



## **Interview of Janab M. Fariduddin Ahmad, Honorable Managing Director on the occasion of inauguration of 200<sup>th</sup> Branch of the Bank**

### **1. Islami Bank Bangladesh Limited touched the milestone of 200<sup>th</sup> Branch of the Bank, please let know your feelings**

**M. Fariduddin Ahmad:** Islami Bank Bangladesh Limited launched its banking operations through opening of a Branch at 75 Motijheel Commercial Area, Dhaka on 30.08.1983 with a view to establishing an interest-free banking system. We have reached the milestone of 200<sup>th</sup> Branches through the inauguration of Fulbaria Branch at Mymensingh. We have covered all the districts of the country including three hill tract districts. This year more 11 Branches will be opened. Considering the importance of Small and Medium Entrepreneurs we opened 10 SME centers last year and another 10 SME Service Centres will be opened in the current year at different places of the country. You know Islami Bank was established in such a challenging moment when the conventional banking system was not ready to welcome a banking system to be run in accordance with Islamic Shari'ah. After completing 26 years of our operations it has been proved that Islamic banking system is the indispensable reality of present day world. We are receiving large number of requests from all over the country to establish Branch of our Bank. We are trying our best for fulfillment of those requests within our limits. Islami Bank has registered phenomenal growths in all areas of business and has been enjoying the status of the largest private commercial bank of the country in terms of deposit, investment and foreign exchange business. We have been handling more than 25% of country's total foreign remittance. We earned highest profit among the banks in the country. Being inspired by our success another 7 (seven) banks are functioning as full pledged Islamic Banks while some local and foreign traditional banks opened branches for Islamic Banking. Now Islami Bank Bangladesh Limited has become the bank of mass people and the people of the country treat this bank as "My Bank". This bank is the bank for all irrespective of cast, creed and religion. And for the sincere attempts of all people this success was possible. The bank flourished its image at home and abroad. We are committed to our honorable shareholders, valued clients and stakeholders to ensure the

establishment of interest free banking system as per Islamic Shariah. We are extremely delighted on this occasion. In the same time we congratulate all on the occasion of inaugurating the 200<sup>th</sup> Branch at Fulbaria in Mymensingh.

**2. What do think about the risks in Islamic Financial Institutions in the perspective of recession in World Economy?**

**M. Fariduddin Ahmad:** The financial crisis around the world is mainly responsible subsequent recession in world economy. The causes of crisis identified so far are excessive and imprudent lending by Banks and financial Institutions, inadequate market discipline, unjustified expansion of the size of derivatives, excessive leverage, severe credit crunch, transactions involving speculation & gambling and greed. Islamic Banks and Financial Institutions are not engaged at such type of transactions. Therefore, they are protected from adverse impact of the crisis and facing less risk.

**3. Islami Bank Bangladesh Limited maintained its superiority in banking sector in spite of economic recession. What are the facts behind this?**

**M. Fariduddin Ahmad:** Transactions of Islamic Banks and Financial Institutions are backed by assets. Hence no adverse impact was experienced by any Islamic Bank and Financial Institutions around the globe. Besides, the people have greater amount of confidence on Islamic Banks and Financial Institutions.

**4. What is the position of your bank regarding deposit, investment and foreign exchange business till May 2009**

**M. Fariduddin Ahmad:** The total deposit of the Bank stood at Tk.214,910 million as on 31 May 2009 registering a growth rate of 20%. The total investment stood at Tk.215,270 million registering a growth rate of 18% against corresponding period of the previous year. The total foreign exchange business stood at Tk.179,480 million (import-61,360 million, export-42,970 million and remittance 75,150 million).

**5. Islami Bank Bangladesh Limited is handling 25% of total remittance of the country. Explain the reasons.**

**M. Fariduddin Ahmad:** Handling of 25% of total remittance of the country by Islami Bank Bangladesh Limited is an outstanding achievement. We have built up proper capabilities and capacities at all our offices and branches to handle Wage earners' Remittance. We have established relationship for this purpose with large number of renowned and reputed Banks and exchange houses and posted our own manpower at the places where Wage Earners' are in large number. At home all our Branches are connected online for handling Wage Earners remittance and our manpower are well trained to provide efficient and quick service to the Wage Earners.

**6. Now-a-days different banks are giving emphasis on SME banking. Let us know about the SME banking of IBBL.**

**M. Fariduddin Ahmad:** SME sector is playing vital role in country's GDP through socio-economic development and employment generation. It is not possible for any country to develop its economy keeping the large number of people out of development program- realizing the fact IBBL opened 10 SME service centers last year and another 10 SME service centers will be opened this year. Giving importance on the SME investment the Bank has already introduced a separate division for SME. IBBL disbursed Tk.38,402 million till 31 March 2008 which is 19.01% of total investment. The Bank also arranges training program for the entrepreneurs. The women are given special priority in this sector. Besides, separate investment scheme for the women has also been introduced.

## **7. What is the contribution of IBBL in national economy?**

**M. Fariduddin Ahmad:** Islami Bank Bangladesh Limited is playing vital role in national economy. The bank is investing in industry, commerce, education, real estate and health sector. IBBL invested almost 55% of total investment in industrial sector. IBBL disbursed more than Tk.20,970 million among 0.6 million people of 11,000 villages under Rural Development Scheme with a view to alleviate poverty from rural areas of the country. IBBL is one of the 10 highest tax payers in the country. IBBL built up quality manpower for banking sector. Islami Bank Bangladesh Limited is a model of Islamic banking in the world.

## **8. Most of the banks are functioning in city level. What is the position of Islami Bank in the development of rural economy?**

**M. Fariduddin Ahmad:** Most of the people of our country live in the village. No nation can be developed if most of its people remain outside of development-realizing this fact IBBL opened 92 out of 200 Branches in rural areas. Besides, IBBL is trying to alleviate poverty from rural areas. IBBL introduced a special scheme named Rural Development Scheme for the rural people. Under this scheme small investment is allowed without security. Most of the investment clients under this scheme are women. About 6 lac people are the beneficiaries of this scheme.

## **9. What is the present status of automation in your Bank?**

Islami bank Bangladesh Limited developed the software for banking operations with the help of its own manpower. The Bank is going to set 200 own ATM booths and 500 POS. Now the customers can get the account information through SMS. All the Branches are well equipped with modern technology. Our SPOT Cash service ensures the payment of remittance within a couple of minutes.

Besides, IBBL introduced the following state-of-the-art technologies and services:

**Web Portal** for corporate clients facilitating them to see their account details over the internet.

**Push/pull service** for making query about account information and getting results in SMS feedback.

**Automated Teller Machines (ATM)** - IBBL has already 27 shared ATMs. Within September of the year more 50 own ATMs are going to be set up.

**Data Centre (DC)** - With 75 Branches, the largest number of Branches connected to Data Center providing smooth services.

**Data Recovery Site (DRS):** Own Data Recovery Site is going to be set up at the earliest. One stop service is available in all corporate Branches.

Online facilities are available throughout the country.

## **10. What corporate social responsibilities are performed by your Bank?**

**M. Fariduddin Ahmad:** IBBL is always aware about social responsibilities. It has a slogan "Pioneer in Welfare Banking", so IBBL remembers this in all its activities. IBBL is the first in banking sector to introduce social activities. Apart from running the business with a welfare oriented view, the bank is committed to fulfill its corporate social responsibility and as such carrying out different welfare and humanitarian activities through the Islami Bank Foundation. The programs of Islami Bank Foundation are Income Generating Programs, Educational Programs, Health and Medicare Programs, Humanitarian Help Programs, Relief and Rehabilitation Programs etc. Other special schemes are Islami Bank Hospitals, Islami Bank Community Hospital, Islami Bank Medical College, Rajshahi, Monoram Islami Bank Crafts & Fashion, Service Centres, Islami Bank Institute of Technology, Islami Bank International School and

College, Distressed Women Rehabilitation Centre, Bangladesh Cultural Centre, Islami Bank Medical College Nursing Institute, Islami Bank Health Technology Institute.

Islami Bank Bangladesh Limited is always aware of helping the poor students. Scholarship programs are implemented by Islami Bank Foundation with a view to encourage education.

Under the beautification program of Dhaka City Corporation, Islami Bank Bangladesh Limited is doing the work to enhance the beauty of the road of Dhaka City Corporation starting from Rajarbagh Traffic Signal to Kamalapur Railway Station by plantation of beautiful plants and trees on Road Island.

Islami bank Bangladesh Limited decided to provide financial support in favor of 4 families of army officials martyred in the incident of BDR Headquarters. Under this each family will be given Tk.40,000/- per month which will continue for 10 years.

### **11. What are your future plans?**

We are very much confident to establish Islamic Banking in this country with the heartiest support of the people of the country. In this regard we are going to take many future plans to enrich the service of this Bank to every door of the people of the country. Our future plans are-

- We like to strengthen the program of eradication of poverty
- We like to enrich our self-estimation through solving unemployment problem.
- We like to shorten the gap between urban & rural life style.
- We want to open branches in less developed areas of the country.
- We like to stretch industrial sector by expanding our industrial investment.
- We like to invest in medium & small industrial sectors through which investment & asset may not be coiled in some of listed people or selected areas.
- We have a plan for developing a 'Rural Development Organization' for reaching the farthest corner of the country.
- We have a plan to initiate a 'Khidmah card' contesting against conventional 'Credit Card' considering Islamic Shariah.
- Expatriate Bangladeshis contribute a lot in the national economy. We are going to initiate new products for them through which they can invest their money after coming back to the country. We think they could apply their capacity in the project financing in home as they depicted in abroad. Thus they may be rehabilitated properly. Moreover they could assist for building up new industrial zone through remitting continuously.
- We dream for roaming all over the world with the assistance of Islami Bank Bangladesh Limited. And as a part of the dream we are planning for opening branches & booths in different parts of the world, specially, in London & Dubai.
- We wish to settle ourselves into the hearts of the people of the country and their cordial utterance should be "Islami Bank, My Bank, Our Bank."