

5th Anniversary Celebration & Customer Service Month 2000

To prepare for the new millennium and serve you better

PRIME BANK LIMITED
Introduces
ONLINE BANKING
The first all over Bangladesh

Operational services at one of our branches, and receive ONLINE BANKING FACILITIES

- Cash deposits and withdrawal at any branch of the bank
- Transfer of money from one account to another at any branch of the bank

Make your ONLINE ACCOUNT with us and enjoy the world of benefits!



Introducing CREDIT CARD WITH PHOTO

For Added security, only Prime Bank offers with photo in 4 types:

- Local Gold Card
- Local Silver Card
- International Gold Card
- International Silver Card

Apply now to any Branch of Prime Bank or call

Prime Bank Limited

The Daily Star 18 April 2000

Special Supplement

Concept, Planning & Design : Public Relations Division



Message

It gives me immense pleasure that a special supplement will be brought out on the occasion of 5th Anniversary of Prime Bank Limited. The Bank steps into the new Millennium with celebration of the 5th Anniversary as well as customer service month with vigor and new aspiration.

I have the pleasure to inform you that our Bank has put in place pragmatic policies and business strategies to ensure continued growth and success as we move towards the new millennium. Our principle is to attain efficiency and excellence in everything we do and above all we stay focussed on the needs of our customers. Diversity in our product and efficiency in delivering the services to customers will remain an important component of our long term business plans.

I am glad to inform you that we were the first bank to introduce various customer friendly products and services like different deposit schemes, Lease Finance, Hire Purchase, Consumer Credit Scheme to encourage savings and to bring about qualitative changes in the lives of the people of our country. Our effort to improve and expand product list continues.

I am pleased to inform our valued customers and well wishers that we have launched MasterCard CreditCard, both domestic and international and introduced On-line Banking network in Dhaka City and in the near future we will connect all our Branches through Wide Area Network. We believe On Line Banking will open several possibilities for improvement of customer services. We have also become a member of SWIFT which provides secured and fast communications for letters of credit and fund transfer services etc.

The success of our bank in a relatively short period is a manifestation of the endeavor and dedication of a highly motivated, experienced, well groomed team of executives and officers which has been largely due to the pragmatic approach of the members of the Board of Directors in managing the affairs of the Bank.

On the occasion of observance of the 5th Anniversary and Customer Service Month I acknowledge with gratitude your kind co-operation and support in our journey to make Prime Bank Limited the most professional and profitable Bank in Bangladesh.

WITH THANKS AND WARM REGARDS

(Md. Nader Khan)
Chairman
Prime Bank Limited

Risk Grading System for Banks

Naser Bukhtear Ahmed
Deputy Managing Director

The risk grading system provides a general framework for evaluating and assimilating all significant financial, operational and compliance factors in order to assign a summary or composite supervisory rating to each bank operating in the country.

The purpose of the rating system is to reflect in a comprehensive and uniform manner an institution's financial condition, compliance with the law and regulation and overall operating soundness.

In addition to serving as a useful tool for summarizing the condition of individual institution the rating framework also assist the Regulatory Authority in assessing the aggregate strength and soundness of the financial sector.

Moreover, it allows the Regulatory Authority to make a more efficient use of its resources by allowing it to adopt a risk based approach in its supervisory activities and to concentrate its on going supervision and examination capacity on weaker institutions.

More specifically, the system allows the Regulatory Authority to set up a rotation plan for bank examination based on the risk grading of each bank and its size.

Good rated banks are examined less often than poor rated ones.

It allows the Regulatory Authority to tailor specific examinations for each bank by concentrating its on the spot controls on detected weak areas. (Limited scope examinations e.g. in the area of Credit, Foreign Exchange, Internal Control, etc.)

This helps to raise the institution's performance individually and the standard of the financial system as a whole.

The risk grading system operates on a quantitative analysis of financial statements and other statistical information the Regulatory Authority receives from banks and on qualitative assessment of each bank's management regarding the monitoring and control of risk, its internal control systems and procedures, etc.

The quantitative analysis includes the calculation of key ratios in view of a bank's capital adequacy and asset quality, its liquidity and profitability.

Each of the key areas of the quantitative and qualitative analysis are rated according to a bank's individual performance See page 20

Financial Highlights and Performance of Prime Bank Limited for the year 1999

MD. REAZUL KARIM, FCMA
Sr. Vice President

The Prime Bank Limited with its excellent profile has gained momentum within a short span of time due to its very competent Board of Directors' and dynamic management.

The Bank is firmly committed to explore and diversify its super quality products and relentlessly endeavor to provide inputs for socio-economic development.

With an Authorised Capital of Tk. 1000 million and Paid up Capital of Tk. 100 million Prime Bank Limited was established on April 17, 1995 by a group of highly successful entrepreneurs from various fields of economic activities. The Bank has achieved satisfactory progress in all areas of its operations due to introduction of several customer friendly Loan and Deposit products. We have launched MasterCard Credit Card both local and international. We have introduced online Banking services at our Dhaka City branches and are in the process to connect our other branches for the convenience of our customers. We have also become a member of SWIFT, which provides secured and fast communication for financial transactions such as Letter of Credit and Fund Transfer etc. Our Bank established a separate Treasury to deal with both Local and Foreign Currency in Inter-bank Operation of our Dealing Room has been automated with Reuters Terminal facility.

Our various purpose-oriented deposit schemes have been appreciated by the Public and have gained good popularity. As on 31-12-99, deposits under above schemes stood at Tk. 1005.57 million as against Tk. 812.37 million in the last year. See Page 20

PRIME BANK LIMITED- A NICHE OF PRIME

MD. ANWAR HOSSAIN
Senior Vice President

Introduction:

The widely used proverb "Slow and Steady wins the race," does not perhaps hold good in all cases in these days of speed and technology-driven society. Ours is a bank which also does not pursue the philosophy underlying in the said proverb. Prime Bank Limited is rather the believer of the opposite direction of the proverb. Here in Prime Bank we believe in "Swift and Steady wins the race." We want to be fast as much as we can. But at the same time we make all-out efforts to ensure the quality of our operations. That is, we want to perform the best possible work of huge quantum within the shortest possible time. Because human life is too short to enjoy. Here we have no time to stand and stare. We have to go a long way within a very short span of time and for that reason we have to run fast. We, in Prime Bank, try to perform a large volume of work within a very short time and at the same time we do not compromise with the quality of operations. That means, we want to perform more and bring about perfection in our operations.

The above is the philosophy of our operations in Prime Bank Limited which is manifested in our operating results in the past years. We want to keep it up in our future operations, too. It is very difficult to uphold this philosophy in practice. We have to endure a lot of pains; we have to toil much, we have to sacrifice comforts which the people in the society usually enjoy, off and on we have to exert efforts which appear to be impossible. But we do not mind, since we believe that we must accomplish a lot of works within the shortest possible time and enjoy our life by doing work which would benefit the present generation and the future one. We want to leave behind some examples which our successors would follow with respect and honour. We want to do for ourselves and for the society centering our best operations around Prime Bank Limited.

Prime Bank is Prime: Thanks to the person or the authority who chose the name Prime Bank for us. The choice of the name of our Bank was certainly the reflection of thoughts and ideas of high stature. The underlying idea of naming the Bank was that it would be prime in all respects. See Page 20

BRIEF PROFILE OF PRIME BANK LIMITED

As on 31-12-1999

1. Date of Incorporation	12th February, 1995
2. Date of Commencement of Business	17th April, 1995
3. Capital	
Authorised	Tk 1000 Million
Paid-up	Tk 400 Million
Capital Funds	Tk 719.20 Million
04. Deposits	Tk. 7660.20 Million
05. Advances	Tk. 5027.40 Million
06. Net Profit	Tk. 316.80 Million
07. Loan as a % of total Deposit	65%
08. Global Reach	230 Correspondents Worldwide
09. Number of Employees	458
10. Capital Adequacy Ratio	15.14%
11. Ratio of Classified Loans to Total Loans	1.63%
12. Return on Assets	5.30%
13. Return on Capital	92%
14. Name of the Chairman of the Board of Directors	Mr. Md. Nader Khan
15. Name of the Managing Director	Mr. Kazi Abdul Mazid
16. Number of Branches	20 (Twenty)
17. Head Office Address	Adamjee Court Annex II, 119-120 Motijheel C/A, Dhaka-1000, Bangladesh Telephone : 9567265, 9562983 Telex : 642459 PRIME BJ, 671543 PBL MJ BJ Fax : 880-2-9560977, 9567230 Email : primebnk@bangla.net SWIFT : PRBLDDDH
18. It is a Publicly Traded Company.	Share quoted daily in DSE & CSE
19. Credit Card	Prime Bank Limited is a Principal Member of Master Card.
20. Banking Operating System	Both conventional & Islamic Banking System. Shariah based Islamic System is followed in O2 (Two) Branches
21. Technology used	Member of SWIFT On-line banking UNIX based Computer System

Management Principles

Kazi Abdul Mazid
Managing Director

People have different ways to manage self & others. And we know that some are good Managers than others even under similar situation. Have you ever pondered what makes this difference? Why two people in similar circumstances deliver two different results? Because they have different meaning of Management. Meaning is actually one's perception and interest in it. If you see Tajmahal, you may think about the Emperor Shahjahan-his love for his wife Mumtaz. Another person may be only interested in the Architecture of Tajmahal.

Perception comes from relationship/interest with the subject. Managers' main job is to develop people through work. There is no other way to develop people and this can only happen under a trusted relationship. It is not just asking someone to do a work but creating in him a desire to do the job, a desire of self fulfillment. Scientist Galileo has said you can not teach a man anything. You can only help him discover it within himself. Once you help a human being discover the power that is latent in him, he can do wonders.

And you can do this only by exercising Real Management as opposed to Traditional Management. A good manager ;

1. Accepts people as he is and then help him experience his power. Power is the potential that is latent in every human being.
2. Develops trusted relationship with his people. Human potential cannot be exploited by coercion or force.

Every human being is a reservoir of energy & power and the exploitation of the power depends on his Volume of the desire, Quality of the desire, Intensity of the desire and the Power of the desire. If you really want to succeed as a professional, as a person, and as a human being, then you have to create a turmoil within you with that desire.

You must plan & decide your goals and work towards achieving the goals. Life goals & Professional goals. Don't underestimate your ability to achieve goals which may appear impossible or difficult. Love your assignment and have full faith in your ability.

- The main requirement is to have 'positive frame of mind'
- Try to visualize the success.
- Positive frame of mind sources energy and power and results in success.
- Success brings more success.

Every Manager must have leadership quality to succeed as Managers. Gone are the days when being Manager meant placidly organizing tasks for subordinates to carry out. Today when you enter the office, you enter a battle zone of conflicting requirements and crushing pressures. You have to satisfy your customers, your employees and your superiors. You are told to bring quality into your operation. You are asked to do more with less cost, less time and less staff.

I believe, people do better when they receive positive and honest feedback. You must look for opportunities to compliment and recognize good performance of employees. A good performance appraisal can help. It is not good enough to recruit good people but more importantly to get optimum level of output from them & retaining them. In Bangladesh we are

still following the British Raj time practice of Annual Confidential Report or ACR as is commonly known. This is treated as a confidential document. The person on whom this document is written is not allowed to know what his superiors think about him. This is ridiculous. As a matter of fact the performance of an employee can be improved if he is told how he is doing.

Real Managerial principles can be broadly described as follows:

1. Lives in both the conscious & the unconscious world (totality), recognizes the larger invisible governing forces surrounding our conscious perception. The real world is the unseen. A living system that concerns itself with the soul or the spirit of the person and the organization.
2. Believes in "interfusion power" and the resultant merger of energies. Managers are expected to be managers of themselves and of situations. A manager must manage and be managed equally by all with whom he works. When this is operative, then power, authority, and other mechanism of control are unnecessary.
3. Visualizes the organization as energy. Concentrates on the direction & the intensity of its flow. The organization is dynamic, fluid, and ever changing. It is a process often conceptualized as a state of flow.
4. Sees Humility as a strength. In effect real control occurs by relaxing controls & by increasing supervision. To let go of one's need to control is to allow interaction to happen. See Page 20

CUSTOMER SERVICE IS OUR PRIME CONCERN

S.M SHAMSUL ALAM
Senior Vice President

Customer service is our Prime Concern, since banking service is a specialised area where customer's trust, confidence & satisfaction remain at the top. Virtually the very existence of banking industry depends on customer-mix. For our better understanding we classify customers into three broad categories - Deposit Customers, Borrowing Customers, Borrowing & Deposit Customers and there is another group of customers who may be termed as walking customers who take various banking services. Bank is a financial service provider which involves in mobilising deposits, lending & investment activities as well as provides various services. In any bank premises customer is the most important and sensible visitor to receive desired services. In fact, without customer the existence of a bank is meaningless. So to customer stands at the top of all agenda and at the pivotal position of all the elements which constitute a bank. We are committed to excellence in creating quality assets and providing best products & services for our customers' satisfaction.

Whenever we speak loudly that our commitment towards Prime Bank Limited is total, we mean our commitment virtually dedicated to our customers that we are committed to excellence comes true when we really find a smile from a sensible customer who is highly satisfied after getting his desired services. In our bank we are pursuing a work environment driven by creativity, enthusiasm & expertise with shared purpose, shared values and the presence of leadership, empowering employees, encouraging learning and thereby ensure customers' satisfaction. We embrace and practise the art of listening and discussing issues with our customers for effective communication & decision. Our customerised value system thus determines the quality of works & life in the organisation. We believe, the winners will be those who have the will, the skills, and agility to drive change for meeting customer's needs. Therefore, we maintain the most customers driven relationship management process. Besides creating value, we are a business-building partner with our customer. We give value on the power of personal relationship. Traditionally banking is a business of trust, trust fosters relationship and thereby in the competitive banking environment, ultimately See Page 20

Board of Directors, Prime Bank Limited

- | | |
|---|--|
| I. Mr. Md. Nader Khan
Chairman, Board of Directors
Prime Bank Limited
Managing Director
Pedrollo Group | IX. Mr. Quazi Sirazul Islam
Director, Prime Bank Limited
Managing Director,
Amin Jewellers Ltd. |
| II. Mr. Mizanur Rahman Bhuiyan
Vice Chairman,
Board of Directors
Prime Bank Limited
Managing Director
Meghna Group of Industries | X. Mr. K. M. Khaled
Director, Prime Bank Limited
Director, GETCO |
| III. Mrs. Salma Huq
Director & Chairman,
Executive Committee,
Prime Bank Limited
Chairman, GQ Group | XI. Mr. Md. Nurul Haque Sikder
Director, Prime Bank Limited
Chairman & Managing -
Director, Palmal Group |
| IV. Mrs. Nasim Anwar Hossain
Director & Chairman,
Policy Committee,
Prime Bank Limited
Director, Bengal Tiger
Cement Ind. Ltd. | XII. Mrs. Muslima Shireen
Director, Prime Bank Limited
Managing Director,
Mawsons Ltd. |
| V. Mr. Md. Abul Quasem
Director and Vice Chairman,
Executive Committee,
Prime Bank Limited
Managing Director
Ambia Group | XIII. Mr. Md. Shirajul Islam Mollah
Director, Prime Bank Limited
Vice Chairman, Bengal Tiger
Cement Ind. Ltd. |
| VI. Mr. Md. Shahadat Hossain
VIP (Income Tax)
Director and Vice Chairman,
Policy Committee,
Prime Bank Limited
Proprietor,
M/S Shahadat Hossain | XIV. Mr. Mafiz Ahmed Bhuiyan
Director, Prime Bank Limited
Managing Director,
Shepherd Textiles (BD) Ltd. |
| VII. Dr. R A Ghani D.S.C
Director, Prime Bank Limited
Managing Director,
Ganibangla Ltd. | XV. Mrs. Marina Yasmin Chowdhury
Director, Prime Bank Limited
Director, East Coast Group |
| VIII. Mr. Mohammad Aminul Haque
Director, Prime Bank Limited
Managing Director
GETCO | XVI. Mr. Syed Sadullah Ahmed
Director, Prime Bank Limited
Director, GQ Group |
| | XVII. Mr. Parwez Matin
Director, Prime Bank Limited
(Representing East Coast
Shipping Lines Ltd.) |
| | XVIII. Mr. M. Mujibul Huque
Director, Prime Bank Limited
(Representing GQ Ball Pen
Industries Ltd.) |
| | XIX. Mr. Kazi Abdul Mazid
Managing Director
Prime Bank Limited |

Credit Profile of Prime Bank Limited A journey towards excellence

MD. MOTIUR RAHMAN
Executive Vice President

Prime Bank Limited is a second generation private sector bank. The Bank operates as a scheduled bank under banking license issued by Bangladesh Bank. Prime Bank Limited was sponsored by a group of renowned industrialists, business houses and professionals of the country.

Prime Bank Limited was established with the objective of running its operation with a difference from the age old and conventional system and outlook. As such 'A Bank with a difference' was chosen as its slogan.

Prime Bank Limited is run and managed by a team of highly efficient, experienced, well groomed, committed and motivated executives and officers under dynamic & pragmatic leadership of the top management.

Prime Bank Limited completes its 5th year of operation on 17th April, 2000. During this short period of operation it has been able to demonstrate its excellence and success in all areas of operation. There have been remarkable growths in all key areas during the year 1999. Profit grew by 63%, deposit grew by 44%, foreign exchange business grew by 58% and loans and advances grew by 60%. Prime Bank is small in size but a very strong bank.

Success of a bank is mostly associated with the efficient management of its earning assets i.e. loans and advances. Prime Bank Limited has been able to manage its credit portfolio in a very efficient and disciplined manner.

Main distinctive features of credit portfolio of Prime Bank Limited are enumerated below:

1. **Credit Policy:**
Credit operation of the Bank is conducted under a pragmatic credit policy duly approved by its Board of Directors.
2. **Credit Budgeting:**
Credits are disbursed in a planned & disciplined manner. Sectoral allocation of credits is made for the Bank every year taking into consideration the general economic trend, trade and commerce of the country, diversification of Bank's credit portfolio, policy guidelines contained in Bank's Credit Policy, sectoral performance, national priority etc.
3. **Loans to Director of the Bank:**
There is no insider lending in the Bank. It is observed that the quality of loan portfolio of a Bank deteriorates due to insider lending to the Sponsors/ Directors of the Bank. The Sponsor Directors of Prime Bank Ltd. have set a unique example by taking a formal decision in the Meeting of the Board of Directors that they will not avail of any credit facility from this Bank.
4. **Lease Finance and Hire Purchase:**
Besides traditional modes of lending, Prime Bank Limited has introduced various customer friendly loan products & services e.g. Lease Finance, Hire purchase, Consumer Credit, Scheme etc. These are first of its kinds in a commercial bank in Bangladesh. The exposure of the Bank under Lease Financing and Hire-purchase mode are quite substantial. For augmenting Bank's exposure in Lease Finance, a separate Leasing Unit has been established.

See Page 20