the recognition of revenue as prescribed by BAS 18 and Bangladesh Bank guideline are as follows:

#### 3.5.1 Interest income

- (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) Profit on investment (Islamic Banking)  
Mark-up on investment is taken into income account proportionately from profit receivable account. Overdue charge/compensation on classified investments is transferred to profit suspense account instead of income account.
- (d) Fees and commission income  
Commission and discounts on bills purchased and discounted are recognised at the time of realisation.
- (e) Investment income  
Investment income is recognized on accrual basis. Income on investments is recognised on accrual basis. Investment income includes discount on treasury bills and zero coupon bonds, interest on treasury bonds, debentures and fixed deposits with other banks. Capital gain on investments in shares and dividend on investment in shares are also included in investment income.

#### 3.5.2 Dividend income on shares

As per BAS 18 "Revenue", dividend income from investment in shares is recognised when the Bank's right to receive dividend is established. It recognised when:

- a. It is probable that the economic benefits associated with the transaction will flow to the entity; and
- b. the amount of the revenue can be measured reliably.

#### 3.5.3 Other operating expenses

All other operating expenses are provided for in the books of the account on accrual basis according to the BAS 1 "Presentation of Financial Statements".

#### 3.5.4 Interest and fees receivable on credit cards

Interest and fees receivable on credit cards are recognised on accrual basis. Interest and fees ceases to be taken into income when the recovery of interest and fees is in arrear for over three months. Thereafter, interest and fees are accounted for on cash basis.

### 3.6 Number of employees

The number of employees employed in the Bank as on 31 December 2014 was 1,350 of which female employee was 248 and male employee was 1,102. The average number of employees per branch was 11.61 excluding 328 employees in the head office of the Bank.

### 3.7 Employee benefits

#### 3.7.1 Short-term employee benefits

Short-term employee benefits are employee benefits, which fall due wholly within twelve months after the end of the period in which the employees render the related service including salaries, bonuses and other allowances. Payments are charged as an expense in the profit and loss account as they fall due. Payments due are accrued as a liability in "Provisions for liabilities and charges" on an undiscounted basis.

**3.7.2 Long term employee benefits****3.7.3 Provident Fund**

The Bank operates a contributory provident fund for its eligible employees. The Commissioner of Income Taxes, Dhaka has approved the provident fund as a recognized provident fund as per section 2(1) of Part B of the First Schedule of Income Tax Ordinance 1984. The Fund is administered by a Board of Trustees consisting 5 (five) members and funded by contributions both from employees and Bank @10% of basic salary. Interest earned from the investment is credited to the members' accounts annually. Provident fund benefits are given to the employees of the Bank in accordance with provident fund rules of the Bank.

**3.7.4 Gratuity Fund**

Provision for gratuity has been made for the period of January to December, 2014 for past services of the employees which would be payable at the time of their retirement/time of eligibility.

**3.8 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 2014.

**3.9 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

| Name of Directors interested in the Company / Firm | Name of the company/ firm/ Individual                                       | Nature of Advance   | Value/ Taka |
|--|---|---------------------|-------------|
| Dr. H. B. M Iqbal                                  | Beacon Travels International Ltd, Premier Hotel Management Ltd, Air Concern | Non funded          | 788.86      |
| Mr. Arif Alam                                      | Purple Aviation Systems, Ilham Engineers & Builders Limited                 | Funded & Non funded | 431.35      |
| Mr. Mohammad Imran Iqbal                           | Individual  | Credit Card         | 1.12        |
| Mr. Shafiqur Rahman                                | Individual  | Credit Card         | 1.27        |
| Mr. Shah Md. Nayhan Haroon                         | Individual  | Credit Card         | 0.13        |
| Mrs. Shaila Shelly Khan                            | Individual  | Credit Card         | 0.79        |

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

Figure in lac

| 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. | 98.17       |

- ii. As per Bangladesh Bank approval, the Bank has taken lease of 41,600 sq ft. Floor space @ TK. 350 per sq ft. per month at 2nd, 4th, 5th, 7th, 10th and 15th floor of "Iqbal Centre", 42 Kemal Attaturk avenue, Banani, Dhaka-1213 from Dr. H.B.M. Iqbal, honorable Chairman of the Bank for use of its Head Office.
- iii. As per Bangladesh Bank approval the Bank has taken lease of 3500 sq ft @ TK. 125 per sq ft per month at 1st floor and 152 sq ft. 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 Murshedy is Managing Director of the Envoy Group.

- iv. Bank has taken lease of 1,000 sft. floor space @Tk.350.00 per sft. at Ground Floor (Main Entrance), 7000 sft. floor space @Tk.250.00 per sft. for car parking and generator room and 4,520 sft. floor space @Tk.400.00 per sft. at Ground and 1st Floor of "Iqbal Centre", 42, Kemal Ataturk Avenue, Banani, Dhaka-1213 from Mr. Arif Alam, Honorable Director of the Bank for use of our Head Office & Banani Branch.
- v. Bank has taken lease of 35,750 sft. floor space @Tk.350.00 per sft. at 3rd, 6th, 8th, 9th, 12th and 7,150 sft. @Tk.300.00 per sft. at 19th floor of "Iqbal Centre", 42, Kemal Ataturk Avenue, Banani, Dhaka-1213 and also lease 25,000 sft. space @Tk.72.00 per sft. at 135, Tejgaon, I/A, Dhaka from Ms. Fauzia Rekza Banu, Honorable Director of the Bank for use of our Head Office & Central Godown respectively.

**Directors interest in different entities are given in Annexure G**

### 3.10 Segment Reporting

Segment report are prepared in accordance with IFRS 8: "Operating Segments" in respect of the Bank and its Group considering business segment and geographical location.

The Bank business segments includes products and services whose risk and return are different from those of other business segments. These segments comprises Conventional banking, Islamic banking, Off-shore banking unit, Premier Bank Securities Ltd and Premier Money Transfer Ltd. Details of Segment Report are shown in Annexure F

Inter segmental transaction are generally based on inter - branch fund transfer measures as determined by the management. Income expense, assets and liabilities are specially identified with individual segments based on such allocation, segment balance sheet as on 31 December 2014 and segmental profit and loss account for the year than ended 31 December 2014 have been prepared.

### 3.11 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.

#### 3.11.1 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, four 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
- (iv) Credit Recovery Division.



**3.11.2 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.

**3.11.3 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.

**3.11.4 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.

**3.11.5 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.

**3.11.6 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.

**3.12 Report on the activities of the Board Audit Committee, 2014****1. Constitution of the Board Audit Committee:**

The Board of Director in its 120th Meeting held on 11th June, 2014 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:

| Sl. No. | Names                      | Status with the Committee | Status with the Board |
|---------|----------------------------|---------------------------|-----------------------|
| 1       | Mr. Kazi Abdul Mazid       | Chairman                  | Independent Director  |
| 2       | Mr. Mohammad Imran Iqbal   | Member                    | Director              |
| 3       | Mr. Shah Md. Nahyan Haroon | Member                    | Director              |
| 4       | Mrs Faiza Rahman           | Member                    | Independent Director  |

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. Meetings:**

The Audit Committee of the Board conducted 20 (twenty) Meetings during January to December 2014. 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 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 Audit Committee reviewed the implementation of Internal Control strategies recommended by the Internal and External Auditors.
- iv. The Audit Committee reviewed Existing Risk Management procedure for ensuring effective internal control.
- v. The Audit Committee reviewed corrective measures against fraud-forgery, deficiencies in internal control system in the Bank.
- vi. The Audit 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.

**C. 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.

**D. Bangladesh Bank Inspection Reports:**

The Committee advised the Management to rectify all the deficiencies as mentioned in the Bangladesh Bank inspection report and submit compliance to Bangladesh Bank in time. The Committee also advised the Management to implement all the suggestions and recommendations of Bangladesh Bank inspections team.

**3.13 Taxation**

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

**3.13.1 Current tax**

Provision for current income tax for the year has been made @ 42.50% as prescribed in the Finance Act 2014 on the accounting Profit made after considering some of the taxable add back income and disallowance of expenditure.

**3.13.2 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, 2014.

**3.14 Departures from BFRS**

The consolidated financial statements of the Group and the Separate financial statements of the Bank as at and for the year ended 31 December 2014 have been prepared under the historical cost convention except investments and in accordance with the "First Schedule" (section 38) of the Bank Companies Act 1991, as amended by Bangladesh Bank (the Central Bank of Bangladesh) through BRPD Circular No. 14

dated 25 June 2003, other Bangladesh Bank Circulars, Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987, Dhaka and Chittagong Stock Exchange's listing regulations. In case any requirement of provisions and circulars issued by Bangladesh Bank differs with those of other regulatory authorities, the provisions and circulars issued by Bangladesh Bank shall prevail.

As such the Group and the Bank have departed from those contradictory requirements of BFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below:

**i) Investment in shares and Securities**

**BFRS:** As per requirements of BAS 39 investment in shares and securities generally falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value (as measured in accordance with BFRS 13) at the year-end is taken to profit and loss account or revaluation reserve respectively.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognized at costs.

**ii) Revaluation gain/loss on Government securities**

**BFRS:** As per requirement of BAS 39 where securities T-bills and T-bonds will fall under the category of "held for trading", any change in the fair value of held for trading assets is recognized through profit and loss account.

Securities T-bills designated as held to maturity are measured at amortized cost method and interest income is recognized through the profit & loss account.

**Bangladesh Bank:** HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

**iii) Provision on loans and advances**

**BFRS:** As per BAS 39 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012 and BRPD circular no. 05 dated 29 May 2013 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loan, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by BAS 39.

**iv) Recognition of interest in suspense**

**BFRS:** Loans and advances to customers are generally classified as 'loans and receivables' as per BAS 39 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognised in profit and loss account on the same basis based on revised carrying amount.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

**iv) Other comprehensive income**

**BFRS:** As per BAS 1 Other Comprehensive Income is a component of financial statements or the elements of Other Comprehensive Income are to be included in a Single Comprehensive Income (OCI) Statement.

**Bangladesh Bank:** Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income (OCI) Statement. As such the company does not prepare the other comprehensive income statement. However elements of OCI, if any, are shown in the statements of changes in equity.

**v) Financial instruments – presentation and disclosure**

In several cases Bangladesh Bank guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in BAS 39. As such some disclosure and presentation requirements of BFRS 7 and BAS 32 cannot be made in the accounts.



**vi) Repo transactions**

**BFRS:** When an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a deposit, and the underlying asset continues to be recognized in the entity's financial statements. This transaction will be treated as loan and the difference between selling price and repurchase price will be treated as interest expense.

**Bangladesh Bank:** As per BRPD guidelines, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transactions and the financial assets are derecognized in the seller's book and recognized in the buyer's book.

**vii) Financial guarantees**

**BFRS:** As per BAS 39, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

**Bangladesh Bank:** As per BRPD 14, financial guarantees such as L/C, L/G will be treated as Off-Balance Sheet items. No liability is recognized for the guarantee except the cash margin.

**viii) Cash and cash equivalent**

**BFRS:** Cash and cash equivalent items should be reported as cash item as per BAS 7.

**Bangladesh Bank:** Some cash and cash equivalent items such as 'money at call and on short notice', Treasury bills, Prize bond are not shown as cash and cash equivalent. Money at call and on short notice presented on the face of the balance sheet, and Treasury bills, Prize bonds are shown in Investments.

**ix) Non-banking asset**

**BFRS:** No indication of Non-banking asset is found in any BFRS.

**Bangladesh Bank:** As per BRPD 14, there must exist a face item named Non-banking asset.

**x) Cash flow statement**

**BFRS:** Cash flow statement can be prepared using either in direct method or in indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

**Bangladesh Bank:** As per BRPD 14, cash flow is the mixture of direct and indirect method.

**xi) Balance with Bangladesh Bank: (CRR)**

**BFRS:** Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per BAS 7.

**Bangladesh Bank:** Balance with Bangladesh Bank is treated as cash and cash equivalents.

**xii) Presentation of intangible asset**

**BFRS:** Intangible asset must be identified and recognized, and the disclosure must be given as per BAS 38.

**Bangladesh Bank:** There is no requirement for regulation of intangible assets in BRPD 14.

**xiii) Off-balance sheet items**

**BFRS:** There is no concept of off-balance sheet items in any BFRS; hence there is no requirement of disclosure of off-balance sheet items on the face of the balance sheet.

**Bangladesh Bank:** As per BRPD 14, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately in face of balance sheet.

**xiv) Disclosure of appropriation of profit**

**BFRS:** There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

**Bangladesh Bank:** As per BRPD 14, an appropriation of profit should be disclosed in the face of profit and loss account.

**xv) Loans and advance net of provision**

**BFRS:** Loans and advances should be presented net of provisions.

**Bangladesh Bank:** As per BRPD 14, provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

**xv) Recovery of written off loans**

**BFRS:** As per BAS 1 an entity shall not offset assets and liabilities or income and expenses, unless required or permitted by an BFRS. Again recovery of written off loans should be charged to profit & loss account as per BAS 18.

**Bangladesh Bank:** As per BRPD 14, recoveries of amount previously written off should be adjusted with the specific provision for loans and advances.

The financial statements of the Islamic banking branches have also been prepared as per Bank Companies Act 1991, BFRSs and other prevailing laws and regulations applicable in Bangladesh.



**3.15 Statement of compliance with Bangladesh Financial Reporting Standards:**

| <b>Name of the standards</b>   | <b>Ref.</b> | <b>Status</b>               |
|--|-------------|-----------------------------|
| First-time Adoption of Bangladesh Financial Reporting Standards          | BFRS-1      | Not applicable              |
| Share-based Payment  | BFRS-2      | Not applicable              |
| Business Combinations  | BFRS-3      | Applied                     |
| Insurance Contracts  | BFRS-4      | Not applicable              |
| Non-current Assets Held for Sale and Discontinued Operations             | BFRS-5      | Not applicable              |
| Exploration for and Evaluation of Mineral Resources                      | BFRS-6      | Not applicable              |
| Financial Instruments: Disclosures                                       | BFRS-7      | Applied with some departure |
| Operating Segments   | BFRS-8      | Applied with some departure |
| Consolidated Financial Statements  | BFRS-10     | Applied                     |
| Joint Arrangements   | BFRS-11     | Not applicable              |
| Disclosure of Interests in other Entities                                | BFRS-12     | Applied                     |
| Fair Value Measurement   | BFRS-13     | Applied                     |
| Presentation of Financial Statements                                     | BAS-1       | Applied with some departure |
| Inventories  | BAS-2       | Applied                     |
| Statement of Cash Flows  | BAS-7       | Applied with some departure |
| Accounting Policies, Changes in Accounting Estimates and Errors          | BAS-8       | Applied                     |
| Events after the Reporting Period  | BAS-10      | Applied                     |
| Construction Contracts   | BAS-11      | Not Applicable              |
| Income Taxes   | BAS-12      | Applied                     |
| Property, Plant and Equipment  | BAS-16      | Applied                     |
| Leases   | BAS-17      | Applied                     |
| Revenue  | BAS-18      | Applied with some departure |
| Employee Benefits  | BAS-19      | Applied                     |
| Accounting for Government Grants and Disclosure of Government Assistance | BAS-20      | Not Applicable              |
| The Effects of Changes in Foreign Exchange Rates                         | BAS-21      | Applied                     |
| Borrowing Costs  | BAS-23      | Applied                     |
| Related Party Disclosures  | BAS-24      | Applied                     |
| Accounting and Reporting by Retirement Benefit Plans                     | BAS-26      | Not Applicable              |
| Consolidated and Separate Financial Statements                           | BAS-27      | Applied                     |
| Investments in Associates  | BAS-28      | Not Applicable              |
| Interests in Joint Ventures  | BAS-31      | Not Applicable              |
| Financial Instruments: Presentation                                      | BAS-32      | Applied with some departure |
| Earnings per Share   | BAS-33      | Applied                     |
| Interim Financial Reporting  | BAS-34      | Applied                     |
| Impairment of Assets   | BAS-36      | Applied                     |
| Provisions, Contingent Liabilities and Contingent Assets                 | BAS-37      | Applied with some departure |
| Intangible Assets  | BAS-38      | Applied with some departure |
| Financial Instruments: Recognition and Measurement                       | BAS-39      | Applied with some departure |
| Investment property  | BAS-40      | Not Applicable              |
| Agriculture  | BAS-41      | Not Applicable              |

# The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

|               |   | Amount in Taka       |                      |
|---------------|---|----------------------|----------------------|
|               |   | 2014                 | 2013                 |
| <b>4</b>      | <b>Cash</b>   |                      |                      |
|               | Cash in hand (Note - 4.1)   | 1,177,449,235        | 1,138,111,856        |
|               | Balance with Bangladesh Bank and its agent bank(s) (Note - 4.2)                               | 6,098,738,343        | 4,270,157,971        |
|               |   | <b>7,276,187,578</b> | <b>5,408,269,827</b> |
| <b>4(a)</b>   | <b>Consolidated Cash and Balance With Bangladesh Bank and its agent Bank(s) In Bangladesh</b> |                      |                      |
|               | Premier Bank Limited (Note - 4)   | 7,276,187,578        | 5,408,269,827        |
|               | Premier Money Transfer Company Ltd.   | 795,740              | -                    |
|               | Premier Bank Securities Limited (Note - 4.1(a))   | 95,072               | 117,927              |
|               |   | <b>7,277,078,390</b> | <b>5,408,387,754</b> |
| <b>4.1</b>    | <b>Cash in hand</b>   |                      |                      |
|               | In local currency   | 1,150,050,470        | 1,113,006,281        |
|               | In foreign currency   | 27,398,765           | 25,105,575           |
|               |   | <b>1,177,449,235</b> | <b>1,138,111,856</b> |
| <b>4.1(a)</b> | <b>Consolidated Cash in hand In Bangladesh</b>  |                      |                      |
|               | Premier Bank Limited (Note - 4.1)   | 1,177,449,235        | 1,138,111,856        |
|               | Premier Money Transfer Company Ltd.   | 795,740              | -                    |
|               | Premier Bank Securities Limited   | 95,072               | 117,927              |
|               |   | <b>1,178,340,047</b> | <b>1,138,229,783</b> |
| <b>4.2</b>    | <b>Balance with Bangladesh Bank and its agent bank(s)</b>                                     |                      |                      |
|               | Balance with Bangladesh Bank  |                      |                      |
|               | In local currency   | 5,785,619,240        | 3,652,593,324        |
|               | In foreign currency   | 226,101,511          | 549,915,905          |
|               |   | <b>6,011,720,751</b> | <b>4,202,509,229</b> |
|               | Sonali Bank (as an agent bank of Bangladesh Bank)-local currency                              | 87,017,592           | 67,648,742           |
|               |   | <b>6,098,738,343</b> | <b>4,270,157,971</b> |

### 4.3 Statutory deposits

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

Cash reserve requirement and statutory liquidity 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.

Cash reserve requirement 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 13% for conventional Banking & 5.50% for Islamic Banking statutory liquidity ratio 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 (Daily 6%)

|                           |                    |                   |
|---------------------------|--------------------|-------------------|
| Required reserve          | 4,577,229,160      | 3,754,926,060     |
| Actual reserve maintained | 5,520,735,000      | 3,811,722,000     |
| Surplus / (Deficit)       | <b>943,505,840</b> | <b>56,795,940</b> |

##### (b) Statutory liquidity reserve (13%)

|                           |                      |                      |
|---------------------------|----------------------|----------------------|
| Required reserve          | 9,917,330,000        | 11,890,599,190       |
| Actual reserve maintained | 15,516,369,990       | 14,961,503,100       |
| Surplus / (Deficit)       | <b>5,599,039,990</b> | <b>3,070,903,910</b> |

## The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

|                            |   | Amount in Taka       |                      |
|----------------------------|---|----------------------|----------------------|
|                            |   | 2014                 | 2013                 |
| <b>For Islamic Banking</b> |   |                      |                      |
| (a)                        | <b>Cash reserve requirement/ratio (Daily 6%)</b>                        |                      |                      |
|                            | Required reserve  | 216,642,000          | 171,261,910          |
|                            | Actual reserve maintained   | 237,894,000          | 181,744,000          |
|                            | Surplus / (Deficit)   | <b>21,252,000</b>    | <b>10,482,090</b>    |
| (b)                        | <b>Statutory liquidity reserve (5.5%)</b>                               |                      |                      |
|                            | Required reserve  | 198,588,000          | 328,252,000          |
|                            | Actual reserve maintained   | 256,586,000          | 390,574,000          |
|                            | Surplus / (Deficit)   | <b>57,998,000</b>    | <b>62,322,000</b>    |
| 5                          | <b>Balance with other banks and financial institutions</b>              |                      |                      |
|                            | In Bangladesh (Note - 5.2)  | 4,849,055,082        | 3,444,354,945        |
|                            | Outside Bangladesh (Note - 5.3)   | 310,238,569          | 309,354,942          |
|                            |   | <b>5,159,293,651</b> | <b>3,753,709,887</b> |
| 5(a)                       | <b>Consolidated balance with other banks and financial institutions</b> |                      |                      |
|                            | <b>In Bangladesh</b>  |                      |                      |
|                            | Premier Bank Limited (Note - 5.2)                                       | 4,849,055,082        | 3,444,354,945        |
|                            | Premier Bank Securities Limited   | 229,940,637          | 158,428,215          |
|                            |   | <b>5,078,995,719</b> | <b>3,602,783,160</b> |
|                            | Less: Inter Company transaction   | 205,592,657          | 151,866,771          |
|                            |   | <b>4,873,403,062</b> | <b>3,450,916,389</b> |
|                            | <b>Outside Bangladesh</b>   |                      |                      |
|                            | Premier Bank Limited (Note - 5.3)                                       | 310,238,569          | 309,354,942          |
|                            | Premier Bank Securities Limited   | -                    | -                    |
|                            | Premier Money Transfer Company Ltd.                                     | -                    | 5,744                |
|                            |   | <b>310,238,569</b>   | <b>309,360,686</b>   |
|                            |   | <b>5,183,641,631</b> | <b>3,760,277,075</b> |
| 5.1                        | <b>Account type-wise</b>  |                      |                      |
|                            | Current account   | 6,256,908            | 35,388,458           |
|                            | STD account   | 5,320,360            | 8,966,487            |
|                            | Fixed deposit   | 4,837,477,814        | 3,400,000,000        |
|                            |   | <b>4,849,055,082</b> | <b>3,444,354,945</b> |
| 5.2                        | <b>In Bangladesh</b>  |                      |                      |
|                            | Southeast Bank Limited  | 1,600,000,000        | 400,000,000          |
|                            | Social Islami Bank  | 1,400,000,000        | -                    |
|                            | Jamuna Bank Limited   | 1,000,000,000        | -                    |
|                            | First Security Islamic Bank Limited                                     | 400,000,000          | 850,000,000          |
|                            | One Bank Limited  | 400,000,000          | -                    |
|                            | Standard Chartered Bank   | 34,051,955           | 26,572,788           |
|                            | Sonali Bank Limited   | 11,571,178           | 11,359,224           |
|                            | National Bank Limited   | 2,720,052            | 3,709,636            |
|                            | United Commercial Bank Limited  | 669,990              | 669,990              |
|                            | Islami Bank Bangladesh Limited  | 35,817               | 35,817               |
|                            | Janata Bank Limited   | 6,090                | -                    |
|                            | Shahjalal Islami Bank Limited   | -                    | 1,150,000,000        |
|                            | BRAC Bank Ltd   | -                    | 400,000,000          |
|                            | AB Bank Limited   | -                    | 200,000,000          |
|                            | Bank Asia Limited   | -                    | 200,000,000          |
|                            | National Credit and Commerce Bank Limited                               | -                    | 200,000,000          |
|                            | The city Bank Ltd   | -                    | 150,595              |
|                            | Off-Shore Banking Unit  | -                    | 1,856,895            |
|                            |   | <b>4,849,055,082</b> | <b>3,444,354,945</b> |

# The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

|            |                                     | Amount in Taka       |                      |
|------------|-------------------------------------|----------------------|----------------------|
|            |                                     | 2014                 | 2013                 |
| <b>5.3</b> | <b>Outside Bangladesh</b>           |                      |                      |
|            | Mashreq Bank PSC                    | 39,476,348           | 51,934,134           |
|            | Standard Chartered Bank             | 197,932,818          | 107,992,042          |
|            | Commerz Bank AG                     | 505,964              | 1,996,395            |
|            | UBAF                                | -                    | 1,661,951            |
|            | HSBC                                | -                    | -                    |
|            | Bank of Ceylon                      | 10,496,095           | 11,524,034           |
|            | Standard Chartered Bank             | 30,811               | 48,541,396           |
|            | United Bank Ltd                     | 5,984,095            | 12,711,783           |
|            | State Bank of India                 | 1,865,953            | 5,717,766            |
|            | ICICI Bank                          | 8,809,335            | 22,425,435           |
|            | Himalayan Bank                      | 212,282              | 264,190              |
|            | Commerz Bank AG                     | 15,829,931           | 3,591,271            |
|            | Baye-Hypo-und Vereinsbank AG        | 2,330,301            | 603,145              |
|            | Westpac Banking Corporation         | 626,572              | 1,599,394            |
|            | Mashreqbank psc                     | 14,069,899           | 321,549              |
|            | The Bank of Nova Scotia             | 854,622              | 175,199              |
|            | Bank of Tokyo Mitsubishi Ltd        | 492,868              | 2,012,033            |
|            | Habib Bank AG Zurich Switzerland    | 1,352,055            | 1,205,117            |
|            | Al Rajhi Banking & Investment Corp. | 3,184,495            | 2,587,326            |
|            | National Commercial Bank            | 3,276,765            | 3,081,060            |
|            | Mashreq Bank PSC                    | 2,907,360            | 29,409,722           |
|            | Off-shore Banking Unit              | 1,793,603,649        | 953,477,435          |
|            |                                     | <b>2,103,842,218</b> | <b>1,262,832,377</b> |
|            | Less: Inter Company Transaction     | 1,793,603,649        | 953,477,435          |
|            |                                     | <b>310,238,569</b>   | <b>309,354,942</b>   |

(Details are shown in Annexure - C)

**Note:** The prior year figure has been restated in order to correct a prior period error relating to Inter company transaction between Premier Bank and it's Off-Shore banking unit amounting to Tk. 953,477,435 which was not deducted in the previous year. It should be noted here that, there is no impact on the profitability of the Bank due to the adjustment. The prior period adjustment has been made in accordance with BAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

### 5.4 Maturity grouping of balance with other banks and financial institutions

|               |  |                      |                      |
|---------------|--|----------------------|----------------------|
|               | Repayable on demand  | 353,973,291          | 344,743,400          |
|               | Not more than 3 months   | 1,505,320,360        | 8,966,487            |
|               | More than 3 months but not more than 1 year  | 3,300,000,000        | 3,400,000,000        |
|               | More than 1 year but not more than 5 years   | -                    | -                    |
|               | More than 5 years  | -                    | -                    |
|               |  | <b>5,159,293,651</b> | <b>3,753,709,887</b> |
| <b>5.4(a)</b> | <b>Consolidated maturity grouping of Balance with other banks and financial institutions</b> |                      |                      |
|               | Repayable on demand  | 353,973,291          | 344,749,144          |
|               | Not more than 3 months   | 1,529,668,340        | 15,527,931           |
|               | More than 3 months but not more than 1 year  | 3,300,000,000        | 3,400,000,000        |
|               | More than 1 year but not more than 5 years   | -                    | -                    |
|               | More than 5 years  | -                    | -                    |
|               |  | <b>5,183,641,631</b> | <b>3,760,277,075</b> |



# The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

|                |  | Amount in Taka        |                       |
|----------------|--|-----------------------|-----------------------|
|                |  | 2014                  | 2013                  |
| <b>6</b>       | <b>Money at call and short notice</b>                      |                       |                       |
|                | Mutual Trust Bank Limited                                  | -                     | 100,000,000           |
|                | South East Bank Limited                                    | -                     | 500,000,000           |
|                | Standard Bank Limited                                      | -                     | 100,000,000           |
|                | Bank Al-Falah Limited                                      | 300,000,000           | 300,000,000           |
|                | National Bank of Pakistan                                  | -                     | 50,000,000            |
|                | Industrial Development Leasing Co. Limited                 | 100,000,000           | 200,000,000           |
|                | Phoenix Leasing Co. Limited                                | 250,000,000           | 150,000,000           |
|                | Delta Brac Housing Limited                                 | 140,000,000           | 100,000,000           |
|                | Union Capital Limited                                      | -                     | 110,000,000           |
|                | Industrial and Infrastructure Development Finance Co. Ltd. | -                     | 100,000,000           |
|                | Investment Corporation of Bangladesh                       | 250,000,000           | -                     |
|                | International Leasing and finance                          | 50,000,000            | -                     |
|                |  | <b>1,090,000,000</b>  | <b>1,710,000,000</b>  |
| <b>7</b>       | <b>Investments</b>   |                       |                       |
|                | Government (Note - 7.1)                                    | 14,836,281,245        | 13,755,395,043        |
|                | Others (Note - 7.2)  | 5,072,713,658         | 5,447,713,658         |
|                |  | <b>19,908,994,903</b> | <b>19,203,108,701</b> |
| <b>7(a)</b>    | <b>Consolidated Investment</b>                             |                       |                       |
|                | Premier Bank Limited (Note - 7)                            | 19,908,994,903        | 19,203,108,701        |
|                | Premier Bank Securities Limited                            | 830,100,000           | 830,000,000           |
|                |  | <b>20,739,094,903</b> | <b>20,033,108,701</b> |
| <b>7.1</b>     | <b>Government</b>  |                       |                       |
|                | Treasury bills (Note - 7.1.1)                              | 2,068,415,529         | 876,863,709           |
|                | Treasury bonds (Note - 7.1.1.1)                            | 11,296,401,327        | 9,178,180,386         |
|                | Reverse Repo   | 1,470,387,789         | 3,699,108,248         |
|                | Prize bonds  | 1,076,600             | 1,242,700             |
|                |  | <b>14,836,281,245</b> | <b>13,755,395,043</b> |
| <b>7.1.1</b>   | <b>Treasury bills</b>                                      |                       |                       |
|                | 91 day Treasury bills                                      | 425,223,342           | 77,626,553            |
|                | 182 day Treasury bills                                     | 616,846,548           | 192,961,733           |
|                | 364 day Treasury bills                                     | 1,026,345,638         | 606,275,423           |
|                | 30 day Bangladesh Bank bills                               | -                     | -                     |
|                |  | <b>2,068,415,529</b>  | <b>876,863,709</b>    |
| <b>7.1.1.1</b> | <b>Treasury bonds</b>                                      |                       |                       |
|                | Bangladesh Bank Islamic Investment Bond                    | 210,000,000           | 170,000,000           |
|                | 2 years Bangladesh Government treasury bonds               | 979,031,443           | 103,676,265           |
|                | 5 years Bangladesh Government treasury bonds               | 6,304,897,188         | 7,954,432,980         |
|                | 10 years Bangladesh Government treasury bonds              | 1,701,087,076         | 734,593,038           |
|                | 15 years Bangladesh Government treasury bonds              | 1,296,932,786         | 115,459,777           |
|                | 20 years Bangladesh Government treasury bonds              | 804,452,834           | 100,018,326           |
|                |  | <b>11,296,401,327</b> | <b>9,178,180,386</b>  |
| <b>7.2</b>     | <b>Others</b>  |                       |                       |
|                | In shares and bonds (quoted and unquoted)                  |                       |                       |
|                | <b>Quoted</b>  |                       |                       |
|                | Investment in Shares - Islami                              | 1,320,635,817         | 1,320,635,817         |
|                | Investment in shares - General                             | 3,256,224,200         | 3,256,224,200         |
|                |  | <b>4,576,860,017</b>  | <b>4,576,860,017</b>  |
|                | <b>Unquoted</b>  |                       |                       |
|                | Central Depository Bangladesh Limited                      | 5,138,890             | 5,138,890             |
|                | SWIFT Membership   | 1,214,751             | 1,214,751             |
|                | Energy Prima Limited                                       | 9,500,000             | 9,500,000             |
|                | Lanka Bangla Securities Limited                            | 5,000,000             | 5,000,000             |
|                | Corporate Bond   | 475,000,000           | 850,000,000           |
|                |  | <b>495,853,641</b>    | <b>870,853,641</b>    |
|                |  | <b>5,072,713,658</b>  | <b>5,447,713,658</b>  |

# The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

|   |  | Amount in Taka        |                       |
|---|--|-----------------------|-----------------------|
|   |  | 2014                  | 2013                  |
| <b>7.2(a) Consolidated Unquoted Investment</b>  |  |                       |                       |
| Premier Bank Limited (Note - 7.2)   |  | 5,072,713,658         | 5,447,713,658         |
| Premier Bank Securities Limited   |  | 830,100,000           | 830,000,000           |
|   |  | <b>5,902,813,658</b>  | <b>6,277,713,658</b>  |
| <b>7.3 Investments classified as per Bangladesh Bank circular</b>                               |  |                       |                       |
| Held for trading (HFT)  |  | 3,952,720,329         | 2,874,689,613         |
| Held to maturity (HTM)  |  | 9,412,096,527         | 7,180,354,483         |
| Other securities  |  | 6,544,178,047         | 9,148,064,605         |
|   |  | <b>19,908,994,903</b> | <b>19,203,108,701</b> |
| <b>7.4 Maturity grouping of Investment</b>  |  |                       |                       |
| Not more than 1 month   |  | 6,857,181,913         | 9,466,110,943         |
| Not more than 3 months  |  | 956,812,883           | 573,045,258           |
| More than 3 months but not more than 1 year   |  | 886,537,817           | 1,089,491,110         |
| More than 1 year but not more than 5 years  |  | 7,240,135,954         | 7,118,321,007         |
| More than 5 years   |  | 3,968,326,336         | 956,140,383           |
|   |  | <b>19,908,994,903</b> | <b>19,203,108,701</b> |
| <b>7.4(a) Consolidated Maturity grouping of Investment</b>                                      |  |                       |                       |
| Repayable on demand   |  | 6,857,181,913         | 9,466,110,943         |
| Not more than 3 months  |  | 956,812,883           | 573,045,258           |
| More than 3 months but not more than 1 year   |  | 1,716,637,817         | 1,089,491,110         |
| More than 1 year but not more than 5 years  |  | 7,240,135,954         | 7,118,321,007         |
| More than 5 years   |  | 3,968,326,336         | 1,786,140,383         |
|   |  | <b>20,739,094,903</b> | <b>20,033,108,701</b> |
| <b>8 Loans, advances and lease/investments</b>  |  | <b>69,818,140,464</b> | <b>52,800,455,593</b> |
| <b>8(a) Consolidated Loans, advances and lease/investments</b>                                  |  |                       |                       |
| Premier Bank Limited (Note - 8.1.1)   |  | 65,867,050,724        | 50,101,187,473        |
| Premier Bank Securities Ltd.  |  | 2,220,234,329         | 1,871,329,555         |
|   |  | 68,087,285,053        | 51,972,517,028        |
| Less: Inter Company Transaction   |  | 1,974,650,000         | 1,974,650,000         |
|   |  | <b>66,112,635,053</b> | <b>49,997,867,028</b> |
| <b>Consolidated bills purchased and discounted</b>  |  |                       |                       |
| Premier Bank Limited (Note - 8.1.2)   |  | 3,951,089,740         | 2,699,268,120         |
| Premier Bank Securities Ltd.  |  | -                     | -                     |
|   |  | 3,951,089,740         | 2,699,268,120         |
|   |  | <b>70,063,724,793</b> | <b>52,697,135,148</b> |
| <b>8.1 Breakup of Loans, advances and lease/investments</b>                                     |  |                       |                       |
| Loans, cash credits, overdrafts, etc. (Note 8.1.1)  |  | 65,867,050,724        | 50,101,187,473        |
| Bills purchased and discounted (Note 8.1.2)   |  | 3,951,089,740         | 2,699,268,120         |
|   |  | <b>69,818,140,464</b> | <b>52,800,455,593</b> |
| <b>8.1.1 Broad category-wise breakup of Loans, cash credits, overdrafts, etc. In Bangladesh</b> |  |                       |                       |
| Loans   |  | 38,392,159,357        | 30,958,386,424        |
| Overdrafts  |  | 17,351,309,901        | 11,403,451,657        |
| Cash credits  |  | 8,922,141,923         | 7,404,224,497         |
| <b>Loans, cash credits, overdrafts</b>  |  | <b>64,665,611,181</b> | <b>49,766,062,578</b> |
| <b>Outside Bangladesh</b>   |  |                       |                       |
| Loans   |  | -                     | -                     |
| Overdrafts  |  | -                     | -                     |
| Cash credits  |  | -                     | -                     |
| Off-shore Banking Units   |  | 1,201,439,543         | 335,124,895           |
|   |  | <b>1,201,439,543</b>  | <b>335,124,895</b>    |
|   |  | <b>65,867,050,724</b> | <b>50,101,187,473</b> |

## The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

Amount in Taka

|  | 2014                  | 2013                  |
|--|-----------------------|-----------------------|
| <b>8.1.1.1 Maturity grouping Loans, cash credits, overdrafts, etc.</b>   |                       |                       |
| Repayable on demand  | 19,220,194,507        | 3,127,329,882         |
| Not more than 3 months   | 6,342,658,602         | 4,303,791,507         |
| More than 3 months but not more than 1 year  | 21,602,593,021        | 36,510,131,013        |
| More than 1 year but not more than 5 years   | 13,360,132,076        | 3,155,956,358         |
| More than 5 years  | 5,341,472,518         | 3,003,978,713         |
|  | <b>65,867,050,724</b> | <b>50,101,187,473</b> |
| <b>8.1.2 Bills purchased and discounted</b>  |                       |                       |
| In Bangladesh  | 2,502,170,288         | 2,197,275,265         |
| Outside Bangladesh   | 857,558,808           | 501,992,855           |
| Off-shore Banking Units  | 591,360,644           | -                     |
|  | <b>3,951,089,740</b>  | <b>2,699,268,120</b>  |
| <b>8.1.2.1 Maturity grouping of bills purchased &amp; discounted</b>   |                       |                       |
| Payable within 1 month   | 1,777,990,384         | 1,225,440,843         |
| Over 1 month but below 3 months  | 1,501,414,101         | 976,254,385           |
| Over 3 months but below 6 months   | 434,619,871           | 321,482,101           |
| 6 months or over   | 237,065,384           | 176,090,791           |
|  | <b>3,951,089,740</b>  | <b>2,699,268,120</b>  |
| <b>8.1.3(a) Consolidated Maturity grouping of Loans, advances and lease/investments</b>                                    |                       |                       |
| Repayable on demand  | 20,998,184,890        | 4,352,770,725         |
| Not more than 3 months   | 7,844,072,703         | 5,280,045,892         |
| More than 3 months but not more than 1 year  | 22,037,212,893        | 36,831,613,114        |
| More than 1 year but not more than 5 years   | 13,842,781,789        | 3,228,726,704         |
| More than 5 years  | 5,341,472,518         | 3,003,978,713         |
|  | <b>70,063,724,793</b> | <b>52,697,135,148</b> |
| <b>8.2 Industry wise concentration of Loans &amp; Advances including bills purchased &amp; discounted</b>                  |                       |                       |
| Advances to allied concerns of directors   | <b>40,135,721</b>     | <b>693,923</b>        |
| Advances to chief executives and senior executives   | <b>210,012,523</b>    | <b>208,482,070</b>    |
| <b>Advances to industries</b>  |                       |                       |
| Textile & RMG industries   | 9,690,500,000         | 6,420,700,000         |
| Cement and ceramic industries  | 1,367,100,000         | -                     |
| Food and allied industries   | 1,607,200,000         | 1,174,300,000         |
| Transport and communication industries   | 935,000,000           | 3,430,500,000         |
| Iron and steel industries  | 2,333,500,000         | 1,579,700,000         |
| Other industries   | 19,439,933,101        | 2,202,056,002         |
|  | <b>35,373,233,101</b> | <b>14,807,256,002</b> |
| <b>Advances to other customer groups</b>   |                       |                       |
| Commercial lending   | 12,570,000,000        | 7,251,700,000         |
| Export financing   | 3,864,700,555         | 3,069,135,919         |
| House building   | 1,368,400,000         | 5,620,261,900         |
| Consumer credit  | 1,008,901,245         | 740,471,784           |
| Small and medium enterprises   | 13,016,503,797        | 18,829,200,000        |
| Other staff loan   | 166,949,953           | 217,771,158           |
| Other customers  | 2,199,303,569         | 2,055,482,837         |
|  | <b>34,194,759,119</b> | <b>37,784,023,598</b> |
|  | <b>69,818,140,464</b> | <b>52,800,455,593</b> |
| <b>8.2 (a) Consolidated Industry wise concentration of Loans &amp; Advances including bills purchased &amp; discounted</b> |                       |                       |
| Advances to allied concerns of directors   | <b>40,135,721</b>     | <b>693,923</b>        |
| Advances to chief executives and senior executives   | <b>210,012,523</b>    | <b>208,482,070</b>    |
| <b>Advances to industries</b>  |                       |                       |
| Textile & RMG industries   | 9,690,500,000         | 6,420,700,000         |
| Cement and ceramic industries  | 1,367,100,000         | -                     |
| Food and allied industries   | 1,607,200,000         | 1,174,300,000         |
| Transport and communication industries   | 935,000,000           | 3,430,500,000         |
| Iron and steel industries  | 2,333,500,000         | 1,579,700,000         |
| Other industries   | 19,439,933,101        | 2,202,056,002         |
|  | <b>35,373,233,101</b> | <b>14,807,256,002</b> |

|   |  | Amount in Taka        |                       |
|---|--|-----------------------|-----------------------|
|   |  | 2014                  | 2013                  |
| <b>Advances to other customer groups</b>  |  |                       |                       |
| Commercial lending  |  | 12,570,000,000        | 7,251,700,000         |
| Export financing  |  | 3,864,700,555         | 3,069,135,919         |
| House building  |  | 1,368,400,000         | 5,620,261,900         |
| Consumer credit   |  | 1,008,901,245         | 740,471,784           |
| Small and medium enterprises  |  | 13,016,503,797        | 18,829,200,000        |
| Other staff loan  |  | 166,949,953           | 217,771,158           |
| Other customers   |  | 2,444,887,898         | 1,952,162,392         |
|   |  | <b>34,440,343,448</b> | <b>37,680,703,153</b> |
|   |  | <b>70,063,724,793</b> | <b>52,697,135,148</b> |
| <b>8.3 Geographical location-wise (division) distribution of Loans, advances and lease/investments In Bangladesh</b>                  |  |                       |                       |
| <b>Urban</b>  |  |                       |                       |
| Dhaka Division  |  | 54,907,364,467        | 40,976,717,072        |
| Chittagong Division   |  | 9,579,291,350         | 6,909,221,219         |
| Khulna Division   |  | 1,210,931,086         | 1,149,508,273         |
| Sylhet Division   |  | 224,604,568           | 208,583,132           |
| Rajshahi Division   |  | 649,658,631           | 639,321,556           |
| Barisal Division  |  | 125,002,563           | 102,592,202           |
| Rangpur Division  |  | 242,886,253           | 164,247,294           |
|   |  | <b>66,939,738,918</b> | <b>50,150,190,748</b> |
| <b>Rural</b>  |  |                       |                       |
| Dhaka Division  |  | 1,998,700,000         | 1,858,547,085         |
| Chittagong Division   |  | 879,701,546           | 791,717,760           |
|   |  | <b>2,878,401,546</b>  | <b>2,650,264,845</b>  |
|   |  | <b>69,818,140,464</b> | <b>52,800,455,593</b> |
| <b>8.3 (a) Consolidated Geographical location-wise (division) distribution of Loans, advances and lease/investments In Bangladesh</b> |  |                       |                       |
| <b>Urban</b>  |  |                       |                       |
| Dhaka Division  |  | 55,152,948,796        | 40,873,396,627        |
| Chittagong Division   |  | 9,579,291,350         | ,909,221,219          |
| Khulna Division   |  | 1,210,931,086         | 1,149,508,273         |
| Sylhet Division   |  | 224,604,568           | 208,583,132           |
| Rajshahi Division   |  | 649,658,631           | 639,321,556           |
| Barisal Division  |  | 125,002,563           | 102,592,202           |
| Rangpur Division  |  | 242,886,253           | 164,247,294           |
|   |  | <b>67,185,323,247</b> | <b>50,046,870,303</b> |
| <b>Rural</b>  |  |                       |                       |
| Dhaka Division  |  | 1,998,700,000         | 1,858,547,085         |
| Chittagong Division   |  | 879,701,546           | 791,717,760           |
|   |  | <b>2,878,401,546</b>  | <b>2,650,264,845</b>  |
|   |  | <b>70,063,724,793</b> | <b>52,697,135,148</b> |
| <b>8.4 Classification of Loans, advances and lease/investments</b>  |  |                       |                       |
| <b>Unclassified</b>   |  |                       |                       |
| Standard  |  | 62,178,272,049        | 48,530,569,348        |
| Special mention account   |  | 1,334,771,879         | 1,248,548,507         |
|   |  | <b>63,513,043,928</b> | <b>49,779,117,855</b> |
| <b>Classified</b>   |  |                       |                       |
| Substandard   |  | 539,401,913           | 70,012,560            |
| Doubtful  |  | 537,105,652           | 258,393,633           |
| Bad/Loss  |  | 5,228,588,971         | 2,692,931,545         |
|   |  | <b>6,305,096,536</b>  | <b>3,021,337,738</b>  |
|   |  | <b>69,818,140,464</b> | <b>52,800,455,593</b> |
| <b>8.4 (a) Consolidated Classification of Loans, advances and lease/investments</b>   |  |                       |                       |
| <b>Unclassified</b>   |  |                       |                       |
| Standard  |  | 62,423,856,378        | 48,427,248,903        |
| Special mention account   |  | 1,334,771,879         | 1,248,548,507         |
|   |  | <b>63,758,628,257</b> | <b>49,675,797,410</b> |
| <b>Classified</b>   |  |                       |                       |
| Substandard   |  | 539,401,913           | 70,012,560            |
| Doubtful  |  | 537,105,652           | 258,393,633           |
| Bad/Loss  |  | 5,228,588,971         | 2,692,931,545         |
|   |  | <b>6,305,096,536</b>  | <b>3,021,337,738</b>  |
|   |  | <b>70,063,724,793</b> | <b>52,697,135,148</b> |



## The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

Amount in Taka

## 8.5 Particulars of required provision for Loans, advances and lease/investments

| <u>Unclassified</u>       | <u>Base for provision</u> | <u>Rate (%)</u> | 2014               | 2013               |
|---------------------------|---------------------------|-----------------|--------------------|--------------------|
| Standard                  | 61,761,122,119            | (*) Various     | 587,297,155        | 394,787,503        |
| Special mentioned account | 1,334,771,879             | 5               | 7,462,380          | 9,417,497          |
| Sub-total (A)             |                           |                 | <b>594,759,535</b> | <b>404,205,000</b> |

(\*) General provision is kept @ 2% on loan for professional, 2% on housing loan, 5% on consumer financing and 2% on Brokerage House, 0.25% on small and medium enterprise financing (both standard and SMA category) and at the rate of 1% on all other unclassified loans and advances.

**Status**

| <u>Classified</u>   | <u>Base for provision</u> | <u>Rate (%)</u> |                      |                      |
|---|---------------------------|-----------------|----------------------|----------------------|
| Substandard   | 276,332,181               | 20              | 55,266,438           | 7,572,321            |
| Doubtful  | 396,100,068               | 50              | 198,050,040          | 40,378,069           |
| Bad/loss  | 3,002,723,987             | 100             | 3,002,723,987        | 1,059,018,341        |
| Sub-total (B)   |                           |                 | <b>3,256,040,465</b> | <b>1,106,968,731</b> |
| Required provision for loans and advances (C = A + B)     |                           |                 | <b>3,850,800,000</b> | <b>1,511,173,731</b> |
| Total provision maintained (Note - 14.1)                  |                           |                 | 1,198,030,495        | 1,155,878,781        |
| Chargeable during next year as per Bangladesh Bank letter |                           |                 | 2,652,769,505        | 355,300,000          |
| Excess/(Shortfall) provision at 31 December 2014          |                           |                 | -                    | <b>5,050</b>         |

## 8.6 Particulars of Loans, advances and lease/investments

|   |                       |                       |
|---|-----------------------|-----------------------|
| (i) Loans considered good in respect of which the Bank is fully secured;  | 33,745,849,843        | 21,413,053,052        |
| (ii) Loans considered good against which the Bank holds no security other than the debtors' personal security;  | 21,469,910,561        | 16,578,306,944        |
| (iii) Loans considered good secured by the personal undertaking of one or more parties in addition to the personal security of the debtors  | 14,602,380,060        | 14,809,095,597        |
| (iv) Loans adversely classified but provision not maintained there against;   | -                     | -                     |
|   | <b>69,818,140,464</b> | <b>52,800,455,593</b> |
| (v) Loans due by directors or officers of the Bank or any of them either separately or jointly with any other persons;  | 457,695,380           | 426,947,151           |
| (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;   | -                     | -                     |
| (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;                                       | 373,416,160           | 428,947,151           |
| (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;  | -                     | -                     |
| (x) Amount of classified loans on which interest has not been charged   | 6,305,096,536         | 3,021,337,738         |
| (a) Increase/decrease of provision (specific)   |                       |                       |
| Amount of loan written off  | -                     | -                     |
| Amount realised against loan previously written off   | 42,151,714            | 10,249,420            |
| (b) Provision kept against loans classified as bad /loss on the date of preparing Balance Sheet"  | 793,822,939           | 703,718,341           |
| (c) Interest charged in interest suspense account   | 730,483,244           | 610,424,993           |
| (xi) Written off loan   |                       |                       |
| Opening balance   | 1,712,543,000         | 1,712,543,000         |
| Write-off during the year   | 1,467,650             | -                     |
| Closing balance   | <b>1,714,010,650</b>  | <b>1,712,543,000</b>  |

Amount in Taka

|  | 2014                  | 2013                  |
|--|-----------------------|-----------------------|
| <b>8.7 Details of pledged collaterals received against Loans, advances and lease/investments</b>                 |                       |                       |
| Collateral of movable/immovable assets   | 41,527,088,791        | 36,156,931,976        |
| Local banks and financial institutions guarantee   | 825,785,867           | 717,002,616           |
| Government guarantee   | 159,263,898           | 159,263,898           |
| Foreign Banks guarantee  | -                     | -                     |
| Export documents   | 4,888,454,839         | 1,786,531,430         |
| Fixed deposit receipts   | 3,916,514,446         | 3,048,833,594         |
| Personal guarantee   | 5,099,899,025         | 3,890,363,509         |
| Other securities   | 13,401,133,598        | 7,041,528,570         |
|  | <b>69,818,140,464</b> | <b>52,800,455,593</b> |
| <b>8.7(a) Consolidated details of pledged collaterals received against Loans, advances and lease/investments</b> |                       |                       |
| Collateral of movable/immovable assets   | 41,527,088,791        | 36,156,931,976        |
| Local banks and financial institutions guarantee   | 825,785,867           | 717,002,616           |
| Government guarantee   | 159,263,898           | 159,263,898           |
| Foreign Banks guarantee  | -                     | -                     |
| Export documents   | 4,888,454,839         | 1,786,531,430         |
| Fixed deposit receipts   | 3,916,514,446         | 3,048,833,594         |
| Personal guarantee   | 5,099,899,025         | 3,890,363,509         |
| Other securities   | 13,646,717,927        | 6,938,208,125         |
|  | <b>70,063,724,793</b> | <b>52,697,135,148</b> |
| <b>9 Fixed assets including premises, furniture and fixtures</b>   | <b>1,654,273,934</b>  | <b>1,593,757,787</b>  |
| Details are shown in Annexure - B.   |                       |                       |
| <b>9(a) Consolidated fixed assets including premises, furniture and fixtures</b>                                 |                       |                       |
| Premier Bank Limited (Note - 9)  | 1,654,273,934         | 1,593,757,787         |
| Premier Bank Securities Limited  | 3,021,579             | 2,990,296             |
| Premier Money Transfer Company Ltd   | 2,243,182             | 2,921,477             |
|  | <b>1,659,538,695</b>  | <b>1,599,669,560</b>  |
| Details are shown in Annexure - A.   |                       |                       |
| <b>10 Other assets</b>   |                       |                       |
| Income generating assets   | 533,260,992           | 530,804,379           |
| Non-income generating assets   | 5,543,890,746         | 3,738,400,453         |
|  | <b>6,077,151,738</b>  | <b>4,269,204,832</b>  |
| <b>10(a) Consolidated other assets</b>   |                       |                       |
| Premier Bank Limited (Note - 10)   | 6,077,151,738         | 4,269,204,832         |
| Premier Bank Securities Limited  | 17,889,685            | 8,133,592             |
| Premier Money Transfer Company Ltd.  | 1,549,095             | 4,072,351             |
|  | <b>6,096,590,518</b>  | <b>4,281,410,775</b>  |
| Less: Investment in Premier Bank Securities Ltd.   | 499,980,000           | 499,980,000           |
| Less: Investment in Premier Money Transfer Company (UK) Ltd.   | 33,280,992            | 30,691,417            |
|  | <b>5,563,329,526</b>  | <b>3,750,739,358</b>  |
| <b>10.1 Breakup of other assets:</b>   |                       |                       |
| Adjusting account  | 649,439,966           | 625,388,701           |
| Advance office rent and maintenance  | 1,869,193,305         | 2,187,894,626         |
| Advance against interior decoration  | 119,105,800           | 133,294,500           |
| Head office general account  | 2,129,503,662         | 154,687,757           |
| Stationery, stamps, printing materials, etc.   | 16,893,133            | 19,779,997            |
| Protested bills  | 14,833,401            | 19,194,944            |
| Receivable on Sanchaya Patras (from Bangladesh Bank)   | 84,721,812            | 34,779,736            |
| Security deposits  | 2,256,852             | 2,089,172             |
| Off-shore Banking Units  | 7,181,597             | 12,691,540            |
| Others (Note - 10.1.1)   | 1,184,022,210         | 1,079,403,859         |
|  | <b>6,077,151,738</b>  | <b>4,269,204,832</b>  |

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## Notes to financial statements for the year ended December 31, 2014

Amount in Taka

|   | 2014                 | 2013                 |
|---|----------------------|----------------------|
| <b>10.1.1 Others</b>                        |                      |                      |
| Sundry debtors                              | 482,573,004          | 314,767,724          |
| Prepaid expenses                            | 59,132,529           | 166,339,622          |
| Clearing adjustment account                 | 9,307,231            | 14,728,999           |
| Advance against petty cash                  | 1,237,183            | 1,253,391            |
| Advance against suits/ cases                | 4,943,481            | 1,568,740            |
| Advance against proposed branch             | 46,463,259           | 45,448,620           |
| Cash remittance                             | 24,262,000           | 4,000,000            |
| Premier Bank Securities Limited             | 499,980,000          | 499,980,000          |
| Premier money transfer co. Limited, UK      | 33,280,992           | 30,691,417           |
| Advance payment for remittance              | 22,218,498           | -                    |
| Premier exchange co.ltd. Singapore          | -                    | 132,962              |
| Advance against postage                     | 13,000               | -                    |
| Advance against TA/DA                       | 193,310              | 359,996              |
| DD paid without advice                      | 407,000              | 122,388              |
| Income tax deducted at source on BGTB bonds | 10,000               | 10,000               |
|   | <b>1,184,022,210</b> | <b>1,079,403,859</b> |

### 10.2 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 2014.

| Aging of outstanding transactions | Number of unresponded entries |            | Number of unresponded entries (Amount in Taka) |                    |
|-----------------------------------|-------------------------------|------------|--|--------------------|
|                                   | Debit                         | Credit     | Debit  | Credit             |
| Up to 3 months                    | 758                           | 401        | 470,084,000                                    | 344,487,000        |
| Over 3 months but within 6 months | 122                           | 158        | 23,173,000                                     | 16,784,000         |
| Over 6 months                     | 39                            | 67         | 1,720,000                                      | 2,848,000          |
| Total                             | <b>919</b>                    | <b>626</b> | <b>494,977,000</b>                             | <b>364,119,000</b> |

### 11 Borrowings from other banks, financial institutions and agents

|                             |                      |                      |
|-----------------------------|----------------------|----------------------|
| In Bangladesh (Note - 11.1) | 4,146,546,458        | 3,019,246,099        |
| Outside Bangladesh          | -                    | -                    |
|                             | <b>4,146,546,458</b> | <b>3,019,246,099</b> |

#### 11(a) Consolidated Borrowings from other banks, financial institutions and agents

|                                     |                      |                      |
|-------------------------------------|----------------------|----------------------|
| Premier Bank Limited (Note - 11)    | 4,146,546,458        | 3,019,246,099        |
| Premier Bank Securities Limited     | 1,974,650,000        | 1,974,650,000        |
| Premier Money Transfer Company Ltd. | -                    | -                    |
|                                     | 6,121,196,458        | 4,993,896,099        |
| Less: Inter Company Transaction     | 1,974,650,000        | 1,974,650,000        |
|                                     | <b>4,146,546,458</b> | <b>3,019,246,099</b> |

#### 11.1 In Bangladesh

|   |                      |                      |
|---|----------------------|----------------------|
| Bangladesh Bank (Refinance facility under Islamic Banking)  | 4,000,000,000        | 2,800,000,000        |
| Bangladesh Bank (REPO)                                      | -                    | -                    |
| Borrowing from other Banks                                  | -                    | -                    |
| Bangladesh Bank (Refinance facility under SME)              | 91,099,735           | 131,557,370          |
| Bangladesh Bank (Refinance facility under HBL)              | 3,072,509            | 3,406,015            |
| Bangladesh Bank (Refinance facility under Women Enterprise) | 52,374,214           | 84,282,714           |
|   | <b>4,146,546,458</b> | <b>3,019,246,099</b> |

#### 11.2 Analysis by security

|           |                      |                      |
|-----------|----------------------|----------------------|
| Secured   | 4,146,546,458        | 3,019,246,099        |
| Unsecured | -                    | -                    |
|           | <b>4,146,546,458</b> | <b>3,019,246,099</b> |

|   |                       | Amount in Taka        |      |
|---|-----------------------|-----------------------|------|
|   |                       | 2014                  | 2013 |
| <b>11.3 Repayment pattern</b>                         |                       |                       |      |
| Repayable on demand                                   | -                     | -                     | -    |
| Repayable on maturity                                 | 4,146,546,458         | 3,019,246,099         |      |
|   | <b>4,146,546,458</b>  | <b>3,019,246,099</b>  |      |
| <b>12 Non-convertible variable coupon rate bonds</b>  |                       |                       |      |
| Sonali Bank   | 500,000,000           | -                     |      |
| First Bangladesh Fixed Income Fund                    | 500,000,000           | -                     |      |
| Investment Corporation Of Bangladesh                  | 250,000,000           | -                     |      |
| ICB Unit Fund   | 250,000,000           | -                     |      |
| PHP 1st Mutual Fund                                   | 100,000,000           | -                     |      |
| EBL 1st Mutual Fund                                   | 100,000,000           | -                     |      |
| IFIC Bank 1st Mutual Fund                             | 50,000,000            | -                     |      |
| 1st Janata Bank Mutual Fund                           | 50,000,000            | -                     |      |
| Popular Life 1st Mutual Fund                          | 50,000,000            | -                     |      |
| EBL NRB Mutual Fund                                   | 50,000,000            | -                     |      |
| EXIM Bank 1st Mutual Fund                             | 50,000,000            | -                     |      |
| AB Bank 1st Mutual Fund                               | 50,000,000            | -                     |      |
|   | <b>2,000,000,000</b>  | <b>-</b>              |      |
| <b>13 Deposits and other accounts</b>                 |                       |                       |      |
| Inter-bank deposits (Note - 13.1)                     | 6,711,238,023         | 4,962,554,638         |      |
| Other deposits (Note - 13.2)                          | 83,792,525,160        | 68,386,168,599        |      |
|   | <b>90,503,763,183</b> | <b>73,348,723,237</b> |      |
| <b>13(a) Consolidated deposits and other accounts</b> |                       |                       |      |
| Premier Bank Limited (Note - 13)                      | 90,503,763,183        | 73,348,723,237        |      |
| Premier Bank Securities Ltd.                          | 451,886,211           | 319,579,580           |      |
|   | <b>90,955,649,394</b> | <b>73,668,302,817</b> |      |
| Less: Inter Company transaction                       | 205,592,657           | 151,866,771           |      |
|   | <b>90,750,056,737</b> | <b>73,516,436,046</b> |      |
| <b>13.1 Inter-bank deposits</b>                       |                       |                       |      |
| <b>Fixed Deposits</b>                                 |                       |                       |      |
| Shahjalal Islamic Bank Limited                        | 1,400,000,000         | 1,150,000,000         |      |
| First Security Islami Bank Limited                    | 400,000,000           | 850,000,000           |      |
| AB Bank Limited                                       | -                     | 200,000,000           |      |
| Southeast Bank Limited                                | 1,600,000,000         | 400,000,000           |      |
| Bank Asia Limited                                     | -                     | 200,000,000           |      |
| Jamuna bank Limited                                   | 1,000,000,000         | -                     |      |
| Farmers Bank Limited                                  | 2,184,010,000         | 2,000,000,000         |      |
| Rajshahi Krishi Unnayan Bank                          | 116,929,326           | 31,677,834            |      |
|   | <b>6,700,939,326</b>  | <b>4,831,677,834</b>  |      |
| <b>Special Notice Deposits</b>                        |                       |                       |      |
| Meghna Bank Limited                                   | 6,141,445             | 121,849,741           |      |
| Farmers Bank Limited                                  | 3,703,743             | 8,501,054             |      |
| EXIM Bank Limited                                     | -                     | 71,000                |      |
|   | <b>9,845,188</b>      | <b>130,421,795</b>    |      |
| <b>Current Deposits</b>                               |                       |                       |      |
| Farmers Bank Limited                                  | 453,509               | 455,009               |      |
|   | <b>453,509</b>        | <b>455,009</b>        |      |
|   | <b>6,711,238,023</b>  | <b>4,962,554,638</b>  |      |



# The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

|  |  | Amount in Taka        |                       |
|--|--|-----------------------|-----------------------|
|  |  | 2014                  | 2013                  |
| <b>13.1.1 Maturity analysis of inter-bank deposits</b> |  |                       |                       |
| Repayable on demand                                    |  | 453,509               | 455,009               |
| Repayable within 1 month                               |  | 706,141,444           | 2,830,421,795         |
| Over 1 month but within 3 months                       |  | 403,703,742           | 131,677,834           |
| Over 3 months but within 1 year                        |  | 5,600,939,328         | 2,000,000,000         |
| Over 1 year but within 5 years                         |  | -                     | -                     |
| Over 5 years but within 10 years                       |  | -                     | -                     |
| Unclaimed deposits for 10 years or more                |  | -                     | -                     |
|  |  | <b>6,711,238,023</b>  | <b>4,962,554,638</b>  |
| <b>13.2 Other deposits</b>                             |  |                       |                       |
| Savings bank deposits                                  |  | <b>4,444,773,517</b>  | <b>3,844,823,504</b>  |
| <b>Fixed deposits:</b>                                 |  |                       |                       |
| One month  |  | 19,785,133,381        | 9,225,927,586         |
| Three months   |  | 1,674,244,244         | 19,771,769,342        |
| Six months   |  | 8,979,789,785         | 6,196,448,876         |
| One year   |  | 24,927,699,706        | 8,960,026,838         |
| Two years  |  | 48,374,177            | 31,690,844            |
| Three years but not more than five years               |  | 75,931,204            | 25,498,302            |
|  |  | <b>55,491,172,497</b> | <b>44,211,361,788</b> |
| <b>Others:</b>   |  |                       |                       |
| Current account  |  | 6,185,278,463         | 2,949,963,186         |
| Special -notice deposits                               |  | 5,737,095,423         | 8,472,235,488         |
| Staff security deposits                                |  | 4,999,654             | 4,410,124             |
| Deposit in foreign currency                            |  | 733,364,428           | 430,105,894           |
| Monthly savings scheme                                 |  | 2,373,740,911         | 1,898,051,189         |
| Monthly income account                                 |  | 527,619,316           | 436,789,546           |
| Education savings scheme                               |  | 360,716               | 508,052               |
| Special deposit scheme                                 |  | 9,999,451             | 27,347,449            |
| Double benefit scheme                                  |  | 3,350,804,197         | 2,773,200,534         |
| Mudaraba Hajj deposit                                  |  | 1,078,175             | 1,448,488             |
| Off-shore Banking Unit                                 |  | 1,749,905,464         | 578,844,403           |
| Sundry deposits (Note - 13.3)                          |  | 3,836,798,096         | 2,645,486,167         |
|  |  | <b>24,511,044,294</b> | <b>20,218,390,520</b> |
| Less: Inter Company transaction                        |  | 1,793,603,649         | 953,477,435           |
|  |  | <b>22,717,440,645</b> | <b>19,264,913,085</b> |
| Bills payable (Note - 13.4)                            |  | 1,139,138,501         | 1,065,070,222         |
|  |  | <b>83,792,525,160</b> | <b>68,386,168,599</b> |

**Note:** The prior year figure has been restated in order to correct a prior period error relating to Inter company transaction between Premier Bank and it's Off-Shore banking unit amounting to Tk. 953,477,435 which was not deducted in the previous year. It should be noted here that, there is no impact on the profitability of the Bank due to the adjustment. The prior period adjustment has been made in accordance with BAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

### 13.2.1 Maturity analysis of other deposits

|                                  |                       |                       |
|----------------------------------|-----------------------|-----------------------|
| Repayable on demand              | 12,250,452,845        | 7,479,517,943         |
| Repayable within 1 month         | 28,822,524,969        | 20,205,026,793        |
| Over 1 month but within 3 months | 1,674,244,244         | 19,771,769,342        |
| Over 3 months but within 1 year  | 34,657,394,955        | 15,735,320,117        |
| Over 1 year but within 5 years   | 3,037,103,950         | 2,421,333,870         |
| Over 5 years but within 10 years | 3,350,804,197         | 2,773,200,534         |
|                                  | <b>83,792,525,160</b> | <b>68,386,168,599</b> |

# The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

|  |  | Amount in Taka       |                      |
|--|--|----------------------|----------------------|
|  |  | 2014                 | 2013                 |
| <b>13.3</b>  | <b>Sundry deposits</b>   |                      |                      |
|  | Sundry creditors   | 89,435,549           | 91,922,939           |
|  | Margin on letter of credit                                     | 490,089,037          | 413,431,868          |
|  | Margin on letter of guarantee                                  | 396,417,857          | 328,532,173          |
|  | Sanchaya Patra   | 13,696,703           | 10,800,000           |
|  | Back to Back letter of credit obligation                       | -                    | 675,911              |
|  | Income tax deducted at source                                  | 256,673,207          | 174,222,949          |
|  | VAT payable to government                                      | 127,722,291          | 105,528,671          |
|  | Margin on foreign documentary bill purchases                   | 2,580,354            | 2,580,355            |
|  | Advance deposits against consumer credit scheme                | 1,950,177            | 719,411              |
|  | Other sundry deposits  | 2,458,232,921        | 1,517,071,890        |
|  |  | <b>3,836,798,096</b> | <b>2,645,486,167</b> |
| <p><b>Note:</b> Our Tax and VAT adviser, M/S Zia &amp; Associates advised us vide a letter dated March 11, 2011 not to deduct VAT on office rent and pay at source in view of VAT Act 1991 section 3(1). Subsequently a writ petition was submitted before the honourable High Court. On the basis of this advice, the Bank has not deposited any VAT on Rent collected from the Branches which accumulated to Tk. 9.64 Crore as at 31 December 2014.</p> <p>Honourable High Court issued a rule directing the Govt as to why SRO Nos. 202-Ain/2010/551-Mushok, dated 10/05/2010 and 105-Ain/2009/513-Musak, dated 11.06.2009 should not be declared to have been issued without lawful authority and are of no legal effect as being ultravires to the provisions of section 3(1) and Second Schedule of the Value Added Tax Act, 1991. The matter is under adjudication.</p> |  |                      |                      |
| <b>13.4</b>  | <b>Bills payable</b>   |                      |                      |
|  | Inside Bangladesh  | 1,139,138,501        | 1,065,070,222        |
|  | Outside Bangladesh   | -                    | -                    |
|  |  | <b>1,139,138,501</b> | <b>1,065,070,222</b> |
| <b>14</b>  | <b>Other liabilities</b>                                       |                      |                      |
|  | Head office general account                                    | -                    | -                    |
|  | Accumulated provision against loans and advances (Note - 14.1) | 1,198,030,495        | 1,155,878,781        |
|  | Provision for gratuity (Note - 14.2)                           | 78,294,824           | 89,493,542           |
|  | Provision for off-balance sheet items (Note - 14.3)            | 225,438,830          | 225,438,830          |
|  | Other provision (Note - 14.4)                                  | 370,061,708          | 70,061,708           |
|  | Provision for corporate taxation (Note - 14.5)                 | 471,567,980          | 512,351,003          |
|  | Interest suspense account (Note - 14.6)                        | 800,391,244          | 610,424,993          |
|  | Adjusting account  | 2,177,141,093        | 1,663,248,344        |
|  | Credit card  | (3,275,434)          | 20,658,983           |
|  | Investment compensation  | 4,232,221            | 3,981,827            |
|  | Off-shore Banking Unit   | 53,672,863           | 9,036,241            |
|  |  | <b>5,375,555,824</b> | <b>4,360,574,252</b> |
| <b>14(a)</b>   | <b>Consolidated other liabilities</b>                          |                      |                      |
|  | Premier Bank Limited (Note - 14)                               | 5,375,555,824        | 4,360,574,252        |
|  | Premier Bank Securities Ltd.                                   | 347,990,954          | 69,611,663           |
|  | Premier Money Transfer Company Ltd. UK                         | 12,887,659           | 6,717,088            |
|  |  | <b>5,736,434,437</b> | <b>4,436,903,003</b> |

# The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

|             |  | Amount in Taka       |                      |
|-------------|--|----------------------|----------------------|
|             |  | 2014                 | 2013                 |
| <b>14.1</b> | <b>Accumulated provision against loans and advances</b>                  |                      |                      |
|             | <b>On classified loans</b>   |                      |                      |
|             | Opening balance  | 751,671,225          | 688,410,000          |
|             | Further provided   | -                    | -                    |
|             |  | 751,671,225          | 688,410,000          |
|             | Less : Fully provided debts written off during the year                  | -                    | -                    |
|             | Add : Recovery of amounts previously written off                         | 42,151,714           | 10,249,420           |
|             | Add : Specific provision made during the year                            | -                    | 53,011,805           |
|             | Less : Recoveries and release of provision no longer required            | -                    | -                    |
|             | Net charge to Profit and Loss Statement                                  | -                    | -                    |
|             | Closing balance  | 793,822,939          | 751,671,225          |
|             | <b>On unclassified loans</b>   |                      |                      |
|             | Opening balance  | 404,207,556          | 423,490,000          |
|             | Further provided   | -                    | -                    |
|             | Less : Release for the year  | -                    | -                    |
|             | Less: Prior year adjustment (Surplus of provision of unclassified loans) | -                    | (19,597,444)         |
|             | Add : Provision made during the year                                     | -                    | 315,000              |
|             | Closing balance  | 404,207,556          | 404,207,556          |
|             | Total closing balance  | <b>1,198,030,495</b> | <b>1,155,878,781</b> |

**Note:** The Bank had maintained an accumulated provision of Tk. 79.38 Crore against classified loans & advances and a sum of Tk. 40.04 Crore as provision against unclassified loans & advances for the year ended 31 December 2014 against a provision requirement of Tk. 325.36 Crore and Tk. 59.71 Crore for classified loans and unclassified loans respectively. This results in a provision shortfall of Tk. 245.99 Crore against classified loans & advances and a sum of Tk. 19.28 Crore against unclassified loans and advances.

However, the Bank has maintained provision in line with the letter issued by Bangladesh Bank, vide their letter No. BRPD(P-1)/661/13/2015-3157 dated 27 April 2015 which instructed the Bank to meet up all the provision shortfall by the year ended 2015.

|             |                                     |                   |                   |
|-------------|-------------------------------------|-------------------|-------------------|
| <b>14.2</b> | <b>Provision for gratuity</b>       |                   |                   |
|             | Opening balance                     | 89,493,542        | 88,337,134        |
|             | Further provided                    | -                 | -                 |
|             | Add: Provision made during the year | 10,000,000        | 10,000,000        |
|             | Less: Adjustment during the year    | 21,198,718        | 8,843,592         |
|             | Closing balance                     | <b>78,294,824</b> | <b>89,493,542</b> |

**Note:** Bank has provided BDT. 1.00 Crore for gratuity for the year ended 2014, increasing the total provision to Tk. 7.83 Crore. On the basis lump sum calculation, the required gratuity provision as at 31 December 2014 comes to Tk. 28.00 Crore resulting in a shortfall of BDT. 20.31 Crore. Bank is under process to appoint an actuary to compute the actual gratuity payable to the employees. After receiving the actuary report, the Bank will build up the gratuity provision in the following year.

|             |  |                    |                    |
|-------------|--|--------------------|--------------------|
| <b>14.3</b> | <b>Provision for off-balance sheet items</b> |                    |                    |
|             | Opening balance                              | 225,438,830        | 127,938,830        |
|             | Add: Provision made during the year          | -                  | 97,500,000         |
|             | Less: Adjustment during the year             | -                  | -                  |
|             | Closing balance                              | <b>225,438,830</b> | <b>225,438,830</b> |

**Note:** The Bank had maintained an accumulated provision of Tk. 22.54 Crore against Off-Balance Sheet exposure for the year ended 31 December 2014 against a provision requirement of Tk. 27.72 Crore resulting in a provision shortfall of Tk. 5.18 Crore. However, the Bank has maintained provision in line with the letter issued by Bangladesh Bank, vide their letter No. BRPD(P-1)/661/13/2015-3157 dated 27 April 2015 which instructed the Bank to meet up all the provision shortfall by the year ended 2015.

# The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

Amount in Taka

|  | 2014               | 2013              |
|--|--------------------|-------------------|
| <b>14.4 Other provisions</b>                       |                    |                   |
| Provision for protested bills (Note - 14.4.1)      | 11,713,143         | 11,713,143        |
| Provision for suspense account (Note - 14.4.2)     | 5,848,565          | 5,848,565         |
| Provision for investment on shares (Note - 14.4.3) | 352,500,000        | 52,500,000        |
|  | <b>370,061,708</b> | <b>70,061,708</b> |
| <b>14.4.1 Provision for protested bills</b>        |                    |                   |
| Opening balance                                    | 11,713,143         | 9,713,143         |
| Add: Provision made during the year                | -                  | 2,000,000         |
| Less: Adjustment during the year                   | -                  | -                 |
| Closing balance                                    | <b>11,713,143</b>  | <b>11,713,143</b> |
| <b>14.4.2 Provision for suspense account</b>       |                    |                   |
| Opening balance                                    | 5,848,565          | 5,348,565         |
| Further provided                                   | -                  | -                 |
| Add: Provision made during the year                | -                  | 500,000           |
| Less: Adjustment during the year                   | -                  | -                 |
| Closing balance                                    | <b>5,848,565</b>   | <b>5,848,565</b>  |

**Note:** The Bank had maintained an accumulated provision of Tk. 1.17 Crore and Tk. 0.58 Core against protested bills and suspense account respectively for the year ended 31 December 2014 against a provision requirement of Tk. 5.70 Crore against other assets (which comprises of protested bills and suspense account) resulting in a provision shortfall of Tk. 3.95 Crore. However, the Bank has maintained provision in line with the letter issued by Bangladesh Bank, vide their letter No. BRPD(P-1)/661/13/2015-3157 dated 27 April 2015 which instructed the Bank to meet up all the provision shortfall by the year ended 2015.

|  |                    |                   |
|--|--------------------|-------------------|
| <b>14.4.3 Provision for investment in shares</b> |                    |                   |
| Opening balance                                  | 52,500,000         | 2,500,000         |
| Add: Provision made during the year (General)    | 300,000,000        | 50,000,000        |
| Add: Provision made during the year (Islamic)    | -                  | -                 |
| Less: Adjustment during the year                 | -                  | -                 |
| Closing balance                                  | <b>352,500,000</b> | <b>52,500,000</b> |

**Note:** The Bank had maintained an accumulated provision of Tk. 35.25 Crore against investments in shares for the year ended 31 December 2014 against a provision requirement of Tk. 110.55 Crore resulting in a provision shortfall of Tk. 75.30 Crore. However, the Bank has maintained provision in line with the letter issued by Bangladesh Bank, vide their letter No. BRPD(P-1)/661/13/2015-3157 dated 27 April 2015 which instructed the Bank to meet up all the provision shortfall by the year ended 2015.

|  |                    |                    |
|--|--------------------|--------------------|
| <b>14.5 Provision for corporate taxation</b> |                    |                    |
| Opening balance                              | 512,351,002        | 196,932,366        |
| Add: Provision made during the year          |                    |                    |
| Current tax                                  | 600,617,271        | 451,138,074        |
| Deferred tax                                 | 24,382,729         | 63,961,926         |
|  | 625,000,000        | 515,100,000        |
| Less: Adjustment during the year             | 665,783,022        | 199,681,363        |
| Closing balance                              | <b>471,567,980</b> | <b>512,351,003</b> |

**Note:** Up to the assessment year 2011-2012 there is a difference of Tk. 33 Crore between the tax claimed and the tax paid thereon. Cases are pending with the Tribunal and honourable High Court. The Bank has not made any provision in this regard since the matter is under adjudication. Please refer to Annexure - D for more details.

|  |                    |                    |
|--|--------------------|--------------------|
| <b>14.5(a) Consolidated provision for taxation</b> |                    |                    |
| Premier Bank Limited (Note - 14.5)                 | 471,567,980        | 512,351,003        |
| Premier Bank Securities Limited                    | 10,557,941         | 9,113,806          |
|  | <b>482,125,921</b> | <b>521,464,809</b> |



## The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

|  |  | Amount in Taka       |                      |
|--|--|----------------------|----------------------|
|  |  | 2014                 | 2013                 |
| <b>14.6 Interest suspense account</b>  |  |                      |                      |
| Opening balance  |  | 610,424,993          | 479,925,831          |
| Add: Transfer during the year  |  | 189,966,251          | 130,499,162          |
| Less: Recovery during the year   |  | -                    | -                    |
| Less: Write off during the year  |  | -                    | -                    |
| Closing balance  |  | <b>800,391,244</b>   | <b>610,424,993</b>   |
| <b>15 Share Capital</b>  |  | <b>5,637,033,670</b> | <b>5,124,576,082</b> |
| <b>15.1 Authorised Capital</b>   |  |                      |                      |
| 600,000,000 ordinary shares of Taka 10 each  |  | <b>6,000,000,000</b> | <b>6,000,000,000</b> |
| <b>15.2 Issued, subscribed and paid-up capital</b>                                       |  |                      |                      |
| <b>Issued for cash</b>   |  |                      |                      |
| Directors and sponsors: 48,650,355 ordinary share of Taka 10 each                        |  | 486,503,550          | 486,503,558          |
|  |  | <b>486,503,550</b>   | <b>486,503,558</b>   |
| <b>Issued for other than cash as bonus shares</b>  |  |                      |                      |
| Directors and sponsors: 221,540,970 bonus shares of Taka 10 each                         |  | 2,215,409,700        | 1,974,977,734        |
|  |  | <b>2,215,409,700</b> | <b>1,974,977,734</b> |
| <b>No. of shares owned by other than Directors &amp; Sponsors (General shareholders)</b> |  |                      |                      |
| 293,512,042 ordinary shares of Taka 10 each  |  | 2,935,120,420        | 2,663,094,790        |
|  |  | <b>5,637,033,670</b> | <b>5,124,576,082</b> |

**15.3 Percentage of shareholding**

| Particulars                         | 31.12.2014         |                    | 31.12.2013         |                    |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                     | No. of shares      | % of share holding | No. of shares      | % of share holding |
| <b>(i) Sponsors &amp; Directors</b> |                    |                    |                    |                    |
| Local (individual)                  | 255,307,478        | 45.29              | 224,704,296        | 43.85              |
| Govt. of Bangladesh                 | -                  | -                  | -                  | -                  |
| Foreign (individual)                | 16,927,999         | 3.00               | 15,389,090         | 3.00               |
| Independent Director (individual)   | 372,625            | 0.07               | 338,751            | 0.07               |
| <b>(ii) Associated companies</b>    | -                  | -                  | -                  | -                  |
| <b>(iii) Govt. of Bangladesh</b>    | -                  | -                  | -                  | -                  |
| <b>(iv) Corporate bodies</b>        | -                  | -                  | -                  | -                  |
| Local                               | 83,774,579         | 14.86              | 58,358,868         | 11.39              |
| Foreign                             | -                  | -                  | 1,444,725          | 0.28               |
| <b>(v) General investors</b>        | -                  | -                  | -                  | -                  |
| Local (individual)                  | 205,433,746        | 36.44              | 210,413,534        | 41.06              |
| Non-resident Bangladeshis           | 1,886,940          | 0.33               | 1,482,920          | 0.29               |
| Foreign individual                  | -                  | -                  | 325,423            | 0.06               |
| <b>(vi) Others</b>                  | -                  | -                  | -                  | -                  |
|                                     | <b>563,703,367</b> | <b>100</b>         | <b>512,457,607</b> | <b>100</b>         |

# The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

### 15.4 Names of the directors/shareholders and their shareholdings as on 31 December 2014

| Sl.  | Name of the Director/Shareholder | Status               | Shareholding (Number of shares) |                    |
|--|----------------------------------|----------------------|---------------------------------|--------------------|
|  |                                  |                      | 31.12.2014                      | 31.12.2013         |
| 1  | Dr. H. B. M. Iqbal               | Chairman             | 21,696,522                      | 19,724,111         |
| 2  | Mr. Mohammad Imran Iqbal         | Vice Chairman        | 11,274,601                      | 10,249,638         |
| 3  | Mr. B. H. Haroon, MP             | Director             | 11,277,198                      | 10,251,999         |
| 4  | Mr. Abdus Salam Murshedy         | Director             | 23,737,780                      | 21,579,800         |
| 5  | Mr. Shafiqur Rahman              | Director             | 11,279,046                      | 10,253,679         |
| 6  | Mr. Shah Md. Nahyan Haroon       | Director             | 11,277,339                      | 10,252,127         |
| 7  | Mrs. Shaila Shelly Khan          | Director             | 28,175,764                      | 25,614,331         |
| 8  | Mr. Yeh Cheng Min                | Director             | 16,927,999                      | 15,389,090         |
| 9  | Mr. Arif Alam                    | Director             | 13,294,132                      | -                  |
| 10   | Mrs Fauzia Rekza Banu            | Director             | 11,569,135                      | -                  |
| 11   | Mr. Kazi Abdul Mazid             | Independent Director | 193,382                         | 175,802            |
| 12   | Mrs. Faiza Rahman                | Independent Director | 179,243                         | 162,949            |
| 13   | Mr. Moin Iqbal                   | Sponsor Shareholder  | 11,274,648                      | 10,249,680         |
| 14   | Mrs. Nawrin Iqbal                | Sponsor Shareholder  | 11,274,703                      | 10,249,730         |
| 15   | Dr. Arifur Rahman                | Sponsor Shareholder  | 19,531,602                      | 17,756,002         |
| 16   | Mr. Nurul Amin                   | Sponsor Shareholder  | 3,921,092                       | 3,564,630          |
| 17   | Mr. Md. Lutfur Rahman            | Sponsor Shareholder  | 1,898,470                       | 1,725,882          |
| 18   | Mr. Md. Masud Zaman              | Sponsor Shareholder  | 4,293,641                       | 3,903,311          |
| 19   | Ms. Parsa Sanjana Amin           | Sponsor Shareholder  | 3,165,277                       | 2,877,525          |
| 20   | Mr. Kutubuddin Ahmed             | Sponsor Shareholder  | 7,116,650                       | 16,264,567         |
| 21   | Mr. Sanwar Dito                  | Sponsor Shareholder  | 11,976,874                      | 13,342,613         |
| 22   | Mrs. Ferdous Amin                | Sponsor Shareholder  | 8,845,480                       | 8,041,346          |
| 23   | Mr. Alif Alam                    | Sponsor Shareholder  | 6,000,000                       | 7,993,751          |
| 24   | Mrs. Rashida Ahmed               | Sponsor Shareholder  | 496,076                         | 871,888            |
| 25   | Mrs. Sharmin Salam               | Sponsor Shareholder  | 2,028,287                       | 1,843,898          |
| 26   | Mr. Md. Miraj Rahman             | Sponsor Shareholder  | 10,741                          | 9,765              |
| 27   | Mr. Maruf Rahman                 | Sponsor Shareholder  | 10,741                          | 9,765              |
| 28   | Mr. Md. Moniruzzaman             | Sponsor Shareholder  | 4,211,359                       | 3,828,509          |
| 29   | Mr. Md. Wahiduzzaman             | Sponsor Shareholder  | 4,211,356                       | 3,828,506          |
| 30   | Mrs. Asma Begum                  | Sponsor Shareholder  | 2,389,891                       | 2,172,629          |
| 31   | Mr. Shah Md. Adnan Haroon        | Sponsor Shareholder  | 2,444,200                       | 2,222,000          |
| 32   | Mr. Jamal G. Ahmed               | Sponsor Shareholder  | 839,006                         | 762,733            |
| 33   | Mrs. Husne-Ara Begum             | Sponsor Shareholder  | 1,821,326                       | 1,655,752          |
| 34   | Mr. Adytta Amin                  | Sponsor Shareholder  | 3,964,541                       | 3,604,129          |
| <b>Sub-total</b>   |                                  |                      | <b>272,608,102</b>              | <b>240,432,137</b> |
| No. of shares owned by other than Directors & Sponsors<br>(General shareholders) |                                  |                      | 291,095,265                     | 272,025,470        |
| <b>Total</b>   |                                  |                      | <b>563,703,367</b>              | <b>512,457,607</b> |

### 15.5 Classification of shareholders by holding as on December 31, 2014

| Shareholding Range  | No. of Shareholders | No. of Shares      | Percentage of share holding |
|---------------------|---------------------|--------------------|-----------------------------|
| 01 - 500            | 36,751              | 7,888,629          | 1.40%                       |
| 501 - 5000          | 37,771              | 67,791,417         | 12.03%                      |
| 5,001 - 10,000      | 4,113               | 29,431,458         | 5.22%                       |
| 10,001 - 20,000     | 1,894               | 27,021,076         | 4.79%                       |
| 20,001 - 30,000     | 578                 | 14,175,827         | 2.51%                       |
| 30,001 - 40,000     | 249                 | 8,676,930          | 1.54%                       |
| 40,001 - 50,000     | 150                 | 6,814,172          | 1.21%                       |
| 50,001 - 100,000    | 262                 | 18,469,784         | 3.28%                       |
| 100,001 - 1,000,000 | 183                 | 54,037,231         | 9.59%                       |
| Over 1,000,000      | 57                  | 329,396,843        | 58.43%                      |
| <b>Total</b>        | <b>82,008</b>       | <b>563,703,367</b> | <b>100%</b>                 |

## The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

Amount in Taka

|  | 2014                 | 2013                 |
|--|----------------------|----------------------|
| <b>15.6 Capital adequacy ratio (CAR)</b>   |                      |                      |
| 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 2014 on solo basis is Taka 8,622,300,000 as against available core capital of Taka 5,560,820,153 and supplementary capital of Taka 2,381,874,711 and consolidated basis is Taka 8,632,180,000 as against available core capital of Taka 5,544,491,723 and supplementary capital of Taka 2,381,874,711 that is, a total of Taka 679,605,136 on solo basis and Taka 705,813,566 on consolidate basis thereby showing deficit capital/equity. Details are shown below: |                      |                      |
| <b>15.6.1 Core capital (Tier I)</b>  |                      |                      |
| Paid-up capital  | 5,637,033,670        | 5,124,576,082        |
| Statutory reserve  | 2,536,549,137        | 2,238,797,814        |
| Retained earnings  | 600,137,346          | 546,589,704          |
| Dividend equalisation account  | -                    | -                    |
|  | <b>8,773,720,153</b> | <b>7,909,963,600</b> |
| Less: Adjustment of capital  | 3,212,900,000        | -                    |
| <b>Total Core capital (Tier I)</b>   | <b>5,560,820,153</b> | <b>7,909,963,600</b> |
| <b>15.6.1(a) Consolidated Core capital (Tier I)</b>  |                      |                      |
| Paid-up capital  | 5,637,033,670        | 5,124,576,082        |
| Statutory reserve  | 2,536,549,137        | 2,238,797,814        |
| Retained earnings  | 583,786,684          | 522,401,890          |
| Dividend equalisation account  | -                    | -                    |
| Minority interest  | 22,232               | 21,448               |
|  | <b>8,757,391,723</b> | <b>7,885,797,234</b> |
| Less: Adjustment of capital  | 3,212,900,000        | -                    |
| <b>Total Core capital (Tier I)</b>   | <b>5,544,491,723</b> | <b>7,885,797,234</b> |
| <b>15.6.2 Supplementary capital (Tier II)</b>  |                      |                      |
| General provision (unclassified loans) (Note - 14.1)   | 404,207,556          | 404,207,556          |
| Provision for off-balance sheet items (Note - 14.3)  | 225,438,830          | 225,438,830          |
| Revaluation Reserve for Securities (50%) (Note - 17)   | 71,266,881           | 29,038,275           |
| Revaluation Reserves for Fixed Assets (50%) (Note-17)  | 20,961,445           | 20,961,445           |
| Subordinate bond (Note - 12)   | 1,660,000,000        | -                    |
| Exchange equalisation account  | -                    | -                    |
| <b>Total Supplementary capital (Tier II)</b>   | <b>2,381,874,711</b> | <b>679,646,106</b>   |
| <b>Total Tire I &amp; Tire II</b>  | <b>7,942,694,864</b> | <b>8,589,609,706</b> |
| (A) Total assets including off-Balance Sheet items   | 144,855,091,556      | 116,870,104,263      |
| (B) Total risk-weighted assets   | 86,223,000,000       | 76,014,100,000       |
| (C) Required capital (10% of risk-weighted assets)   | 8,622,300,000        | 7,601,410,000        |
| <b>(D) Actual capital maintained</b>   |                      |                      |
| Core capital, Tier I (Note - 15.6.1)   | 5,560,820,153        | 7,909,963,600        |
| Supplementary capital, Tier II (Note - 15.6.2)   | 2,381,874,711        | 679,646,106          |
|  | <b>7,942,694,864</b> | <b>8,589,609,706</b> |
| <b>(E) Surplus/(Deficit) (C-D)</b>   | <b>(679,605,136)</b> | <b>988,199,706</b>   |
| <b>Capital adequacy ratio</b>  | <b>9.21%</b>         | <b>11.30%</b>        |
| <b>15.6.2(a) Consolidated Supplementary capital (Tier II)</b>  |                      |                      |
| General provision (unclassified loans) (Note - 14.1)   | 404,207,556          | 404,207,556          |
| Provision for off-balance sheet items (Note - 14.3)  | 225,438,830          | 225,438,830          |
| Revaluation Reserve for Securities (50%) (Note - 17)   | 71,266,881           | 29,038,275           |
| Revaluation Reserves for Fixed Assets (50%) (Note - 17)  | 20,961,445           | 20,961,445           |
| Subordinate bond   | 1,660,000,000        | -                    |
| Exchange equalisation account  | -                    | -                    |
|  | <b>2,381,874,711</b> | <b>679,646,106</b>   |

# The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

|  | Amount in Taka       |                      |
|--|----------------------|----------------------|
|  | 2014                 | 2013                 |
| (A) Total assets including off-Balance Sheet items | 145,447,457,226      | 145,447,457,226      |
| (B) Total risk-weighted assets                     | 86,321,800,000       | 74,735,100,000       |
| (C) Required capital (10% of risk-weighted assets) | 8,632,180,000        | 7,473,510,000        |
| <b>(D) Actual capital maintained</b>               |                      |                      |
| Core capital, Tier I (Note - 15.6.1(a))            | 5,544,491,723        | 7,885,797,234        |
| Supplementary capital, Tier II (Note - 15.6.2(a))  | 2,381,874,711        | 679,646,106          |
|  | 7,926,366,434        | 8,565,443,340        |
| <b>(E) Surplus/(Deficit) (C-D)</b>                 | <b>(705,813,566)</b> | <b>1,091,933,340</b> |
| <b>Capital adequacy ratio</b>                      | <b>9.18%</b>         | <b>11.46%</b>        |

### 15.7 Capital requirement

|                       | 2014 Under Basel-II |              | 2013 Under Basel-II |               |
|-----------------------|---------------------|--------------|---------------------|---------------|
|                       | Required            | Holding      | Required            | Holding       |
| Core capital          | 5.00%               | 6.45%        | 5.00%               | 10.55%        |
| Supplementary capital | 5.00%               | 2.76%        | 5.00%               | 0.91%         |
| <b>Total</b>          | <b>10.00%</b>       | <b>9.21%</b> | <b>10.00%</b>       | <b>11.30%</b> |

### 15.7(a) Consolidated Capital requirement

|                       | 2014 Under Basel-II |              | 2013 Under Basel-II |               |
|-----------------------|---------------------|--------------|---------------------|---------------|
|                       | Required            | Holding      | Required            | Holding       |
| Core capital          | 5.00%               | 6.42%        | 5.00%               | 10.55%        |
| Supplementary capital | 5.00%               | 2.76%        | 5.00%               | 0.91%         |
| <b>Total</b>          | <b>10.00%</b>       | <b>9.18%</b> | <b>10.00%</b>       | <b>11.46%</b> |

### 16 Statutory reserve

An amount equivalent to 20% of the profit has been transferred to the statutory reserve fund as under:

|  |                      |                      |
|--|----------------------|----------------------|
| Opening balance  | 2,238,797,814        | 1,964,895,747        |
| Prior period adjustment                                  | 12                   | -                    |
| Adjusted Opening Balance                                 | <b>2,238,797,826</b> | <b>1,964,895,747</b> |
| Add : Addition during the year (20% of operating profit) | 297,751,311          | 273,902,067          |
| <b>Closing balance</b>                                   | <b>2,536,549,137</b> | <b>2,238,797,814</b> |

### 17 Other reserve

|   |                    |                   |
|---|--------------------|-------------------|
| Revaluation on HFT securities (Note - 17.1)             | 80,559,257         | 20,100,781        |
| Amortization Reserve on HTM Treasury Bond (Note - 17.2) | 357,737            | 93,624            |
| Amortization Reserve on HTM Treasury Bill (Note - 17.3) | 61,616,767         | 37,882,145        |
| Fixed Assets Revaluation (Note - 17.4)                  | 41,922,889         | 41,922,889        |
|   | <b>184,456,650</b> | <b>99,999,439</b> |

#### 17.1 Revaluation on HFT securities

|                                   |                   |                   |
|-----------------------------------|-------------------|-------------------|
| Opening balance                   | 20,100,781        | 68,340            |
| Add : Addition during the year    | 60,458,476        | 20,032,441        |
| Less : Adjustment during the year | -                 | -                 |
| <b>Closing balance</b>            | <b>80,559,257</b> | <b>20,100,781</b> |

#### 17.2 Amortization Reserve on HTM Treasury Bond

|                                   |                |               |
|-----------------------------------|----------------|---------------|
| Opening balance                   | 93,624         | 1,501         |
| Add : Addition during the year    | 264,113        | 92,123        |
| Less : Adjustment during the year | -              | -             |
| <b>Closing balance</b>            | <b>357,737</b> | <b>93,624</b> |



## The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

|               |  | Amount in Taka        |                      |
|---------------|--|-----------------------|----------------------|
|               |  | 2014                  | 2013                 |
| <b>17.3</b>   | <b>Amortization Reserve on HTM Treasury Bill</b>   |                       |                      |
|               | Opening balance  | 37,882,145            | 15,432,655           |
|               | Add : Addition during the year   | 23,734,622            | 22,449,490           |
|               | Less : Adjustment during the year  | -                     | -                    |
|               | Closing balance  | <b>61,616,767</b>     | <b>37,882,145</b>    |
| <b>17.4</b>   | <b>Fixed Assets Revaluation</b>  |                       |                      |
|               | Opening balance  | 41,922,889            | 41,922,889           |
|               | Add : Addition during the year   | -                     | -                    |
|               | Less : Adjustment during the year  | -                     | -                    |
|               | Closing balance  | <b>41,922,889</b>     | <b>41,922,889</b>    |
|               |  | <b>184,456,650</b>    | <b>99,999,439</b>    |
| <b>17(a)</b>  | <b>Consolidated Other reserve</b>  |                       |                      |
|               | Premier Bank Limited (Note - 17)   | 184,456,650           | 99,999,439           |
|               | Premier Money Transfer Company Ltd. Ltd.   | 1,521,933             | 935,775              |
|               |  | <b>185,978,583</b>    | <b>100,935,214</b>   |
| <b>18</b>     | <b>Retained earnings</b>   |                       |                      |
|               | Opening balance  | 546,589,704           | 480,403,142          |
|               | Add: Cash Dividend from Premier Bank Securities Ltd.                                       | -                     | -                    |
|               | Add: Prior year adjustments ( surplus of provision of unclassified loans)                  | -                     | 19,597,444           |
|               | Less: Adjustment of investment in share portfolios.  | -                     | 10,000,000           |
|               | <b>Restated Opening Balance</b>  | <b>546,589,704</b>    | <b>490,000,586</b>   |
|               | Add: Post-tax profit for the year  | 863,756,553           | 796,361,735          |
|               | Less: Transfer to statutory reserve  | 297,751,311           | 273,902,067          |
|               | Add: Currency difference for investment in subsidiary                                      | -                     | -                    |
|               | Less: Issue of bonus shares  | 512,457,600           | 465,870,550          |
|               | Closing balance  | <b>600,137,346</b>    | <b>546,589,704</b>   |
| <b>18(a)</b>  | <b>Consolidated retained earnings</b>  |                       |                      |
|               | Opening balance (Note - 18(aa))  | 521,641,443           | 476,421,762          |
|               | Add: Post-tax profit for the year  | 872,356,384           | 785,752,775          |
|               | Less: Transfer to statutory reserve  | (297,751,311)         | (273,902,067)        |
|               | Add: Currency difference for investment in subsidiary                                      | -                     | -                    |
|               | Less: Issue of bonus shares  | (512,457,600)         | (465,870,550)        |
|               | Less: Non controlling interest   | (2,232)               | (30)                 |
|               | Closing balance  | <b>583,786,684</b>    | <b>522,401,890</b>   |
| <b>18(aa)</b> | <b>Restated Consolidated opening Balance</b>   |                       |                      |
|               | Opening balance  | 522,401,890           | 466,460,465          |
|               | Less: Adjustment of investment in share portfolios.  | -                     | 10,000,000           |
|               | Add: Prior year adjustments ( surplus of provision of unclassified loans)                  | -                     | 19,597,444           |
|               | Add: Currency difference for investment in subsidiary                                      | (760,447)             | 363,853              |
|               | ADD: Prior year Adjustment for Premier Money Transfer Company Ltd.                         | -                     | -                    |
|               | Less: Cash Dividend to Premier Bank Ltd.   | -                     | -                    |
|               | Add: Prior year Adjustment with Minority interest  | -                     | -                    |
|               |  | <b>521,641,443</b>    | <b>476,421,762</b>   |
| <b>19</b>     | <b>Contingent Liabilities</b>  |                       |                      |
| <b>19.1</b>   | <b>Claims lodged with the Bank Company but not recognised as loan</b>                      |                       |                      |
|               | Money for which the Bank is contingently liable in respect of guarantees issued favouring: |                       |                      |
|               | Directors  | 81,886,746            | 7,327,000            |
|               | Government   | -                     | -                    |
|               | Banks and other financial institutions   | -                     | -                    |
|               | Others   | 11,425,359,264        | 8,609,846,149        |
|               |  | <b>11,507,246,010</b> | <b>8,617,173,149</b> |

# The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

|   |                       | Amount in Taka        |      |
|---|-----------------------|-----------------------|------|
|   |                       | 2014                  | 2013 |
| <b>19.2 Other contingent liabilities</b>                                |                       |                       |      |
| Litigation pending against the Bank                                     | -                     | -                     | -    |
| Value of traveller's cheques  | -                     | -                     | -    |
|   | -                     | -                     | -    |
|   | -                     | -                     | -    |
| <b>20 Other Commitments</b>   |                       |                       |      |
| Documentary credits and short term trade-related transactions           | -                     | -                     | -    |
| Forward assets purchase and forward deposits placement                  | -                     | 234,311,400           | -    |
| Undrawn formal standby facilities, credit lines and commitments to lend | -                     | -                     | -    |
| 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                             | -                     | -                     | -    |
| Other exchange contracts  | -                     | -                     | -    |
|   | -                     | <b>234,311,400</b>    |      |
| <b>21 Income</b>  |                       |                       |      |
| Interest, discount and similar income                                   | 9,150,805,308         | 8,253,723,271         |      |
| Dividend income   | 77,334,915            | 35,659,015            |      |
| Fee, commission and brokerage   | 418,593,966           | 385,852,036           |      |
| Gains less losses arising from dealing in foreign currencies            | 447,804,930           | 303,415,768           |      |
| Investment income   | 1,889,512,218         | 1,572,586,918         |      |
| Income from non banking assets  | -                     | -                     |      |
| Other operating income  | 315,153,864           | 477,006,734           |      |
|   | <b>12,299,205,201</b> | <b>11,028,243,742</b> |      |
| <b>Expenses</b>   |                       |                       |      |
| Interest, fee and commission  | 7,283,474,420         | 6,715,818,939         |      |
| Losses on loans and advances  | 1,467,650             | -                     |      |
| Losses on portfolio   | 2,850,680,700         | 2,292,522,141         |      |
| Administrative expenses   | 215,633,580           | 360,113,422           |      |
| Other operating expenses  | 149,192,298           | 135,000,700           |      |
| Depreciation on banking assets  | <b>10,500,448,648</b> | <b>9,503,455,202</b>  |      |
|   | <b>1,798,756,553</b>  | <b>1,524,788,540</b>  |      |
| <b>22 Interest income</b>   |                       |                       |      |
| Interest on call loans  | 88,921,180            | 142,760,147           |      |
| Interest received from other banks and financial institutions           | 269,298,841           | 260,200,013           |      |
| Interest received from foreign banks and Bangladesh Bank F/C accounts   | 68,003,270            | 5,176,797             |      |
| Interest received from customers, other than banks                      | 8,603,863,012         | 7,700,219,980         |      |
| Interest income from PBSL   | -                     | 42,247,500            |      |
| Interest income on Off-shore Banking Unit                               | 120,719,005           | 63,118,834            |      |
|   | <b>9,150,805,308</b>  | <b>8,253,723,271</b>  |      |
| <b>22(a) Consolidated interest income</b>                               |                       |                       |      |
| Premier Bank Limited (Note - 22)  | 9,150,805,308         | 8,253,723,271         |      |
| Premier Bank Securities Ltd.  | 246,239,870           | 291,819,358           |      |
|   | <b>9,397,045,178</b>  | <b>8,545,542,629</b>  |      |
| Less: Inter Company Transaction   | 182,453,077           | 250,731,198           |      |
|   | <b>9,214,592,101</b>  | <b>8,294,811,431</b>  |      |
| <b>23 Interest paid on deposits, borrowings, etc.</b>                   |                       |                       |      |
| Interest paid on deposits   | 7,031,773,257         | 6,485,044,116         |      |
| Interest paid on borrowings   | 182,236,532           | 184,614,927           |      |
| Interest paid on repo   | 2,538,379             | -                     |      |
| Interest paid on Deposit, Off- shore Banking Unit                       | 66,926,252            | 46,159,896            |      |
|   | <b>7,283,474,420</b>  | <b>6,715,818,939</b>  |      |

# The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

Amount in Taka

|   | 2014                 | 2013                 |
|---|----------------------|----------------------|
| <b>23(a) Consolidated interest paid on deposits, borrowings, etc.</b> |                      |                      |
| Premier Bank Limited (Note - 23)                                      | 7,283,474,420        | 6,715,818,939        |
| Premier Bank Securities Ltd.  | 182,453,077          | 250,731,198          |
|   | <b>7,465,927,497</b> | <b>6,966,550,137</b> |
| Less: Inter Company Transaction                                       | 182,453,077          | 250,731,198          |
|   | <b>7,283,474,420</b> | <b>6,715,818,939</b> |
| <b>24 Investment income</b>   |                      |                      |
| Interest on treasury bills, Bangladesh Bank bills, repo & R.repo      | 250,773,667          | 127,969,760          |
| Interest on treasury bonds, corporate bonds                           | 1,268,772,934        | 1,212,732,022        |
| Dividend Income   | 77,334,915           | 35,659,015           |
| Capital gain on govt securities                                       | 76,379,206           | -                    |
| Capital gain on sale of investment in shares (Note - 24.1)            | 293,586,411          | 313,258,844          |
|   | <b>1,966,847,133</b> | <b>1,689,619,641</b> |
| <b>24.1 Gain on sale of shares</b>                                    |                      |                      |
| Investment in portfolio   | 293,586,411          | 313,258,844          |
|   | <b>293,586,411</b>   | <b>313,258,844</b>   |
| <b>25 Commission, exchange and brokerage</b>                          |                      |                      |
| Commission  | 354,275,009          | 328,438,685          |
| Commission on Off-shore units   | 231,607              | 26,081               |
| Exchange earnings   | 447,804,930          | 303,415,768          |
|   | <b>802,311,546</b>   | <b>631,880,534</b>   |
| <b>25(a) Consolidated Commission exchange and brokerage</b>           |                      |                      |
| Premier Bank Limited (Note - 25)                                      | 802,311,546          | 631,880,534          |
| Premier Bank Securities Ltd.  | 58,855,770           | 53,836,105           |
| Premier Money Transfer Company Ltd.                                   | 5,231,580            | 3,551,165            |
|   | <b>866,398,896</b>   | <b>689,267,804</b>   |
| <b>26 Other income</b>  |                      |                      |
| Services and other charges  | 148,230,726          | 231,972,022          |
| Income from rent of lockers   | 2,630,646            | 2,302,680            |
| Postage recoveries  | 19,410,644           | 18,836,743           |
| Telex/fax/e-mail charges received                                     | 46,919,519           | 43,345,475           |
| Incidental charges  | 35,679,956           | 30,834,172           |
| Revaluation for HFT TR Bill   | -                    | -                    |
| Income sale of Bank Property  | 1,010,878            | 15,000               |
| Revaluation for assets  | -                    | -                    |
| Rent on property  | 8,626,700            | 14,087,941           |
| Miscellaneous earnings  | 116,492,513          | 111,580,808          |
| Other income on Off-shore Banking Unit                                | 239,632              | 45,455               |
|   | <b>379,241,214</b>   | <b>453,020,296</b>   |
| <b>26(a) Consolidated other income</b>                                |                      |                      |
| Premier Bank Limited (Note - 26)                                      | 379,241,214          | 453,020,296          |
| Premier Bank Securities Ltd.  | 21,149,448           | 23,982,736           |
| Premier Money Transfer Company Ltd.                                   | -                    | 3,702                |
|   | <b>400,390,662</b>   | <b>477,006,734</b>   |
| <b>27 Salary and allowances</b>                                       |                      |                      |
| Basic pay   | 444,835,449          | 389,711,631          |
| Allowances  | 522,987,825          | 450,800,430          |
| Bonus   | 103,801,061          | 63,976,233           |
| Provident fund contribution   | 38,106,245           | 32,925,581           |
| Retirement benefits and gratuity                                      | -                    | 119,400              |
|   | <b>1,109,730,580</b> | <b>937,533,275</b>   |
| <b>27(a) Consolidated salary and allowances</b>                       |                      |                      |
| Premier Bank Limited (Note - 27)                                      | 1,109,730,580        | 937,533,275          |
| Premier Bank Securities Ltd.  | 15,902,578           | 15,631,688           |
| Premier Money Transfer Company Ltd.                                   | 6,461,504            | 6,727,044            |
|   | <b>1,132,094,662</b> | <b>959,892,007</b>   |

# The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

Amount in Taka

|  | 2014                 | 2013               |
|--|----------------------|--------------------|
| <b>28 Rent, taxes, insurance, electricity, etc.</b>  |                      |                    |
| Rent, rates and taxes  | 896,344,808          | 782,927,843        |
| Insurance  | 48,948,425           | 43,234,997         |
| Electricity, gas, water, etc.  | 79,523,843           | 73,912,191         |
|  | <b>1,024,817,076</b> | <b>900,075,031</b> |
| <p><b>Note:</b> Our Tax and VAT adviser, M/S Zia &amp; Associates advised us vide a letter dated March 11, 2011 not to deduct VAT on office rent and pay at source in view of VAT Act, 1991 section 3(1). Subsequently a writ petition was submitted before the honourable High Court. On the basis of this advice, the Bank has not accounted for Tk. 11.56 Crore as VAT expenses for the period from 2012 to 2014</p> <p>Honourable High Court issued a rule directing the Govt as to why SRO Nos. 202-Ain/2010/551-Mushok, dated 10/05/2010 and 105-Ain/2009/513-Musak, dated 11.06.2009 should not be declared to have been issued without lawful authority and are of no legal effect as being ultravires to the provisions of section 3(1) and Second Schedule of the Value Added Tax Act, 1991. The matter is under adjudication.</p> |                      |                    |
| <b>28(a) Consolidated Rent, taxes, insurance, electricity, etc.</b>  |                      |                    |
| Premier Bank Limited (Note - 28)   | 1,024,817,076        | 900,075,031        |
| Premier Bank Securities Ltd.   | 85,319,449           | 81,744,039         |
| Premier Money Transfer Company Ltd.  | 5,320,239            | 5,145,614          |
|  | <b>1,115,456,764</b> | <b>986,964,684</b> |
| <b>29 Legal expenses</b>   |                      |                    |
| Law charges  | 1,436,103            | 1,184,954          |
| Other professional charges   | 42,663,212           | 1,297,922          |
|  | <b>44,099,315</b>    | <b>2,482,876</b>   |
| <b>29(a) Consolidated Legal expenses</b>   |                      |                    |
| Premier Bank Limited (Note- 29)  | 44,099,315           | 2,482,876          |
| Premier Money Transfer Company Ltd.  | 383,296              | 280,825            |
| Premier Bank Securities Ltd.   | -                    | 15,000             |
|  | <b>44,482,611</b>    | <b>2,778,701</b>   |
| <b>30 Postage, stamp, telecommunication, etc.</b>  |                      |                    |
| Telephone  | 9,833,659            | 7,704,948          |
| Postage, stamp and swift charges   | 31,809,559           | 27,698,248         |
| Telegram, telex, internet, fax and e-mail  | 15,480,773           | 13,277,560         |
|  | <b>57,123,991</b>    | <b>48,680,756</b>  |
| <b>30(a) Consolidated Postage, stamp, telecommunication, etc.</b>  |                      |                    |
| Premier Bank Limited (Note - 30)   | 57,123,991           | 48,680,756         |
| Premier Bank Securities Ltd.   | 108,875              | 153,161            |
| Premier Money Transfer Company Ltd.  | 140,639              | 107,607            |
|  | <b>57,373,505</b>    | <b>48,941,524</b>  |
| <b>31 Stationery, printing, advertisement, etc.</b>  |                      |                    |
| Printing and stationery  | 166,175,239          | 134,965,588        |
| Publicity, advertisement, contribution, etc.   | 384,268,478          | 238,162,452        |
|  | <b>550,443,717</b>   | <b>373,128,040</b> |
| <b>31(a) Consolidated Stationery, printing, advertisement, etc.</b>  |                      |                    |
| Premier Bank Limited (Note- 31)  | 550,443,717          | 373,128,040        |
| Premier Bank Securities Ltd.   | 378,856              | 772,711            |
| Premier Money Transfer Company Ltd.  | 74,692               | 102,501            |
|  | <b>550,897,265</b>   | <b>374,003,252</b> |
| <b>32 Chief executive's salary and fees</b>  | 9,800,000            | 9,800,000          |
|  | <b>9,800,000</b>     | <b>9,800,000</b>   |
| <b>33 Directors' fees</b>  | 2,865,000            | 1,875,000          |
|  | <b>2,865,000</b>     | <b>1,875,000</b>   |

Each Director is paid a sum of Tk. 5,000.00 for each meeting attended.



## The Premier Bank Limited

Notes to financial statements for the year ended December 31, 2014

|              |  | Amount in Taka     |                    |
|--------------|--|--------------------|--------------------|
|              |  | 2014               | 2013               |
| <b>34</b>    | <b>Depreciation and repair of Bank's assets</b>              |                    |                    |
|              | <b>Repairs:</b>  |                    |                    |
|              | Furniture and fixtures                                       | 3,721,095          | 3,471,272          |
|              | Office equipment   | 10,548,457         | 8,629,966          |
|              | Renovation and maintenance of premises                       | 36,956,469         | 19,067,920         |
|              |  | <b>51,226,021</b>  | <b>31,169,158</b>  |
|              | <b>Depreciation: (Annexure - B)</b>                          |                    |                    |
|              | Vehicles   | 1,995,607          | 2,893,972          |
|              | Furniture and fixtures                                       | 71,688,880         | 62,909,676         |
|              | Equipment & Computer   | 59,798,551         | 51,896,633         |
|              | Land and building  | 15,709,260         | 16,008,794         |
|              |  | <b>149,192,298</b> | <b>133,709,075</b> |
|              | <b>Total Depreciation and repair of Bank's assets</b>        | <b>200,418,319</b> | <b>164,878,233</b> |
| <b>34(a)</b> | <b>Consolidated Depreciation and repair of Bank's assets</b> |                    |                    |
|              | <b>Repairs:</b>  |                    |                    |
|              | Premier Bank Limited (Note - 34)                             | 51,226,021         | 31,169,158         |
|              | Premier Bank Securities Ltd.                                 | 31,700             | 37,451             |
|              | Premier Money Transfer Company Ltd.                          | 25,747             | 12,637             |
|              |  | <b>51,283,468</b>  | <b>31,219,246</b>  |
|              | <b>Depreciation: (Annexure - A)</b>                          |                    |                    |
|              | Premier Bank Limited (Note- 34)                              | 149,192,298        | 133,709,075        |
|              | Premier Bank Securities Ltd.                                 | 489,278            | 561,224            |
|              | Premier Money Transfer Company Ltd.                          | 561,099            | 730,401            |
|              |  | <b>150,242,675</b> | <b>135,000,700</b> |
|              |  | <b>201,526,143</b> | <b>166,219,946</b> |
| <b>35</b>    | <b>Other expenses</b>  |                    |                    |
|              | Training expenses  | 3,097,312          | 5,349,491          |
|              | Car maintenance  | 10,291,632         | 0,522,749          |
|              | Washing and cleaning   | 2,973,157          | 2,812,842          |
|              | Subscription   | 6,665,262          | 6,656,636          |
|              | Entertainment  | 23,119,086         | 31,023,541         |
|              | Travelling   | 5,098,937          | 7,212,455          |
|              | Conveyance   | 5,405,089          | 4,763,937          |
|              | Cartage and freight  | 33,130             | 54,625             |
|              | Liveries and uniform   | 576,380            | 344,230            |
|              | Cash carrying charges  | 10,671,284         | 8,985,733          |
|              | Credit card fees   | 73,302,131         | 55,036,130         |
|              | Losses of property   | -                  | 8,000              |
|              | Loss for Revaluation   | 35,601,206         | 178,834,153        |
|              | Loss on revaluation for HFT TB                               | 16,780,138         | -                  |
|              | Loss on Amortization for HTM TB                              | 382,245            | 10,050             |
|              | AGM expenses   | 6,427,710          | 14,393,617         |
|              | Remittance charges   | 688,704            | 452,572            |
|              | Discount paid to bank  | -                  | 63,805             |
|              | Sundry expenses  | 14,520,177         | 21,710,486         |
|              |  | <b>215,633,580</b> | <b>348,235,052</b> |
| <b>35(a)</b> | <b>Consolidated other expenses</b>                           |                    |                    |
|              | Premier Bank Limited (Note - 35)                             | 215,633,580        | 348,235,052        |
|              | Premier Bank Securities Ltd.                                 | 11,354,141         | 10,082,492         |
|              | Premier Money Transfer Company Ltd.                          | 3,263,726          | 1,795,878          |
|              |  | <b>230,251,447</b> | <b>360,113,422</b> |
| <b>36</b>    | <b>Provision against loans and advances</b>                  |                    |                    |
|              | Specific provision   | -                  | 53,011,805         |
|              | General provision  | -                  | 315,000            |
|              |  | <b>-</b>           | <b>53,326,805</b>  |

# The Premier Bank Limited

Notes to financial statements for the year ended December 31, 2014



Amount in Taka

## 37 Earnings per share (EPS)

Net profit after taxation (Numerator)  
Number of ordinary shares outstanding (Denominator)  
Earnings per share (EPS)

| 2014        | 2013        |
|-------------|-------------|
| 863,756,553 | 796,361,735 |
| 563,703,367 | 512,457,607 |
| <b>1.53</b> | <b>1.55</b> |

Earnings per share (EPS) has been calculated in accordance with BAS - 33 : "Earnings per share (EPS)". Previous year's figures have been adjusted issue of 5,12,45,760 bonus shares (for the year 2013) during the year.

## 37(a) Consolidated earnings per share (CEPS)

Net profit after taxation (Numerator)  
Number of ordinary shares outstanding (Denominator)  
Consolidated earnings per share (CEPS)

|             |             |
|-------------|-------------|
| 872,356,384 | 785,752,775 |
| 563,703,367 | 512,457,607 |
| <b>1.55</b> | <b>1.53</b> |

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 issue of 5,12,45,760 bonus shares (for the year 2014) during the year.

## 37.1 Net operating cash flow per share (NOCFPS)

Cash generated from operating activities  
Average number of ordinary shares outstanding  
Net operating cash flow per share (NOCFPS)

|             |               |
|-------------|---------------|
| 856,852,228 | 1,156,806,312 |
| 563,703,367 | 512,457,607   |
| <b>1.52</b> | <b>2.26</b>   |

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 2014 as per Notification of Securities & Exchange Commission (SEC).

## 37.1(a) Consolidated net operating cash flow per share (CNOCFPS)

Cash generated from operating activities  
Average number of ordinary shares outstanding  
Consolidated net operating cash flow per share (CNOCFPS)

|             |               |
|-------------|---------------|
| 877,748,948 | 1,156,602,783 |
| 563,703,367 | 512,457,607   |
| <b>1.56</b> | <b>2.26</b>   |

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 2014 as per Notification of Securities & Exchange Commission (SEC).

## 38 Number of Employees

The number of employees engaged for the whole year or part thereof who received total remuneration of Tk. 36,000 p.a. or above were 1,350.

## 39 Highlights of Activities

|   |                 |                |
|---|-----------------|----------------|
| Paid-up capital                               | 5,637,033,670   | 5,124,576,082  |
| Total capital                                 | 11,495,594,865  | 8,589,500,000  |
| Capital surplus/(shortfall)                   | 2,873,294,865   | 988,100,000    |
| Total assets                                  | 110,984,042,268 | 89,692,523,684 |
| Total deposits                                | 90,503,763,183  | 74,302,200,672 |
| Total loans and advances                      | 69,818,140,464  | 52,800,455,593 |
| Total contingencies                           | 33,871,049,288  | 28,131,597,636 |
| Loan-deposit ratio                            | 77.14%          | 71.06%         |
| Ratio of classified loans against total loans | 9.03%           | 5.72%          |
| Profit after tax and provision                | 863,756,553     | 796,901,357    |
| Provision against classified loans            | 793,822,939     | 751,671,225    |
| Provision surplus                             | -               | 5,050          |
| Cost of funds                                 | 8.20%           | 9.31%          |
| Profit-earning assets                         | 90,817,135,367  | 73,713,564,294 |
| Non-profit earning assets                     | 20,166,906,901  | 15,978,419,768 |
| Return on investments (ROI)                   | 6.59%           | 8.80%          |
| Return on assets (ROA)                        | 0.86%           | 0.89%          |
| Income from investment                        | 1,966,847,133   | 1,689,619,641  |
| Earnings per share                            | 1.53            | 1.56           |
| Net income per share                          | 1.53            | 1.56           |
| Net operating cash flow per share (NOCFPS)    | 1.52            | 2.26           |
| Price earning ratio (approximate)             | 6.41 times      | 7.03 times     |

# The Premier Bank Limited

## Notes to financial statements for the year ended December 31, 2014

Amount in Taka

### 39(a) Consolidated Highlights of Activities

|   | 2014            | 2013           |
|---|-----------------|----------------|
| Paid-up capital                               | 5,637,033,670   | 5,124,576,082  |
| Total capital                                 | 11,479,266,435  | 8,565,982,962  |
| Capital surplus/(shortfall)                   | 2,847,086,435   | 1,092,472,962  |
| Total assets                                  | 111,576,407,938 | 89,913,334,653 |
| Total deposits                                | 90,750,056,737  | 74,469,913,481 |
| Total loans and advances                      | 70,063,724,793  | 52,697,135,148 |
| Total contingencies                           | 33,871,049,288  | 28,131,597,636 |
| Loan-deposit ratio                            | 77.21%          | 70.76%         |
| Ratio of classified loans against total loans | 9.00%           | 5.73%          |
| Profit after tax and provision                | 872,356,384     | 786,292,397    |
| Provision against classified loans            | 793,822,939     | 751,671,225    |
| Provision surplus                             | -               | 5,050          |
| Cost of funds                                 | 8.20%           | 9.31%          |
| Profit-earning assets                         | 91,892,819,696  | 74,440,243,849 |
| Non-profit earning assets                     | 19,683,588,242  | 15,472,551,182 |
| Return on investments                         | 9.48%           | 8.43%          |
| Return on assets (profit after tax)           | 0.87%           | 0.87%          |
| Income from investment                        | 1,966,847,133   | 1,689,619,641  |
| Earnings per share                            | 1.55            | 1.53           |
| Net income per share                          | 1.55            | 1.53           |
| Net operating cash flow per share (NOCFPS)    | 1.56            | 2.26           |
| Price earning ratio (approximate)             | 6.33 times      | 7.12 times     |

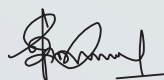
- 40 Assets and liabilities at 31 December 2014 denominated in foreign currencies have been converted to local currency Bangladesh Taka (BDT) at the following exchange rates:

| Currency               | Abbreviation and unit | Equivalent BDT |
|------------------------|-----------------------|----------------|
| British Pound Sterling | GBP 1.00              | 121.4516       |
| European Currency      | EURO 1.00             | 94.9946        |
| Canadian Dollar        | CAD 1.00              | 67.2467        |
| Australian Dollar      | AUD 1.00              | 63.6260        |
| Japanese Yen           | JPY 1.00              | 0.6498         |
| US Dollar              | USD 1.00              | 78.2750        |
| Saudi Aribh Riyal      | SAR 1.00              | 20.9072        |
| Swiss Franc            | CHF 1.00              | 78.9780        |

- 41 The Board of Directors (BoD) in its 137<sup>th</sup> meeting held on April 30, 2015 has recommended stock dividend @10%, subject to the approval of the shareholders at the AGM.

Except for the matter described above, no other material events have occurred after the Balance Sheet date that could affect the values reported in the financial statements.

- 42 Figures in these notes and in the annexed financial statements have been rounded off to the nearest Taka.
- 43 Wherever considered necessary, previous year figures have been rearranged for the purpose of comparison with current year presentation without causing any impact on the profit as well as value of assets and liabilities as reported in the said financial year.
- 44 These notes form an integral part of the said financial statements and accordingly are to be read in conjunction therewith.



Chairman



Director



Director



Director



Managing Director

# The Premier Bank Limited

## Consolidated schedule of fixed assets including premises, furniture and fixtures as at December 31, 2014

### Annexure -A

Amount in Taka

| Asset Category                   | Cost                 |                           |                            | Rate (%) | Depreciation       |                     |   | Written Down Value at 31 December 2014 |
|----------------------------------|----------------------|---------------------------|----------------------------|----------|--------------------|---------------------|---|--|
|                                  | As at 01 Jan 2014    | Additions during the year | Adjustment during the year |          | As at 01 Jan 2014  | Charge for the year | Adjustment for disposal during the year |  |
| Land and Building                | 671,745,311          | -                         | -                          | 2.5      | 42,557,261         | 15,729,702          | -                                       | 613,458,348                            |
| Furniture and fixtures           | 964,322,627          | 115,599,380               | -                          | 10       | 259,854,090        | 72,192,655          | -                                       | 747,875,262                            |
| Equipment and computers          | 533,229,852          | 94,722,783                | 300,000                    | 20       | 273,921,153        | 60,370,019          | 276,807                                 | 293,638,270                            |
| Vehicles                         | 41,309,504           | -                         | 2,296,400                  | 20       | 34,747,080         | 1,995,607           | 2,296,398                               | 4,566,815                              |
| <b>Total at 31 December 2014</b> | <b>2,210,607,294</b> | <b>210,322,163</b>        | <b>2,596,400</b>           |          | <b>611,079,584</b> | <b>150,287,983</b>  | <b>2,573,205</b>                        | <b>1,659,538,695</b>                   |
| <b>Total at 31 December 2013</b> | <b>1,902,880,346</b> | <b>311,882,155</b>        | <b>6,682,903</b>           |          | <b>480,801,866</b> | <b>133,709,075</b>  | <b>6,100,903</b>                        | <b>1,599,669,560</b>                   |

## Schedule of fixed assets including premises, furniture and fixtures as at December 31, 2014

### Annexure -B

Amount in Taka

| Asset Category                      | Cost                 |                           |                            | Rate (%) | Depreciation       |                     |   | Written Down Value at 31 December 2014 |
|-------------------------------------|----------------------|---------------------------|----------------------------|----------|--------------------|---------------------|---|--|
|                                     | As at 01 Jan 2014    | Additions during the year | Adjustment during the year |          | As at 01 Jan 2014  | Charge for the year | Adjustment for disposal during the year |  |
| Land and Building                   | 670,895,311          | -                         | -                          | 2.5      | 42,524,941         | 15,709,260          | -                                       | 612,661,110                            |
| Furniture and fixtures              | 959,296,297          | 115,599,380               | -                          | 10       | 257,346,755        | 71,688,880          | -                                       | 745,860,042                            |
| Equipment and computers             | 529,755,713          | 94,132,260                | 300,000                    | 20       | 272,880,262        | 59,798,551          | 276,807                                 | 291,185,967                            |
| Vehicles                            | 41,309,504           | -                         | 2,296,400                  | 20       | 34,747,080         | 1,995,607           | 2,296,398                               | 4,566,815                              |
| <b>Total as at 31 December 2014</b> | <b>2,201,256,825</b> | <b>209,731,640</b>        | <b>2,596,400</b>           |          | <b>607,499,038</b> | <b>149,192,298</b>  | <b>2,573,205</b>                        | <b>1,654,273,934</b>                   |
| <b>Total at 31 December 2013</b>    | <b>1,896,057,573</b> | <b>311,882,155</b>        | <b>6,682,903</b>           |          | <b>479,890,866</b> | <b>133,709,075</b>  | <b>6,100,903</b>                        | <b>1,593,757,787</b>                   |





# The Premier Bank Limited

## Balance with other banks and financial institutions - Outside Bangladesh

Annexure - c

| Name of the Bank                    | Location  | Currency | 31.12.2014                 |                 |                      | 31.12.2013                 |                 |                      |
|-------------------------------------|-----------|----------|----------------------------|-----------------|----------------------|----------------------------|-----------------|----------------------|
|                                     |           |          | Amount in foreign currency | Conversion rate | Amount in Taka       | Amount in foreign currency | Conversion rate | Amount in Taka       |
| Mashreq Bank PSC                    | New York  | USD      | 504,328.94                 | 78.2750         | 39,476,348           | 670,334.10                 | 77.4750         | 51,934,134           |
| Standard Chartered Bank             | New York  | USD      | 2,528,684.99               | 78.2750         | 197,932,818          | 1,393,895.35               | 77.4750         | 107,992,042          |
| Commerz Bank AG                     | Frankfurt | USD      | 6,463.93                   | 78.2750         | 505,964              | 25,768.25                  | 77.4750         | 1,996,395            |
| UBAF                                | Singapore | USD      | -                          | 78.2750         | -                    | 21,451.45                  | 77.4750         | 1,661,951            |
| HSBC                                | New York  | USD      | -                          | 78.00           | -                    | -                          | -               | -                    |
| Bank of Ceylon                      | Colombo   | ACUD     | 134,092.56                 | 78.2750         | 10,496,095           | 148,745.20                 | 77.4750         | 11,524,034           |
| Standard Chartered Bank             | Mumbai    | ACUD     | 393.62                     | 78.2750         | 30,811               | 626,542.71                 | 77.4750         | 48,541,396           |
| United Bank Ltd                     | Karachi   | ACUD     | 76,449.63                  | 78.2750         | 5,984,095            | 164,075.93                 | 77.4750         | 12,711,783           |
| State Bank of India                 | Kolkata   | ACUD     | 23,838.43                  | 78.2750         | 1,865,953            | 73,801.43                  | 77.4750         | 5,717,766            |
| ICICI Bank                          | Mumbai    | ACUD     | 112,543.41                 | 78.2750         | 8,809,335            | 289,453.82                 | 77.4750         | 22,425,435           |
| Himalayan Bank                      | Nepal     | ACUD     | 2,712.00                   | 78.2750         | 212,282              | 3,410.00                   | 77.4750         | 264,190              |
| Commerz Bank AG                     | Frankfurt | EURO     | 166,640.32                 | 94.9946         | 15,829,931           | 33,722.94                  | 106.4934        | 3,591,271            |
| Baye-Hypo-und Vereinsbank AG        | Muenchen  | EURO     | 24,530.88                  | 94.9946         | 2,330,301            | 5,663.68                   | 106.4934        | 603,145              |
| Westpac Banking Corporation         | Sydney    | AUD      | 9,847.74                   | 63.6260         | 626,572              | 23,323.89                  | 68.5732         | 1,599,394            |
| Mashreqbank psc                     | London    | GBP      | 115,847.79                 | 121.4516        | 14,069,899           | 2,519.03                   | 127.6479        | 321,549              |
| The Bank of Nova Scotia             | Toronto   | CAD      | 12,708.76                  | 67.2467         | 854,622              | 2,422.36                   | 72.3256         | 175,199              |
| Bank of Tokyo Mitsubishi Ltd        | Tokyo     | JPY      | 758,725.00                 | 0.6496          | 492,868              | 2,734,484.00               | 0.7358          | 2,012,033            |
| Habib Bank AG Zurich Switzerland    | Zurich    | CHF      | 17,119.39                  | 78.9780         | 1,352,055            | 13,878.83                  | 86.8313         | 1,205,117            |
| Al Rajhi Banking & Investment Corp. | Riyadh    | SAR      | 152,315.69                 | 20.9072         | 3,184,495            | 124,940.91                 | 20.7084         | 2,587,326            |
| National Commercial Bank            | Jeddah    | SAR      | 156,729.02                 | 20.9072         | 3,276,765            | 148,783.12                 | 20.7084         | 3,081,060            |
| Mashreq Bank PSC                    | Mumbai    | ACUD     | 37,142.89                  | 78.2750         | 2,907,360            | 379,602.74                 | 77.4750         | 29,409,722           |
| Off-shore Banking Unit              |           |          |                            |                 | 1,793,603,649        |                            |                 | 953,477,435          |
| <b>Grand Total</b>                  |           |          |                            |                 | <b>2,103,842,218</b> |                            |                 | <b>1,262,832,377</b> |

# The Premier Bank Limited

Notes to financial statements for the year ended December 31, 2014

## Annexure D

| 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 filed but assessment not yet completed. |
| 2013            | 2014-2015       | Return filed but assessment not yet completed. |
| 2014            | 2015-2016       | Return to be submitted                         |

## Details of Large Loan as at December 31, 2014

## Annexure E (Taka in crore)

| Sl No.       | Name of Parties  | Outstanding- 2014 |             |               | Outstanding- 2013 |
|--------------|------------------|-------------------|-------------|---------------|-------------------|
|              |                  | Funded            | Non funded  | Total         |                   |
| 1            | S Alam Group     | 135.91            | 0.00        | 135.91        | 110.00            |
| 2            | Abul Khair Group | 119.51            | 3.00        | 122.51        | 115.00            |
| 3            | Summit Group     | 166.83            | 0.00        | 166.83        | -                 |
| <b>Total</b> |                  | <b>422.25</b>     | <b>3.00</b> | <b>425.25</b> | <b>225.00</b>     |

# The Premier Bank Limited

## Segment reporting

The Bank reports its operations under the following business segment as per Bangladesh Financial Reporting Standards (BFRS) 8 "Operating Segment"

As at December 31, 2014

Annexure F  
Amount in Taka

| Particulars  | The Premier Bank Limited |                          |                        |                        | Group                |                    | Inter company adjustment | Total                  |
|--|--------------------------|--------------------------|------------------------|------------------------|----------------------|--------------------|--------------------------|------------------------|
|  | Inside Bangladesh        |                          |                        | Total                  | Inside Bangladesh    | Outside Bangladesh |                          |                        |
|  | Conventional Banking     | Islamic banking branches | Off-shore banking Unit |                        | PBSL                 | PMTCL              |                          |                        |
| <b>PROPERTY AND ASSETS</b>                                     |                          |                          |                        |                        |                      |                    |                          |                        |
| Cash   | 7,249,268,721            | 26,918,857               | -                      | 7,276,187,578          | 95,072               | 795,740            | -                        | 7,277,078,390          |
| Balance with other banks and financial institutions            | 701,433,113              | 4,400,000,000            | 57,860,538             | 5,159,293,651          | 229,940,637          | -                  | (205,592,657)            | 5,183,641,631          |
| Money at call on short notice                                  | 1,090,000,000            | -                        | -                      | 1,090,000,000          | -                    | -                  | -                        | 1,090,000,000          |
| Investments  | 18,378,359,086           | 1,530,635,817            | -                      | 19,908,994,903         | 830,100,000          | -                  | -                        | 20,739,094,903         |
| Loans, advances, and lease/ investments                        | 63,401,880,416           | 4,623,459,862            | 1,792,800,186          | 69,818,140,464         | 2,220,234,329        | -                  | (1,974,650,000)          | 70,063,724,793         |
| Fixed assets including premises, furniture and fixtures        | 1,641,152,690            | 13,121,244               | -                      | 1,654,273,934          | 3,021,579            | 2,243,182          | -                        | 1,659,538,695          |
| Other assets   | 4,502,193,154            | 1,567,776,987            | 7,181,597              | 6,077,151,738          | 17,889,685           | 1,549,095          | (533,260,992)            | 5,563,329,526          |
| Non-banking assets   | -                        | -                        | -                      | -                      | -                    | -                  | -                        | -                      |
| <b>Total Assets</b>  | <b>96,964,287,180</b>    | <b>12,161,912,767</b>    | <b>1,857,842,321</b>   | <b>110,984,042,268</b> | <b>3,301,281,302</b> | <b>4,588,017</b>   | <b>(2,713,503,649)</b>   | <b>111,576,407,938</b> |
| <b>LIABILITIES AND CAPITAL</b>                                 |                          |                          |                        |                        |                      |                    |                          |                        |
| Borrowings from other banks, financial institutions and agents | 146,546,458              | 4,000,000,000            | -                      | 4,146,546,458          | 1,974,650,000        | -                  | (1,974,650,000)          | 4,146,546,458          |
| Non-convertible variable coupon rate bonds                     | 2,000,000,000            | -                        | -                      | 2,000,000,000          | -                    | -                  | -                        | 2,000,000,000          |
| Deposits and other accounts                                    | 80,947,592,743           | 7,806,264,974            | 1,749,905,466          | 90,503,763,183         | 451,886,211          | -                  | (205,592,657)            | 90,750,056,737         |
| Other liabilities  | 4,911,971,176            | 355,647,793              | 107,936,855            | 5,375,555,824          | 347,978,770          | 12,889,610         | 10,233                   | 5,736,434,437          |
| <b>Total Liabilities</b>                                       | <b>88,006,110,377</b>    | <b>12,161,912,767</b>    | <b>1,857,842,321</b>   | <b>102,025,865,465</b> | <b>2,774,514,981</b> | <b>12,889,610</b>  | <b>(2,180,232,424)</b>   | <b>102,633,037,632</b> |
| Shareholders' Equity   | 8,958,176,803            | -                        | -                      | 8,958,176,803          | 526,766,321          | (8,301,593)        | (533,271,225)            | 8,943,370,306          |
| <b>Total Liabilities and Shareholders' Equity</b>              | <b>96,964,287,180</b>    | <b>12,161,912,767</b>    | <b>1,857,842,321</b>   | <b>110,984,042,268</b> | <b>3,301,281,302</b> | <b>4,588,017</b>   | <b>(2,713,503,649)</b>   | <b>111,576,407,938</b> |

# The Premier Bank Limited

Notes to financial statements for the year ended December 31, 2014

Name of Directors and the entities in which they had interest as at December 31, 2014

| Sl. No. | Name                     | Designation   | Entities where they had interest   | Position   | Interest (%)  |
|---------|--------------------------|---------------|--|--|---|
| 1.      | Dr. H. B. M. Iqbal       | Chairman      | Premier Group of Companies Ltd.<br>Premier Hotels & Resorts Ltd.<br>Premier Hotel Management Co. Ltd.<br>Bengal Tiger Cement Industries Ltd.<br>Premier Technology & Holdings Ltd.<br>ATAB Centre Ltd.<br>Air Concern International<br>Bukhara Restaurant (Pvt) Ltd.<br>Banani Travels & Tours Ltd.<br>Aero Bengal Ltd.<br>The Premier Tele Link Ltd.<br>Beacon Travel In't Ltd.<br>Centaur Limited.<br>Nawrin Electronics Ltd.<br>Iqbal Centre<br>Concern International | Chairman<br>Chairman<br>Chairman<br>Chairman<br>Chairman<br>Chairman<br>Chairman<br>Chairman<br>Chairman<br>Chairman<br>Chairman<br>Managing Director<br>Managing Director<br>Managing Director<br>Proprietor<br>Proprietor  |   |
| 2.      | Mr. Mohammad Imran Iqbal | Vice Chairman | Premier Property Development Co. Ltd.<br>Bentley Sweater Ltd.<br>Premier Group of Companies Ltd.<br>Premier Hotels & Resorts Ltd.<br>Premier Hotel Management Co. Ltd.<br>Nawrin Electronics Ltd.<br>Bukhara Restaurant (Pvt) Ltd.<br>ATAB Centre Ltd.<br>Al-Khalij Travels Ltd.   | Managing Director<br>Add.Managing Director<br>Director<br>Director<br>Director<br>Director<br>Director<br>Director<br>Director   | -<br><br><br><br><br><br>-<br>-   |
| 3.      | Mr. B. H. Haroon, MP     | Director      | Al Arab Enterprise International<br>Rajbithi Travels Ltd.<br>Bukhara Resturant (Pvt) Ltd.<br>Purabi General Insurance<br>Al-Humyra Group :<br>Al-Humyra Health Center Ltd.<br>Al-Humyra Development Ltd.<br>Al-Humyra Trade International<br>Al-Humyra Aviation Service  | Proprietor<br>Chairman<br>Vice Chairman<br>Sponsor Director<br><br>Chairman<br>Chairman<br>Chairman<br>Chairman  | 100<br>20<br>15<br>5<br><br>50<br>50<br>50<br>50                                |
| 4.      | Mr. Abdus Salam Murshedy | Director      | Envoy Garments Ltd.<br>Armour Garments Ltd.<br>Nadia Garments Ltd.<br>Pastel Apparels Ltd.<br>Astras Garments Ltd.<br>Regal Garments Ltd.<br>Epoch Garments Ltd.<br>Supreme Apparels Ltd.<br>Dornick Apparels Ltd.<br>Fontina Fashions Ltd.<br>Manta Apparels Ltd.<br>Envoy Fashions Ltd.<br>Envoy Design Ltd.<br>Taxes Dresses Ltd.   | Managing Director<br>Managing Director<br>Managing Director<br>Managing Director<br>Managing Director<br>Managing Director<br>Managing Director<br>Managing Director<br>Managing Director<br>Managing Director<br>Managing Director<br>Managing Director<br>Managing Director<br>Managing Director | 50<br>50<br>50<br>50<br>50<br>50<br>50<br>50<br>50<br>50<br>50<br>50<br>50<br>- |



# The Premier Bank Limited

Notes to financial statements for the year ended December 31, 2014

## Name of Directors and the entities in which they had interest as at December 31, 2014

| Sl. No. | Name                       | Designation          | Entities where they had interest                                       | Position                                  | Interest (%)                           |
|---------|----------------------------|----------------------|--|---|--|
|         |                            |                      | Laundry Industries Ltd.  | Managing Director                         | 50                                     |
|         |                            |                      | Envoy Textiles Ltd.  | Managing Director                         | 4                                      |
|         |                            |                      | Orex Network Ltd.  | Managing Director                         | 50                                     |
|         |                            |                      | National System Solutions (Pvt) Ltd.                                   | Managing Director                         | 50                                     |
|         |                            |                      | Regional Power Ltd.  | Managing Director                         | 25                                     |
|         |                            |                      | OIA Global Logistics (BD) Ltd.   | Managing Director                         | 38                                     |
|         |                            |                      | Advanced Comtech Machines Ltd.   | Managing Director                         | 50                                     |
|         |                            |                      | 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                         | 80                                     |
|         |                            |                      | Sports Media Ltd.  | Managing Director                         | 25                                     |
|         |                            |                      | Donier Textile Mills Ltd   | Managing Director                         |  |
|         |                            |                      | Treasure Securities Ltd  | Chairman                                  |  |
|         |                            |                      | Sheltech Suit (Pvt) Ltd.   | Director                                  | 8                                      |
|         |                            |                      | Sheltech Cond. (Pvt) Ltd.  | Director                                  | 14                                     |
|         |                            |                      | Square Hospitals Ltd.  | Director                                  | 5                                      |
| 5.      | Mr. Shafiqur Rahman        | Director             | Rupsha Tyres & Chemical Ltd.<br>Rupsha Rubber Industries               | Managing Director<br>Proprietor           | 40                                     |
| 6.      | Mrs. Shaila Shelly Khan    | Director             | N/A  | -   | -                                      |
| 7.      | Mr. Yeh Cheng Min          | Director             | Alita (BD) Ltd.<br>Ace Bicycle (BD) Ltd.<br>Van Green (BD) Ltd.        | Chairman<br>Managing Director<br>Chairman | 70<br>70<br>70                         |
| 8.      | Mr. Shah Md. Nahyan Haroon | Director             | Rajbithi Travels Ltd.  | Managing Director                         | 25                                     |
| 9.      | Mrs. Fauzia Rekza Banu     | Director             | N/A  |   |  |
| 10.     | Mr. Arif Alam              | Director             | Purple Aviation<br>Ilham Engineers & Builders Limited                  | Proprietor<br>Managing director           | -                                      |
| 11.     | Mr. Kazi Abdul Mazid       | Independent Director | MBF Clothing Ltd.<br><br>Isamoti Somaj Unnayan Uddog<br>Armah Fashions | Director<br><br>Secretary<br>Proprietor   | Not in operation<br>Non profit<br>100% |
| 12.     | Mrs. Faiza Rahman          | Independent Director | N/A  | -   | -                                      |

# The Premier Bank Limited

## Balance Sheet of Islamic Banking Branches as at December 31, 2014

|   |       | Amount in Taka        |                      |
|---|-------|-----------------------|----------------------|
|   | Notes | 2014                  | 2013                 |
| <b>PROPERTY AND ASSETS</b>  |       |                       |                      |
| <b>Cash</b>   |       |                       |                      |
| In hand (including foreign currencies)  | 1.1   | 25,333,395            | 39,134,406           |
| Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) | 1.2   | 1,585,462             | 1,651,701            |
|   |       | <b>26,918,857</b>     | <b>40,786,107</b>    |
| <b>Balance with other banks and financial institutions</b>                        |       |                       |                      |
| In Bangladesh   | 2.1   | 4,400,000,000         | 2,800,000,000        |
| Outside Bangladesh  |       | -                     | -                    |
|   |       | <b>4,400,000,000</b>  | <b>2,800,000,000</b> |
| <b>Placement with banks other financial institutions</b>                          |       |                       |                      |
| <b>Investment in shares &amp; securities</b>                                      |       |                       |                      |
| Government  | 3.1   | 210,000,000           | 170,000,000          |
| Others  | 3.2   | 1,320,635,817         | 1,320,635,817        |
|   |       | <b>1,530,635,817</b>  | <b>1,490,635,817</b> |
| <b>Investments (including bills)</b>  |       |                       |                      |
| General investment  | 4     | 4,463,877,000         | 3,160,327,806        |
| Bills purchased and discounted  |       | 159,582,862           | 160,156,914          |
|   |       | <b>4,623,459,862</b>  | <b>3,320,484,720</b> |
| <b>Fixed assets including premises, furniture and fixtures</b>                    |       |                       |                      |
|   | 5     | <b>13,121,244</b>     | <b>13,945,863</b>    |
| <b>Other assets</b>   |       |                       |                      |
|   | 6     | <b>1,567,776,987</b>  | <b>899,179,051</b>   |
| <b>Non-banking assets</b>   |       |                       |                      |
|   |       | -                     | -                    |
| <b>Total Assets</b>   |       | <b>12,161,912,767</b> | <b>8,565,031,558</b> |
| <b>LIABILITIES AND CAPITAL</b>  |       |                       |                      |
| <b>Liabilities</b>  |       |                       |                      |
| Borrowings from other banks, financial institutions and agents                    | 7     | <b>4,000,000,000</b>  | <b>2,800,000,000</b> |
| <b>Deposits and other accounts</b>  |       |                       |                      |
| Mudaraba savings deposits   |       | 277,287,725           | 222,045,991          |
| Mudaraba term deposits  |       | 7,287,601,832         | 4,577,620,639        |
| Al -waduah Current deposits and other accounts                                    |       | 231,691,850           | 695,759,952          |
| Bills payable   |       | 9,683,567             | 23,296,209           |
|   |       | <b>7,806,264,974</b>  | <b>5,518,722,791</b> |
| <b>Other liabilities</b>  |       |                       |                      |
|   | 8     | <b>355,647,793</b>    | <b>246,308,767</b>   |
| <b>Deferred tax liabilities/(Assets)</b>  |       |                       |                      |
|   |       | -                     | -                    |
| <b>Total Liabilities and Capital</b>  |       | <b>12,161,912,767</b> | <b>8,565,031,558</b> |
| <b>Contingent Liabilities</b>   |       |                       |                      |
| Acceptances and endorsements  |       | 92,768,000            | 96,472,000           |
| Letters of guarantee  |       | 51,358,285            | 40,398,642           |
| Irrevocable letters of credit   |       | 148,116,000           | 168,674,000          |
| Bills for collection  |       | 53,850,619            | 63,833,619           |
| Other contingent liabilities  |       | -                     | -                    |
|   |       | <b>346,092,904</b>    | <b>369,378,261</b>   |
| <b>Other commitments</b>  |       |                       |                      |
|   |       | -                     | -                    |
| <b>Total Off-Balance Sheet Items</b>  |       | <b>346,092,904</b>    | <b>369,378,261</b>   |

# The Premier Bank Limited

## Profit and Loss Statement of Islamic Banking Branches For the year ended December 31, 2014

|  | Notes | Amount in Taka     |                    |
|--|-------|--------------------|--------------------|
|  |       | 2014               | 2013               |
| <b>OPERATING INCOME</b>                  |       |                    |                    |
| Investment income                        | 9     | 1,083,837,421      | 1,126,571,364      |
| Profit paid on deposits, borrowings, etc | 10    | (711,435,615)      | 680,714,186)       |
| <b>Net investment income</b>             |       | <b>372,401,806</b> | <b>445,857,178</b> |
| Commission, exchange and brokerage       | 11    | 10,697,161         | 11,049,516         |
| Other operating income                   | 12    | 13,884,000         | 12,867,813         |
| <b>Total operating income (A)</b>        |       | <b>396,982,967</b> | <b>469,774,507</b> |
| Salary and allowances                    | 13    | 24,004,697         | 22,159,817         |
| Rent, taxes, insurance, lighting, etc    | 14    | 9,619,835          | 7,069,136          |
| Postage, stamps, telecommunication, etc  | 15    | 1,370,813          | 1,444,906          |
| Stationery, printing, advertisement, etc | 16    | 680,268            | 1,035,955          |
| Depreciation and repair of Bank's assets | 17    | 3,561,631          | 3,019,785          |
| Other expenses                           | 18    | 914,082            | 953,096            |
| <b>Total operating expenses (B)</b>      |       | <b>40,151,326</b>  | <b>35,682,695</b>  |
| <b>Total operating profit (C = A-B)</b>  |       | <b>356,831,641</b> | <b>434,091,812</b> |

|            |  | Amount in Taka       |                      |
|------------|--|----------------------|----------------------|
|            |  | 2014                 | 2013                 |
| <b>1</b>   | <b>Cash</b>  |                      |                      |
| <b>1.1</b> | <b>Cash in hand</b>  |                      |                      |
|            | In local currency  | 24,790,029           | 38,830,425           |
|            | In foreign currency  | 543,366              | 303,981              |
|            |  | <b>25,333,395</b>    | <b>39,134,406</b>    |
| <b>1.2</b> | <b>Balance with Bangladesh Bank and its agent bank(s)</b>  |                      |                      |
|            | Balance with Bangladesh Bank                               |                      |                      |
|            | In local currency  | 1,585,462            | 1,651,701            |
|            | In foreign currency  | -                    | -                    |
|            |  | <b>1,585,462</b>     | <b>1,651,701</b>     |
|            |  | <b>26,918,857</b>    | <b>40,786,107</b>    |
| <b>2.</b>  | <b>Balance with other banks and financial institutions</b> |                      |                      |
|            | In Bangladesh (Note 2.1)                                   | 4,400,000,000        | 2,800,000,000        |
|            | Outside Bangladesh   | -                    | -                    |
|            |  | <b>4,400,000,000</b> | <b>2,800,000,000</b> |
| <b>2.1</b> | <b>In Bangladesh</b>                                       |                      |                      |
|            | AB Bank Limited  | -                    | 200,000,000          |
|            | Southeast Bank Limited                                     | 1,600,000,000        | 400,000,000          |
|            | Bank Asia limited  | -                    | 200,000,000          |
|            | Shahjalal Islami Bank Ltd.                                 | -                    | 1,150,000,000        |
|            | First Security Islami Bank Ltd.                            | 400,000,000          | 850,000,000          |
|            | Jamuna Bank Ltd.   | 1,000,000,000        | -                    |
|            | Social Islami Bank Ltd.                                    | 1,400,000,000        | -                    |
|            |  | <b>4,400,000,000</b> | <b>2,800,000,000</b> |
| <b>3.</b>  | <b>Investment in shares and securities</b>                 |                      |                      |
| <b>3.1</b> | <b>Government securities</b>                               |                      |                      |
|            | Treasury bills   | -                    | -                    |
|            | Bangladesh Bank bills                                      | -                    | -                    |
|            | Islamic Investment Bond                                    | 210,000,000          | 170,000,000          |
|            | Treasury bonds   | -                    | -                    |
|            | Repo   | -                    | -                    |
|            | Prize bonds  | -                    | -                    |
|            |  | <b>210,000,000</b>   | <b>170,000,000</b>   |
| <b>3.2</b> | <b>Others</b>  |                      |                      |
|            | In shares and bonds (quoted and unquoted)                  |                      |                      |
|            | <b>Quoted</b>  |                      |                      |
|            | Investment in Shares (Islami)                              | 1,320,635,817        | 1,320,635,817        |
|            |  | <b>1,320,635,817</b> | <b>1,320,635,817</b> |
|            | <b>Unquoted</b>  |                      |                      |
|            |  | -                    | -                    |
|            |  | -                    | -                    |
|            |  | <b>1,530,635,817</b> | <b>1,490,635,817</b> |
| <b>4.</b>  | <b>Investments (including bills)</b>                       |                      |                      |
|            | General investment   | 4,463,877,000        | 3,160,327,806        |
|            | Bills purchased and discounted                             | 159,582,862          | 160,156,914          |
|            |  | <b>4,623,459,862</b> | <b>3,320,484,720</b> |



## The Premier Bank Limited

## Notes to Financial Statements of Islamic Banking Branches for the year ended December 31, 2014

|            |   | Amount in Taka       |                      |
|------------|---|----------------------|----------------------|
|            |   | 2014                 | 2013                 |
| <b>5.</b>  | <b>Fixed assets including premises, furniture and fixtures, property, plant &amp; equipment</b> |                      |                      |
|            | Land and Building   | -                    | -                    |
|            | Furniture and fixtures  | 9,979,651            | 10,844,216           |
|            | Equipment and computers   | 3,141,593            | 3,101,647            |
|            | Vehicles  | -                    | -                    |
|            |   | <b>13,121,244</b>    | <b>13,945,863</b>    |
| <b>6.</b>  | <b>Other assets</b>   |                      |                      |
|            | Head Office general account   | 1,456,422,172        | 817,802,089          |
|            | Adjusting account   | 84,894,830           | 75,798,896           |
|            | Stock of stationery   | 148,263              | 332,656              |
|            | Stamp in hand   | 69,655               | 52,355               |
|            | Advance income tax  | 3,032,467            | -                    |
|            | Advance against interior decoration   | -                    | 14,000               |
|            | Prepaid expenses  | 2,480,000            | 3,508,205            |
|            | Sundry assets   | 20,729,600           | 1,670,850            |
|            |   | <b>1,567,776,987</b> | <b>899,179,051</b>   |
| <b>7.</b>  | <b>Borrowings from other banks, financial institutions and agents</b>                           |                      |                      |
|            | In Bangladesh (note 7.1)  | 4,000,000,000        | 2,800,000,000        |
|            | Outside Bangladesh  | -                    | -                    |
|            |   | <b>4,000,000,000</b> | <b>2,800,000,000</b> |
| <b>7.1</b> | <b>In Bangladesh</b>  |                      |                      |
|            | Bangladesh Bank (Refinance facility)  | 4,000,000,000        | 2,800,000,000        |
|            |   | <b>4,000,000,000</b> | <b>2,800,000,000</b> |
| <b>8.</b>  | <b>Other liabilities</b>  |                      |                      |
|            | Adjusting account   | 350,098,996          | 242,314,377          |
|            | Interest suspense A/C   | 1,316,575            | 12,563               |
|            | Investment compensation   | 4,232,222            | 3,981,827            |
|            |   | <b>355,647,793</b>   | <b>246,308,767</b>   |
| <b>9.</b>  | <b>Investment income</b>  |                      |                      |
|            | Profit received from customers other than banks   | 550,700,747          | 440,368,728          |
|            | Profit received on Head Office general account  | 92,462,035           | 224,013,882          |
|            | Profit received on deposit with other banks   | 246,663,889          | 259,895,833          |
|            | Profit on Government Securities   | 7,500,000            | 4,771,900            |
|            | Dividend Income   | 33,098,428           | 5,303,559            |
|            | Capital gain on sale of investment in shares  | 153,412,322          | 192,217,462          |
|            |   | <b>1,083,837,421</b> | <b>1,126,571,364</b> |
| <b>10.</b> | <b>Profit paid on deposits, borrowings, etc</b>   |                      |                      |
|            | Profit paid on deposits   | 711,435,615          | 680,714,186          |
|            |   | <b>711,435,615</b>   | <b>680,714,186</b>   |
| <b>11.</b> | <b>Commission, exchange and brokerage</b>   |                      |                      |
|            | Commission  | 8,202,762            | 8,064,366            |
|            | Exchange earnings   | 2,494,399            | 2,985,150            |
|            |   | <b>10,697,161</b>    | <b>11,049,516</b>    |
| <b>12.</b> | <b>Other income</b>   |                      |                      |
|            | Services and other charges  | 5,949,332            | 4,181,627            |
|            | Postage recovers  | 459,350              | 509,950              |
|            | Telex/fax/e-mail charges received   | 906,531              | 1,409,185            |
|            | Incidental charges  | 1,471,519            | 1,396,747            |
|            | Miscellaneous earnings  | 5,097,268            | 5,370,304            |
|            |   | <b>13,884,000</b>    | <b>12,867,813</b>    |

# The Premier Bank Limited

## Notes to Financial Statements of Islamic Banking Branches for the year ended December 31, 2014

|   |  | Amount in Taka    |                   |
|---|--|-------------------|-------------------|
|   |  | 2014              | 2013              |
| <b>13. Salary and allowances</b>                    |  |                   |                   |
| Basic pay   |  | 9,917,908         | 9,337,876         |
| Allowances  |  | 11,105,045        | 7,913,278         |
| Bonus   |  | 2,262,324         | 1,451,494         |
| Provident fund contribution & retirement benefit    |  | 719,420           | 3,457,169         |
|   |  | <b>24,004,697</b> | <b>22,159,817</b> |
| <b>14. Rent, taxes, insurance, electricity, etc</b> |  |                   |                   |
| Rent, rates and taxes                               |  | 6,480,325         | 3,567,130         |
| Insurance   |  | 2,353,645         | 2,821,504         |
| Electricity, gas, water, etc                        |  | 785,865           | 680,502           |
|   |  | <b>9,619,835</b>  | <b>7,069,136</b>  |
| <b>15. Postage, stamp, telecommunication, etc</b>   |  |                   |                   |
| Telephone   |  | 182,616           | 110,725           |
| Postage, stamp and swift charges                    |  | 287,058           | 952,179           |
| Telegram, telex, fax and e-mail                     |  | 901,139           | 382,002           |
|   |  | <b>1,370,813</b>  | <b>1,444,906</b>  |
| <b>16. Stationery, printing, advertisement, etc</b> |  |                   |                   |
| Printing and stationery                             |  | 680,258           | 1,020,955         |
| Publicity and advertisement                         |  | 10                | 15,000            |
|   |  | <b>680,268</b>    | <b>1,035,955</b>  |
| <b>17. Depreciation and repair of Bank's assets</b> |  |                   |                   |
| Repairs:  |  |                   |                   |
| Furniture and fixtures                              |  | 87,446            | 48,900            |
| Office equipment                                    |  | 614,860           | 103,209           |
| Renovation and maintenance of premises              |  | 1,117,330         | 1,009,245         |
|   |  | <b>1,819,636</b>  | <b>1,161,354</b>  |
| Depreciation:                                       |  |                   |                   |
| Vehicles  |  | -                 | -                 |
| Furniture and fixtures                              |  | 1,071,461         | 1,167,872         |
| Office equipment                                    |  | 670,534           | 690,559           |
|   |  | <b>1,741,995</b>  | <b>1,858,431</b>  |
|   |  | <b>3,561,631</b>  | <b>3,019,785</b>  |
| <b>18. Other expenses</b>                           |  |                   |                   |
| Washing and cleaning                                |  | 142,982           | 139,713           |
| Subscription  |  | 35,611            | 23,621            |
| Entertainment                                       |  | 280,824           | 253,159           |
| Travelling  |  | 84,500            | 138,570           |
| Conveyance  |  | 91,141            | 77,740            |
| Liveries and uniform                                |  | 21,840            | 9,000             |
| Cash carrying charges                               |  | 179,400           | 186,300           |
| Training expenses                                   |  | -                 | 14,975            |
| Remittance Charges                                  |  | -                 | 2,172             |
| Sundry expenses                                     |  | 77,784            | 107,846           |
|   |  | <b>914,082</b>    | <b>953,096</b>    |

# The Premier Bank Limited

## Balance Sheet of Off-shore Banking Units as at December 31, 2014

|   | Notes | 2014       |               | 2013      |             |
|---|-------|------------|---------------|-----------|-------------|
|   |       | USD        | Taka          | USD       | Taka        |
| <b>PROPERTY AND ASSETS</b>  |       |            |               |           |             |
| <b>Cash</b>   |       |            |               |           |             |
| In hand (including foreign currencies)  |       | -          | -             | -         | -           |
| Balance with Bangladesh Bank and its agent bank (s)<br>(including foreign currencies) |       | -          | -             | -         | -           |
|   |       | -          | -             | -         | -           |
| <b>Balance with other banks and financial institutions</b>                            |       |            |               |           |             |
| In Bangladesh   | 3     | 739,196    | 57,860,538    | 243,787   | 18,887,370  |
| Outside Bangladesh  |       | -          | -             | -         | -           |
|   |       | 739,196    | 57,860,538    | 243,787   | 18,887,370  |
| <b>Loans and advances</b>   |       |            |               |           |             |
| Loans, cash credits, overdrafts, etc.   | 4     | 15,348,956 | 1,201,439,543 | 3,074,635 | 238,207,313 |
| Bills purchased and discounted  | 5     | 7,554,911  | 591,360,644   | 4,325,588 | 335,124,895 |
|   |       | 22,903,867 | 1,792,800,186 | 7,400,222 | 573,332,209 |
| <b>Fixed assets including premises, furniture and fixtures</b>                        |       |            |               |           |             |
|   |       | -          | -             | -         | -           |
| <b>Other assets</b>   |       |            |               |           |             |
| Non - banking assets  |       | 91,748     | 7,181,597     | 163,815   | 12,691,540  |
|   |       | -          | -             | -         | -           |
| <b>Total assets</b>   |       | 23,734,811 | 1,857,842,321 | 7,807,823 | 604,911,119 |
| <b>LIABILITIES AND CAPITAL</b>  |       |            |               |           |             |
| <b>Liabilities</b>  |       |            |               |           |             |
| <b>Borrowings from other banks, financial institutions and agents</b>                 |       |            |               |           |             |
|   |       | -          | -             | -         | -           |
| <b>Deposits and other accounts</b>  |       |            |               |           |             |
| Current deposits  | 6     | 14,597     | 1,142,547     | 12,517    | 969,755     |
| Bills payable   |       | -          | -             | -         | -           |
| Savings bank deposits   |       | -          | -             | -         | -           |
| Term deposits   |       | 22,231,355 | 1,740,159,324 | 7,306,905 | 566,102,436 |
| Sundry Deposit  |       | 109,915    | 8,603,595     | 151,949   | 11,772,212  |
|   |       | 22,355,867 | 1,749,905,466 | 7,471,370 | 578,844,403 |
| <b>Other liabilities</b>  |       |            |               |           |             |
|   | 7     | 841,489    | 65,867,543    | 190,637   | 14,769,563  |
| <b>Total liabilities</b>  |       | 23,197,356 | 1,815,773,009 | 7,662,007 | 593,613,966 |
| <b>Capital / Shareholders' equity</b>   |       |            |               |           |             |
| Paid up capital   |       | -          | -             | -         | -           |
| Statutory reserve   |       | -          | -             | -         | -           |
| Foreign currency gain   |       | -          | -             | -         | -           |
| Other reserve   |       | -          | -             | -         | -           |
| Surplus in profit and loss account  |       | 537,455    | 42,069,312    | 145,817   | 11,297,153  |
| <b>Total Shareholders' equity</b>   |       | 537,455    | 42,069,312    | 145,817   | 11,297,153  |
| <b>Total liabilities and Shareholders' equity</b>                                     |       | 23,734,811 | 1,857,842,321 | 7,807,823 | 604,911,119 |

# The Premier Bank Limited

## Balance Sheet of Off-shore Banking Units as at December 31, 2014

| Notes  | 2014 |      | 2013 |      |
|--|------|------|------|------|
|  | USD  | Taka | USD  | Taka |
| <b>OFF-BALANCE SHEET ITEMS</b>   |      |      |      |      |
| <b>Contingent liabilities</b>  |      |      |      |      |
| Acceptances and endorsements   | -    | -    | -    | -    |
| Letters of guarantee   | -    | -    | -    | -    |
| Irrevocable letters of credit  | -    | -    | -    | -    |
| Bills for collection   | -    | -    | -    | -    |
| Other contingent liabilities   | -    | -    | -    | -    |
|  | -    | -    | -    | -    |
| <b>Other commitments</b>   |      |      |      |      |
| 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 commitments | -    | -    | -    | -    |
| Liabilities against forward purchase and sale                          | -    | -    | -    | -    |
| Other commitments  | -    | -    | -    | -    |
|  | -    | -    | -    | -    |
| <b>Other memorandum items</b>  |      |      |      |      |
| Value of travellers' cheques in hand                                   | -    | -    | -    | -    |
| Value of Bangladesh sanchay patras in hand                             | -    | -    | -    | -    |
|  | -    | -    | -    | -    |
| <b>Total Off-Balance Sheet items including contingent liabilities</b>  | -    | -    | -    | -    |



# The Premier Bank Limited

## Profit and Loss Statement of Off-shore Banking Units for the year ended December 31, 2014

|   | Notes | 2014           |                   | 2013             |                   |
|---|-------|----------------|-------------------|------------------|-------------------|
|   |       | USD            | Taka              | USD              | Taka              |
| Interest income                                   | 8     | 1,542,242      | 120,719,005       | 814,699          | 63,118,834        |
| Interest paid on deposits, borrowings, etc.       | 9     | (855,014)      | (66,926,252)      | (595,804)        | (46,159,896)      |
| <b>Net interest</b>                               |       | <b>687,228</b> | <b>53,792,753</b> | <b>218,896</b>   | <b>16,958,939</b> |
| Commission, exchange, brokerage, etc.             |       | 2,959          | 231,607           | 337              | 26,081            |
| Other operating income                            |       | 3,061          | 239,632           | 587              | 45,455            |
| <b>Total operating income (A)</b>                 |       | <b>693,248</b> | <b>54,263,992</b> | <b>219,819</b>   | <b>17,030,475</b> |
| 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                                    |       | -              | -                 | -                | -                 |
| <b>Total operating expenses (B)</b>               |       | <b>-</b>       | <b>-</b>          | <b>-</b>         | <b>-</b>          |
| <b>Profit / (loss) before provision (C = A-B)</b> |       | <b>693,248</b> | <b>54,263,992</b> | <b>219,819</b>   | <b>17,030,475</b> |
| Provision for loans and advances / investments    |       |                |                   |                  |                   |
| Specific provision                                |       | -              | -                 | -                | -                 |
| General provision                                 |       | 155,793        | 12,194,680        | 74,002.22        | 5,733,322         |
|   |       | 155,793        | 12,194,680        | 74,002.22        | 5,733,322         |
| Provision for diminution in value of investments  |       | -              | -                 | -                | -                 |
| Other provision                                   |       | -              | -                 | -                | -                 |
| <b>Total provision (D)</b>                        |       | <b>155,793</b> | <b>12,194,680</b> | <b>74,002.22</b> | <b>5,733,322</b>  |
| <b>Total profit / (loss) before taxes (C-D)</b>   |       | <b>537,455</b> | <b>42,069,312</b> | <b>145,817</b>   | <b>11,297,153</b> |

# The Premier Bank Limited

## Notes to the Financial Statements of Off-shore Banking Units for the year ended December 31, 2014

### 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 issued 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 Reporting period

These financial statements cover from January 01 to December 31, 2014.

## 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 78.2750 at mid rate of December 31, 2014

# The Premier Bank Limited

## Notes to the Financial Statements of Off-shore Banking Units for the year ended December 31, 2014

|  | 2014              |                      | 2013             |                    |
|--|-------------------|----------------------|------------------|--------------------|
|  | USD               | Taka                 | USD              | Taka               |
| <b>3 Balance with other banks and financial institutions</b> |                   |                      |                  |                    |
| In Bangladesh (note-3.1)                                     | 739,196           | 57,860,538           | 243,787          | 18,887,370         |
| Outside Bangladesh (note-3.2)                                | -                 | -                    | -                | -                  |
|  | <b>739,196</b>    | <b>57,860,538</b>    | <b>243,787</b>   | <b>18,887,370</b>  |
| <b>3.1 In Bangladesh</b>                                     | <b>739,196</b>    | <b>57,860,538</b>    | <b>243,787</b>   | <b>18,887,370</b>  |
| <b>3.2 Outside Bangladesh (Nostro accounts)</b>              |                   |                      |                  |                    |
| <u>Current account</u>                                       | -                 | -                    | -                | -                  |
| <b>4 Loans and advances</b>                                  |                   |                      |                  |                    |
| <b>i) Loans, cash credits, overdrafts, etc.</b>              |                   |                      |                  |                    |
| Loan (General)   | 13,806,169        | 1,080,677,893        | 1,019,289        | 78,969,415         |
| Lease finance  | -                 | -                    | -                | -                  |
| Syndication Terms Loans                                      | 1,542,787         | 120,761,650          | 2,055,346        | 159,237,898        |
|  | <b>15,348,956</b> | <b>1,201,439,543</b> | <b>3,074,635</b> | <b>238,207,313</b> |
| <b>ii) Bills purchased and discounted (note-5)</b>           |                   |                      |                  |                    |
| <b>Payable Inside Bangladesh</b>                             |                   |                      |                  |                    |
| Inland bills purchased                                       | -                 | -                    | -                | -                  |
| <b>Payable Outside Bangladesh</b>                            |                   |                      |                  |                    |
| Foreign bills purchased and discounted                       | 7,554,911         | 591,360,644          | 4,325,588        | 335,124,895        |
|  | <b>7,554,911</b>  | <b>591,360,644</b>   | <b>4,325,588</b> | <b>335,124,895</b> |
|  | <b>22,903,867</b> | <b>1,792,800,186</b> | <b>7,400,222</b> | <b>573,332,209</b> |
| <b>5 Bills purchased and discounted</b>                      |                   |                      |                  |                    |
| Payable in Bangladesh  | -                 | -                    | -                | -                  |
| Payable outside Bangladesh                                   | 7,554,911         | 591,360,644          | 4,325,588        | 335,124,895        |
|  | <b>7,554,911</b>  | <b>591,360,644</b>   | <b>4,325,588</b> | <b>335,124,895</b> |
| <b>6 Deposits and other accounts</b>                         |                   |                      |                  |                    |
| Bank deposits  | -                 | -                    | -                | -                  |
| Customer deposits and other accounts (note-6.1)              | 22,355,867        | 1,749,905,464        | 7,471,370        | 578,844,403        |
|  | <b>22,355,867</b> | <b>1,749,905,464</b> | <b>7,471,370</b> | <b>578,844,403</b> |

# The Premier Bank Limited

## Notes to the Financial Statements of Off-shore Banking Units for the year ended December 31, 2014

|   | 2014              |                      | 2013             |                    |
|---|-------------------|----------------------|------------------|--------------------|
|   | USD               | Taka                 | USD              | Taka               |
| <b>6.1 Customer deposits and other accounts</b> |                   |                      |                  |                    |
| Current deposits                                | 14,597            | 1,142,547            | 12,517           | 969,755            |
| Term deposits                                   | 22,231,355        | 1,740,159,324        | 7,306,905        | 566,102,436        |
| Security deposits receipts                      | -                 | -                    | -                | -                  |
| Sundry deposits                                 | 109,915           | 8,603,593            | 151,949          | 11,772,212         |
|   | <b>22,355,867</b> | <b>1,749,905,464</b> | <b>7,471,370</b> | <b>578,844,403</b> |
| <b>7 Other liabilities</b>                      |                   |                      |                  |                    |
| Interest on bills discount                      | 500,000           | 39,137,500           | -                | -                  |
| Provision for loan & advances                   | 155,793           | 12,194,680           | 74,002           | 5,733,322          |
| Accrued interest on FDR                         | 185,696           | 14,535,363           | 116,634          | 9,036,241          |
| Head Office DEPZ Dollar Account                 | -                 | -                    | -                | -                  |
|   | <b>841,489</b>    | <b>65,867,543</b>    | <b>190,637</b>   | <b>14,769,563</b>  |
| <b>Contingent liabilities</b>                   |                   |                      |                  |                    |
| <b>Acceptance &amp; endorsement</b>             |                   |                      |                  |                    |
| Back to Back bills                              | -                 | -                    | -                | -                  |
| Less: Margin                                    | -                 | -                    | -                | -                  |
| <b>Letters of credits</b>                       |                   |                      |                  |                    |
| Letters of credits                              | -                 | -                    | -                | -                  |
| Customer liabilities PAD                        | -                 | -                    | -                | -                  |
| Back to Back letter of credit                   | -                 | -                    | -                | -                  |
| Less: Margin                                    | -                 | -                    | -                | -                  |
| <b>Letters of guarantee</b>                     |                   |                      |                  |                    |
| Letters of guarantee (Local)                    | -                 | -                    | -                | -                  |
| Letters of guarantee (Foreign)                  | -                 | -                    | -                | -                  |
| Foreign counter guarantees                      | -                 | -                    | -                | -                  |
| Less: Margin                                    | -                 | -                    | -                | -                  |
| <b>Bills for collection</b>                     |                   |                      |                  |                    |
| Outward local bills for collection              | -                 | -                    | -                | -                  |
| Outward foreign bills for collection            | -                 | -                    | -                | -                  |
| Inward local bills for collection               | -                 | -                    | -                | -                  |
| Inward foreign bills for collection             | -                 | -                    | -                | -                  |
| Less: Margin                                    | -                 | -                    | -                | -                  |



# The Premier Bank Limited

## Notes to the Financial Statements of Off-shore Banking Units for the year ended December 31, 2014

|   | 2014             |                    | 2013           |                   |
|---|------------------|--------------------|----------------|-------------------|
|   | USD              | Taka               | USD            | Taka              |
| <b>8 Interest income</b>  |                  |                    |                |                   |
| Loan (general)  | 1,542,242        | 120,719,005        | 814,699        | 63,118,834        |
| LTR loan  | -                | -                  | -              | -                 |
| Lease finance   | -                | -                  | -              | -                 |
| Payment against documents                                       | -                | -                  | -              | -                 |
|   | -                | -                  | -              | -                 |
| <b>Interest on loans and advances</b>                           | <b>1,542,242</b> | <b>120,719,005</b> | <b>814,699</b> | <b>63,118,834</b> |
| Commission  | 2,959            | 231,607            | 337            | 26,081            |
| Others  | 3,061            | 239,632            | 587            | 45,455            |
| Interest on balance with other banks and financial institutions | -                | -                  | -              | -                 |
| Interest received from foreign banks                            | -                | -                  | -              | -                 |
|   | -                | -                  | -              | -                 |
| <b>Total income</b>   | <b>1,548,262</b> | <b>121,190,244</b> | <b>815,623</b> | <b>63,190,370</b> |
| <b>9 Interest on deposits, borrowings, etc.</b>                 |                  |                    |                |                   |
| a) Interest paid on deposits                                    | 855,014          | 66,926,252         | 595,804        | 46,159,896        |
| b) Interest paid on local bank accounts                         | -                | -                  | -              | -                 |
| c) Interest paid on foreign bank accounts                       | -                | -                  | -              | -                 |
|   | <b>855,014</b>   | <b>66,926,252</b>  | <b>595,804</b> | <b>46,159,896</b> |

Premier Bank Securities Ltd.  
Iqbal Centre (12<sup>th</sup> Floor)  
42, Kamal Ataturk Avenue  
Banani, Dhaka- 1213

**Premier Bank Securities Ltd.**  
**Independent Auditors' Report and Financial Statements**  
**For the year ended December 31, 2014**

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**K. M. HASAN & CO.**  
Chartered Accountants  
Home Town Apartment (8<sup>th</sup> & 9<sup>th</sup> Floor)  
87, New Eskaton Road, Dhaka-1000  
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## Independent Auditors' Report To the Shareholders of Premier Bank Securities Ltd.

We have audited the accompanying financial statements of **PREMIER BANK SECURITIES LIMITED**, which comprise the statement of financial position as at December 31, 2014, the statement of profit or loss and other 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 LIMITED** is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS's), 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 (BFRS's), give a true and fair view of the financial position as at December 31, 2014 and its financial performance for the year ended December 31, 2014 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 profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Place : Dhaka.  
Dated : April 23, 2015

  
**K. M. HASAN & CO.**  
Chartered Accountants

# Premier Bank Securities Ltd.

## Statement of Financial Position As at December 31, 2014

|                                     |       | Amount in Taka       |                      |
|-------------------------------------|-------|----------------------|----------------------|
|                                     | Notes | 2014                 | 2013                 |
| <b>ASSETS</b>                       |       |                      |                      |
| <b>Non-current assets</b>           |       |                      |                      |
| Property, Plant & Equipment         | 5     | 3,021,578            | 2,990,296            |
| Investment in Share with TREC       | 6     | 830,000,000          | 830,000,000          |
| Investment in Dealer Account        | 7     | 100,000              | -                    |
|                                     |       | 833,121,578          | 832,990,296          |
| <b>Current assets</b>               |       |                      |                      |
| Margin Loan to Clients              | 8     | 2,152,575,406        | 1,871,062,802        |
| Advance, Deposit & Prepayments      | 9     | 17,889,685           | 8,133,592            |
| Accounts Receivable                 | 10    | 67,658,924           | 266,754              |
| Cash and Cash Equivalents           | 11    | 230,035,709          | 158,546,142          |
|                                     |       | 2,468,159,724        | 2,038,009,290        |
| <b>Total assets</b>                 |       | <b>3,301,281,302</b> | <b>2,870,999,586</b> |
| <b>EQUITY AND LIABILITIES</b>       |       |                      |                      |
| <b>Capital and reserves</b>         |       |                      |                      |
| Share Capital                       | 12    | 500,000,000          | 500,000,000          |
| Retained Earnings                   |       | 26,835,315           | 7,158,344            |
|                                     |       | 526,835,315          | 507,158,344          |
| <b>Non-current liabilities</b>      |       |                      |                      |
| Long Term Loan                      | 13    | 500,000,000          | 500,000,000          |
| <b>Current liabilities</b>          |       |                      |                      |
| Short Term Loan From PBL            | 14    | 1,474,650,000        | 1,474,650,000        |
| Accounts Payable                    | 15    | 451,886,211          | 319,579,580          |
| Provision for Expenses              | 16    | 225,220,672          | 59,611,505           |
| Provision for Income Taxes          | 17    | 20,589,104           | 10,000,157           |
| Other Liabilities                   | 18    | 102,100,000          | -                    |
|                                     |       | 2,274,445,987        | 1,863,841,242        |
| <b>Total equity and liabilities</b> |       | <b>3,301,281,302</b> | <b>2,870,999,586</b> |

The annexed notes form an integral part of these financial statements

For Premier Bank Securities Ltd.

  
Chairman

  
Director

  
Chief Executive Officer

Signed in terms of our report of even date annexed.

Place: Dhaka.  
Date : April 23, 2015

  
K. M. HASAN & CO.  
Chartered Accountants



## Premier Bank Securities Ltd.

## Statement of Profit or Loss and other Comprehensive Income For the year ended December 31, 2014

|                                   | Notes | Amount in Taka      |                     |
|-----------------------------------|-------|---------------------|---------------------|
|                                   |       | 2014                | 2013                |
| Revenue                           | 19    | 62,522,313          | 56,836,321          |
| Less: Direct Expenses             | 20    | 8,779,077           | 7,987,877           |
| <b>Gross Profit</b>               |       | <b>53,743,236</b>   | <b>48,848,444</b>   |
| Less: Operating Expenses          | 21    | 104,807,346         | 101,054,673         |
| <b>Operating Profit/ (Loss)</b>   |       | <b>(51,064,110)</b> | <b>(52,206,230)</b> |
| Other Income                      | 22    | 263,822,776         | 312,801,882         |
|                                   |       | 212,758,666         | 260,595,653         |
| Less: Finance Expenses            | 23    | 182,504,530         | 250,743,163         |
| <b>Profit Before Income Tax</b>   |       | <b>30,254,136</b>   | <b>9,852,490</b>    |
| Less: Provision for Income Tax    | 24    | 10,588,947          | 9,113,806           |
| <b>Profit After Income Tax</b>    |       | <b>19,665,188</b>   | <b>738,684</b>      |
| Add: Other Comprehensive Income   |       | -                   | -                   |
| <b>Total Comprehensive Income</b> |       | <b>19,665,188</b>   | <b>738,684</b>      |

The annexed notes form an integral part of these financial statements

For Premier Bank Securities Ltd.

  
 Chairman

  
 Director

  
 Chief Executive Officer

Signed in terms of our report of even date annexed.

Place: Dhaka.  
Date : April 23, 2015

  
**K. M. HASAN & CO.**  
 Chartered Accountants

# Premier Bank Securities Ltd.

## Statement of Changes in Equity For the year ended December 31, 2014

Amount in Taka

| Particulars                                 | Share capital      | Retained earnings | Total              |
|---|--------------------|-------------------|--------------------|
| <b>Opening Balance as at 1 January 2014</b> | 500,000,000        | 7,158,344         | 507,158,344        |
| Profit for the year                         | -                  | 19,665,188        | 19,665,188         |
| Prior year adjustment                       | -                  | 11,783            | 11,783             |
| <b>Balance as at 31 December 2014</b>       | <b>500,000,000</b> | <b>26,835,315</b> | <b>526,835,315</b> |
| Opening Balance as at 1 January 2013        | 500,000,000        | 6,419,660         | 506,419,660        |
| Profit for the year                         | -                  | 738,684           | 738,684            |
| <b>Balance as at 31 December 2013</b>       | <b>500,000,000</b> | <b>7,158,344</b>  | <b>507,158,344</b> |

For Premier Bank Securities Ltd.



Chairman



Director



Chief Executive Officer

Signed in terms of our report of even date annexed.

Place: Dhaka.  
Date : April 23, 2015




**K. M. HASAN & CO.**  
Chartered Accountants

# Premier Bank Securities Ltd.

## Statement of Cash Flows for the year ended December 31, 2014

|   | Amount in Taka     |                    |
|---|--------------------|--------------------|
|   | 2014               | 2013               |
| <b>A. Cash flows from operating activities</b>              |                    |                    |
| Profit before tax   | 30,254,136         | 9,852,490          |
| Adjustment for non-cash charges:                            |                    |                    |
| Add: Depreciation   | 489,278            | 561,224            |
| Add: Prior year adjustment                                  | 11,783             | -                  |
|   | <b>30,755,197</b>  | <b>10,413,714</b>  |
| <b>Add/Less: Adjustment for changes in working capital:</b> |                    |                    |
| Increase in Margin loan to client                           | (281,512,604)      | (257,100,106)      |
| Increase in advance, deposit & prepayments                  | (9,756,093)        | (3,350,754)        |
| Increase in trade receivable                                | (67,392,169)       | (6,460,234)        |
| Increase in trade payable                                   | 132,306,629        | 248,615,854        |
| Increase in other liabilities                               | 102,100,000        | -                  |
| Increase in provision for expenses                          | 165,609,167        | 59,423,729         |
|   | <b>41,354,931</b>  | <b>41,128,489</b>  |
| Less: Income tax paid                                       | -                  | 4,397,169          |
|   | <b>41,354,931</b>  | <b>36,731,320</b>  |
| <b>Net Cash flow from operating activities</b>              | <b>72,110,127</b>  | <b>47,145,035</b>  |
| <b>B. Cash flows from investing activities</b>              |                    |                    |
| Purchase of property, plant & equipment                     | (520,560)          | (26,000)           |
| Investment in dealer Account                                | (100,000)          | -                  |
| <b>Net Cash used by investing activities</b>                | <b>(620,560)</b>   | <b>(26,000)</b>    |
| <b>C. Cash flows from financing activities</b>              |                    |                    |
| Borrowing from PBL  | -                  | 40,000,000         |
| <b>Net Cash flows from financing activities</b>             | <b>-</b>           | <b>40,000,000</b>  |
| <b>Increase in cash and cash equivalents (A + B + C)</b>    | <b>71,489,567</b>  | <b>87,119,035</b>  |
| Opening cash and cash equivalents                           | 158,546,142        | 71,427,107         |
| <b>Closing cash and cash equivalents</b>                    | <b>230,035,709</b> | <b>158,546,142</b> |

  
 \_\_\_\_\_  
 Chairman

For Premier Bank Securities Ltd.

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Chief Executive Officer

Signed in terms of our report of even date annexed.

 Place: Dhaka.  
 Date : April 23, 2015

  
**K. M. HASAN & CO.**  
 Chartered Accountants

# Premier Bank Securities Ltd.

## Notes to the Financial Statements As at and for the year ended December 31, 2014

### 1. INTRODUCTION

PREMIER BANK SECURITIES LIMITED was incorporated on 29 June, 2010 as a private limited company under the Companies Act 1994 vide certificate of incorporation no. C-85332/10.

The registered office of the company is at Iqbal Center (3rd Floor), 42 Kemal 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 Bangladesh Securities & Exchange Commission as described in the Memorandum and the Articles of Association of PREMIER BANK SECURITIES LIMITED.

### 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 (IAS's)/International Financial Reporting Standards (IFRS's), applicable to the company as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Accounting Standards (BAS's)/Bangladesh Financial Reporting Standards (BFRS's).

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 Bangladesh Accounting Standards (BAS)-1 Presentation of Financial Statement based on accrual basis and other applicable laws and regulations.

#### 3.1 Depreciation on Property, Plant & Equipment

Depreciation has been charged on reducing balance method during the year. Depreciation has been charged on Property, Plant & Equipment when it becomes available for use as per Bangladesh Accounting Standards (BAS)-16 .

#### 3.2 Cash and Cash Equivalents

The 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 changes in value of the same. Cash in hand, Head Office & all Branches are 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) Previous year's figures have been re-arranged/re-grouped where necessary to conform to the current year's financial presentation.
- iii) Figures in these notes and annexed financial statements have been rounded off to the nearest taka.



## Premier Bank Securities Ltd.

Notes to the Financial Statements As at and for the year ended December 31, 2014

## 5. PROPERTY, PLANT AND EQUIPMENT

| Particulars                   | COST                             |                          |                                  | Rate (%) | DEPRECIATION                     |                         |                                  | Written Down Value as on 31.12.2014 |
|-------------------------------|----------------------------------|--------------------------|----------------------------------|----------|----------------------------------|-------------------------|----------------------------------|-------------------------------------|
|                               | Opening balance as on 01.01.2014 | Addition during the year | Closing balance as on 31.12.2014 |          | Opening balance as on 01.01.2014 | Charged during the year | Closing balance as on 31.12.2014 |                                     |
| Office Equipments             | 1,692,300                        | 520,560                  | 2,212,860                        | 20       | 469,813                          | 278,810                 | 748,623                          | 1,464,237                           |
| Software                      | 485,000                          | -                        | 485,000                          | 20       | 105,800                          | 75,840                  | 181,640                          | 303,360                             |
| Electrical Equipments         | 11,900                           | -                        | 11,900                           | 20       | 4,284                            | 1,523                   | 5,807                            | 6,093                               |
| IT Infrastructure             | 782,500                          | -                        | 782,500                          | 20       | 219,187                          | 112,663                 | 331,850                          | 450,650                             |
| Land & Building               | 850,000                          | -                        | 850,000                          | 2.5      | 32,320                           | 20,442                  | 52,762                           | 797,238                             |
| <b>Total as at 31.12.2014</b> | <b>3,821,700</b>                 | <b>520,560</b>           | <b>4,342,260</b>                 |          | <b>831,404</b>                   | <b>489,278</b>          | <b>1,320,682</b>                 | <b>3,021,578</b>                    |
| <b>Total as at 31.12.2013</b> | <b>3,795,700</b>                 | <b>26,000</b>            | <b>3,821,700</b>                 |          | <b>270,179</b>                   | <b>561,224</b>          | <b>831,404</b>                   | <b>2,990,296</b>                    |

Note: Office Equipments included Computer, Server Computer, Phone &amp; Fax machine, UPS and Other equipments.

# Premier Bank Securities Ltd.

## Notes to the Financial Statements As at and for the year ended December 31, 2014

|  |  | Amount in Taka       |                      |
|--|--|----------------------|----------------------|
|  |  | 2014                 | 2013                 |
| <b>6. INVESTMENT IN SHARE WITH TREC</b>      |  |                      |                      |
| Membership License-DSE                       |  | 650,000,000          | 650,000,000          |
| Membership License-CSE                       |  | 180,000,000          | 180,000,000          |
|  |  | <b>830,000,000</b>   | <b>830,000,000</b>   |
| <b>7. INVESTMENT IN DEALER ACCOUNT</b>       |  |                      |                      |
| Share Investment                             |  | <b>100,000</b>       | -                    |
| <b>8. MARGIN LOAN TO CLIENT</b>              |  | <b>2,152,575,406</b> | <b>1,871,062,802</b> |
| <b>9. ADVANCE, DEPOSIT &amp; PREPAYMENTS</b> |  |                      |                      |
| Advances (Note-9.1)                          |  | 17,864,685           | 8,108,592            |
| Deposit (Note-9.2)                           |  | 25,000               | 25,000               |
|  |  | <b>17,889,685</b>    | <b>8,133,592</b>     |
| 9.1 Advances                                 |  |                      |                      |
| AIT through DSE                              |  | 15,495,344           | 7,519,221            |
| AIT through CSE                              |  | 41,527               | 15,575               |
| AIT against Bank Interest Income             |  | 2,327,814            | 573,796              |
|  |  | 17,864,685           | 8,108,592            |
| 9.2 Deposit                                  |  |                      |                      |
| Security Deposit against Clearing House-CSE  |  | 25,000               | 25,000               |
| <b>10. ACCOUNTS RECEIVABLE</b>               |  |                      |                      |
| Receivable from DSE                          |  | 55,186,763           | (8,319,183)          |
| Receivable from CSE                          |  | 8,161                | (64)                 |
| Interest Receivable on Bank Deposit          |  | 10,618,000           | 6,886,000            |
| Interest Receivable on Margin Loan           |  | 1,800,000            | 1,600,000            |
| Management Fees Receivable on Margin Loan    |  | 46,000               | 100,000              |
|  |  | <b>67,658,924</b>    | <b>266,754</b>       |
| <b>11. CASH AND CASH EQUIVALENTS</b>         |  |                      |                      |
| Cash in hand (Note 11.1)                     |  | 95,072               | 117,927              |
| Cash at bank (Note 11.2)                     |  | 229,940,637          | 158,428,215          |
|  |  | <b>230,035,709</b>   | <b>158,546,142</b>   |
| <b>11.1 Cash in hand</b>                     |  |                      |                      |
| Head Office                                  |  | 46,033               | 61,684               |
| Gulshan extended Office of HO                |  | 5,695                | 14,232               |
| Kakrail                                      |  | 2,068                | 2,725                |
| Kawran Bazar                                 |  | 13,960               | 14,568               |
| Kalabagan                                    |  | 6,318                | 4,536                |
| Motijheel                                    |  | 10,889               | 7,129                |
| O. R. Nizam Road (Ctg.)                      |  | 10,109               | 13,053               |
|  |  | 95,072               | 117,927              |
| <b>11.2 Cash at bank</b>                     |  |                      |                      |
| <b>The Premier Bank Ltd.(Banani Branch)</b>  |  |                      |                      |
| STD Account No. 1026                         |  | (307,600)            | (307,600)            |
| STD Account No. 2818                         |  | 9,448                | 146,053,899          |
| STD Account No. 1358                         |  | 196,022,973          | -                    |
| STD Account No. 2858                         |  | 7,710,000            | -                    |
| Revenue Account No. 65001                    |  | 90,896               | -                    |
| Revenue Account No. 2817                     |  | 2,066,940            | 6,120,472            |
| <b>The City Bank Ltd. (Banani Branch)</b>    |  |                      |                      |
| STD Account No. 5001                         |  | 24,338,728           | 6,561,444            |
| <b>The Bank Asia Ltd. (Paltan Branch)</b>    |  |                      |                      |
| STD Account No. 705                          |  | 9,252                | -                    |
|  |  | 229,940,637          | 158,428,215          |

## Premier Bank Securities Ltd.

## Notes to the Financial Statements As at and for the year ended December 31, 2014

|  |                      | Amount in Taka       |                      |
|--|----------------------|----------------------|----------------------|
|  |                      | 2014                 | 2013                 |
| <b>12. SHARE CAPITAL</b>   |                      |                      |                      |
| <b>Authorised Capital</b>  |                      |                      |                      |
| 100,000,000 Ordinary Shares of Tk. 10 each   |                      | <b>1,000,000,000</b> | <b>1,000,000,000</b> |
| <b>Issued, Subscribed and Paid Up Capital</b>  |                      |                      |                      |
| 50,000,000 Ordinary Shares of Tk. 10 each  |                      | <b>500,000,000</b>   | <b>500,000,000</b>   |
| <b>Name of Shareholders</b>  | <b>No. of Shares</b> |                      |                      |
| The Premier Bank Ltd.  | 49,998,000           | 499,980,000          | 499,980,000          |
| Mrs. Fauzia Rekza Banu   | 1,000                | 10,000               | 10,000               |
| Mrs. Eliza Rahman  | 1,000                | 10,000               | 10,000               |
|  | <b>50,000,000</b>    | <b>500,000,000</b>   | <b>500,000,000</b>   |
| <b>13. LONG TERM LOAN</b>  |                      |                      |                      |
| Borrowing from Premier Bank Limited  |                      | <b>500,000,000</b>   | <b>500,000,000</b>   |
| <b>14. SHORT TERM LOAN FROM PBL</b>  |                      |                      |                      |
| Borrowing from Margin Loan paid to Clients   |                      | 1,081,650,000        | 1,081,650,000        |
| Borrowing from Membership  |                      | 393,000,000          | 393,000,000          |
|  |                      | <b>1,474,650,000</b> | <b>1,474,650,000</b> |
| <b>15. ACCOUNTS PAYABLE</b>  |                      |                      |                      |
| Payable to DSE   |                      | (2,240,037)          | 1,570,311            |
| Payable to CSE   |                      | 4,522                | 2,348                |
| Payable to Leads Corporation   |                      | 430,000              | 430,000              |
| Payable to Dhaka Com.  |                      | 106,950              | 53,475               |
| Payable to Link 3  |                      | 134,708              | 369,020              |
| Payable to Clients (Clients Deposit)   |                      | 448,877,979          | 316,878,837          |
| Payable to CDBL  |                      | 924,000              | 200,000              |
| Payable to Issuer  |                      | 198,000              | -                    |
| Payable to Audit fees  |                      | 100,000              | 50,000               |
| Payable to PBL Adv. Office rent-H.O.   |                      | 1,430,000            | -                    |
| Payable to PBL Adv. Office rent-Gulshan  |                      | 1,894,500            | -                    |
| Payable to Salary-Kalabagan  |                      | 13,675               | 13,675               |
| Payable to Salary-Motijheel  |                      | 11,914               | 11,913               |
|  |                      | <b>451,886,211</b>   | <b>319,579,580</b>   |
| <b>16. PROVISION FOR EXPENSES</b>  |                      |                      |                      |
| Provision for Interest on Borrowing  |                      | 224,700,577          | 59,038,990           |
| Provision for Expenses   |                      | 520,095              | 572,515              |
|  |                      | <b>225,220,672</b>   | <b>59,611,505</b>    |
| <b>17. PROVISION FOR INCOME TAXES</b>  |                      |                      |                      |
| Opening balance  |                      | 10,000,157           | 5,283,519            |
| Tax liabilities  |                      | 10,588,947           | 9,113,806            |
|  |                      | 20,589,104           | 14,397,325           |
| Less: Payment During the Year  |                      | -                    | 4,397,168            |
|  |                      | <b>20,589,104</b>    | <b>10,000,157</b>    |
| <b>18. OTHER LIABILITIES</b>   |                      |                      |                      |
| Interest on Suspenses Account  |                      | 102,100,000          | -                    |
| Liabilities made (to suspense A/C) against interest income-margin loan which was charged on the clients bearing negative equity. |                      |                      |                      |

# Premier Bank Securities Ltd.

## Notes to the Financial Statements As at and for the year ended December 31, 2014

|                                      |                    | Amount in Taka     |      |
|--------------------------------------|--------------------|--------------------|------|
|                                      |                    | 2014               | 2013 |
| <b>19. REVENUE</b>                   |                    |                    |      |
| Commission Income                    | 58,855,770         | 53,836,106         |      |
| Account Opening Fees                 | 460,300            | 363,500            |      |
| BO Maintenance Fees                  | 2,329,600          | 1,415,000          |      |
| CDBL Income                          | 876,643            | 1,221,715          |      |
|                                      | <b>62,522,313</b>  | <b>56,836,321</b>  |      |
| <b>20. DIRECT EXPENSES</b>           |                    |                    |      |
| Howla Charges                        | 498,412            | 523,260            |      |
| Laga Charges                         | 3,225,764          | 3,008,287          |      |
| CDBL Charges-CDS bill                | 3,265,939          | 3,340,330          |      |
| CDBL Charges-BO Maintenance bill     | 1,788,962          | 1,116,000          |      |
|                                      | <b>8,779,077</b>   | <b>7,987,877</b>   |      |
| <b>21. OPERATING EXPENSES</b>        |                    |                    |      |
| Salary & Allowances                  | 13,046,798         | 12,499,377         |      |
| Advertisement Expense                | 52,300             | 40,000             |      |
| Audit Fee                            | 50,000             | 56,750             |      |
| Authorisation Expenses-DSE           | -                  | 7,200              |      |
| Car Maintenance                      | 368,724            | 368,724            |      |
| Casual Labour                        | 929,695            | 989,244            |      |
| Conveyance                           | 63,710             | 65,653             |      |
| DSE Monthly Expenses                 | 9,691              | 12,440             |      |
| Electricity Bill                     | 4,364,242          | 4,312,824          |      |
| Electrical Fittings                  | -                  | 34,951             |      |
| Festival Bonus                       | 1,193,650          | 1,058,626          |      |
| Gas Bill                             | 9,600              | 10,400             |      |
| Internet Bill                        | 23,344             | 23,120             |      |
| Incentive Bonus                      | 557,162            | 540,598            |      |
| Mobile Bill                          | 96,481             | 64,873             |      |
| Network Connectivity Charge          | 1,367,388          | 1,541,811          |      |
| Office Expenses                      | 360,310            | 327,237            |      |
| Office Maintenance                   | 80,402             | 59,120             |      |
| Office Rent                          | 80,222,497         | 77,068,816         |      |
| Journal & Periodicals                | 35,364             | 35,295             |      |
| Penalty to CSE                       | 10,000             | -                  |      |
| PF Contribution by PBSL              | 178,273            | 175,120            |      |
| Postage & Courier                    | 5,415              | 3,138              |      |
| Printing & Stationery                | 291,192            | 697,416            |      |
| Renewal & Registration               | 164,105            | 67,005             |      |
| Repair & Maintenance                 | 31,700             | 2,500              |      |
| Legal & Professional Fees            | 399,110            | 15,000             |      |
| Stamp & Cartridge                    | 20,323             | 5,250              |      |
| Telephone Bill                       | 52,164             | 56,782             |      |
| Telephone connection Charge -Gulshan | 7,628              | -                  |      |
| Tour & Travel                        | 2,800              | 2,180              |      |
| Wasa Bill                            | 324,000            | 352,000            |      |
| Depreciation                         | 489,278            | 561,224            |      |
|                                      | <b>104,807,346</b> | <b>101,054,673</b> |      |



## Premier Bank Securities Ltd.

## Notes to the Financial Statements As at and for the year ended December 31, 2014

|  |                    | Amount in Taka     |      |
|--|--------------------|--------------------|------|
|  |                    | 2014               | 2013 |
| <b>22. OTHER INCOME</b>                            |                    |                    |      |
| Interest Income                                    | 224,737,597        | 283,413,966        |      |
| IPO Commission                                     | 4,268              | -                  |      |
| Service Charges                                    | 17,474,021         | 20,891,552         |      |
| Miscellaneous Income                               | 4,617              | 90,973             |      |
| Interest Income on Bank Deposit                    | 21,602,273         | 8,405,392          |      |
|  | <b>263,822,776</b> | <b>312,801,882</b> |      |
| <b>23. FINANCE EXPENSES</b>                        |                    |                    |      |
| Bank Charges                                       | 51,453             | 11,965             |      |
| Interest Expenses on General loan from PBL         | -                  | 42,247,500         |      |
| Interest Expenses on Margin loan from PBL          | 182,453,077        | 208,483,698        |      |
|  | <b>182,504,530</b> | <b>250,743,163</b> |      |
| <b>24. PROVISION FOR INCOME TAX</b>                |                    |                    |      |
| (i) Taxable Income                                 |                    |                    |      |
| Revenue  | 62,522,313         | 56,836,321         |      |
| Other Income                                       | 263,716,236        | 312,801,882        |      |
| Total Income                                       | 326,238,549        | 369,638,203        |      |
| Less: Brokerage Commission                         | 58,855,770         | 53,836,106         |      |
|  | <b>267,382,779</b> | <b>315,802,097</b> |      |
| (ii) Tax liability (Minimum Tax calculation)       |                    |                    |      |
| AIT brokerage Commission U/S 82 (C)                | 8,002,075          | 7,534,796          |      |
| AIT against interest income                        | 1,754,018          | -                  |      |
| On Taka 267,382,779 @.30% for the year(Sec.-16CCC) | 802,148            | -                  |      |
| On Taka 315,802,097 @.50% for the year(Sec.-16CCC) | -                  | 1,579,010          |      |
| Tax liability                                      | <b>10,558,241</b>  | <b>9,113,806</b>   |      |
| (iii) Tax liability (Based on Taxible profit)      |                    |                    |      |
| Net Profit before tax @ 35%                        | <b>10,588,947</b>  | -                  |      |

# Premier Bank Securities Ltd.

## Notes to the Financial Statements As at and for the year ended December 31, 2014

### 25. ALLOTMENT OF ORDINARY SHARES

#### (a) Investment in DSE Shares & TREC

As per the provision of the Exchange Demutualization Act, 2013 and in accordance with the Bangladesh Securities and Exchange Commission (BSEC) approved Demutualization Scheme, Dhaka Stock Exchange allotted 7,215,106 ordinary Shares of Taka 10 each and Trading Right Entitlement Certificate (TREC) in favour of the company against the membership of DSE. Out of the total 7,215,106 Shares DSE transferred and credited 2,886,042 shares directly to Company's BO Account (1294590050888175) and rest 4,329,064 shares were credited to the "Demutualization Blocked Account" maintained by the DSE.


#### (b) Investment in CSE Shares & TREC


As per the provision of the Exchange Demutualization Act, 2013 and in accordance with the Bangladesh Securities and Exchange Commission (BSEC) approved Demutualization Scheme, Chittagong Stock Exchange allotted 4,287,330 ordinary Shares of Taka 10 each and Trading Right Entitlement Certificate (TREC) in favour of the company against the membership of CSE. Out of the total 4,287,330 Shares CSE transferred and credited 1,714,932 shares directly to Company's BO Account (1204590050888175) and rest 2,572,398 shares were credited to the "Demutualization Blocked Account" maintained by the CSE.

### 26. EVENTS AFTER REPORTING PERIOD

- (a) The Board of Directors of the company in it's meeting held on April 23, 2015 approved the financial statements of the company for the year ended December 31, 2014 and authorized the same for issue.
- (b) There is no other significant event that has occurred between the date of financial position and the date when the financial statements were authorized for issue by the Board of Directors.

For Premier Bank Securities Ltd.

  
Chairman

  
Director

  
Chief Executive Officer

Signed in terms of our report of even date annexed.

Place: Dhaka.  
Date : April 23, 2015

  
K. M. HASAN & CO.  
Chartered Accountants

# Premier Money Transfer Company Limited

Subsidiary of The Premier Bank Limited, Bangladesh

**Registered in England & Wales**  
**Registration Number: 07085086**

Financial Statements  
For The Year Ended December 31, 2014

**DIRECTORS**

DR HEFJUL BARI MOHAMMAD IQBAL  
ABU HANIFF KHAN

**REGISTERED OFFICE**

WHITECHAPEL TECHNOLOGY CENTRE  
75, WHITECHAPEL ROAD  
LONDON  
E1 1DU

**COMPANY NUMBER**

07085086

**BANKERS**

HABIB BANK UK

**ACCOUNTANTS**

Jahan & Co.  
Chartered Management Accountants  
22 Osborn Street  
London  
E1 6TD

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# Premier Money Transfer Company Limited

## Directors' Report For The Year Ended December 31, 2014

The directors present their report and accounts for the year ended December 31, 2014

### PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was money Remittance & Bureau De Change.

### DIRECTORS

The directors who served during the year and their interests in the share capital of the company were as follows:

|                               | 2014<br>No. | 2013<br>No. |
|-------------------------------|-------------|-------------|
| DR HEFJUL BARI MOHAMMAD IQBAL | 0           | 0           |
| ABU HANIFF KHAN               | 0           | 0           |

### DIRECTORS RESPONSIBILITIES

Company Law requires the directors to prepare financial statements for each year which 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 period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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 them 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.

The report of the directors has been prepared in accordance with the special provisions within Part 15 of the Companies Act 2006.

This report was approved by the board on 14 January 2014



**Dr Hefjul Bari Mohammad Iqbal**  
Director



# Premier Money Transfer Company Limited

## **ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE FINANCIAL STATEMENTS OF PREMIER MONEY TRANSFER COMPANY LIMITED, FOR THE YEAR ENDED 31 DECEMBER 2014**

In order to assist you to fulfill your duties under the Companies Act 2006, we have prepared for your approval the accounts of PREMIER MONEY TRANSFER COMPANY LIMITED for the year ended 31 December 2014 as set out on pages 5 to 10 from the company's accounting records and from information and explanations you have given us.

As a practising member of the Chartered Institute of Management Accountants (CIMA), we are subject to its ethical and other professional requirements which are detailed on their website.

This report is made solely to the Board of Directors of PREMIER MONEY TRANSFER COMPANY LIMITED, as a body, in accordance with the terms of our engagement letter dated. Our work has been undertaken solely to prepare for your approval the accounts of PREMIER MONEY TRANSFER COMPANY LIMITED and state those matters that we have agreed to state to the Board of Directors of PREMIER MONEY TRANSFER COMPANY LIMITED, as a body, in this report, in accordance with the requirements of the Chartered Institute of Management Accountants (CIMA) as detailed on their website. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than PREMIER MONEY TRANSFER COMPANY LIMITED and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that PREMIER MONEY TRANSFER COMPANY LIMITED has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profitability of PREMIER MONEY TRANSFER COMPANY LIMITED. You consider that PREMIER MONEY TRANSFER COMPANY LIMITED is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of PREMIER MONEY TRANSFER COMPANY LIMITED, verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.



Jahan & Co.  
Chartered Management Accountants  
22 Osborn Street  
London  
E1 6TD  
28 January 2015

# Premier Money Transfer Company Limited

## Profit and Loss Account for the Year Ended December 31, 2014

|   | Notes | 2014      | 2013      |
|---|-------|-----------|-----------|
|   |       | £         | £         |
| <b>Turnover</b>                             | 2     | 43,076    | 27,849    |
| <b>GROSS PROFIT</b>                         |       | 43,076    | 27,849    |
| Distribution costs                          |       | (1,809)   | (126)     |
| Administrative expenses                     |       | (131,834) | (116,621) |
| <b>OPERATING LOSS</b>                       | 3     | (90,567)  | (88,898)  |
| LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION |       | (90,567)  | (88,898)  |
| LOSS ON ORDINARY ACTIVITIES AFTER TAXATION  |       | (90,567)  | (88,898)  |
| LOSS FOR THE FINANCIAL YEAR                 |       | (90,567)  | (88,898)  |

## Premier Money Transfer Company Limited

## Balance Sheet as at December 31, 2014

|  | Notes | 2014    |                 | 2013   |                 |
|--|-------|---------|-----------------|--------|-----------------|
|  |       | £       | £               | £      | £               |
| <b>FIXED ASSETS</b>                                    |       |         |                 |        |                 |
| Tangible assets  | 5     |         | 18,470          |        | 22,887          |
| <b>CURRENT ASSETS</b>                                  |       |         |                 |        |                 |
| Debtors (amounts falling due within one year)          | 6     | 5,746   |                 | 24,894 |                 |
| Debtors (amounts falling due after more than one year) | 6     | 7,009   |                 | 7,009  |                 |
| Cash at bank and in hand                               |       | 6,552   |                 | 45     |                 |
|  |       | 19,307  |                 | 31,948 |                 |
| <b>CREDITORS: Amounts falling due within one year</b>  | 7     | 106,131 |                 | 52,622 |                 |
| <b>NET CURRENT (LIABILITIES)</b>                       |       |         | <b>(86,824)</b> |        | <b>(20,674)</b> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>           |       |         | <b>(68,354)</b> |        | <b>2,213</b>    |
| <b>CAPITAL AND RESERVES</b>                            |       |         |                 |        |                 |
| Called up share capital                                | 8     |         | 267,769         |        | 247,769         |
| Profit and loss account                                | 9     |         | (336,123)       |        | (245,556)       |
| <b>SHAREHOLDERS' FUNDS</b>                             |       |         | <b>(68,354)</b> |        | <b>2,213</b>    |

For the year ending 31 December 2014 the company was entitled 10 exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the board on 28 January 2015 and signed on their behalf by



**DR HEJFUL BARI MOHAMMAD IQBAL**  
Director



**ABU HANIFF KHAN**  
Director

## Notes to the Accounts for the Year Ended December 31, 2014

### 1a. Basis Of Accounting

### 1b. Cash Flow Statement

### 1c. Going Concern

### 1d. Depreciation

reducing balance 20%

### 1e. Turnover

## 2. TURNOVER

| 2014          | 2013          |
|---------------|---------------|
| £             | £             |
| 41,809        | 27,426        |
| 1,267         | 394           |
| -             | 29            |
| <b>43,076</b> | <b>27,849</b> |
|               |               |
| 4,618         | 5,722         |
| <b>4,618</b>  | <b>5,722</b>  |
|               |               |
| -             | -             |

### 3. OPERATING PROFIT

#### 4. TAX ON ORDINARY ACTIVITIES



## Premier Money Transfer Company Limited

## Notes to the Accounts for the Year Ended December 31, 2014

## 5. TANGIBLE FIXED ASSETS

|                         | Plant and Machinery | Fixtures and Fittings | Total  |
|-------------------------|---------------------|-----------------------|--------|
|                         | £                   | £                     | £      |
| <b>Cost</b>             |                     |                       |        |
| At 1 January 2014       | 4,137               | 41,386                | 45,523 |
| Additions               | 201                 | -                     | 201    |
| At 31 December 2014     | 4,338               | 41,386                | 45,724 |
| <b>Depreciation</b>     |                     |                       |        |
| At 1 January 2014       | 1,991               | 20,645                | 22,636 |
| For the year            | 470                 | 4,148                 | 4,618  |
| At 31 December 2014     | 2,416               | 24,793                | 27,254 |
| <b>Net Book Amounts</b> |                     |                       |        |
| At 31 December 2014     | 1,877               | 16,593                | 18,470 |
| At 31 December 2013     | 2,146               | 20,741                | 22,887 |

## 6. DEBTORS

|                                      | 2014  | 2013   |
|--------------------------------------|-------|--------|
|                                      | £     | £      |
| Amounts falling due within one year: |       |        |
| Other debtors                        | 5,746 | 24,894 |
|                                      | 5,746 | 24,894 |

Amounts falling due after more than one year;  
Rent Deposit

## 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                              |         |        |
|------------------------------|---------|--------|
| Trade Creditors              | -       | 6,842  |
| TT Payable                   | 103,821 | 41,966 |
| Taxation and social security | 1,560   | 3,064  |
| Accruals                     | 750     | 750    |
|                              | 106,131 | 52,622 |

## 8. SHARE CAPITAL

## Allotted, issued and fully paid:

|                                    |         |         |
|------------------------------------|---------|---------|
| 267,769 Ordinary shares of £1 each | 267,769 | 247,769 |
|                                    | 267,769 | 247,769 |

## New shares issued during period:

|                                   |        |        |
|-----------------------------------|--------|--------|
| 20,000 Ordinary shares of £1 each | 20,000 | 50,000 |
|                                   | 20,000 | 50,000 |

## 9. PROFIT AND LOSS RESERVE

|                   |           |           |
|-------------------|-----------|-----------|
| Opening balance   | (245,556) | (156,658) |
| Loss for the year | (90,567)  | (88,898)  |
|                   | (336,123) | (245,556) |

## 10. CONTROLLING PARTY

Premier Bank Limited, Bangladesh, is the ultimate holding company by virtue of its ownership of 100% of the issued share capital.

# Premier Money Transfer Company Limited

## Trading and Profit and Loss Account for the Year Ended December 31, 2014

|                                       | 2014    |           | 2013    |            |
|---------------------------------------|---------|-----------|---------|------------|
|                                       | £       | £         | £       | £          |
| Turnover                              |         | 43,076    |         | 27,849     |
| Cost of Sales:                        |         |           |         |            |
| Gross Profit                          |         | 43,076    |         | 27,849     |
|                                       |         | 43,076    |         | 27,849     |
| Less:                                 |         |           |         |            |
| Distribution costs                    | 1,809   |           | 126     |            |
| Administrative expenses               | 131,834 |           | 116,621 |            |
|                                       |         | 133,643   |         | 116,747    |
| Net loss for the year before taxation |         | (90,567)  |         | (88,898)   |
| Net loss for the year after taxation  |         | (90,567)  |         | (88,898)   |
| Retained losses brought forward       |         | (245,556) |         | (156, 658) |
| Retained losses carried forward       |         | (336,123) |         | (246,556)  |

This page does not form part of the Company's Statutory Accounts and is prepared for the information of the Directors only.

## Premier Money Transfer Company Limited

## Profit and Loss Account Summaries for the Year Ended December 31, 2014

|                                       | 2014           | 2013           |
|---------------------------------------|----------------|----------------|
|                                       | £              | £              |
| <b>Distribution Costs:</b>            |                |                |
| Advertising and sales promotion       | 90             | -              |
| Travel & Subsistence                  | -              | 5              |
| Staff Cost                            | 1,719          | 121            |
|                                       | <u>1,809</u>   | <u>126</u>     |
| <b>Administrative Expenses:</b>       |                |                |
| Water, Heat and Light                 | 1,908          | 1,339          |
| Rent and Rates                        | 41,304         | 38,710         |
| Cleaning                              | 165            | 189            |
| Repairs and renewals                  | 212            | 99             |
| Wages - regular                       | 51,484         | 52,700         |
| Staff Training                        | -              | 600            |
| Accountancy fees                      | 3,000          | 2,200          |
| Professional fees                     | 156            | -              |
| Insurance                             | 594            | 262            |
| Stationery & office supplies          | 525            | 803            |
| Telephone, Internet and Fax           | 1,158          | 843            |
| Sundry tools and maintenance          | -              | 25             |
| Fees & Subscriptions                  | 715            | 1,127          |
| Security costs                        | 406            | 303            |
| Bank charges                          | 25,406         | 11,699         |
| Fine & penalties                      | 181            | -              |
| <b>Depreciation and Amortisation:</b> |                |                |
| Depreciation of plant and machinery   | 472            | 537            |
| Depreciation of Fixtures and Fittings | 4,148          | 5,185          |
|                                       | <u>131,834</u> | <u>116,621</u> |

This page does not form part of the Company's Statutory Accounts and is prepared for the information of the Directors only.



# Our Committees, Divisional Heads & Branch Managers





## Management Committee (MANCOM)



## Asset-Liability Committee (ALCO)



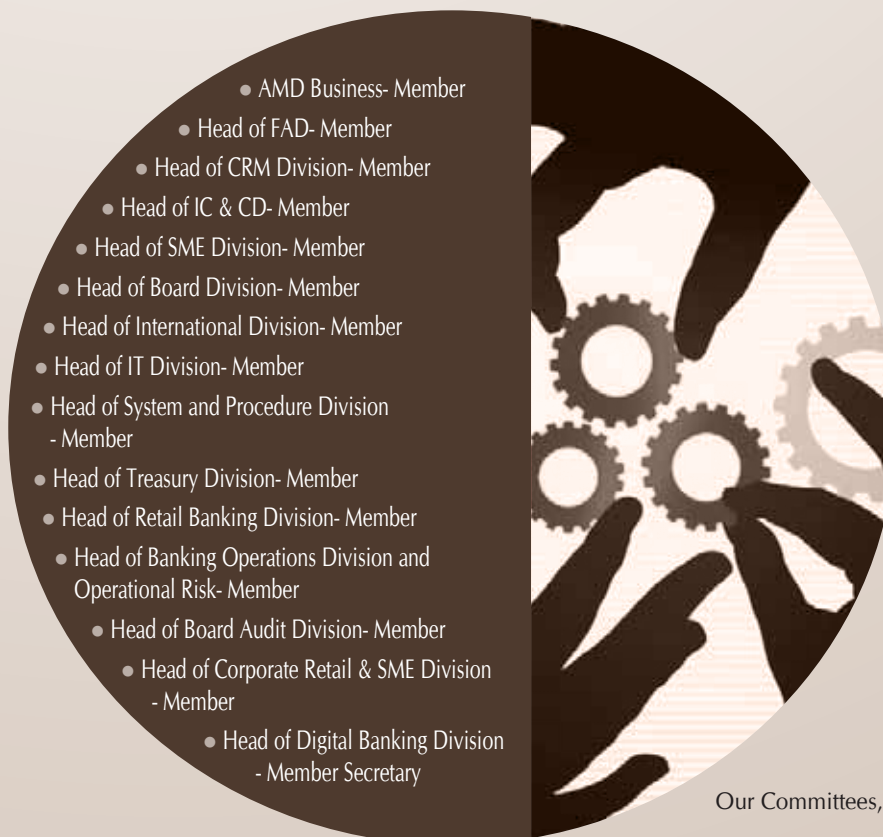
# Head Office Credit Committee (HOCC)



## Integrity Committee



## ICT Steering Committee



## Divisional Heads

| Name                         | Designation               | Division                                    |
|------------------------------|---------------------------|---|
| Mr. Mir Abdur Rahim          | Chief Risk Officer & Head | Risk Management Division                    |
| Mr. Abdul Hai                | SEVP & CFO                | Financial Administration Division           |
| Mr. Syed Nowsher Ali         | SEVP & Head               | GSD & Banani Branch                         |
| Mr. Sahdat Hossain           | SEVP & Head               | CRM Division-1                              |
| Mr. Mahbubul Alam Taiyab     | SEVP & Head               | IC & CD                                     |
| Mr. Asif Zaman               | SEVP & Head               | Human Resource Division                     |
| Mr. Md. Omar Faruque Bhuiyan | SEVP & Head               | Card Division                               |
| Mr. Md. Iqbal Hossain        | SEVP & Head               | Retail and SME Division                     |
| Mr. Mohammad Ali Zaryab      | SEVP & Head               | CRM Division-2                              |
| Mr. Shafiuddin Ahmed         | EVP & Head                | International Division                      |
| Mr. Syed Ahsan Habib         | EVP & Head                | Board Division (Company Secretary)          |
| Mr. Galib Hamid Protik       | EVP & Head                | Banking Operations Division                 |
| Mr. Md. Anowar Hossain       | SVP & Head                | Board Audit Division                        |
| Mr. Mohammed Emtiaz Uddin    | SVP & Head                | Corporate Banking Division                  |
| Mr. Dewan Imteaz Ahmed       | SVP & Head                | CRM-Retail & SME Division                   |
| Mr. Mohammed Ratan Miah      | VP & Head                 | Credit Administration Division              |
| Ms. Sushmita M. Samad        | VP & Head                 | Elite Priority Banking                      |
| Mr. Sk. Sunjur Ahmed         | VP & Head                 | System & Procedures Department              |
| Mr. Md. Mashuqur Rahman      | VP & Head                 | IT Division                                 |
| Mr. Md. Rafiqul Islam Khan   | FVP & Head                | Central CLG Unit                            |
| Mr. A. K. M. Shahnur         | FVP & Incharge            | Recovery Division                           |
| Mr. Md. Mashhurul Haq        | SAVP & Head               | Cash Management Operation Department        |
| Mr. Muhammad Monowar Hossain | SAVP & Head               | SBIM & Analytics Department                 |
| Ms. Sadia Mobin Hannan       | SAVP & Head               | Learning & Talent Development Center        |
| Mr. Md. Mahbubur Rahman      | AVP & Head                | Public Relationship Division                |
| Mr. Kh. Syful Islam          | AVP & Head                | Islamic Banking Division                    |
| Mr. S.M. Habibur Rahman      | AVP & Incharge            | Syndication & Structured Finance Department |
| Mr. Mohammad Arafat Raihan   | JAVP & Incharge           | Digital Banking Division                    |
| Mr. ASM Mohibur Rahman       | JAVP & Incharge           | Treasury Division                           |
| Mr. Md. Moazzim Hossain      | EO & Incharge             | Brands and Marketing Department             |



# Branch Managers

| Name                                 | Designation | Branch                            |
|--------------------------------------|-------------|-----------------------------------|
| Mr. A K M Fazlul Hoq                 | SEVP        | Imamgonj Branch                   |
| Mr. Md. Shah Alam                    | SEVP        | Gulshan Circle-2 Branch           |
| Mr. Shamsuddin Chowdhury             | SEVP        | Motijheel Branch                  |
| Mr. Md. Zahangir Khaled              | SEVP        | Agrabad Branch                    |
| Mr. Md. Quamruzzaman                 | SEVP        | Gulshan Branch                    |
| Mr. Syed Nowsher Ali                 | SEVP        | Banani Branch                     |
| Mr. Ali Ahmed Dewan                  | EVP         | Dilkusha Branch                   |
| Mr. A.S.M. Fasiul Islam              | EVP         | Mohakhali Branch                  |
| Mr. Md. Shahid Hassan Mallik         | EVP         | Narayangonj Branch                |
| Mr. Md. Kamal Uddin                  | SVP         | Bangla Bazar SME Branch           |
| Mr. Md. Hasanul Hossain              | SVP         | Uttara Branch                     |
| Mr. Md. Robeuzzaman                  | SVP         | Bangshal Branch                   |
| Mr. Golam Akbar Chowdhury            | SVP         | Khatungonj Branch                 |
| Mr. Syed Shafqat Rabbi               | SVP         | Rampura Branch                    |
| Mr. Md. Shah Alam                    | VP          | Ashugonj Branch                   |
| Mr. Md. Abdul Baten Chowdhury        | VP          | Elephant Road Branch              |
| Mr. Md. Zakir Hossain                | VP          | Dhaka New Market Branch           |
| Mr. Mohammad Fazlul Hoque            | VP          | Dhanmondi Branch                  |
| Mr. Md. Akhteruzzaman                | VP          | Joydebpur Branch                  |
| Mr. Alamgir Kabir                    | VP          | Bhairab Bazar Branch              |
| Mr. Md. Shariful Islam               | VP          | Rajshahi Branch                   |
| Mr. Abdul Kayum                      | VP          | Panthapath Branch                 |
| Mr. Abdul Mannan Khan                | VP          | Dilkusha Corporate Branch         |
| Mr. Ezaz Wahid                       | FVP         | Kawran Bazar Branch               |
| Mr. Md. Nowshad Ali                  | FVP         | O.R. Nizam Road Branch            |
| Mr. Md. Abul Hossain Chokder         | FVP         | Rokeya Sarani Branch              |
| Mr. Tridib Kumar Barua               | FVP         | Pahartoli Branch                  |
| Mr. Mohammad Sohrabuddin             | FVP         | Nawabpur Road Branch              |
| Mr. Md. Mibsum Hossain Chowdhury     | FVP         | Rangpur Branch                    |
| Mr. Mohammad Zahid Hasan             | FVP         | Kadomtoli Branch                  |
| Mr. Abdullah Al Mahmud               | FVP         | Garib-E-Newaz Avenue Branch       |
| Mr. Sikder Mozammel Hoque            | FVP         | Madhabdi Branch                   |
| Mr. Quazi Fazlur Rahman              | SAVP        | Khulna Branch                     |
| Mr. Md. Nizamul Islam                | SAVP        | Barisal Branch                    |
| Mr. Md. Idris Ali Joarder            | SAVP        | Tongi Branch                      |
| Mr. Mohammad Mainul Hasan            | SAVP        | Kalabagan Branch                  |
| Mr. Shah Md. Wosiuddin               | SAVP        | Konabari Branch                   |
| Mr. Mahbubul Islam Chowdhury         | SAVP        | Comilla Branch                    |
| Mr. Masud Alam Khan                  | SAVP        | Bhulta Branch                     |
| Mr. Mohammad Erfan Uddin             | SAVP        | Jubilee Road Branch               |
| Mr. Md. Tipu Sultan Khan             | SAVP        | Shaymoli Branch                   |
| Mr. Mohammad Humayun Kabir Chowdhury | SAVP        | Madanpur Branch                   |
| Mr. Md. Nasir Uddin                  | SAVP        | Matuail Branch                    |
| Mr. Md. Mashiur Rahman               | SAVP        | Dhanmondi Shat Masjid Road Branch |
| Mr. Hassan Mahmud Tariq              | SAVP        | Satarkol Branch                   |
| Mr. Arshad Taufiq                    | SAVP        | Baridhara Branch                  |
| Mr. Zulfiker Rahman Chowdhury        | SAVP        | Kawran Bazar SME Branch           |
| Mr. Md. Zakir Hossain                | SAVP        | Banani SME Branch                 |
| Mr. Md. Helal Uddin                  | SAVP        | Sirajgonj SME Branch              |



# Branch Managers

| Name                           | Designation       | Branch                              |
|--------------------------------|-------------------|-------------------------------------|
| Ms. Lipe Azad                  | SAVP              | Chittagong EPZ Branch               |
| Mr. Anisur Rahman              | SAVP & Incharge   | Kakrail Branch                      |
| Mr. Mohd. Didarul Alam         | SAVP & Incharge   | Chowk Bazar Branch                  |
| Mr. Mohd. Zulfikar Haider      | AVP               | Mymensingh Branch                   |
| Mr. Md. Ibahim Hossain Bhuiyan | AVP               | Feni Branch                         |
| Mr. A. M. M. Nizamuddoula Khan | AVP               | Ambarkhana Branch                   |
| Mr. Md. Hasan Zahid            | AVP               | Jessore Branch                      |
| Mr. Md. Abdul Motallib         | AVP               | Ashkona Branch                      |
| Mr. D. M. Rafiqul Islam        | AVP               | Gulshan Link Road Branch            |
| Mr. Kazi Asadul Habib          | AVP               | Naogaon Branch                      |
| Mr. Md. Golam Mawla            | AVP               | Kalibari Branch                     |
| Mr. Rasif Al Karim             | AVP               | Mouchak SME Branch                  |
| Mr. Md. Jashim Uddin           | AVP               | Chowmuhani SME Branch               |
| Mr. Shajedul Islam             | AVP               | Keranigonj SME Branch               |
| Mr. Saleh Abdur Rahim          | AVP & Incharge    | Bogra Branch                        |
| Mr. Subrata Kumar Barua        | AVP & Incharge    | Nazirhat Branch                     |
| Mr. Md. Mahfuzul Haque         | AVP & Incharge    | Gulshan-Tejgaon Link Road Branch    |
| Mr. Md. Mahadi Hasan Sarker    | JAVP              | Meghnaghat Branch                   |
| Mr. Muhammad Suzat Ali         | JAVP              | Zinzira Branch                      |
| Mr. Moinul Islam Mridha        | JAVP              | Savar Bazar Branch                  |
| Mr. Md. Yousuf Patwary         | JAVP              | Pagla Branch                        |
| Mr. Kamal Hosen                | JAVP              | Tangail Branch                      |
| Mr. Md. Tarek Ahmed            | JAVP              | Bashundhara Branch                  |
| Mr. Mohsin Miah                | JAVP              | Danga Branch                        |
| Mr. Syed Mizanur Rahman        | JAVP              | Elenga Branch                       |
| Mr. Md. Ahsan Ull Munir        | JAVP              | Ati Bazar Branch                    |
| Mr. Md. Abdur Rahim            | JAVP              | Mohammadpur SME Branch              |
| Mr. Md. Abdul Hannan           | JAVP              | Donia Branch                        |
| Mr. Faisal Mahmud              | JAVP              | Mirpur Section-1 Branch             |
| Mr. Md. Khaled Imran           | JAVP              | Faridpur Branch                     |
| Mr. Md. Mazharul Islam         | SEO               | Dhaka EPZ Branch                    |
| Mr. Md. Moshahiduzzaman        | SEO               | Bhaluka Branch                      |
| Mr. Rasal Ahmed                | SEO               | Munshigonj Branch                   |
| Mr. M. Morshed Khan            | SEO               | Ashulia Branch                      |
| Mr. Syed Minhajul Sharif       | SEO               | Brahmanbaira SME Branch             |
| Mr. Ahasan Mahmood             | SEO               | Cox's Bazar SME Branch              |
| Mr. Md. Nizam Uddin            | SEO & Incharge    | Narsingdi Branch                    |
| Mr. Md. Shofikul Islam         | EO                | Board Bazar Branch                  |
| Mr. Mohammad Forhad Iftekhar   | EO                | Shyamgonj Branch                    |
| Mr. Khondoker Mostaq Ahmed     | EO                | Kapasias Branch                     |
| Mr. Habibur Rahaman            | EO & Incharge     | Sylhet Branch                       |
| Mr. Sheikh Md. Abidur Rahman   | EO & Incharge     | Moulvi Bazar Branch                 |
| Mr. Md. Julfiker Ali           | EO & Incharge     | Borogola SME Branch                 |
| Mr. Md. Helal Uddin Chowdhury  | AGM               | Motijheel Branch (PBSL)             |
| Mr. Md. Akram Hossain          | Deputy Manager    | Karwan Bazar Branch (PBSL)          |
| Mr. Syed Shakir Ahmed          | Assistant Manager | O. R. Nizam Road Branch (PBSL)      |
| Mr. Shubha Karan Bhowmik       | Assistant Manager | Extended Head Office Gulshan (PBSL) |
| Mr. Md. Ashraful Hossain       | Senior Executive  | Kalabagan Branch (PBSL)             |
| Mr. Md. Maksudur Rahman        | Senior Executive  | Kakrail Branch (PBSL)               |



# Branch Network

Our Branches of The Premier Bank Ltd. and  
Premier Bank Securities Ltd (Brokerage)

# Dhaka City Branches

## Askona Branch (148)

Bhuiyan Shopping Complex  
301/631 (Ground Floor)  
Askona, Dhokinkhan, Dhaka.  
Tel: 8953073, 8953014

## Ati Bazar Branch (175)

Jane Alam Market (1st floor),  
Mouza: Ati Bazar, Union: Shatta  
Thana: Keranigonj, Dhaka.  
Mobile: 01819 277743, 01755599965

## Banani Branch (104) \$ E

Iqbal Centre, (2nd Floor)  
42 Kemal Ataturk Avenue  
Banani, Dhaka-1213.  
Tel: 9820844-8, 9820888

## Bangshal Branch (119) \$

70, Shahid Syed Nazrul Islam Sarani,  
(1st floor), Bangshal, Dhaka.  
Tel: 9565738, 9565684, 7161986

## Baridhara Branch (169)

House no.-06 (Gr. & 1st floor),  
Road no.-2/B, Block-J, Baridhara, Dhaka  
Mobile: 01755558834, 9841623-5

## Bashundhara Branch (155)

Plot # 189 (Ground Floor) Block-B  
Bashundhara Residential Area  
Main Road, Dhaka.  
Tel: 8402534

## Dhaka New Market Branch (160)

New Market City Complex" (1st Floor)  
44/1, Rahim Square, New Market, Dhaka.  
Tel: 9634922-3

## Dhanmondi Branch (110) \$ E

House # 84, Road # 7/A,  
Dhanmondi, Dhaka -1209.  
Tel: 9145186, 9143081

## 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 Branch (101) \$ E

44, Dilkusha C/A, Dhaka-1000.  
Tel: 9552328, 9552303, 9569180

## Dilkusha Corporate Branch (152)

Moon Mansion (Phoenix Bhaban)  
12, Dilkusha C/A, Dhaka.  
Tel: 7122415, 7110834, 7110341

## Elephant Road Branch (114) \$ E

248, Elephant Road, Katabon Mor  
1st Floor, Dhaka-1205.  
Tel: 58611883, 58616803

## Garib E Newaz Avenue Branch (166)

Plot # 32, Garib E Newaz Avenue  
Sector-11, Uttara, Dhaka.  
Tel: 8991402, 8991558

## Gulshan Branch (102) \$ E

78, Gulshan Avenue, Dhaka-1212.  
Tel: 9882781, 9890391, 9862609

## Gulshan Circle-2 Branch (149) \$

Doreen Tower, Level-2  
6-A, North Avenue, C/A  
Gulshan-2, Dhaka.  
Tel: 8831732, 8831701

## Gulshan Link Road Branch (168)

House no. Ga 82 & 90/1, (Ground Floor),  
Gulshan Link Road, Dhaka.  
Tel: 9841795-6

## Gulshan-Tejgaon Link Road Branch (178)

SPL-Western Tower, Plot-186,  
Bir Uttam Shawkat Ali Sharak,  
Gulshan-Tejgaon Link Road,  
Tejgaon Industrial Area, Dhaka  
Mobile: 01985552824

## Imamgonj Branch (106) \$ E

75, Mitford Road, Imamgonj, Dhaka.  
Tel: 7342055, 7317752

## 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

## Kawran Bazar Branch (107) \$ E

BTMC Bhaban, (North East Side)  
7-9 Kawran Bazar, Dhaka-1205.  
Tel: 9121485, 9139657, 9133645

## Matuail Branch (159)

Purbani Plaza (1st Floor)  
House # 06, Block-A  
Road- Para-dogair, Konapara,  
Union: Matuail, Demra, Dhaka.  
Tel: 7559756, 7559752

## Mirpur Section-1 Branch (179)

Maa Plaza ( 1st Floor), Plot- C/2,  
Road No-1, Section-1, Mirpur, Dhaka  
Mobile: 01985552822

## Mohakhali Branch (116) \$

(Islamic Banking Branch)  
99 Mohakhali C/A, (Ground Floor)  
Dhaka-1212. Tel: 9853503, 9858118

## Motijheel Branch (108) \$ E

81, Motijheel C/A, Dhaka-1000.  
Tel: 9571113-4, 9557656

## 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

## Rampura Branch (136)

389/B, West Rampura, Agrani  
Midtown Complex, (1st floor), Dhaka.  
Tel: 9352313, 9343999

## Rokeya Sarani Branch (129)

Oriental Arabian Tower (Ground & 1st Floor)  
849/3 Shewrapara, Rokeya Sarani,  
Mirpur, Dhaka.  
Tel : 8061371-2, 8601279

## Satarkul Branch (165)

House # 24, Satarkul Road  
Union: Satarkul, Ward # 09, Badda, Dhaka.  
Tel: 9857761, 9857748

## Shyamoli Branch (150)

Shyamoli Cinema Complex (1st Floor),  
23/8-B, 8-C, Shyamoli, Mirpur Road, Dhaka.  
Tel: 9133394-5

## Uttara Branch (112) \$ E

House # 41, Road # 7, Sector # 4  
Uttara, Dhaka.  
Tel: 8933038, 8956430



# Outside of Dhaka City Branches

## Agrabad Branch (103) \$ E

Al-Islam Chamber, (Ground Floor)  
91, Agrabad C/A, Chittagong.  
Tel: 031-728256, 717204

## Ambarkhana Branch (143)

Sylhet City Corporation  
Holding No. 1163,  
Central Plaza (1st floor),  
Ambarkhana, Sylhet.  
Tel: 0821-715437, 715452

## Ashugonj Branch (105)

Station Road, Ashugonj, Brahmanbaria.  
Tel: 0852-874448

## Ashulia Branch (164)

Hiron Tower (1st Floor), Unique Bus Stand  
Jamgara, Gazirchat, Union-Dhamshona  
Ashulia, Savar, Dhaka. Tel: 01715400075

## Barisal Branch (118) E

54 Sadar Road, Barisal.  
Tel: 0431-63102-4

## Bhairab Bazar Branch (122) E

Municipality Holding # 129 (Old)  
172 (New) East Kalibari Road  
Bhairab Bazar, Kishoregonj.  
Tel: 09424-71122

## Bhaluka Branch (156)

Holding No. 69 (1st Floor)  
Dhaka Mymensingh Road, New Bus Stand  
Bhaluka, Mymensingh  
Tel: 0902256195-6

## Bhulta Branch (138)

Noor Mansion (1st floor), Golakandail  
Bhulta, Rupgonj, Narayanganj.  
Mobile: 01730002669

## Board Bazar Branch (146)

Board Bazar, Joydebpur, Gazipur  
Tel: 9292260, 9292261

## Bogra Branch (133)

Holding No. 83/86, Ward No. 7  
Sherpur Road, Bogra.  
Tel: 051-78748-9

## Chowkbazar Branch (176)

"K. B. Plaza" (1st Floor), Holding # 172/232,  
Golzar More, Chawtेशary Road,  
Chowkbazar, Chittagong.  
Mobile: 031-2851071-2

## Chittagong EPZ Branch (167)

Shaikat Market (1st floor)  
Chittagong EPZ Gate, Chittagong.  
Tel: 031-742067, 742061

## Comilla Branch (137)

Salam Builders (1st floor), Mogultolly  
Sadar Upozila, P.S. Kotwali,  
Dist. Comilla. Tel: 081-61972

## Danga Branch (161)

Danga Bazar, (1st Floor), Union: Danga  
Upazila: Palash, District: Narsingdi.  
Tel: 01755608396

## Dhaka EPZ Branch (115) E

Hashem Plaza (1st Floor)  
DEPZ Gate, Ganakbari,  
Savar, Dhaka. Tel: 7790108-9

## Elenga Branch (172)

Molla Bhaban (1st floor)  
Holding # 1390, Old Bhuapur Road  
Elenga Bus Stand, Elenga, Kalihati, Tangail  
Mobile: 01755558825

## Faridpur Branch (180)

Karim Chamber, 83/1, Mujib Sarak,  
Ward No-4, Faridpur Pouroshova,  
Thana- Kotwali, District- Faridpur.  
Mobile: 01985552825

## Feni Branch (142)

933 (1st Floor), S.S.K. Road, Feni.  
Tel: 0331-73107-8

## Jessore Branch (145)

29/A, R.N. Road, Jessore.  
Tel: 0421-60101-2

## Jubilee Road Branch (147)

J.K. Tower (1st Floor), 14, K.C. Dey Road  
Jubilee Road, Anderkillah, Chittagong.  
Tel: 031-628241, 628242

## Joydebpur Branch (121)

Islam Plaza, C.S-188 Mouza-Atpara,  
JL-39, Chandana Chowrasta,  
Joydebpur, Gazipur, Tel: 9261836-7

## Kalibari Bazar Branch (174)

Kalibari Adarsha Bazar (1st floor),  
Dhuptara Union, Araihaaz  
Narayanganj.  
Mobile: 01755554467, 01730052080

## Kapasias Branch (177)

Kapasias Plaza (1st Floor)  
Kapasias Bazar, Main Road,  
Union- Kapasias, Upzila- Kapasias  
District- Gazipur. Mobile: 01985552823

## Khatungonj Branch (111) \$ E

Nobi Super Market (1st Floor)  
232 Khatungonj, Chittagong.  
Tel: 031-618259, 639523

## Khulna Branch (113) \$ E

141, Sir Iqbal Road, Khulna.  
Tel: 041-810253-4

## Kodomtoli Branch (153)

Rafique Plaza (1st Floor)  
1151, D.T. Road, Kodomtoli, Chittagong.  
Tel: 031-2524409-13

## Konabari Branch (135)

Plot#A-138, (1st floor), BSCIC, I / E,  
Konabari, Nilnagar, Gazipur. Tel: 9297886-7

## Madanpur Branch (157)

Madanpur Shopping Centre  
(1st Floor) Madanpur, Bandar, Narayanganj.  
Tel: 01833147980, 01715-449707

## Madhabdi Branch (170)

Nannu Latif Tower (1st & 2nd flr.)  
Holding # 215/216, Police Fari Road,  
Madhabdi, Narsingdi.  
Mobile: 9446033-4

## Meghnaghat Branch (109)

New Town Commercial Complex  
(1st Floor) Meghnaghat, Sonargaon,  
Narayanganj. 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

## Naogaon Branch (171)

Ayan Mulla Tower" (1st floor),  
Holding # 3352, Old Bus Stand Road  
Naogaon.  
Mobile: 0741-81343-4

## Narayanganj Branch (120) \$

53/3 S.M. Maleh Road, Tan Bazar,  
Narayanganj. 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: 01819956638



**O.R. Nizam Road Branch (123) \$ E**

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, Narayanganj.  
Tel: 7682982-3

**Pahartoli Branch (132)**

Alonker Shopping Complex  
(1st & 2nd Floor), CDA Plot # P-7,  
Fouzdarhat I/A, Alonker More,  
Pahartoli, Chittagong.  
Tel: 031-2772514, 031-2772515-17

**Rajshahi Branch (128)**

M.M. Plaza (1st Floor)  
Holding # 222, Ward # 22, Kumarpara  
Old Natore Road, Shaheb Bazar, Rajshahi.  
Tel: 0721-773408-9

**Bangla Bazar Branch (SME) (502)**

42, Bangla Bazar (Ground Floor)  
Ward No-73, Sutrapur, Shodorghat,  
Dhaka. Tel: 9515732

**Borogola Branch (SME) (506)**

Holding no. 370-406 (Ground Floor)  
Borogola, Rangpur Road, Bogra.  
Tel: 051-66955

**Brahmanbaria Branch (SME) (507)**

37/34 (1st Floor), Sarak Bazar Road  
Brahmanbaria.  
Tel: 0851-61510-11

**Chowmuhuni Branch (SME) (509)**

Rupsha Complex (1st floor)  
Chowmuhuni, Nowakhali.  
Tel: 0321-56567

**Rangpur Branch (140)**

House # 286 (1st Floor), Station Road  
Gupta Para, Rangpur.  
Tel: 0521-63712

**Savar Branch (130)**

Savar New Market, (Ground Floor)  
Savar Bazar Bus Stand  
Dhaka- Aricha Highway, Savar, Dhaka.  
Tel : 7743753-4

**Shyamgonj Bazar Branch (173)**

Shyamgonj Jame Masjid Market (1st floor),  
Shyamgonj Bazar, Mailakanda Union,  
Gouripur, Mymensingh.  
Mobile: 0175554465

**Sylhet Branch (117) E**

(Islami Banking Branch)  
Plot # 71835/1836, Laldighirpar, Sylhet.  
Tel: 0821-724197-8

**Cox's Bazar Branch (SME) (512)**

Soikat Tower (1st Floor), 634, Main Road  
East Bazarghata, Cox's Bazar.  
Tel: 0341-52467-8

**Donia Branch (SME) (508)**

Akand Villa, 1050, Nayapara, Donia  
Dhaka.  
Tel: 7544116, 7544093

**Kawran Bazar Branch (SME) (501)**

Progoti RPR Centre (Ground Floor),  
20-21, Kawran Bazar, Dhaka.  
Tel: 8189404

**Keranigonj Branch (SME) (510)**

Sony Tower (1st Floor), Aganagor  
Keranigonj, Dhaka.  
Tel: 7764010

**Branch (SME)  
Tangail Branch (151)**

Tangail Pouroshova Bhaban  
Ground Floor  
Zilla Sadar Road, Tangail.  
Tel: 0921-62342, 62054

**Tongi Branch (126)**

Kazi Market (1st Floor)  
175 Mymensingh Road,  
Tongi, Gazipur.  
Tel: 9815756-7

**Zinzira Branch (127)**

Haji Nannu Bepari Mansion  
(1st Floor)(2nd Buriganga Bridge Road),  
Zinzira, Keraniganj, Dhaka  
Tel: 7761707-8

**Banani Branch (SME) (505)**

Plot no. 76/A (1st Floor),  
Road no. 11, Banani, Dhaka.  
Tel: 8815593

**Mohammadpur Branch (SME) (504)**

1/4 (1st Floor), Block-E, Shat Masjid Road,  
Mohammadpur Bus Stand,  
Ward No.46, Mohammadpur  
Dhaka. Tel: 9101929

**Mouchak Branch (SME) (503)**

Cosmos Center, 69/1 New Circular Road  
Shiddheshari Circular Road, Mouchak Mor,  
Malibagh, Dhaka. Tel: 8332820

**Sirajgonj Branch (SME) (511)**

AB Super Market(1st Floor)  
923/1, 923/2, S.S Road, Sirajgonj.  
Tel: 0751-65006-7

**\$ Authorized Dealer Branch**

**E Evening Banking Branch**

## Branches of Premier Bank Securities Ltd. (Brokerage)

**Banani Brokerage House**

Iqbal Centre (12th Floor)  
42 Kemal Ataturk Avenue  
Banani, Dhaka-1213.  
Tel: 9887581-4, 01713-190890  
Fax: 9820806

**Extended Head Office Gulshan**

Premier Square (2nd floor)  
Plot#78, Gulshan Avenue, Dhaka-1213  
Tel: 8833453, 01818278946

**Kakrail Brokerage House**

46/A, VIP Road (2nd Floor)  
Kakrail, Dhaka-1000  
Tel: 01816609221

**Kalabagan Brokerage House**

Sultana Tower (1st Floor)  
2, Mirpur Road Kalabagan,  
Dhaka-1205  
Tel: 9123220, 01911848241

**Kawran Bazar Brokerage House**

Progoti RPR Centre (Ground Floor)  
20-21, Kawran Bazar, Dhaka-1215  
Tel: 8189501-02, 01614575744

**Motijheel Brokerage House**

Banglar Bani Bhaban (1st Floor)  
81, Motijheel C/A, Dhaka-1000  
Tel: 9571113-14, 01710876930

**O.R. Nizam Road Brokerage House**

Hotel Harbour View Building (3rd floor)  
721, CDA Avenue, Nasirabad Chittagong  
Tel: 031-2867393-4, 01819631940



# Caring for the Society (Corporate Social Responsibility)

Z. RAHMAN PREMIER BANK  
SCHOOL & COLLEGE







The Bank extended a donation of TK. 50 Lac to the distressed family of martyred army officer of the tragedy at BDR Headquarter at Peelkhana, Dhaka. Chairman of the Bank- Dr. H.B.M. Iqbal with the Ex-Vice Chairman - Moin Iqbal handed over the cheque to Honorable Prime Minister of the People's Republic of Bangladesh - Sheikh Hasina.



Chairman of the Bank- Dr. H.B.M. Iqbal with the Ex- Vice Chairman - Moin Iqbal in a group photo with Honorable Prime Minister of the People's Republic of Bangladesh - Sheikh Hasina.



Premier Bank extended donation of 15000 Pcs of Blanket to the Prime Minister's Relief and Welfare Fund. Chairman of the Bank- Dr. H.B.M. Iqbal with Ex- Managing Director K.A.M. Majedur Rahman handed over the donation to Honorable Prime Minister of the People's Republic of Bangladesh - Sheikh Hasina.



Premier Bank distributed Blanket at Bhairab, Kishoregonj among the students to assuage their sufferings from cold wave in winter.





# Corporate Social Responsibility

## Corporate Share & Care

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 15 years 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 15 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 15 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 and 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 2014, we are pleased to announce 10 percent (proposed) 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. Bank conducts its business within a well-framed control supported by bundle of policy statements, written procedures & manuals. The Bank ensure 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 information is 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 SEC, DSE 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 in 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; 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 2014, we contributed Taka 130.20 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 create better health care facilities. During the year 2014 the Bank provided financial support to the peoples for medical treatment:

- Tk.100,000.00 to Mr. Munibur Rahman for payment of Medical Bills.
- Tk.1,000,000.00 to Diabetic Association, Laximpur.

### **Distribution of warm clothes among the winter hit poor people**

Bank always stands beside the distressed people to wipe up their wailing tears. Premier Bank distributed warm clothes worth Tk. 48.91 million among the poor people in the country to assuage their sufferings from cold wave in winter - 2014.

### **Contribution in disaster management**

- The Bank extended a donation for Tk.5.00 million to Prime Minister Relief Fund for flood-affected people.

### Contribution for construction/renovation of Mosque & Madrasa and other to religious programs

- Tk. 50,000.00 to Mosjid e Gausul Azam Complex
- Tk.1,000,000.00 to HAAB for Hajj & Umrah Fair
- Tk.150,000.00 to Kanudaskathi Kasemia Dalilia Yatimkhana
- Tk.300,000.00 to Kutubbag Darbar Sharif

### Education support programs

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 2014 the Bank provided financial support to the following educational institutes:

- Tk.60,000,000.00 to Z. Rahman Premier Bank School & College, Banshgari, Bhairab, Kishoregonj
- Tk.2,750,000.00 to Faujdarhat Cadet College

### 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 2014 the Bank provided financial support to the following:

- Tk.1,500,000.00 to Bangladesh Football Federation for Champions League
- Tk.500,000.00 to Korean Community in Bangladesh for Korean Cup Golf Tournament

### Contribution to cultural programs

As a part of Corporate Social Responsibility towards cultural diversity in Bangladesh The Premier Bank Limited contributed Tk.780,000.00 for a concert organized by The Embassy of the Republic of Korea in Dhaka and Tk.5,000,000.00 to Bankers Association of Bangladesh for organizing a program 'Lakhokonthe Sonar Bangla'.

### Donation on account of miscellaneous purposes:

- Tk.480,000.00 to Mrs. Sonia Hasan as BDR victim
- Tk.50,000.00 to Mrs. Kazi Mahbuba Akter, wife of our Ex-employee Late Zinatul Islam
- Tk.200,000.00 to Mrs. Shipra Rani Das of Late Pulak Kanti Das
- Tk.1,000,000.00 to Mr. Mahmud Harron Chowdhury
- Tk.675,000.00 to School Banking Conference in different places in the country
- Tk.759,000.00 towards other various contributions



An inside view of a well-decorated Computer Lab at Z. Rahman Premier Bank School & College, Banshgari, Bhairab, Kishoregonj

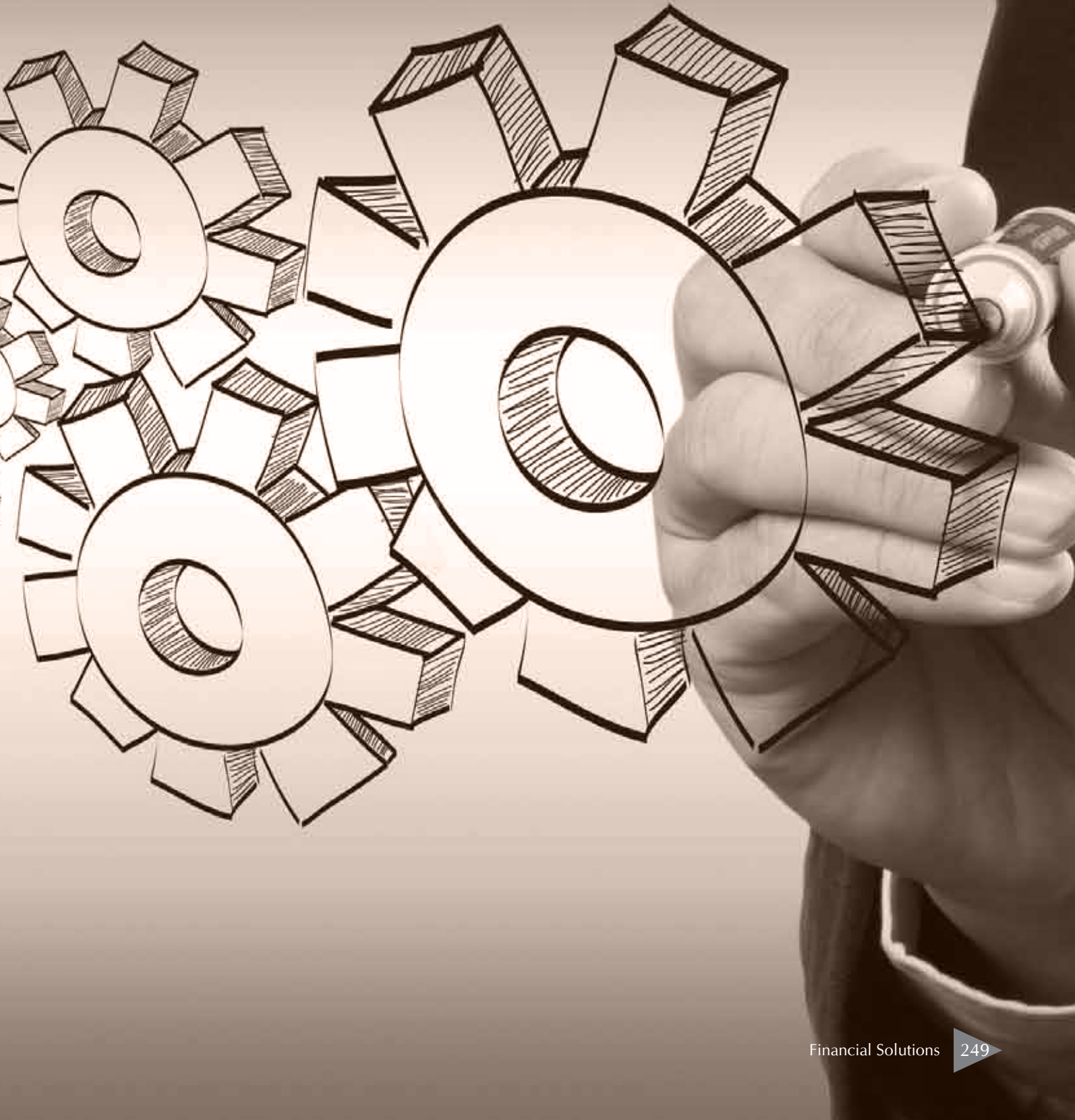


Honorable Director- Mr. B. H. Haroon, MP, Ex-Independent Director- Mr. Kazi Abdul Mazid and Deputy Managing Director - Mr. Dewan Anwarul Latif of the Bank distributing gifts among Hajj Pilgrims at Hajj Camp.



# Financial Solutions

(Our diversified Products and Services)





## 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 popular products & services are given below:

### RETAIL BANKING PRODUCTS

- **Premier Esteem Savers:** Premier Esteem Savers is a savings account that offers the most attractive benefits, flexibilities and other values to the top income level customers than any other savings account offered by the Premier Bank yet.
- **Premier Excel Savers:** Premier Excel Savers is a savings account that offers the second most attractive benefits, flexibilities and other values to the upper mid to top income level customers than any other savings account except "Premier Esteem Savers" offered by the Premier Bank.
- **Premier Payroll Account:** Premier Payroll Account is a benefit-rich savings account in Taka for salaried employee. This is a salary account in which the employer will credit/remit the salary of their employees on every payday at regular basis during the service period with the employer.
- **Savings Account (SB):** The basic savings account from premier Bank gives you the freedom to conduct your banking transactions at a very simple way. We offer competitive interest rate on our Savings Account. In addition, all account holders will get Debit Card and ATM facility for 24 hours banking convenience.
- **Current Account (CD):** At Premier Bank, we believe in providing you with an account that helps you manage your daily finances in the way that match your transactional needs. The combination of convenience and flexibility ensures that you always have access to an account that caters to your needs. Our Current Account is probably the most useful Bank Account, you will ever have for daily transaction.
- **Premier Genius Account:** Intellect and perseverance will lead you to success and saving will guide you to an enriched future. Premier Bank Genius Account offers easy and modern banking facilities to the students. Wherever your possibility may lie, be it in the country or abroad, Premier Bank will always be beside you as you build your future.
- **Foreign Currency (FC) Account:** Private Foreign Currency (FC) Account is an account in foreign currency which can be opened in Authorized Dealer (AD) Banks by Bangladesh nationals working / residing abroad, foreign nationals residing abroad or in Bangladesh, Foreign missions and their expatriate employees, foreign firms registered abroad and operating in Bangladesh or abroad, Bangladesh nationals working in foreign / international organizations in Bangladesh with entitlement to receive salary in foreign currency.
- **Non-Resident Foreign Currency Deposit Account (NFCD):** NFCD Account is an account in Foreign Currency which can be opened in Authorized Dealer banks by (a) all non-resident Bangladeshis working/residing abroad (b) Bangladeshis having dual nationality residing abroad (c) Bangladesh nationals serving with missions of Bangladesh in foreign countries (d) officers/staff of the government/semi-government organizations /nationalized banks and employees of body corporate posted abroad or deputed with international and regional agencies in foreign countries against foreign currency remitted through banking channel or brought in cash and (e) 100% foreign owned (A-Type) industrial units in the Export Processing Zones in Bangladesh

- **Resident Foreign Currency Deposit Account (RFCD):** RFCD is an account in Foreign Currency. Persons ordinarily resident in Bangladesh can open RFCD account with foreign exchange brought in at the time of their return from travel abroad.
- **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; say for a minimum period of 30 days to 1 year and above, thereby earning a higher rate of interest in return.
- **Double Benefit Scheme:** Under this scheme, any deposit becomes double after 7 Years. A specially designed instrument shall be issued for the deposit under this scheme in the same manner as issued in case of Fixed Deposit. The instrument is not transferable and renewable.
- **Education Savings Scheme:** Do not compromise with the future of your children. Why not start saving from now to meet the educational expense of your children in future? This scheme has been designed to secure future educational expenses of your children.
- **Monthly Income Scheme:** Your savings are precious! Let your investment generate a regular monthly income for you. Deposit a certain amount at the opening and earn monthly profit till the tenure completes. You will get back principal amount on maturity.
- **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 with time through our Monthly Savings Scheme.
- **House Building Loan:** Realizing the importance of having one's own place to live, we have introduced Housing Loan at a competitive interest rate. We provide this loan for both residential and commercial purposes.
- **Auto loan:** Your drive to succeed has got you this far. Now indulge in your passion for driving some of the world's finest automobiles and enjoy power, performance and luxury.
- **Personal Loan:** Our Personal Loan is any purpose loan for you. The purpose could be anything valid from buying household appliances to emergency medical needs. Some of these could be: Purchase of Electronic Goods, House/Office Renovation, Marriages in the family, Advance Rent Payments, Travel Expenses and Payment of Taxes etc.
- **Consumer Credit Scheme:** We have introduced Consumer Credit Scheme to extend credit facilities to limited and fixed income group to improve their standard of living. The loan is repayable in easy equal monthly installments (EMI) stretching from 12 to 60 installments.
- **Secured Line:** Secured Line is a fully secured and revolving or terminating (EMI Based) loan facility for any legitimate purpose. The security for the loan should be ideally PBL FDR/Scheme. Bank would finance against clients PBL FDR/Scheme.
- **Locker Service:** Locker service offered by the Banks gives customers a completely secured facility for safekeeping of his/her valuable items, confidential documents and other valuables against from any unfortunate incident. Our Locker Service is available in most of the Branches in urban areas.
- **Student File Service:** Remittance of Foreign Exchange for Bangladeshi student going abroad for education purpose in regular courses in recognized educational institutions in Undergraduate & Post-graduate level.

## CORPORATE BANKING SERVICES

- **Special Notice Deposit Account (SND):** Special Notice Deposit account is an interest bearing deposit account where 7 days advance notice is required for withdrawal. Interest on the SND account will be calculated on the day end balance and accumulated interest will be credited to the same account on a half yearly basis / at the time of closing the account.
- **Premier Super Account:** The Premier Super Account is an interest bearing transactional account with different slab exclusively introduced for the top corporate customers, where interest is calculated on day end balance and accumulated interest will be credited to the same account on a half yearly basis / at the time of closing the account.
- **Premier High Performance Account:** The Premier High Performance Account is an interest bearing transactional account exclusively introduced for the top & medium corporate customers, where interest is calculated on day end balance and accumulated interest will be credited to the same account on a half yearly basis / at the time of closing the account.
- **Cash Management Solutions:** We understand the needs of businesses for efficient fund management. We deliver a total integrated solution to meet clients' diversified need. With this Cash Management Services we work as fund management consultant through which we ensure maximum return on investment. Our Cash Management Solutions includes the following services:
- **Nationwide Collection Services:** Premier Bank Cash Management helps companies to maximize their efficiency in their accounts receivables and provides them complete information. Our aim is to simplify the reconciliation process and helps them to better manage their account receivables. Our customized solution helps companies to reduce their processing time and cost. Our solution reduces collection for the customers as well as improves their productivity without bringing about any significant changes in their business process.
- **Payment Services:** We provide customized and integrated Payments solutions to your banking needs. We provide large corporations and financial institutions with flexible and complete control over their local payments, foreign trade, electronic banking services and treasury services.
- **Collection Booth Services:** Premier Bank Cash Management service will setup collection booth during collection period or continuous basis. We offer the following service to take up banking services to your door steps:
  - Booth banking Service and with full range of customized MIS Support.
  - Reduce peoples' involvement from you accounts department.
  - Same day deposited to your collection account.
  - Customized MIS and reconciliation support according to your ever changing business need.
  - Account concentration to cater your all banking requirements.
- **General Corporate Finance:** We provide credit facility and services to all general corporate houses to finance current assets and fixed assets in the form of different Term finance, Working Capital Finance, Capital Machinery Finance, Real Estate Finance, Work order /Construction Business Financing, and Trade Finance.
- **Short Term Finance:** We extend short term credit facility against inventory, account receivables or other current assets etc. to finance the working capital requirement.
- **Long Term Finance:** We provide credit facility to support the long-term growth of a business. This type of loan is primarily used for fixed asset financing, such as acquisition of capital machinery, equipment, vehicles, real estate and other fixed assets.
- **Import/trade Finance:** In order to facilitate the Importers, we provide both Pre-import and Post import finance facility to import different commodity items, capital machinery and any other permissible items.



- **Work Order/Construction Finance:** We allowed credit facilities to contractors & suppliers to participate in tenders under Government/ Semi-Govt. Organizations, Autonomous Bodies or other organizations accepted to the Bank and to complete their contracted project works.
- **Export Finance:** To provide complete banking solutions to our export-oriented customers, we offer a comprehensive range of export finance products. Different export-oriented companies comprising of Textile, Spinning, Knit, Woven, Sweaters, Jute, Leather, Fisheries and Trim/Accessories manufacturers are getting prompt banking services through our AD branches, OBUs and other non-AD branches under active support from Export Finance Unit, Head Office. Our export finance team identifies business needs and has designed a wide range of products to facilitate your business capital investments and working capital requirements.
- **Syndications & Structure Finance:** We have a good track record in syndication financing over its decade of operation both as member bank and as lead arranger. The area we are concerned with textiles, pharmaceuticals, chemical, cement, ceramic, steel, tourism sector, power, food and allied infrastructure etc. Our customized financial solutions to the corporate clients as Term Loan, Working capital & Bridge Finance which creates values and contributes towards the growth of the country's economy.
- **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.

## SME BANKING PRODUCTS

- **Transaction Banking:** Whether you are a sole proprietor, a partnership or a limited company incorporated in Bangladesh, we understand that all businesses need efficient cash management and deposit services. Let us assist you in maximizing returns on your funds through our varied deposit products, and offer you transactional convenience through our remittance services and electronic banking options. We offer a range of cash management solutions customized to meet your specific account management, payments, collections and liquidity management requirements, both domestically and internationally. Following are some of our products which you might choose from our product suite:
  - Current Account
  - Business SND
- **Medium and Long Term Finance:** At Premier Bank, we understand how much hard work goes into establishing a successful SME business and how critical it is to have timely access to appropriate financial products and services. Seizing the right opportunities is the hallmark of any successful SME business. Premier Bank, SME Division specializes in putting together flexible, relevant and cost-effective finance packages - total solutions that take into account your company's present position and future goals. In any SME business, whether it is small or a medium business sooner or later you will be looking at ways to raise finance in order to grow and take advantage of new business opportunities. Any form of finance you need for it, it is important to find the right package to suit your business needs.
  - Term Loan
  - Project Finance
  - Lease Finance
- **Working Capital Finance:** We recognize the importance of Working Capital Finance needs of SME customers. In line with our tradition of supporting business growth and development, we offer tailor-made solutions to finance all your Pre-Sale and Post-Sale working capital requirements. Our experienced Relationship Managers work with you to understand your needs and focus on ensuring that the solutions offered are right for you and are delivered in the most effective and efficient manner.



- Inventory Finance
  - Receivable Finance
  - Overdrafts
  - Work Order Finance
  - Short Term Loans
- **Trade Finance:** At Premier Bank SME Banking, we are committed to supporting your business in efficiently managing your domestic and overseas trade transactions. Whether you are an importer or exporter, our comprehensive suite of Trade Finance & Services offers end-to-end solutions for your trade transactions. Our team of dedicated trade specialists and relationship managers is always ready to answer your queries and provide you with timely updates. You can be assured that your trade transactions are managed seamlessly and efficiently, giving you time to focus on the most important task at hand – ‘growing your businesses’. A view of our product suite
  - Trade Services
  - Letter of Credit
  - Back-to-Back LC
  - Import Documentary Collections
  - LC Advising
  - LC Negotiation
  - Documentary Bill for Collections
  - Loan against Trust Receipts
  - Foreign Bill Purchase
  - Bill Discounting
  - Guarantees
  - Payment
  - Performance
  - Shipping
- **Women Entrepreneurship Loan:** Premier Bank offers specialized services to Women Entrepreneurs through dedicated service desks. Our dedicated proficient Relationship Managers with highly tailored made products are always by the side of women entrepreneurs to fulfill all their banking needs. Premier Bank also offers refinancing for women entrepreneurs at only 10% pa interest rate. Some of the products which helps our women entrepreneurs are
  - Current Account
  - Medium Term Loan
  - Working Capital Loan
  - Fixed Deposits
- **Micro and Agriculture Finance:** Bangladesh has a primarily agrarian economy. The performance of this sector has an overwhelming impact on major macroeconomic objectives like employment generation, poverty alleviation, human resources development and food security. We are one of the pioneers in the local bank arena in Agriculture finance. We have financed in Poultry, Fisheries etc. sectors. We also pose a large portfolio under contract farming.
- **Wealth Management:** Enjoy higher returns on your surplus funds when you open a Fixed Deposit account with our SME Banking. Benefit from the option of withdrawing interest monthly, quarterly or yearly for placement of fixed deposits with longer tenors; and Enjoy the option of a hassle free renewal process where the fixed deposit is automatically renewed for the same period upon maturity at the prevailing interest rate at the time of renewal. SMEs need to ensure that their financial assets are adequately managed to realize the highest returns, including monitoring and accounting for depreciation in the value of their assets.

## ISLAMIC BANKING PRODUCTS

- **Al-Wadiah Current Account:** Al-Wadiah Current Account is operated on the principles of Al-Wadiah. Bank plays the role of ‘Safe Custodianship’ in this case. Bank commits to refund customers money deposited in these accounts on the demand of customers. On the other hand, the Bank takes permission from customers that the Bank may utilize their money. Customers may operate these accounts as many times as required. No profit is disbursed in these accounts and depositors do not bear any loss.
- **Mudaraba Term Deposit Receipt (MTDR):** Mudaraba Term Deposit Receipt (MTDR) is a profit bearing account which offers returns by depositing money for a fixed period of time based on Mudaraba concept. These deposits are withdrawable subject to a period of notice and not on demand. Minimum Account opening balance is Tk.10,000/- and product tenor is 1 month, 3 months, 6 months & 12 months.
- **Mudaraba Special Notice Deposit Account (MSND):** Mudaraba Special Notice Deposit (MSND) is a profit bearing Mudaraba deposit suitable for people involved in business; transactions are frequent and follow a pattern. It enables a customer to operate his business account a kind of Current Account which incurs profit. Profit is calculated on day end balance and profit is paid to account on half yearly basis or at the time of closing the account.
- **Mudaraba Savings Account:** Mudaraba savings account is opened under the Mudaraba principal of Islamic Shari’ah. Under the above principal the client is the owner of the fund (Shaheb-Al Mal) and the Bank is just Manager of the Fund (Mudarib).
- **Mudaraba Genius Account:** With a view to grow up savings habit among the minor students, to gather knowledge about banking services and modern technology the Mudaraba Genius Account has been introduced. Special privileges have been offered in this account. Minor students are encouraged to make savings in Banks that will be helpful for them to make a big savings to fulfill the intention to complete higher studies.
- **Mudaraba Excel Savers Account:** Mudaraba Excel Savers account is opened under the Mudaraba principal of Islamic Shari’ah. Under the above principal the client is the owner of the fund (Shaheb-Al Mal) and the Bank is just Manager of the Fund (Mudarib). Mudaraba Excel Savers Account is mainly meant for Mid to Top income level individuals who is willing to deposit substantial amount on the savings account and maintain a highly monthly average balance comparing to regular Mudaraba Savings Account.
- **Mudaraba Esteem Savers Account:** Mudaraba Esteem Savers account is opened under the Mudaraba principal of Islamic Shari’ah. Under the above principal the client is the owner of the fund (Shaheb-Al Mal) and the Bank is just Manager of the Fund (Mudarib). Mudaraba Esteem Savers Account is mainly meant for Top income level individuals who are willing to deposit substantial amount on the savings account and maintain a highly monthly average balance comparing to regular Mudaraba Savings Account.
- **Mudaraba Hajj Savings Scheme (MHSS):** Mudaraba Hajj Savings Scheme is opened under the Mudaraba principal of Islamic Shari’ah. Under the above principal the client is the owner of the fund (Shaheb-Al Mal) and the Bank is just Manager of the Fund (Mudarib). This scheme is basically a savings scheme for any Muslim citizen intending to perform the holy Hajj by building up savings on monthly installment basis that may be required in future to meet his/her Hajj related expenses.
- **Mudaraba Monthly Savings Scheme (MMSS):** Mudaraba Monthly Savings Scheme is opened under the Mudaraba principal of Islamic Shari’ah. Under the above principal the client is the owner of the fund (Shaheb-Al Mal) and the Bank is just Manager of the Fund (Mudarib). This scheme is basically a savings scheme for any individual intending to save small amount on monthly installment basis that may be required in future to meet his/her future desires.

- **Mudaraba Monthly Income Scheme (MMIS):** Mudaraba Monthly Income Scheme is opened under the Mudaraba principal of Islamic Shari'ah. Under the above principal the client is the owner of the fund (Shaheb-Al Mal) and the Bank is just Manager of the Fund (Mudarib). This scheme is basically of Term Deposit nature but profit is given each month instead of maturity of the scheme.
- **Mudaraba Education Savings Scheme (MESS):** Mudaraba Education Savings Scheme is opened under the Mudaraba principal of Islamic Shari'ah. Under the above principal the client is the owner of the fund (Shaheb-Al Mal) and the Bank is just Manager of the Fund (Mudarib). This scheme is basically a savings scheme for any individual intending to save small amount on monthly installment basis that may be required in future to meet educational expenses for his/her children.
- **Mudaraba Double Benefit Scheme (MDBS):** Mudaraba Double Benefit Scheme is opened under the Mudaraba principal of Islamic Shari'ah. Under the above principal the client is the owner of the fund (Shaheb-Al Mal) and the Bank is just Manager of the Fund (Mudarib). This scheme is basically of Term Deposit nature and profit is given at maturity of the product.
- **Mudaraba Foreign Currency Account:** Mudaraba Foreign Currency Account is opened under the Mudaraba principal of Islamic Shari'ah. Under the above principal the client is the owner of the fund (Shaheb-Al Mal) and the Bank is just Manager of the Fund (Mudarib).
- **Mudaraba Non-Resident Foreign Currency Deposit Account:** This Account may be opened in USD/Pound/Euro or Yen at designated Branches of the Bank. It is basically of term deposit nature. Bangladeshi nationals working abroad/residing abroad/serving mission of Bangladesh in foreign countries/100% export oriented "Category - A" industries under EPZ are eligible to open this Account. The Account-holder will get profit as per rules and regulation.
- **Mudaraba Resident Foreign Currency Deposit Account:** This Account may be opened in USD/Pound/Euro or Yen at designated Branches of the Bank. It is basically of term deposit nature. Persons ordinarily residing inside Bangladesh are eligible to open this Account. The Account-holder will get profit as per rules and regulation.
- **Bai' Al-Murabaha:** Bai' Al-Murabaha is a contract between the Buyer and the Seller under which the Seller sells specific goods permissible under Islamic Shari'ah and Law of the land to the Buyer at a cost plus agreed profit payable in cash on or before a fixed future date in lump sum or by installments or single delivery. The profit (marked-up) may be fixed in lump-sum or in percentage of the cost price of the goods. In case of Bai' Al-Murabaha, Bank procures the goods as per indent of the customer, retain it in its custody and sell the same part by part or at a time to the client who gave indent for the goods. In case of early adjustment, rebate on profit payable may be considered to the Client.
- **Bai' Al-Muajjal:** Bai Al-Muajjal is a contract between a Buyer and a Seller under which the Seller sells certain specific goods permissible under Islamic Shari'ah and Law of the land to the Buyer at an agreed fixed price payable at a certain fixed future date or within a fixed period in lump sum or by fixed installments. The seller may also sell the goods purchased by him as per order and specification of the Buyer. In the case of Bank, Bai-Muajjal is treated as a contract between the Bank and the Client under which the Bank sells the goods (purchased as per order and specification of the Client) to the client at an agreed price payable at any fixed future date in lump sum or within a fixed period by fixed installments.

- **Bai' Salam:** Bai'-Salam may be defined as advance purchase of a commodity / product making advance payment by the Bank on execution of a written contract wherein it is clearly mentioned that the commodity will be delivered as per specification, size, quality, quantity at a fixed future time in a particular place. The burden of cost of transportation and storage is also specially mentioned in the contract to avoid confusion. Laterally 'Bai-Salam' means advance purchase and sale. It can also be defined as a sale where the seller undertakes to supply some specific Commodities / Products to the buyer at a future time in exchange of an advanced price paid on the spot. Here the price is paid in cash, but the delivery of the goods is deferred.
- **Hire Purchase under Shirkatul Milk (HPSM):** Hire Purchase under Shirkatul Milk (HPSM) is a Special type of contract; it is the combination of three separate contracts: Shirkat; Ijarah & Sale. The portion of the asset owned by the Bank is hired out to the Client (partner/hirer) for a fixed rent and for a fixed period. The Bank sells and transfers the ownership of its share in the asset to the Client (partner/hirer) against payment of price fixed for that part either gradually part by part or in lump sum within the hire period or after the expiry of the hire agreement.
- **Quard:** Quard is a mode of providing financial assistance / loan with the stipulation to return the principal amount in the future without any increase thereon. This is a benevolent facility that obliges a borrower to repay the lender the principal amount borrowed on maturity.

## CARD PRODUCT & OTHER SERVICES

- **VISA Credit Card:** Our VISA International Credit Card is accepted globally and Local Card is accepted at more than 7000 ATM and 26000 POS terminals across the country. You will get free credit facility up to 45 days without any interest. You can also pay only 5% of your billing amount every month. Other rates and facilities are highly competitive.
- **MasterCard Credit Card:** We are issuing MasterCard Platinum Dual, MasterCard Gold Dual which is locally and globally accepted and we have also Standard local MasterCard product which is locally accepted at approximate 7000 ATM and 24000 POS terminals across of the country. You will get free credit facility up to 45 days without any interest and flexible payment option 5%, 10%, 100% etc.
- **MasterCard/VISA Debit Card & ATM Service:** We are offering Premier VISA Debit Card & MasterCard Service as well as own ATM Machines to withdraw money from your account.
- **Premier TC/Hajj Card:** Premier Travel Card (TC) 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. In addition, we offer Hajj Card to Muslim citizen intending to perform the Holy Hajj.

We also offer other services such as Online & Evening Banking Services, Brokerage House Service, Utility Bill Payment Service, MRP/MRV Payment Service, Remittance Payment Service, POS Terminal Service, Treasury Service, SWIFT Service etc.



# Photo Album



Honorable Chairman of the Board of Directors of the Bank – Dr. H.B.M. Iqbal delivering the speech at 15<sup>th</sup> ANNUAL GENERAL MEETING (AGM) held at Bashundhara Convention Center-2, Dhaka.



The AGM started with prayer participated by all Shareholders, Sponsor Shareholders, Senior Management, Executives and Officers of the Bank.



An exclusive view of Honorable Shareholders, Sponsor Shareholders, Top Management, Executives and Officers of the Bank on the stage at 15<sup>th</sup> ANNUAL GENERAL MEETING (AGM).



Premier Bank Half Yearly Manager's Conference was held at Bank's Head Office. All the Managers of the Bank participated in the conference in presence of the Chief Guest Dr. H. B. M. Iqbal - Honorable Chairman of the Board of Directors of the Bank.



# Photo Album



A Board Meeting is in progress presided over by the Chairman of the Board of Directors of the Bank.



Shariah Supervisory Committee meeting of The Premier Bank Limited presided over by the Chairman of the committee – Prof. Mawlana Md. Salah Uddin, Khatib of Baitul Mukkaram National Mosque.



Premier Bank celebrated its 15<sup>th</sup> Anniversary by cutting cake at Head Office in presence of Honorable Chairman, Sponsor Directors, Senior Management and Executives.



A snapshot of Saturday Morning Standing Meeting at Head Office attended by Officers, Executives and Senior Management for open discussion to share any suggestions, ideas and views that may contribute to the betterment of the organization.



# Photo Album



Certificate of Merit Award by the Institute of Chartered Accountants of Bangladesh for Best Published Annual Accounts and Reports - 2013. Abul Maal Abdul Muhith, MP, Hon'ble Minister, Ministry of Finance, handed over the certificate to the Bank.



An exclusive moment of sharing views with HAAB Members of Bangladesh by Dr. H. B. M. Iqbal - Chairman and B. H. Haroon, MP & Director of the Bank. The event was very successful with active participation and feedback of HAAB Members also.



An agreement signing ceremony of Premier Payroll Account Service with Pran-RFL Group was held at our Head Office. Ex-Managing Director of the Bank - K. A. M. Majedur Rahman and Ms. Uzma Chowdhury - Director Finance of Pran-RFL Group signed the agreement.



LankaBangla Finance Ltd. signed an agreement with us for the MasterCard affiliated membership. K. A. M. Majedur Rahman, Ex-Managing Director & CEO of Premier Bank and Mohammed Nasir Uddin Chowdhury, Managing Director of LBFL signed the agreement for their respective organizations.



# Photo Album



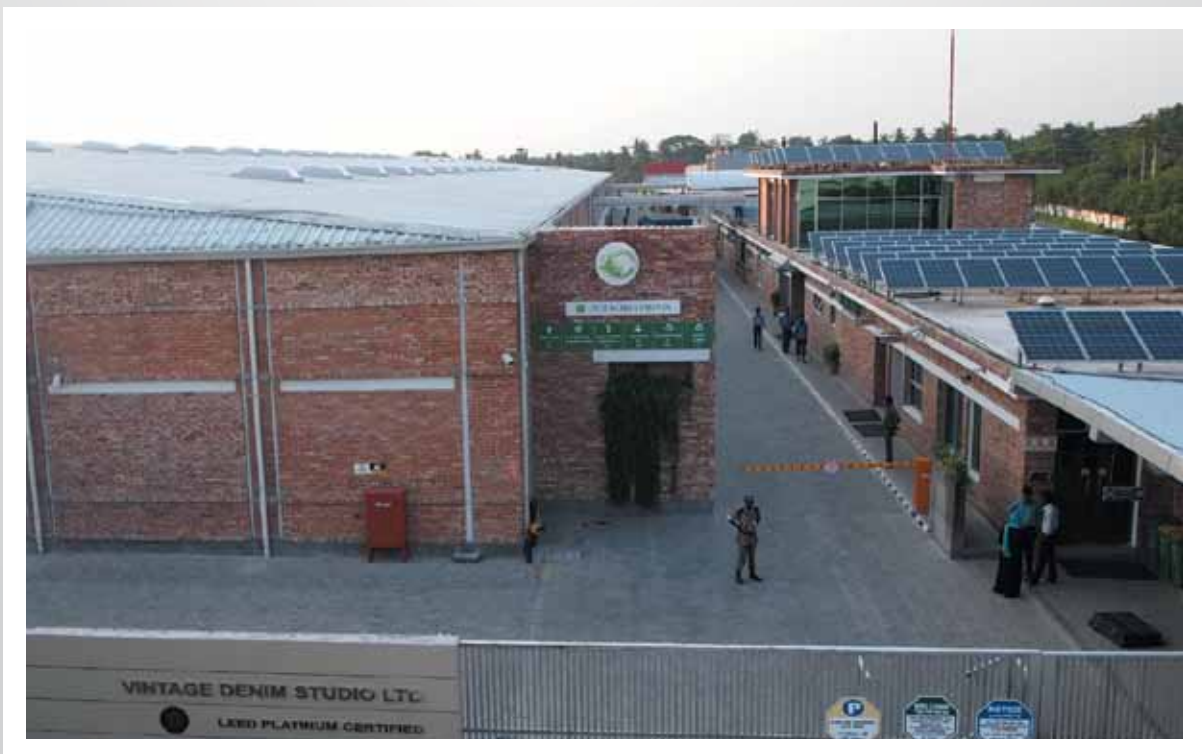
The Priority Banking Services of Premier Bank "Premier ELITE" started its journey at the Banani Branch. Honorable Chairman of the Bank Dr. H. B. M. Iqbal inaugurated the Elite Center. Vice Chairman Mohammad Imran Iqbal and Director B.H. Haroon, MP also adorned the occasion with their presence.



Grand Opening of our 89<sup>th</sup> Branch at Gulshan-Tejgaon Link Road, Dhaka by Honorable Vice Chairman of the Bank - Mohammad Imran Iqbal with CEO & Managing Director - Khondker Fazle Rashid, Advisor - Md. Ehsan Khasru and Ex-Additional Managing Director - Abu Haniff Khan.



An Orientation Program for 8<sup>th</sup> BATCH Management Trainee Officers was arranged by the Learning and Talent Development Center of the Bank at Head Office. Honorable Chairman was present on the occasion with Senior Management and participants of the Bank.



VINTAGE DENIM STUDIO LTD., financed by the Uttara Branch of Premier Bank.



# Photo Album



An inside view of a project financed by Uttara Branch of Premier Bank.



An outside view of Fakir Apparels Ltd. financed by our Narayanganj Branch.



Partial view of MARS Textile Limited - a spinning company, financed by our Gulshan Branch.



Work in progress at Sadat Sweater's Ltd. financed by our Uttara Branch.





Go 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, The Premier Bank Limited has already adopted Green Banking Policy in line with the policy guidelines issued by Bangladesh Bank and pursuing green banking activities.

The footprint initiated taken by the bank in the field of green banking includes practicing green banking activities in in-house management as well as providing green finance. 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 11 (eleven) ATM booths, staff are being encouraged for efficient use of energy/resources and reduce wastage of the same. In order to reduce cost, save energy and time, Bank has initiated virtual meeting through video conference instead of physical travel by Branch Managers/Top Management. Bank has installed solar panel in our 3 (three) branches and has plan to expand solar coverage gradually. To create awareness among the staff and clients seminar/workshops/training and view exchange meetings are arranged on regular basis. During 2014, 112 officers/executives participated in such training programmes/workshops on green banking.

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.

## Green finance

As part of its green financing, the bank has extended a total of Tk. 5015 million as of end the year 2014 to 15 industries having ETP (Effluent Treatment Plant). Other areas eligible for financing under the green banking are:

Financing projects for installation of ETP (Effluent Treatment Plant), Bio-gas plant, Bio-fertilizer Plant, Renewable Energy Plant, Solar Panel, Solar Irrigation, Solar home system and 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.



## NOTICE OF THE 16<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 16<sup>th</sup> (Sixteenth) Annual General Meeting of the Honorable Members (Shareholders) of The Premier Bank Limited will be held on June 16, 2015, on Tuesday at 10.30 a.m. at Bashundhara Convention Center-2, Block-C, Umme Kulsum Road, Bashundhara R/A, Baridhara, Dhaka-1229 to transact the following business and adopt necessary resolutions:

1. To receive, consider and adopt the Audited Financial Statements of the Bank for the year ended December 31, 2014 together with the Directors' and Auditors' Report thereon.
2. To declare dividend for the year ended December 31, 2014 as recommended by the Board of Directors.
3. To elect/re-elect Directors of the Bank.
4. To appoint/re-appoint Auditor(s) of the Company for the period until the next Annual General Meeting and to fix their remuneration.
5. To transact any other business with the permission of the Chair.

By order of the Board of Directors



Syed Ahsan Habib, FCMA  
Company Secretary

Dated: May 20, 2015

### Notes:

- a) The Board of Directors has recommended 10.00% Stock Dividend (Bonus Share) for the year ended December 31, 2014.
- b) May 14, 2015 was scheduled as **Record Date**. The Shareholders whose name appeared in the Register of members of the Company or in the Depository Register (CDBL) on the record date they are eligible to attend the meeting and entitled to Stock Dividend as mentioned above.
- 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 Registered Office at least 72 hours before the time for holding the meeting.
- d) 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 and other prevailing relevant rules & regulations of the country. Election Rule and Nomination Forms will be available at the Company's Registered Office. Last date for submission of nomination paper will be June 04, 2015 at the Registered Office of the Bank.
- e) Existing External Auditors M/s. Syful Shamsul Alam & Co., Chartered Accountants have completed 2 (two) years and M/S. K. M. Hasan & Co., Chartered Accountants have completed 1 (one) year as Auditors 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 June 13, 2015 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) 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.
- h) No Gift/Gift Coupon/Food Box will be provided at the 16<sup>th</sup> AGM in compliance with BSEC's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013.





**Head Office**

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