

## Deposit Products of Prime Bank Limited

**ABDUS SAMAD**  
Senior Vice President

Since commencement of banking operation, Prime Bank Limited has not only gained enormous popularity but has also been successful in mobilizing deposits.

The Bank has made significant progress within a very short time due to its dynamic management and introduction of various customer friendly deposit products.

### Deposit Product Range

#### 1) Contributory Savings Scheme

This Scheme allows for getting an attractive fixed amount at the end of the specified term through depositing monthly installment of Tk. 100.00, Tk. 250.00, Tk. 500.00 or Tk. 1,000.00 over a period of 5, 8 & 10 years. Annual profit @ 11.97% is allowed under this scheme.

#### 2) Monthly Benefit Deposit Scheme

Under this Scheme a person can deposit Tk. 1,00,00,00 or multiple thereof for 5 years term and can earn Tk. 1,000.00 per month plus refund of the original amount after expiry of the term.

#### 3) Special Deposit Scheme

A deposit of Tk. 10,000.00 or multiple thereof can be deposited for a period of 5, 7 or 10 years which grow into double & triple in 7 & 10 years respectively. At simple rate, the profit under this scheme stands at 20% per annum.

#### 4) Education Savings Scheme

Deposit of Tk. 25,000.00 or multiple thereof for a period of 7, 10, 15 or 20 years is repaid @ Tk. 55,000.00, Tk. 77,000.00, Tk. 1,36,000.00 or Tk. 2,40,000.00 in lump sum after the respective maturity period. Depositors have the option of withdrawing the amount as educational allowance for 6 years starting from the completion of the respective term @ Tk. 1,000.00, Tk. 1,500.00, Tk. 2,500.00 or Tk. 4,500.00 in monthly installment.

#### 5) Fixed Deposit

- Terms
- 30 DAYS FDR
  - 3 months FDR
  - 6 months FDR
  - 1 year FDR
  - 2 years FDR
  - 3 years & above FDR

#### 6) Savings Deposit Account

#### 7) STD Account

#### 8) Prime Bank Insured Fixed Deposit Scheme

In order to give extra protection to our customers and their family, the Bank have introduced "Prime Bank Insured Fixed Deposit Scheme". This new deposit scheme has the advantage of insurance coverage (both natural & accidental death benefit) as well as high rate of return i.e. 10% per annum. Some of the salient features of "Prime Bank Insured Fixed Deposit Scheme" are described below:

- The scheme covers the depositors of 18-45 age group.
- This Insurance coverage will be available for Fixed Term Deposit of 1 (one) year term.
- Minimum deposit is Tk. 25,000/- Insurance coverage will be available for deposit upto Tk. 20.00 lac.
- In case depositor meets natural death, his Nominee shall get double of his deposit plus interest. In case of accidental death, Nominee shall get 3 times of the deposit plus interest. This means that if a depositor keeps a deposit of Tk 10 lac and meets natural death his nominee shall get Tk 20 lac plus interest and in case of accidental death the nominee shall get Tk 30 lac with interest.
- Prime Bank Money Scheme

Under this Scheme, the Bank finance the purchase of 5 types of Government Savings Certificate such as 1. Five years Bangladesh Savings Certificate, 2. Eight Years Defense Savings Certificate, 3. Five Years Family Savings Certificate (To Female only), 4. Three Years 3 monthly based profit Savings Certificate and 5. Five Years 6 monthly based profit Savings Certificate at a very low rate of interest to enable our customers to build up savings and also get the benefit of tax rebate as admissible under the Income Tax Rules. Under this Scheme, the Customer(s) will open an account and deposit 20% as margin and Bank will provide 80% of the Savings Certificate Value as loan for purchasing the above mentioned Certificates and loan should be repaid in monthly installment from the following month of disbursement during the period (3 years, 5 years & 8 years).

#### 10) Multicurrency Account

In view of the convertibility of Taka in current account allowed by the government, we introduced "Multicurrency Account" system where an eligible Account Holder can make deposit in US Dollar, Pound Sterling, Japanese Yen or Deutsche Mark and draw cheques in Bangladeshi Taka, Pound Sterling, Japanese Yen, Deutsche Mark, French Franc, Canadian Dollar, Swedish Kroner, Italian Lira or ACU Dollar. The system has been introduced to enable an Account Holder to draw cheques in any currency of his choice to settle the payment obligations in various currencies. Funds from their accounts are freely remittable to any country according to their needs. Although, "Multicurrency Account" will be maintained in US Dollar, the deposit into the account can be made in any convertible currency whereby we shall convert the same into US Dollar. The conversion shall be made by using bank's buying and simultaneous selling rate of the relevant currencies as usual. We pay interest at prevailing Euro-currency Deposit rate if balance in the account is over US\$ 1,000.00 and the balance is maintained for not less than a month. At present our Motiheel and Gulshan Branch have been authorised to open Multicurrency Account.

## Chairman Mr. Md. Nader Khan's Statement

From Page 20

Our efforts to improve and expand product list continues.

I am pleased to inform the Honourable Shareholders that, during the year 1999, your Bank made a record Operating Profit of Tk.360.51 million registering an increase of 63% over the previous year. Deposit grew by 44% to Tk.7660 million. Foreign Exchange business increased by 58% to Tk.17855 million and Loans & Advances increased by 60% to Tk.5027 million. These encouraging results were achieved in a difficult economic and political condition which manifest the inherent strength of the Bank. One of the most significant performance yardsticks of the Bank is that we have a very low rate of Classified Loans compared to the industry standard in Bangladesh. As on 31-12-99, our Classified Loans are only 1.63% of total loans against which full provision has been made by the Bank. Return on average Assets during the year under review was 5.30% against 4.50% in the last year.

I am sure that you will be happy to know that Prime Bank is perhaps the first domestic bank which prepared its accounts as per international Accounting Standards (IAS-30). We have fully depreciated the value of our investment in shares to current market price as at 31st December, 1999. We, however, hope All Share Price Index will improve

enabling all the shareholders to benefit in the future.

Our Capital Adequacy Ratio is 15.14% and Tier-1 Capital is 14.06%, both are well above the required 8% and 4% respectively. With the public issue of shares of Tk.200 million in 1999, our Capital Funds stood at Tk.719 million which has made your bank one of the strong capital based Banks in Bangladesh.

As I have mentioned earlier, your Bank has played a pioneering role in introducing several customer-friendly deposit and credit schemes and we continue to maintain our leadership role. We have launched MasterCard Credit Card, both Local and International and will introduce "On-line Banking" connecting all our branches through Wide Area Network very soon. We believe "On-line Banking" will open up several possibilities for improvement of customer services. 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. I would like to inform here that it is our continuing desire to make Prime Bank Limited stronger by increasing shareholders' equity and also to pay good dividend to its shareholders every year. This year, the Board of Directors has recommended to pay 30% cash dividend to the shareholders. After payment of the dividend, the Capital Adequacy of the Bank will

## HUMAN RESOURCE DEVELOPMENT & PRIME BANK TRAINING INSTITUTE

**SHAMSHAD BEGUM**  
Senior Vice President & Principal

Human Resources development through training is most essential for organizational growth since it enriches knowledge, skill and professional expertise. Training is a learning experience in that it seeks a relatively permanent change in an individual that will improve his or her ability to perform on the job. Learning is a perpetual process that unlocks the future. For an organizational standpoint effective interaction and communication enhance productivity, skill, confidence and attitudinal change in positive dimension.

Prime Bank Training Institute started conducting training courses from July 22, 1998 with the aim to build up a strong and skilled workforce. The Institute is located at the first floor of 19, Dikusha C/A, Dhaka. The office atmosphere has a unique exposure with modern training equipments. Further technological improvement is the ongoing process.

From the 22nd July, 1998 to the 6th April, 2000 the Institute organized 6 (six) training courses on Basic Foundation of Banking, International Trade Finance & Foreign Exchange and Lending Risk Analysis. The Institute also conducted 13 (thirteen) workshops on Credit Processing & Post Disbursement Review, Law of Insurance & Insurance Policy, Marketing of Bank Services, CIB-01 Form Reporting, Credit Card, Consumers Credit Scheme, Handling of Deposit Accounts-Both Foreign Currency & Taka, Resident & Non-Resident, Pre-shipment Inspection, Introduction to SWIFT, On-line Banking System, Import Policy Order and Relevant Foreign Exchange Regulations. The total number of Trainees/Participants by adding batch numbers were 710. Besides the own employees, PBTI also conducted 2 (two) workshops for the Rotaractors, Rotary Clubs, Bangladesh & employees of Rang Industries Limited for 83 participants. The Institute conducts training courses throughout the year in which Senior Executives, Officers of the Bank, other professionals, intellectuals and eminent bankers of the country are invited to address the sessions as guest speakers. It has a library with the books on Banking, Finance, Accounting, Economics, Law, Marketing, Management, English Language, Bengali Literature etc.

Various Computer related courses are conducted by Computer Division & Training Institute at different times. For recruitment of the Junior Officers (Computer), practical and aptitude tests are also conducted at Prime Bank Training Institute.

In Training Institute we have created an excellent opportunity to interchange ideas & views and infuse ourselves with substantial zeal and energy to move ahead. In our workshop focus is given to enhance managerial, behavioral and conceptual skill to visualize the organization as a whole for long run sustainable achievement.

The corporate mission of our executive and management development programs is to strive for excellence in disseminating the art and knowledge of 'Banking & Finance' and other related subjects.

We have a plan to add research component to our training and will exert our best efforts towards publishing journal of articles and various booklets in near future. We believe that, the managers/employees can be more effective in managing whole affairs of the bank, if they acquire broader vision through the activities of 'Research & Development'.

In the competitive market economy, Prime Bank Training Institute is engaged in producing quality human resources so that the Bank can position itself ahead of its competitors in respect of customer service and operational efficiency.

**"THE BEST MINUTE I SPENT IS THE ONE I INVEST IN PEOPLE"**

## List of Branches of Prime Bank Limited

- MOTIHEEL BRANCH**  
Adamee Court Annexe Building-2  
119-120, Motiheel C/A, Dhaka-1000  
Phone : 9567223, 9567265/208  
Tel: 671543 PBLMJ BJ, Fax : 880-2-9567223
- ELEPHANT ROAD BRANCH**  
218, Elephant Road, Dhaka-1205  
Phone : 9662776  
Tel: 642430 PRIMER BJ, Fax : 880-2-9662777
- KHATUNGOJ BRANCH**  
Nabi Super Market  
232, Khatungonj, Chittagong-4000  
Phone : (031) 623212-4  
Tel: 633109 PBLK BJ, Fax : (031) 610848
- ISLAMIC BANKING BRANCH**  
Amberkhana, Airport Road, Sylhet-3100  
Phone : (0821) 717332  
Fax : (0821) 717337
- MOULVIBAZAR BRANCH**  
77/3, Mouli Bazar, Dhaka-1100  
Phone : 011-865417  
Tel: 671548 PBLMB BJ, Fax : (011) 865417
- COURT ROAD BRANCH**  
Court Road, Moulvibazar-3200  
Phone : (0861) 53877  
Tel: 642193 PBLMB BJ, Fax : (0861) 53878
- KHULNA BRANCH**  
76, Khan A, Sabur Road, Khulna-9100  
Phone : (041) 720071, 725100  
Tel: 627266 PBLKN BJ, Fax : (041) 731195
- MOUCHAK BRANCH**  
Manhattan Tower (1st Floor)  
83, Shidheshwari Circular Road, Dhaka-1217  
Phone : 9338883  
Fax : 880-2-9338883
- ISLAMIC BANKING BRANCH**  
19, Dikusha C/A, Dhaka-1000  
Phone : 9567227-28  
Tel: 671560 PBLB BJ, Fax : 880-2-9567228
- GULSHAN BRANCH**  
28, Gulshan Circle 2, Dhaka-1212  
Phone : 9886171
- MOTIHEEL BRANCH**  
Telx : 642447 PBLGL BJ, Fax : 880-2-9886171
- SYLHET BRANCH**  
Lalidighirpar, Sylhet-3100  
Phone : (0821) 721127, 710208  
Tel: 633241 PRIME BJ, Fax : (0821) 710673
- NARAYANGANJ BRANCH**  
56, S.M. Mahesh Road, Naayanganj-1400  
Phone : 9716770  
Tel: 633634 PBLNJ BJ, Fax : 880-2-9715570
- MOHAKHALI BRANCH**  
11, Mohakhali, Dhaka-1212  
Phone : 9882291, 886483  
Tel: 632355 PBLMK BJ, Fax : 880-2-9886052
- AGRABAD BRANCH**  
Chamber House  
38, Agrabad Commercial Area  
Chittagong-4100  
Phone : (031) 727018  
Tel: 633287 PBLAG BJ, Fax : (031) 727018
- BARISAL BRANCH**  
Hemayet Uddin Road, Barisal-8200  
Phone : (0431) 53881, 54219  
Tel: 671602 PBLBL BJ, Fax : (0431) 54712
- JUBILEE ROAD BRANCH**  
Amaffa Center  
214, Jubilee Road, Chittagong-4000  
Phone : (031) 613939  
Tel: 633028 PBL RJ BJ, Fax : (031) 613939
- RAJSHAHI BRANCH**  
138/144, Shahab Bazar, Rajshahi-6100  
Phone : (0721) 773981  
Tel: 671597 PBLRJ BJ, Fax : (0721) 773980
- JESSORE BRANCH**  
47, Netajee Subash Chandra Road,  
Jessore Town, Jessore.  
Phone : 0421-73622-4  
Fax : 880-0421-73624
- KAWRAN BAZAR BRANCH**  
54, Kawran Bazar C/A Dhaka-1215  
Phone : 9124296-7  
Tel: 671595 PBLK BJ, Fax : 880-2-9129004
- BANGSAL BRANCH**  
43/44, Malitola  
North South Road, Dhaka  
Tel: 9561501, 018-228737  
Telx : 642483 PBL BB BJ

be 12.61% which is still higher than the stipulated 8%. Finally, I would like to solicit your co-operation and support in our journey to make Prime Bank Limited the most professional and profitable Bank in Bangladesh.

I now have the pleasure to submit before you the Report of the Board of Directors and the Accounts of the Bank along with the Auditors' Reports for your kind perusal and approval.

Before concluding, I remember with a very heavy heart the sad demise of Mr. AFM Aminul Haq, a sponsor Director of the Bank who made significant contribution to the Bank and whom we anguishly miss in today's meeting. May Allah rest his soul in eternal peace.

With thanks and warm regards.

subdued. The economy after having grown at 5.6% in FY 1998 showed signs of slowing down mainly due to unprecedented flood and estimated to grow at the rate of 3.1% during the current year. The rate of inflation after remaining moderate during the last few years is showing upward trend. The capital market both primary and secondary remained depressed. Political climate also remains unstable.

In such a scenario, the Banking Sector will face greater challenges and severe competition, more so with eight new banks recently licensed. There will be further pressure on margin and perhaps more non-performing loans unless the Banks are able to improve the quality of their asset management. Electronic Commerce will change the way of banking as has been done in the past and will present both opportunities and challenges. Credit Cards, Debit Cards, Assets Securitization, Leasing, Broking and factoring are some of the nascent banking activities which will more and more come into time light.

Although the operating environment would be quite complex in the new millennium, the strong fundamentals of our Bank as evidenced by the strength of capital adequacy, good asset quality, high earning potential and professional outlook should enable us to withstand competitive challenges and drive to higher levels of performance.

Our capital adequacy ratio is 9.86% and our tier-1 capital is 8.82%, both are well above the required 8% and 4% respectively. With public issue of Tk.200 Million planned in June 99, the Capital Adequacy ratio will increase to 16%. Increased capital base will enable our Bank to explore new business opportunities.

Our Bank has played pioneering role in introducing several customer friendly deposits and credit schemes and we continue to maintain our leadership role. We are in the process of launching Credit Card both local and international and will introduce On-line Banking connecting all our branches through Wide Area Network for the convenience of the customers.

Prime Bank is perhaps the only Bank which is operating branches on both conventional interest based and Islamic Shariah principles. Our two Islamic Banking Branches at Dhaka and Sylhet are doing very well and we plan to open a few more branches in the near future.

I would like to say that maximization of profit has not been our only objective. Our participation in various activities in nation building as well as in several socio-economic activities in our country is also an important part of our business strategy. I would like to say that we will pursue our mission to be the most efficient financial institution, our goal to provide highest level of satisfaction to our customers and our values to maintain the highest level of ethical standards in everything we do.

Thanking you and with warm regards.

## INFORMATION TECHNOLOGY (IT) AND PRIME BANK

**S. M. Mainuddin Chowdhury**  
Vice President

Information Technology was first introduced in early 60's through mainframe computer in Bangladesh. Research and education sectors were first to adopt the IT in Bangladesh. In the beginning stage cost effectiveness was under question mark for business applications. Business people are often highly skeptical of technological advances. They don't have time to waste with fancy gimmicks or expensive experiments, they want problems solved, not extra ones created, and they want to make money, not spend it on a passing fad which proves a poor investment in long term. At the initial stage investment against productivity was not sufficiently justified considering the business application available on the mainframes. Still some banks in Bangladesh use Mainframe and Minis to meet their huge data processing needs.

Situation changed with the introduction of PCs in 80s. Introduction of Internet completely changed the scenario of IT use in business in the world market. However, in Bangladesh pace of change is not very fast but catching up slowly.

First and second generation banks started their operation using manual system of operation and manual bookkeeping. They are now changing from their existing manual system to computerized system of operation. It will take sometime for them to convert all their manual systems. Banks who started operation in third generation and later have started IT from their inception.

Prime Bank Limited as third generation bank started its operation using IT from the very beginning of its operation. Implementation of any IT projects is very expensive, require long term vision and support from the top management. The Management and Board of the Bank were very pragmatic in making long term policy and strategy. They viewed investment in IT as asset rather than mere dead stock. As we know any technology has some other very important components like product itself, knowledge in documentation, organization, and man behind the technology. Synchronization of all components of technology is very important in prospering and achieving IT growth. The Management of the Bank realizes and understands technology very well and has taken care of all the components of technology for better absorption in the organization and growth of it. The Bank invested not only on technology itself but also on development of manpower.

### Banking Operation

We in Prime Bank, do our core banking operation through computer. It covers all aspect of core banking functions and services. The operating system on which the program runs is UNIX, which started its journey 20 years back. UNIX is now very mature OS and optimized for robust, reliable and secure operation. Our banking program helps us to provide excellent and efficient customer service. The banking program, among others, covers modules for Customer side and General Side of the books of accounts. Some of the modules in the Banking programs are, Accounting module, Savings Accounts, Current Accounts, Cash Credit/OD Accounts, Fixed Deposits, Foreign Currency Deposits, Terms Loans, Consumers Credit, General Advances, Clearing Module, Standing Instructions, etc. The banking program at present we are using covers all the products of the Bank.

The Bank also made substantial progress for data archiving. Data of all branches are available from the first day of its operation in archive media. This is to ensure immediate availability of information in electronic form.

We are at present implementing a large IT infrastructure development project to connect

all branches of the bank for data communication. Under this project all the branches at Dhaka City have been connected through Wide Area Network (WAN). During first part of this year we will connect all branches in Bangladesh to the WAN. This WAN infrastructure will facilitate immediate implementation of many IT based projects.

### Online Branch Banking Service

Major changes of emphasis in banking during the past decade have placed new demands on core banking systems. Today's banking customer demands greater levels of service and more flexibility than ever before. To remain competitive and have competitive edge new and innovative products must be introduced regularly and quickly. Multiple delivery channels also should be supported for the banking products. With this end in view, based on WAN infrastructure the bank has already introduced online branch banking service in Dhaka city and going to introduce this facility to all the branches across the country. Under this service customer of a branch will be able to deposit or withdraw money from any of the branches of the Bank across the country. This definitely will increase the value of service we provide to customer, however, it also has got direct contribution to the economy by increasing the velocity of fund for business.

### SWIFT

The Bank last year became member of Society for Worldwide Inter Bank Financial Telecommunication (SWIFT). This will facilitate speedy and reliable communication for trade message and fund transfer. The Bank has planned to expand SWIFT facility for all of its branches by year 2000.

### Internal Developments

IT Department of the Bank looks after the maintenance of the IT products and systems. It has also got an in-house software development team. Immediate and urgent program development needs and program customization needs are met by this team. Personnel Information System of the Bank, Salary and PF, Credit Information System, Call Money Reporting System, Interbank Reconciliation System are a few programs to name which have been developed by the in-house programmers.

### Future Trend

The nature of business is changing very fast with the introduction of Internet. E-Commerce is knocking at the door. Global competition is coming up with the WTO. Bank cannot ignore all these changes and remain aloof from it. The protected environment of business will be going very fast than we expected. Operational efficiency is a must for not only to come competitive but also for survival in the future. And adoption and absorption of technology, is therefore, a must. Any organization including banks that will learn technology fast and deploy it strategically for business purpose will be the survivor and conquer of the future. Prime Bank is a strong believer in change and adaptation to changed condition through technological advancement.

### Conclusion

The Technology can only be the means to an end - that of growing the business - not an end in itself. But it is precisely the promise of the larger volumes of business at lower cost that is the major attraction from the Banks point of view. The Bank is committed to provide best services to its customer, the cost and quality of service is to be ensured, no inefficiencies will be passed on to the clients and to maintain that all the modern avenues will be utilized. This is our commitment to our customers.

## Chairman Engineer Md. Nurul Haque Sikder's Statement

From Page 20

qualitative change in our profit component. Fee based income has increased by 164% and the contribution from commercial activities has substantially increased showing a trend of increased profitability for the future.

I am sure you will be happy to know that your Bank is perhaps the first domestic bank to adopt International Accounting Standards (IAS-30) in preparing the accounts for 1998. We have fully depreciated the value of our investments in Shares to current market price thus providing Tk.181.57 million from the profit. We, however, hope the Share Market Index will improve enabling us to benefit in the future.

In view of the above the Board has decided not to declare any dividend for the year 1998. However, it may be worth mentioning that following dividends were paid to the shareholders since the Bank's establishment in April 1995.

Year	Rate
1996	60% Stock Dividend
1997	25% (Interim) Stock Dividend
1997	30% (Final) Cash.

The report of the Board of Directors and the Audited financial statements of our Bank are submitted before you for your kind examination and approval.

I would like to take this occasion to share my thoughts on the probable shape the Bangladesh Financial Sector may take and the challenges it is likely to face during the next millennium.

The previous year was characterized by widening of divergences in the performance of various economies. While the economy of United States, UK and several countries in European Union recorded robust growth, the Japanese economy stagnated and the suddenness with which Asian crises began causing in the process the collapse of changes rates, there is a fear that there could be unwanted twists in the growth pattern of world economy in the near future.

Although Bangladesh economy generally remained insulated from the negative developments of its neighboring countries, its performance was somewhat

## Islamic Banking in Prime Bank

**Abdul Mannan Khan**  
Sr. Asst. Vice President

Prime Bank started its operation with the slogan "Bank with a Difference". From the very inception of the Bank it showed its difference in its different activities. Opening of Islamic Banking Branch within the framework of a conventional bank is one of its distinctive features.

Prime Bank Ltd. started its Islamic Banking operation by opening its first Islamic Banking Branch at 19, Dikusha C/A, Dhaka on 18.12.95. Bank opened its 2nd Islamic Banking Branch at Amberkhana, Sylhet on 17.12.97. The salient features of Islamic Banking are as under :

- To conduct all its activities as per Islamic Shariah.
- To conduct its monetary matters free of interest.
- To establish banker-customer relationship on the basis of partnership.
- To follow Islamic principles in all its investment portfolio.
- To enhance the standard of living of the poor.
- To render excellent services to the clients cordially.
- To conduct welfare related activities to the people in the spirit of Islamic brotherhood and fraternity.

Islamic Branches of Prime Bank Ltd. conduct the following works :

- Deposit.
- Investment.
- Foreign Exchange and International Trade, i.e. opening of L/Cs, negotiation of Export Bills, etc.
- Remittance and Transfer of fund : DD, TT, Pay Order, Travellers Cheque, etc.
- Other services such as: Receipt Payment of different bills of clients, collection of cheques, execution of standing instructions, Issuance of Bank Guarantee, Qurd, etc.

### Shariah Council

Prime Bank established a Shariah Council to advise and provide guidance to conduct all its transactions as per principles of Shariah. The following Islamic scholars having vast knowledge and ideas in Islamic Shariah relating to banking operation have been included in the Shariah Board :

Name	Status in the Shariah Council
Janab Moulana Obaidul Haque, Khatib, Baitul Mukarram National Mosque	Chairman
Janab Shah Abdul Hannan, Former Chairman, National Board of Revenue and Former Secretary, Ministry of Finance and Dy. Governor, Bangladesh Bank	Vice Chairman
Janab Moulana Mohammad Salahuddin Principal, Alia Madrasa, Dhaka	Member
Janab Moulana Abul Kalam Azad Chairman, Bangladesh Masjid Council	Member
Janab Dr. M. Shamsir Ali, Professor, Dhaka University	Member
Janab A.S.M. Fakhru Ahsan, Director General, Islami Bank Training and Research Academy and Former Dy. Governor, Bangladesh Bank	Member

Dr. R.A. Ghani, D.Sc a member of the Board of Directors is also a member of the Shariah Council and Mr. Kazi Abdul Mazid, Managing Director of the Bank is the Member Secretary of the Shariah Council.

### Accounting Procedure

Deposit Accounts (A/Cs) under Islamic Banking may be divided into the following 2(two) categories:

- Al-Wadiah A/C:**  
Islamic Banking Branches maintain Al-Wadiah Current A/C as per Shariah Principle. The Bank is committed to pay the Deposit amount to the depositor on demand. On the contrary, the Bank takes permission from the client to the effect that the Bank will utilise the fund as deposited by the client. The client has right to make transaction according to his desire. Bank does not pay any profit to the client and the client also does not bear any loss in this type of account.
- Mudaraba A/C :**  
Islamic Bank conducts Mudaraba Deposit A/C as per Islamic Shariah as under :
  - Mudaraba Savings Deposit A/C
  - Mudaraba Term Deposit A/C
  - Mudaraba Short Term Deposit A/C
  - Mudaraba Education Savings Scheme.
  - Mudaraba Monthly Contributory Scheme.
  - Mudaraba Monthly Benefit Savings Scheme.

In these accounts the Bank is treated as Mudarib (entrepreneur) and the client is treated as "Shahib Al-Maal". The Bank invests the fund on behalf of the depositors and distributes 75% of the profit earned out of investment at the end of the year.

### Weightage Principle in distributing profit to the depositors

Deposits of different A/Cs are not given equal weightage in ascertaining profit rates. The Bank gets opportunity to invest fund for long period if the deposit is obtained for long period. If duration of deposit is long term the risk of deposit is higher. Depositor participates in long term investment of the Bank and faces higher risk. As such, Bank fixes up profit based on the different weightage against various types of deposit A/Cs on the basis of risk. The Bank is now paying profit to the different types of deposit A/Cs as per weightage as under:

Sl. No.	Name of A/C	Weightage	Actual rate of profit for 1999
01.	Mudaraba Savings Deposit	0.75	8.07%
02.	Mudaraba Short Notice Deposit (SND)	0.52	5.59%
03.	Mudaraba Term Deposit for 3 months	0.85	9.15%
04.	Mudaraba Term Deposit for 6 months	0.87	9.36%
05.	Mudaraba Term Deposit for 12 months	0.90	9.69%
06.	Mudaraba Term Deposit for 24 months	0.95	10.22%
07.	Mudaraba Term Deposit for 36 months	1.00	10.76%
08.	Monthly Benefit Savings Scheme	1.12	12.05%
09.	Monthly Contributory Savings Scheme	1.10	11.84%
10.	Education Savings Scheme	1.20	12.76%