

Prime Bank speeds up digital push to spur growth

CEO Rahel Ahmed speaks about how the bank is coping with the pandemic and dealing with challenges in banking sector

MD FAZLUR RAHMAN

Most companies should be content if they just can manage to stay afloat in the face of the devastating coronavirus pandemic. But Prime Bank Ltd has not only been weathering the toughest crisis in living memories for the last six months, but it has also brought home global recognitions.

In July, the private commercial bank was named as Asia's one of the best for its proactive response to the pandemic.

London-based reputed media publication Euromoney conferred the Excellence in Leadership in Asia 2020 Award on Prime Bank in recognition of the bank's large-scale initiative to safeguard the interests of customers and safety of the employees.

"This is a unique feat for Prime Bank as it was the only bank from South Asia to earn the title in 2020. It is a huge recognition," said Rahel Ahmed, managing director of Prime Bank.

The bank took preparation much before the deadly pathogen arrived on the shores of Bangladesh in early March. It got down to work in the middle of February after seeing that the virus was bringing down economies after economies across continents.

To start, it began raising awareness among the employees and their families. It distributed leaflets among walk-in customers in the first half of March, telling them how to maintain hygiene and take health safety measures. It even distributed masks among customers who arrived without wearing ones.

The whole premises are sanitised twice a day and furniture every 45 minutes and the bank sticks to health guidelines.

Only 25 per cent of its 3,150-strong workforce went to the office on a rotational basis from March 26 to May 30, a time when the whole country was strictly under a lockdown. When possible, no women employees were allowed into offices, let alone pregnant women or the elderly with underlying health conditions.

The bank was quick to respond whenever it found Covid-19 symptoms in an employee and the human resources department would begin contact-tracing. The persons who had come into contact with the suspected individual were put on quarantine and isolated immediately and replace them with another group of staff.



Rahel Ahmed

In the first week of April, Ahmed personally wrote to each of the bank's customers, informing them what the bank was doing in tackling the crisis and what is expected from them.

Because of the movement control order in the first two months of the lockdown, it allowed employees to work at the branch that is the closest to their residences.

"We made the most of the work from home concept. As a result, more than 20 to 30 per cent of the employees did not have to come to the office simultaneously," Ahmed told The Daily Star in a virtual interview recently.

Today, more than half of the workforce is still working from home. "But it did not cause any disruption to our banking services. We have maintained our service standard and efficiency," he said.

Ahmed joined Prime Bank as a deputy managing director and chief business officer in early 2015 and became the CEO in December 2017.

Previously, he worked with ANZ Grindlays Bank and Standard Chartered Bank in Bangladesh and Emirates NBD Banking Group and First Gulf Bank in Dubai.

The pandemic has accelerated the shift to

digital. But the segment was not uncharted territory for Prime Bank. The bank has been working on digitalisation for the last two years. "As a result, we have not opened any new branches in the last four years and have no plans to open any in the future either," Ahmed said.

It rolled out PrimeDigi in February last year, this is the first digital savings account in Bangladesh. Now, customers don't need to visit branches to open the account and avail all the services digitally.

PrimeDigi was introduced at a time when the central bank had not rolled out the electronic know-your-customer (e-KYC). The digital account brought international recognition for the bank when it clinched Digital Bank Award from Hong Kong-based AsiaMoney in July.

Prime Bank has introduced collateral-free loans for ICT, outsourcing, internet and e-commerce startups.

"The Covid-19 crisis has shown in the last five months that digitalisation has no alternative," Ahmed said.

"The future of banking is already here - it is no longer in the future. The present is the

PRIME BANK AT A GLANCE	
Established in:	1995
Total customers:	800,000
Branches:	146, including 5 Islamic branches
ATMs:	170
Deposits in 2019:	Tk 21,644cr
Loans:	Tk 21,395cr
Total assets:	Tk 32,242cr
Earnings per share:	Tk 1.77
Dividend (cash):	13.5% (2019)

sub-branches to reach out every nook and corner of Bangladesh. But the easier route would be to tie up with others digitally, a move that would increase efficiency and cut costs.

"We are looking for more collaboration and more synergies, mostly through digital channels. This is our main goal now."

He thinks that it would be a difficult proposition for a bank to roll out a separate MFS service because of the cost involved in bringing the service to a critical mass.

The bank making its internet banking platform stronger and its app more robust.

The bank is automating all of its business processes. All of the credit approvals in all customer segments have been given digitally in the last five months. The use of papers in the bank has come down to one-fourth.

He said the board has been generous about investment in digitalisation and this is something the board wants to continue.

"We are aspiring to be a digital bank. We are transforming our processes into digitised formats and aspiring to create conveniences for our clients as much as possible through digital media."

Prime Bank has tied up with major trade bodies dealing with the ICT sector.

"This is because the ICT sector has a huge prospect in Bangladesh. Unquestionably, the prospect has increased multiple times in the last five months," he said.

The bank is currently working on re-sizing 25 banks.

This year marked the 25th founding anniversary of Prime Bank.

"We may not have good-looking or posh branches, but Prime Bank's customers did not have to worry whether they would get back funds when they want," Ahmed said.

"We have achieved this level of trust in the last quarter-century."

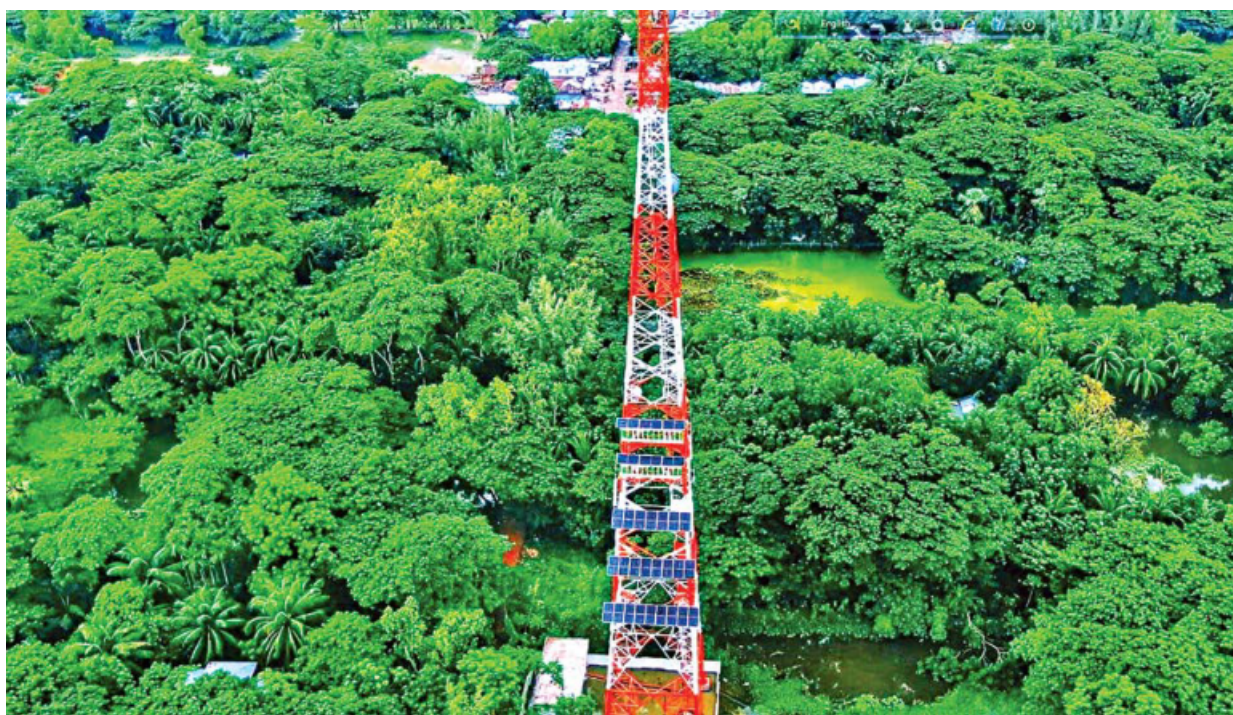
Up to 95 per cent of the deposits have been renewed. Even during the pandemic, net deposits have grown steadily.

The bank's total deposits jumped to Tk 22,616 crore as on June 30, 2020 from Tk 21,644 crore at the end of December 2019, registering a growth of 4.49 per cent.

In the first half of, the bank earned a net profit of Tk 61.88 crore on a solo basis, down from Tk 99.27 crore in the corresponding period last year.

READ MORE ON B2

edotco deploys Bangladesh's first hybrid solar-wind tower in Hatiya



STAR BUSINESS DESK

Integrated telecom infrastructure services company edotco Bangladesh has built a 75-metre hybrid solar-wind tower in Hatiya, a remote cyclone-prone island located to the north of the Bay of Bengal, where no commercial power connection is available.

The tower consists of an in-built green hybrid energy solution with a capacity to produce 42 kilowatts per day from 12-kilowatt solar panels and 6 kilowatt per day from 4-kilowatt wind turbines mounted on the tower to ensure round-the-clock power supply, keeping the telecom system operating throughout the year.

The renewable energy solution not only helps decrease operating expenses by reducing diesel consumption and maintenance costs, but also reduces carbon emissions by up to 80 per cent, the company said in a statement.

"As a socially responsible company, edotco implements initiatives in communities across the nation irrespective of their location or economic condition," said Ricky Steyn, country managing director of

edotco Bangladesh.

"Solutions like these allow us to bring connectivity to underprivileged communities who desperately need it for social empowerment. Aware of the community's needs, we aim to deliver solutions that are sustainable and can help improve the quality of livelihoods."

This renewable energy solution is the first of its kind in Bangladesh, specially built to address connectivity needs in areas where the national electricity grid is unavailable, according to the statement.

This initiative is a part of edotco's continuous efforts to ensure seamless connectivity throughout the nation by using alternative energy solutions to power telecom towers through the deployment of innovative, sustainable and energy-efficient solutions.

The hybrid system has vertical axis wind turbines to take wind from 360 degrees and it is scalable to user defined energy needs, the company said.

The environment-friendly system is equipped with the facility to operate silently is also easy to assemble and maintain and requires minimal

maintenance support, according to the statement.

The wind tower is established not only in line with the company's commitment to champion sustainable energy but also in support of the nation's vision to ensure that seamless connectivity is available both in urban and rural communities, Steyn said.

"We understand how connecting rural communities is integral in meeting the country's digital vision and are committed to being nation building partners."

"We are committed to reducing our impact on the environment and building sustainable infrastructure that is efficient and environmentally-friendly," said Ir Kumari Nalini, edotco Group's director of engineering and technology.

"Wherever possible, our towers use the national grid as the main energy source but for countries where this is a challenge, renewable energy is a viable solution and we work with various stakeholders within each of our footprint countries to make this option available."

READ MORE ON B3

Equipment, space shortages crippling Benapole land port

OUR CORRESPONDENT, Benapole

An acute shortage of storage space and unloading equipment is plaguing Benapole land port, resulting in loss of revenue and business.

The port's 42 sheds are supposed to hold 36,000 tonnes of goods but are having to accommodate three times that amount.

The shortage of equipment is met with manual labour, slowing down unloading and release of imported goods and forcing long queues of some 3,000 trucks on the Indian side for days on end.

The congestion is detrimentally affecting bilateral trade with India. The port handles trade worth Tk 30,000 crore annually, earning Tk 5,500 crore in revenue.

Of the equipment, the port has rented nine forklifts and six cranes of different capacities for a year. However, four of the forklifts and four of the cranes have remained inoperable for long.

Those that are in operation frequently break down allegedly for the use of substandard replacement parts.



It is difficult to manually unload raw materials and machinery used in industrial units, including garment factories, said Mofizur Rahman Sazon, president of the Benapole C&F Agents Association.

Had all the equipment been operational, some 300 trucks could be unloaded every day.

However, the daily average had been around 50 before the pandemic

and even lesser now for the drop in economic activities, said the port authorities.

The equipment provider is not responding to calls for proper equipment and Bangladesh Land Port Authority has been informed of the matter, said the port's Deputy Director Md Mamun Tarafdar.

Hopefully, the problem will be solved very soon, he said.

FLOODS COMPOUND FARMERS' WOES



Withering stems are all that is left of a patch of brinjal plants at Hugra in Tangail sadar upazila following recently floods caused by the adjoining Jamuna river overflowing its banks. Till August 20, flooding had damaged crops worth about Tk 1,323 crore on 1.58 lakh hectares of land in 37 districts. The photo was taken on Monday.

PHOTO: MIRZA SHAKIL