

BANKING

Safe In Its Moral Moorings

Md. Mokhlesur Rahman

Deputy Managing Director

Dealing in finances is the normal business of a bank as a financial establishment. But its close connection with the English language has given it a rare distinction. To illustrate the point let us turn to the fact that the English language borrows the word 'bank' to make the phrase 'to bank on' which then acquires the meaning to base hopes on somebody or something. For example, when I bank on your support, I also signify my confidence in you and my dependence on your support. Actually the language makes good use of the word bank for purposes other than banking. It indeed is a great honour,

which the banking establishments should gratefully demonstrate. If they succeed in doing so, the clients will not only bank with them but will also feel encouraged to bank on them. Needless to say, their ability to attract and hold new clients will mainly depend on the high standard of their service, as well as on their trustworthiness and specialized handling of all kinds of banking activities. What bright cricket means to cricket lovers all over the world, particularly to Englishmen, bright banking means to competent and committed bankers and their enlightened clients. What we call bright banking stands for honest and sincere service and above all safety, security and protection of the clients' interest.

This aspect of the banking obligation must be emphasized and re-emphasized especially now when the question

whether these establishments are drifting from their moral mooring is being repeatedly asked perhaps not wholly without justification. Since banks are meant for safe-keeping of the people's money and valuables, the slightest indication of indiscipline, irregularity and unethical tendency in this sector may naturally worry the people and prompt them to ask critical questions.

Finance Minister Mr. SAMS Kibria voiced this sense of insecurity when the other day he stressed the need for establishing ethics in the banking sector to restore confidence of the clients. The Finance Minister said so while speaking as the chief guest at the Nurul Matin Memorial Lecture at the Bangladesh Institute of Bank Management on June 05.

He referred to the reforms and amendment of the concerned laws to

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preserve the atmosphere of trust and confidence in the banking sector. It is an undeniable fact that the banking sector is designed to play a vitally important role in the economic growth of the country. As such there is absolutely no room for any sort of moral laxity in discharging the national obligation with utmost diligence and honesty. Otherwise there may be a crisis of confidence leading a bank to the bankruptcy court. This must not happen. On the contrary we should make it a point to keep this essential sector free from any environmental pollution and administrative vagaries and build a just and healthy banking system in the country.

It must never be forgotten that a bank cannot be isolated from its foundation namely, the high principles of ethics. In fact, it is no more possible to run a banking establishment unethically than it is practicable to build a castle in the air.

5
5th Founding Anniversary

5
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DHAKA BANK

L I M I T E D

Concept & Design By CASSANDRA LTD.



Message from the Chairman

It is heartening to know that Dhaka Bank has completed its fifth year of successful operation in Bangladesh.

Dhaka Bank was a magnificent dream of a group of highly successful entrepreneurs of this country having wealth of experience in their fields of business, whose only desire was to present the nation with a different type

of Banking Institution by combining technology and human skill in all aspects of its operation.

We have put in place the most appropriate policies and strategies to attain a sustainable growth and success as we step into the new millennium. I am pleased to inform our valued clients and patrons that this glory of success was attained only through their untiring support & patronage which will always be gratefully remembered.

Dhaka Bank has always emphasized on excellent customer service and has endeavored to apply the most appropriate technological innovations to provide best of services to its clients. We have already installed **SWIFT & Telebanking System** and will introduce **Online Banking, Home Banking, Credit Cards** and **ATM Service** soon to attain our corporate goal of "One Point Customer Service".

I shall take this opportunity to congratulate all clients, patrons, shareholders and our management team on this auspicious occasion and sincerely hope to attain even higher success during the years to come despite all odds & obstacles.

May Allah give us the strength and vigor to continue search for excellence and make Dhaka Bank a model banking institution in Bangladesh in terms of skill, professionalism & profit.

A.T.M. Hayatuzzaman Khan
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Chairman

Board of Directors

Chairman

A.T.M. Hayatuzzaman Khan

Vice Chairman

Afroza Abbas

Directors

Abdul Hai Sarkar
Khondoker Monir Uddin
Mainul Islam
Altaf Hossain Sarker
Md. Amirullah
Mohammed Hanif

Kamala Khatun
Al-Haj Mohammad Ali Sarker
Abdul Wahed
Tahidul Hossain Chowdhury
Aminul Islam
Khondoker Jamil Uddin
M.N.H. Bulu
Khandoker Mohammad Shajahan
Jashim Uddin
Rakhi Das Gupta
Md. Fazlur Rahman

Managing Director
A.I.M. Iftikar Rahman

Company Secretary
A.H. Anwar Hussain

Bank at a Glance

Date of Incorporation : 6th April, 1995
Date of Commencement of Business : 5th July, 1995

Financial Highlights as on June'2000

	1996	1997	1998	1999	June'2000 (UNAUDITED)
1. Authorised Capital	1000.00	1000.00	1000.00	1000.00	1000.00
2. Paid up Capital	100.00	110.00	132.00	275.88	275.88
3. Capital & Reserve	110.94	132.47	168.75	338.30	338.30
4. Deposits	2856.52	4045.67	5299.07	7503.26	8604.42
5. Advances	571.84	1530.26	2692.31	3843.35	4586.63
6. Investments	245.53	284.17	371.39	527.51	671.43
7. Import Business	1395.70	3712.20	6993.00	9075.80	7186.60
8. Export Business	265.00	1067.90	1934.00	3299.30	2953.40
9. Operating Profit	23.84	66.14	110.45	230.15	121.72
Net Profit after Tax	19.84	33.52	47.28	94.64	79.12
Total Assets	3195.08	4634.38	6804.55	9606.79	12217.36
Number of Branche	5	8	11	12	12
Number of Employee	165	241	315	359	383
Earnig per jShare (Tk.)	19.84	30.48	35.82	34.30	28.67
Return on Equity (ROE)	17.88 %	25.30 %	28.02 %	27.98 %	23.38 %
Return on Capital	19.84 %	30.47 %	35.82 %	34.30 %	28.67 %
Capital Adequacy Ratio	14.78 %	12.76 %	9.24 %	13.00 %	12.42 %
(Required Rate is 8 %)					

DHAKA BANK A Profile

A.I.M. Iftikar Rahman
Managing Director

Commercial banks are great monetary institutions having immense importance in general welfare of the economy. Without bank there is little likelihood that the mankind would have enjoyed the benefits of mass production and mass distribution. And it is no wonder that the countries which have attained high living standard do have a banking system of high standard.

In early eighties government allowed opening of new banks in the private sector and also privatized two state owned banks with the aspiration that the new approach will facilitate better allocation of resources in response to market forces.

Birth of a new Bank

In the year of 1995, in line with the government policies, a group of renowned business personalities being highly successful in their respective business arena, came forward to set-up a modern commercial bank with the unique concept of "ONE STOP SERVICE", first ever of this kind in Bangladesh.

Thus a new banking company was formed - DHAKA BANK LIMITED and started its operation on 5th of July, 1995 with authorized capital of Tk. 1000.00 million and paid-up capital of Tk. 100.00 million.

Dhaka Bank Limited, shortly known as DBL, offers a full spectrum of commercial, investment and other banking products and services under the overall direction and guidance of its Board of Directors. Like any other banking company, management is responsible for the administration of the business of the bank.

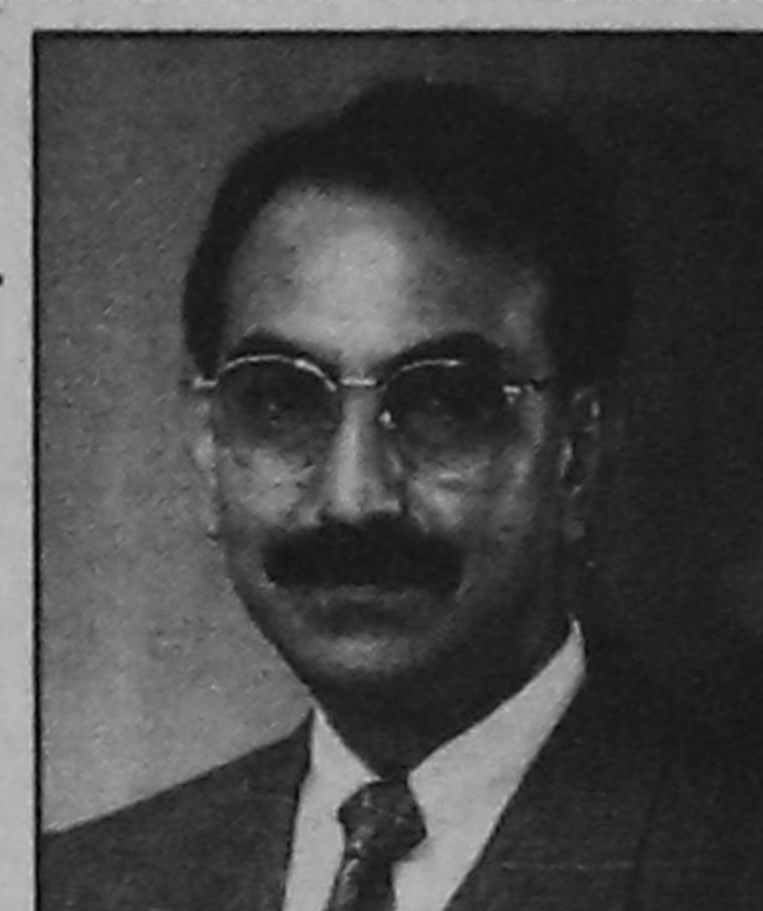
With the understanding that banks are seizing business opportunities and competing in each other's market as they expand, DBL is in constant endeavor to cope with the requirements of today's banking customers - both corporate and individual. In the year of 1999 the bank achieved a spectacular growth in all areas of business. Growth in deposit, advance and profit have been 42%, 43%, and 108% respectively over the previous year.

The management of DBL envisioned a new bank with several distinctly competitive advantages, a full array of financial products and services and a solid foundation of capital resources and risk management systems. Properly leveraged, these advantages would yield a sound and competitive institution. DBL achievements to-date confirm this vision.

Competition

As the country already having over a decade of private sector commercial banking, since its inception, the bank faced strong competition in all of its principal areas of operation. In recent years, competition has been intensified not only among the peer group of local commercial banks but also with foreign banks and other non-bank financial institutions. Financial deregulation particularly introduction of flexible interest rate policy has contributed heavily to stronger competition as the customers became more sensitive to the rates of return on

Message from the Former Adviser



It gives me immense pleasure that Dhaka Bank Limited is celebrating its 5th founding anniversary today with all the vigor and highest of aspirations.

On this auspicious occasion, I gratefully remember the contribution of all the sponsor shareholders to make this dream a reality. I take this opportunity to also acknowledge the wholehearted selfless support the bank has received from valued clients and shareholders.

Dhaka Bank Limited was conceived not only as a traditional bank but also a vibrant, forward looking institute, which will cater for all the client needs with care and concern and will assimilate the most modern technology to provide best of services, comparable to the most developed world.

Being managed by a highly skilled team of executives and officers, this bank will stand out as a standard bearer in the private banking arena in the country.

May Allah bless the bank with continued prosperity in the years to come.

Mirza Abbas Uddin Ahmed
Mirza Abbas Uddin Ahmed
Former Adviser

their savings and investments.

Through rightly identifying corporate priorities and long term business directions, DBL ensures that its members of staff develop flexible solutions that meet strategic as well as operational requirements of present and well into the future. DBL follows a very elastic pricing strategies for its core assets and allows varying rates of interests depending on the nature and status of each individual borrower.

Branches

Being only 5 years of its operation, DBL has emerged as one of the leading private sector commercial banks of the country, which is now fully poised for undertaking overseas operation either through opening of branches or opening of Finance Houses in key financial centers across the globe. Presently bank's services are provided by a network of 12 (twelve) branches.

All the branches are being run by a small but well capable team of bankers who have adopted a diversity of strategies, based on their experience and banking niches. Through special attention, greater care and utmost personal interest in customers' affairs, branches have easily developed good rapport and cordial relationship with the customers. As a result all branches have been contributing increasingly to bank's profits. Branches are specially aware to reduce the cost of fund so as to enable the bank to reduce its lending rate, one of the nagging problems within the banking industry. To strengthen its network, the bank has plan to open 4 (four) new branches in the strategic locations in the year 2000, meeting the Bangladesh Bank requirements as well.

Public Offerings

To fund the proposed expansion as well as to fulfil the regulatory requirements, the bank had already gone into public in the month of December, 1999. The general public responded overwhelmingly and the offering was highly oversubscribed. After the offerings, among others, a number of corporate bodies became the shareholders of the bank.

The shares of the company have already been listed with both Dhaka and Chittagong Stock Exchanges, where the stocks are being traded regularly at a good price.

Bank believes that enhanced equity of its shareholders will enable the bank to expand its business on favorable terms. Shareholders' equity also provides a degree of protection against unanticipated declines in asset values and adverse economic conditions.

