



**DISCLOSURE IN RESPECT OF ISSUANCE  
OF SECURITY IN DEMAT FORM**

**“As per provisions of the Depository Act, 1999 and regulations made thereunder, share of the company will be issued in dematerialized form only and for this purpose the Premier Leasing International Limited has signed an agreement with the Central Depository Bangladesh Ltd. (CDBL). Therefore, all transfer/transmission, splitting or conversion will take place in the CDBL system and any further issuance of shares (including right/bonus) will also be issued in dematerialized form only.”**

**CONDITIONS UNDER 2CC OF THE SECURITIES  
AND EXCHANGE ORDINANCE, 1969**

**PART-A**

1. The company shall go for Initial Public Offer (IPO) for 10,05,000 ordinary shares of Taka 100/- each at par worth Taka 10,05,00,000.00 following the Public Issue Rules, 1998, the Depository Act, 1999 and regulations issued there under.
2. The Prospectus, as vetted by SEC, shall be published in one widely circulated daily national newspaper (preferably in Bengali) within 5 (five) days from the date of consent. Information relating to publication of the prospectus shall be published in four daily national newspapers (Bengali and English) simultaneously. An abridged version of the prospectus vetted by SEC shall also be published in two widely circulated national daily newspapers.
3. The issuer company and the issue manager shall ensure transmission of the prospectus and relevant application forms for NRBs through e-mail, simultaneously of publication of the prospectus, to the Bangladesh Embassies and Missions abroad, as mentioned in the prospectus, and shall also ensure sending of the printed prospectus and application forms to the said Embassies and Missions within **five working days** of the publication date by express mail service (EMS) of the postal department. A compliance report shall be submitted in this respect to the SEC jointly by the issuer and the issue manager within two working days from the date of said despatch of the prospectus & the forms.
4. The paper clipping of the published prospectus, as mentioned at condition 2 above, shall be submitted to the Commission within 24 hours of the publication thereof.
5. The company shall submit 40 (forty) copies of the printed prospectus, along with a diskette prepared in “MS WORD” containing the prospectus, as vetted by SEC, to the Securities and Exchange Commission for official record within 3 (three) working days from the date of publication of the prospectus in the newspaper.
6. The company shall maintain bank account(s) for collecting proceeds of the Initial Public Offering from the prospective investing public as mentioned in the prospectus.
7. The company shall also open FC account(s) to deposit the application money of the non- Resident Bangladeshis (NRBs) for IPO purpose, and shall incorporate full particulars of said FC account(s) in the prospectus. NRB means Bangladeshi citizens staying abroad including all those who have dual citizenship (provided they have a valid Bangladeshi passport) or those, whose foreign passport bear a stamp from the concerned Bangladesh Embassy to the effect that no visa is required to travel to Bangladesh.
8. The company shall open FC accounts on approval of Prospectus by SEC; and close these accounts after refund of over-subscription.
9. The company shall simultaneously submit the vetted prospectus with all exhibits, as submitted to SEC, to the stock exchange(s) where it intends to list its securities.



**10. The following declaration shall be made by the company in the prospectus, namely:-**

**“Declaration about Listing of Shares with the Stock Exchange(s):**

Application(s) will be made to the Dhaka and/or Chittagong Stock Exchange(s) within 5 (five) days of first issuance of the prospectus for permission of the share of the company for dealing in any or both of the said stock exchanges and for quotation on the stock exchange(s).

None of the stock exchange(s), if for any reason, grants listing within 75 days from the closure of subscription, any allotment in terms of this prospectus shall be void and the company shall refund the subscription money within fifteen days from the date of refusal for listing by the stock exchanges, or from the date of expiry of the said 75 (seventy five) days, as the case may be.

In case of non-refund of the subscription money within the aforesaid fifteen days, the company directors, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (two percent) per month above the bank rate, to the subscribers concerned.

The issue manager, in addition to the issuer company, shall ensure due compliance of the above mentioned conditions and submit compliance report thereon to the Commission within seven days of expiry of the aforesaid fifteen days time period allowed for refund of the subscription money.”

11. Notwithstanding anything contained in the Public Issue Rules, 1998 regarding limitation on the publication period, subscription shall start after 25 (Twenty five) days from the date of publication of the prospectus.
12. Notwithstanding anything contained in the Public Issue Rules, 1998 regarding limitation of the time on closure of the subscription, the subscription shall remain open for 5 (Five) consecutive banking days.
13. Application shall be sent by the NRB applicants directly to the issuer company within the closing date of the subscription so as to reach the same to the company by the closing date plus nine days. Applications received by the company after the above time period will not be considered for allotment purpose.
14. The company shall apply the spot buying rate (TT clean) in US\$, UK Pound Sterling and Euro of Sonali Bank, which shall be mentioned in the Prospectus, as prevailed on the date of opening of the subscription for the purpose of application of the NRBs and other non-Bangladeshi persons, where applicable.
15. The company and the issue manager shall ensure prompt collection/clearance of the foreign remittances of NRBs and other non-Bangladeshis, if applicable, for allotment of shares without any difficulty/ complain.
16. The company and the issue manager shall jointly provide SEC with the preliminary status of the subscription within one week from closure of the subscription date, and also the list of valid and invalid applicants (i.e. final status of subscription) to the Commission within 3 (three) weeks after the closure of the subscription date including bank statement (original), branch-wise subscription statement, NRB application forms (photocopy attested by MDs of the issuer company and the issue manager) regarding collection of initial public offer money. The final list of valid and invalid applicants shall be finalized after examining with the CDBL in respect of BO accounts and particulars thereof.
17. The IPO shall stand cancelled and the application money shall be refunded immediately (but not later than 6 (six) weeks from the date of the subscription closure) if any of the following events occur:
  - a) Upon closing of the subscription list it is found that the total number of valid applications (in case of under subscription including the number of the underwriter) is less than the minimum requirement as specified in the listing regulations of the stock exchange(s) concerned; or
  - b) At least 50% of the IPO is not subscribed.



18. IPO distribution system:

All the applicants shall first be treated as applied for one minimum market lot of Tk. 5000/- worth of shares. If, on this basis, there is over subscription, then lottery shall be held amongst the applicants allocating one identification number for each application, irrespective of the application money. On the other hand, if there is under subscription, then all the applicants shall first be distributed with a single lot, and thereafter, for the balance amount, lottery shall be held for the applicants who have applied for multiple lots on the basis of dividing the application money by the amount of a market lot separately for both non-resident Bangladeshis (NRBs) and General Public.

In case of over subscription, allotment shall be made by lottery among all the valid applicants in presence of the authorized representatives of the stock exchange(s) concerned, issue manager and a member of the Board of the company.

19. Lottery (if applicable) will be held within 5 (five) weeks from closure of the subscription date.
20. The company shall issue share allotment letters to all successful applicants within 6 (six) weeks from the date of the subscription closing date. At the same time, the unsuccessful applicants shall be refunded with the application money within 6 (six) weeks from the closing of the subscription date by Account Payee Cheque without interest 'payable at Dhaka/Chittagong/ Khulna/ Rajshahi/ Barisal/ Sylhet, as the case may be. A compliance report shall be submitted with the Commission within 7(seven) weeks from the date of closure of subscription.
21. The company shall furnish the List of Allotees to the Commission and the stock exchange(s) simultaneously in which the shares will be listed, within 24 (twenty four) hours of allotment.
22. In the event of under subscription of the issue (subject to para -17 above), the issuer must notify the Underwriter to take up the underwritten shares within 10 (ten) days of the subscription closing date on full payment of the share money within 15(fifteen) days of the issuer's notice. The underwriter shall not share any underwriting fee, commission, etc. with the issue manager, other underwriter, issuer or the sponsor group.
23. In case of under subscription, the issuer shall not utilize the IPO fund before listing its securities with the stock exchange and the issuance of no objection letter from SEC.
24. The securities, which are subscribed by the Sponsors/Promoters/Directors, as described in the Prospectus, shall be subject to a Lock-in period of three years, in case of the companies intended/intending to go for Initial Public Offering (IPO), from the date of publication of the prospectus.
25. Either a Jumbo Share (one for each of the existing Sponsors/ Directors/ Shareholders) in respect of the shares already issued shall be issued covering together respective total holding which shall contain the expiry date of lock-in period or Sponsors/ Directors/ Promoters/Shareholders' shareholding shall be converted into demat form but shall be locked-in for three years as per the condition at Para 24 above.
26. In case of Jumbo Share Certificate of the existing Sponsors/ Directors/ Shareholders, the said share certificates shall be kept under custody of a security custodian bank registered with SEC during the lock-in period. The name and branch of the bank shall be furnished to the Commission jointly by the issuer and the issue manager, along with a confirmation thereof from the custodian bank, within one week of listing of the shares with the stock exchange(s).
27. In case of dematerialization of shares held by the existing Sponsors/ Directors/ Shareholders, the copy of dematerialization confirmation report generated by CDBL and attested by the managing director of the company along with lock-in confirmation shall be submitted to SEC within one week of listing of the shares with the stock exchange(s).
28. The company and the issue manager shall inform SEC about which stock exchange they have applied for listing within 5 (five) days of publication of prospectus and disclose it in the abridged version of the prospectus.



29. The company shall not declare any benefit other than cash dividend based on the financial statement for the year ended 31<sup>st</sup> December 2004.
30. The company shall submit certified copy of return of allotment from the RJSC in respect of Particular of Directors (i.e. Form-XII) with the commission before 7(seven) days of opening of subscription.

### **Part -B**

1. The issue manager (i.e., AAA Consultants & Financial Advisers) shall ensure that the prospectus is published correctly and in strict conformity without any error/omission, as vetted by the Securities and Exchange Commission.
2. The issue manager shall carefully examine and compare the published prospectus on the date of publication with the prospectus, as vetted by SEC. If any discrepancy/ inconsistency is found, both the issuer and the issue manager shall jointly publish a corrigendum immediately in the same newspapers concerned, simultaneously endorsing copies thereof to SEC and the stock exchange(s) concerned, correcting the discrepancy/inconsistency as required under 'Due Diligence Certificates' provided with SEC.
3. Both the issuer company and the issue manager shall, immediately after publication of the prospectus, jointly inform the Commission in writing that the published prospectus is a verbatim copy of the prospectus vetted by the Commission.
4. The company and the issue manager shall simultaneously submit to the Commission an attested copy of the application filed with the stock exchange(s) for listing of the securities.
5. The fund collected through IPO shall not be utilized prior to listing with stock exchange and that utilization of the said fund shall be effected through banking channel, i.e. account payee cheque, pay order or bank draft etc.
6. The company shall not account for any upward revaluation of its fixed assets creating reserve without prior permission from the Securities and Exchange Commission.
7. The company and the issue manager shall jointly furnish report to the Commission on utilization of IPO proceeds within 15 days of the closing of each quarter until such fund is fully utilized, as mentioned in the schedule contained in the prospectus, and in the event of any irregularity or inconsistency, the Commission may employ or engage any person, at issuer's cost, to examine whether the issuer has utilized the proceeds for the purpose disclosed in the prospectus.
8. All transactions, excluding petty cash expenses, shall be effected through the company's bank account(s).
9. Proceeds of the IPO shall not be used for any purpose other than those specified in the prospectus. Any deviation in this respect must have prior approval of the shareholders in the EGM under intimation to SEC and stock exchange(s).
10. **Directors on the company's Board:** This will be in accordance with the applicable laws, rules and regulations.

### **PART-C**

1. All the above conditions imposed under section 2CC of the Securities and Exchange Ordinance, 1969 shall be incorporated in the prospectus immediately after the page of the table of contents, with a reference in the table of contents, prior to its publication.
2. The Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the issuer company.



## **PART-D**

1. As per provision of the Depository Act, 1999 and regulations made there under, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the Central Depository Bangladesh Ltd. (CDBL) system and any further issuance of shares (right/bonus) will be issued in dematerialized form only.

An applicant (including NRB) shall not be able to apply for allotment of shares without beneficial owner account (BO account).

2. The issue manager shall also ensure due compliance of all above

## **GENERAL INFORMATION**

AAA Consultants & Financial Advisers has prepared this Prospectus from information supplied by Premier Leasing International Limited (the Company) and also several discussions with Chairman, Managing Director and related executives of the Company. The Directors of both Premier Leasing International Limited and AAA Consultants & Financial Advisers collectively and individually, having made all reasonable inquiries, confirm that to the best of their knowledge and belief, the information contained herein is true and correct in all material respect and that there are no other material facts, the omission of which, would make any statement herein misleading.

No person is authorized to give any information or to make any representation not contained in this Prospectus and if given or made, any such information or representation must not be relied upon as having been authorized by the Company or AAA Consultants & Financial Advisers.

The Issue as contemplated in this document is made in Bangladesh and is subject to the exclusive jurisdiction of the courts of Bangladesh. Forwarding this Prospectus to any person resident outside Bangladesh in no way implies that the Issue is made in accordance with the laws of that country or is subject to the jurisdiction of the laws of that country.

A copy of this Prospectus can be obtained from the Head Office of Premier Leasing International Limited, AAA Consultants & Financial Advisers, the underwriters and the Stock Exchanges where the securities will be traded.



## DECLARATION

### DECLARATION ABOUT THE RESPONSIBILITY OF THE DIRECTORS AND OFFICERS OF THE COMPANY "PREMIER LEASING INTERNATIONAL LIMITED" IN RESPECT OF PROSPECTUS .

This prospectus has been prepared, seen and approved by us; and we collectively and individually accept full responsibility for the authenticity and accuracy of the statement, information given in the prospectus, documents, financial statements exhibits, annexure, papers submitted to the Commission in support thereof; and confirm, after making all reasonable inquiries, that all conditions and requirements concerning this public issue and prospectus have been met, and that there are no other information or documents the omission of which make any information or statements therein misleading, for which the Commission may take any civil, criminal or administrative action against us as it may deem fit.

We also confirm that full and fair disclosure has been made in this prospectus, to enable the investors to make an informed decision for investment.

Sd/-  
(Dr. Mizanur Rahman Shelley)  
Chairman

Sd/-  
(A. S. M. Feroz Alam)  
Director

Sd/-  
(Md. Mizanur Rahman Chowdhury)  
Director

Sd/-  
(Atif Rahman)  
Director

Sd/-  
(Abdul Mannan)  
Director

Sd/-  
(A S M Faridul Alam)  
Director

Sd/-  
(Engr. A Z M Akramul Haq)  
Director

Sd/-  
(M Rabiul Huq)  
Director

Sd/-  
(Khairul Anam)  
Director

Sd/-  
(Md. Saifuddin Khaled)  
Director

Sd/-  
(Maksud Morshed)  
Director

Sd/-  
(Mohammad Hafiz Ahmed)  
Managing Director

Sd/-  
(Md. Rafiqul Islam)  
Executive Vice President

Sd/-  
(Mosharef Hossain)  
Senior Vice President & Company  
Secretary

Sd/-  
(Nazrul Islam)  
Sr. Asstt. Vice President

Sd/-  
(Md. Golam Mustafa)  
Sr. Asstt. Vice President



### **CONSENT OF DIRECTOR(S) TO SERVE AS DIRECTOR(S)**

We hereby agree that we have been serving as Director(s) of Premier Leasing International Limited and continue to act as a Director of the Bank.

Sd/.  
(Dr. Mizanur Rahman Shelley)  
Chairman

Sd/-  
(A S M Feroz Alam)  
Director

Sd/-  
(Md. Mizanur Rahman Chowdhury)  
Director

Sd/-  
(Atif Rahman)  
Director

Sd/-  
(Abdul Mannan)  
Director

Sd/-  
(A S M Faridul Alam)  
Director

Sd/-  
(Engr. A Z M Akramul Haq)  
Director

Sd/-  
(M Rabiul Huq)  
Director

Sd/-  
(Khairul Anam)  
Director

Sd/-  
(Md. Saifuddin Khaled)  
Director

Sd/-  
(Maksud Morshed)  
Director

Sd/-  
(Mohammad Hafiz Ahmed)  
Managing Director

### **DECLARATION ABOUT FILING OF PROSPECTUS WITH THE REGISTRAR OF JOINT STOCK COMPANIES**

A dated and signed copy of this prospectus has been filed for registration with the Registrar of Joint Stock Companies and firms, Bangladesh, as required by Section 138(1) of the Companies Act, 1994, on 4<sup>th</sup> July 2005 vide receipt No 0028521.

### **DECLARATION BY THE ISSUER ABOUT THE APPROVAL FROM SEC FOR ANY MATERIAL CHANGES**

In case of any material changes in any agreement, contract, instrument, facts and figures, operational circumstances and statement made in the Prospectus subsequent to the preparation of the prospectus and prior to its publication shall be incorporated in the prospectus and the said prospectus should be published with the approval of the Commission.

For Issuer  
Sd/-  
Managing Director.  
Premier Leasing International Limited  
Dated : 21-03-2005



**DECLARATION BY THE ISSUE MANAGER ABOUT THE APPROVAL FROM SEC FOR ANY MATERIAL CHANGES REGARDING PROSPECTUS OF PREMIER LEASING INTERNATIONAL LIMITED.**

In case of any material changes in any agreement, contract, instrument, facts and figures, operational circumstances and statement made in the Prospectus subsequent to the preparation of the prospectus and prior to its publication shall be incorporated in the prospectus and the said prospectus should be published with the approval of the Commission.

For Manager to the issue

Sd/-  
Khwaja Arif Ahmed  
MANAGING PARTNER & CEO  
AAA Consultants & Financial Advisers

Dated: 27-06-2005

**DUE DILIGENCE CERTIFICATE OF THE ISSUE MANAGER**

To  
The Chairman  
Securities and Exchange Commission  
Jiban Bima Tower (15<sup>th</sup> , 16<sup>th</sup> & 20<sup>th</sup> Floor)  
10, Dilkusha C/A  
Dhaka-1000.

**Sub: Public Issue of 1,005,000 Ordinary Shares of Taka 100.00 each at par by Premier Leasing International Limited**

Dear Sir

We, the under-noted Issue Manager to the above mentioned forthcoming Issue, state as follows:

1. We, while finalizing the draft Prospectus pertaining to the said Issue, have examined various documents and other materials as relevant for adequate disclosures to the investors; and
2. On the basis of such examination and discussion with the Company, its director's officers and other agencies; independent verification of the statements concerning objects of the Issue and the contents of the documents and other materials furnished by the Company;

WE CONFIRM THAT:

- a. The draft Prospectus forwarded to the Commission is in conformity with the documents, materials and papers to the Issue;
- b. All the legal requirements connected with the said Issue have been duly complied with; and
- c. The disclosures made in the draft Prospectus are true, fair and adequate to enable the investors to make a well-informed decision as to investment in the proposed Issue.

For Manager to the Issue

Sd/-  
Khwaja Arif Ahmed  
Managing Partner & CEO  
AAA Consultants & Financial Advisers  
Dated: 27-06-2005



## DUE DILIGENCE CERTIFICATE OF THE UNDERWRITERS

To  
The Chairman  
Securities and Exchange Commission  
Jiban Bima Tower (15<sup>th</sup>, 16<sup>th</sup> & 20<sup>th</sup> Floor)  
10, Dilkusha C/A  
Dhaka-1000.

**Sub: Public Offer of 1,005,000 Ordinary Shares of Taka 100.00 each at par by Premier Leasing International Limited. As per SEC's guideline, 50% of the Public offer viz. 502,500 ordinary shares of TK. 100.00 each are underwritten by the underwriters.**

Dear Sir

We, the under-noted Underwriter(s) to the above mentioned forthcoming Issue, state as follows:

1. We, while underwriting the above mentioned Issue on a firm commitment basis, have examined the draft Prospectus, other documents and materials as relevant for our underwriting decision; and
2. On the basis of such examination, and the discussion with the Company; its directors and other officers, and other agencies; and the contents of the documents and other materials furnished by the Company, and our underwriting agreement(s) dated 28<sup>th</sup> day of March 2005\*.

WE CONFIRM THAT:

- a. All information relevant for our underwriting decision has been received by us and that the draft Prospectus forwarded to the Commission has been approved by us;
- b. We shall take up on payment any under-subscribed Securities against the above-mentioned Public Issue within 15 (fifteen) days of calling up thereof by the Issuer; and
- c. This underwriting commitment is unequivocal and irrevocable

For Underwriter(s)

Sd/-

MD/CEO/SEVP/FD&CS/DMD/ED

Prime Bank Ltd.	Standard Bank Ltd.
Southeast Bank Ltd.	Global Insurance Ltd.
The Trust Bank Ltd.	Premier Bank Ltd.
Arab Bangladesh Bank Ltd.	IDLC of Bangladesh Ltd.
Fidelity Assets & Securities Co. Ltd.	Prime Finance & Investment Ltd.
Export Import Bank of Bangladesh Ltd.	GSP Finance Company (BD) Ltd.
National Credit and Commerce Bank Ltd.	Bangladesh Mutual Securities Ltd.
Green Delta Insurance Company Ltd.	Bay Leasing & Investment Ltd.
Swadesh Investment Management Ltd.	Grameen Capital Management Ltd.

\* Date of underwriting agreement of Prime Bank Ltd 29<sup>th</sup> March, Fidelity Assets & Securities Co. Ltd and National Credit and Commerce Bank Ltd 10<sup>th</sup> May, Export Import Bank of Bangladesh Ltd 31<sup>st</sup> March, and Prime Finance & Investment Ltd. 6<sup>th</sup> April.



## RISK FACTORS AND MANAGEMENT PERCEPTION ABOUT RISK

1. Investment in equity securities involves risk. Investors should not invest in the offer unless they can afford to take the risk of losing their investment.

☞ The risk is inherent to all equity securities and is not specific to Premier Leasing International Limited.

2. Any adverse political and economic environment of the country may affect the business which may ultimately affect the company's profitability leading to bad investment.

☞ The risks are uncontrollable and have equal impact to other leasing companies. Prudent investment decisions may give the company more than average return and thus provide a cushion for the company to sustain the period of uncertainty.

3. Unsystematic risk in the form of classified debts originating from the lessees end due to their management failure, financial imprudence, unfavorable shift in market for their products and services may disrupt the lessee's ability to conduct business as usual.

☞ Some of the unsystematic risks outlined above are usual in the leasing industry. For scrutinizing risk of all its clients and associates systematically, the company using up to date risk evaluation techniques and usually asks for collateral.

4. Unfair and hostile competition in the leasing industry leading to price-cutting and entrance of Banks in this sector the company may face serious competition.

☞ Some of the unsystematic risks outlined above are usual in the leasing industry. For scrutinizing risk of all its clients and associates systematically, the company using up to date risk evaluation techniques.

5. Liquidity risk usually arises if the lesser default in repayment of their lease obligations or if they find a more attractive investment opportunity.

☞ The risks outlined above are usual in the leasing industry and are handled by stipulation of higher rate of delinquent charge and foreclosure of securities offered.

6. Management risk usually arises if the Directors are divided in opinion in any major issue or the directors interfere in the management.

☞ The Board of Directors of the company presently consists of sponsors shareholders and would include representatives from general shareholders. The directors of the company are expected to share common business interest and the management having earned their confidence should render this risk to be minimized.

7. Improper assessment/credit analysis of any investment proposal may turn into bad loans and cause losses to the company and its investors.

☞ The company's past performance reveals very insignificant loan loss provisions.

8. Higher staff turnover due to establishment of new leasing company may weaken the professional management and cause poor investment and lending decisions.

☞ Management provides proper incentive plan for professionals based on merit and performance. As such turnover has been very low in the past.

9. Despite adequate provision on loan and advances has been made as per Bangladesh Bank's circular, any increase in loan loss might have adverse impact on profitability as well as net worth in future.

☞ The management has been following a prudent investment policy, which will be continued in future. Therefore, it is expected that the loan loss in future will be within tolerable limit having little material impact on future profitability as well as net worth.

10. The company did not follow the Bangladesh Bank guideline of loan classification; therefore, financial statement did not reflect the genuine asset quality of the company.

☞ The company has complied with the required guidelines of Loan Classification. CRISL comments on the basis of returned rental cheques which were subsequently repaid by customers on delayed basis. These were also backed by Assets and Collaterals. As such, our FICL statement was submitted on going concern basis and not on liquidation concept. We confirm that normal practices for classification are being followed by us for running the business. Non compliance of Bangladesh Bank guide lines does not apply in our case.



11. The company did not provide required provision for the non-performing loan (NPL).

☛ The company has no NPL as on 31-12-2004. The repayment cheques returned unpaid on some cases, on which basis CRISL comments. The above delay in rentals were covered by assets and collaterals duly mortgaged with us. Most of the returned cheques amounts were subsequently recovered and delayed payment were made by the customers. As such, requirement of provision for NPL as on 31.12.2004 were not required.

12. As per audited financials of December 31, 2004 PLIL earned Operational Revenue of Tk. 161,251,474 which included gain from dealing in shares of Tk. 35,382,095 (21.94%). The gain from dealing in shares may fall with the fluctuation of capital market as per current trend.

☛ The company has efficient portfolio advisor for making maximum gain from capital market. However as the current market trend is slightly bearish so PLIL already decreases its portfolio.

## USE OF PROCEEDS

The public issue is the compliance of statutory requirement of the Company. The proceeds will strengthen the capital base of the Company and augment business expansion. The proceeds of the present issue of 1,005,000 ordinary share at Tk.100.00 each at par amounting to Tk. 100,500,000.00 would be utilized in the normal leasing and lending business of the Company.

### IPO Expenses:

Detail of estimated Public Issue expenses are shown below:

Particulars	Amount in Tk.
Manager to the Issue fee	700,000.00
Securities & Exchange Commission fees	10,000.00
Underwriting Commission (0.50% of Tk. 50.25 million)	251,250.00
Fees to Securities & Exchange Commission (0.30% of Tk. 100.50 million)	301,500.00
Brokerage Commission (assumed 50% of IPO, i.e., 1.00 % of Tk. 50.25 million)	502,500.00
Banker to the Issue (0.25% of Tk. 100.50 million)	251,250.00
Listing fee to DSE or CSE (0.25% on Tk. 223.2828 million (122.7828 million + 100.50 million)	558,207.00
Printing of Prospectus (Estimated or at actual)	100,000.00
Advertisement in one daily newspaper (full prospectus) (cost or at actual)	400,000.00
Advertisement of abridged version of prospectus and notices etc (Estimated or at actual)	140,000.00
Arrangement of Lottery	60,000.00
CDBL related expenses	75,125.00
Post Issue Expenses (estimated or at actual)	300,000.00
<b>Total</b>	<b>3,649,832.00</b>

## DESCRIPTION OF BUSINESS

### (1) Introduction

Premier Leasing International Limited is a Non-Banking Financial Institution (NBFI) established under the Financial Institutions Act, 1993. The Company has been incorporated as a Public Limited Company on September 26, 2001 under the Companies Act, 1994. It started its operation on February 04, 2002 after obtaining license from Bangladesh Bank to carry on lease finance business. Authorized Capital of the company is Tk. 400 million divided into 4.00 million ordinary shares of Tk. 100 each while Paid-up Capital as on December 31, 2004 stands at Tk. 122,782,800 divided into 1,227,828 ordinary shares of Tk. 100 each subscribed by the sponsors.



The Company extends lease finance for capital machinery, construction, medical equipments, generators, boilers, vehicles, elevators, air-conditioning plants, house-holds and other essential items and equipment for business enterprises like mills, factories, financial institutions, banks and insurance companies as well as educational institutions, clinics, hospital, corporate bodies and individuals. The Company also extends term loan and house building loan facilities to established business enterprises, industrial units and individuals.

Leasing – a method of term financing is relatively new phenomenon in Bangladesh. For individuals needing some customer durables for household comforts, easy access to this mode of financing is attractive. For large manufacturers undertaking BMRE programme, this out of Balance Sheet borrowing having tax benefits also offers unique opportunities. So this new concept has got immense possibilities for all types of clients of our country. With a view to cater to the growing demands of this mode of finance, Premier Leasing International Limited has started its operations.

The Company operates through its Head Office at Printers Building (15<sup>th</sup> floor), 5, Rajuk Avenue, Motijheel C/A, Dhaka-1000.

## **(2) Business Operations:**

### **Main Products or Services: Contribution to Revenues:**

Revenue incomes from the main products/services for the year ended Dec' 2003 and Dec' 2004 are as follows:

(As per Audited Accounts) (in Tk.)

Description	Dec' 2004	Dec' 2003
Income from Lease Finance	52,294,623	34,161,985
Income from Direct Finance	48,304,809	16,505,802
Other Operational Income	60,652,042	5,858,102
	<b>161,251,474</b>	<b>56,525,889</b>

### **Other Business Indicators:**

(As per Audited Accounts) (in Tk.)

Particulars	Dec' 2004	Dec' 2003
Authorised Capital	400,000,000	400,000,000
Issued, Subscribed & Paid-up Capital	122,782,800	51,000,000
Proposed Bonus Share	54,024,432	6,375,000
Shareholder's Equity	193,793,835	61,311,930
Total Assets	1,228,808,188	515,640,549
Operational Revenue	161,251,474	56,525,889
Operational Expenses	91,263,488	42,301,130
Operating Profit	69,987,986	14,224,759
Profit after Tax	63,487,986	7,823,617

Premier Leasing International Limited launched several financial products and services since its inception. Among them are Lease Finance, Bridge Finance, and Term Finance etc. All of these have received wide acceptance among the people.

## **(3) Associated and Related Company**

The Company does not have any associated/related company either as a subsidiary, parent or sister concern.

## **(4) Distribution of Products/Services:**

The products of the Company are distributed/services are rendered through its head office network of its business associates and correspondents through the country and the world.



**(5) Competitive Conditions in the Business:**

The Leasing Sector comprises of large number (28) of Non-Banking Financial Institutions (NBFIs). They severely compete for lease finance/term finance and are in search of sound investment/lending targets. Despite of this stiff competition, the private sector banks are also earning significantly increasing profit, using the products of NBFIs, especially those having strongly professionally managed operations.

**(6) Sources of, and requirement for, power, gas & water:**

The Company does not require such utilities except for ordinary use in office work.

**(7) Customers providing 10% or more revenues:**

Company's customers do not include any one providing 10% or more of revenues.

**(8) Contract with Principal Suppliers/Customers:**

The Company has entered into contracts with the lease takers, the prime customers of the company.

**(9) Material Patents, Trade Marks, Licenses or Royalty Agreements:**

The Company has not entered into any such Agreements.

**(10) Employees' Position (as on 31.12.2004)**

- (a) Total Employees: 13
- (b) Full Time Employees: 13

**DESCRIPTION OF PROPERTY**

1. The Company's business is principally operates through its Head Office at Dhaka on rented premises. However, the company owns the following fixed assets at written down value as given below:

	(As per Audited Accounts)	
	(Taka)	
	<u>As at Dec 31, 2004</u>	<u>As at 31 Dec, 2003</u>
(i) Furniture and Fixtures	659,514	732,807
(ii) Office Equipment	884,628	955,117
(iii) Motor Vehicles	1,654,389	2,270,121
(iv) Office Decoration	1,640,028	2,251,992
(v) Electrical Goods	245,375	260,294
(vi) Office Software	90,820	16,406
(vii) Office Crockeries	4,776	5,760
<b>Total</b>	<b><u>5,179,530</u></b>	<b><u>6,492,497</u></b>

2. The Company itself owns the entire fixed assets.

3. There is no mortgage or lien on the property.

4. There is no leasehold property by the Company – except premises of the Head Office on lease/rental basis.



## PLAN OF OPERATION AND DISCUSSION OF FINANCIAL CONDITION

The Company started operation since February 04, 2002 and completed its annual Accounts as on 31 December 2002, 2003 and 2004. The financial conditions for the years ended December 2004 and 2003 are given hereunder:

### (1) Internal & external Sources of Cash:

(As per Audited Accounts)  
(Taka)

Particulars	31-12-2004	31-12-2003
Paid up capital	122,782,800	51,000,000
Statutory Reserve	14,799,983	2,102,386
Proposed Bonus Share	54,024,432	6,375,000
Retained Earnings	2,186,620	1,834,544
<b>Total</b>	<b><u>193,793,835</u></b>	<b><u>61,311,930</u></b>
<b><u>External Sources of Cash</u></b>		
Term Loans	224,578,437	190,059,448
Debenture Loan	40,000,000	-
Term Deposit	480,519,000	208,602,762
Lease Deposit	13,226,812	7,095,267
<b>Total</b>	<b><u>758,324,249</u></b>	<b><u>405,757,477</u></b>
Deferred taxation	6,500,000	
<b>Grand Total</b>	<b><u>958,618,084</u></b>	<b><u>467,069,407</u></b>

### (2) Material Commitment for Capital Expenditure:

The Company has entered into lease-agreements with the owners of the premises by the Head Office as part of normal business practice in the Leasing Industry.

### (3) Causes for material changes in Income, Expenses & Net-Income:

Since start of the business on 4<sup>th</sup> February, 2002, the revenue in the form of lease rental, interest on direct finance, other operational and non-operational income of the Company have continued to change (increase) due to business promotion efforts of the Directors and Management Staff supported by the general economic growth factors including production of bumper crops, increase in exports/imports, increased public expenditures, increased investment in trade and industry and human resource development.

### A Comparative Statement of Income & Expenditure

#### Income:

Comparative income positions of the Company for the years ended 31st December 2004, 2003 and 2002 as per audited accounts are as follows:

Description	2004	2003	2002
Income from Lease Finance	52,294,623	34,161,985	7,720,924
Income from Direct Finance	48,304,809	16,505,802	3,386,832
Other Operational Income	60,652,042	5,858,102	587,191
<b>Total Operational Revenue</b>	<b>161,251,474</b>	<b>56,525,889</b>	<b>11,694,947</b>



## Operating Expenses

Comparative operating expense position of the Company for the years ended 31st December 2004, 2003 and 2002 as per audited accounts are as follows

(In Taka)

Description	2004	2003	2002
Depreciation on Fixed Assets	1,545,057	1,507,514	541,566
Financial Expenses	74,998,112	29,116,812	554,797
General and Administrative Expenses	10,751,318	8,903,344	6,550,434
Provision for doubtful debts	3,969,001	2,773,460	1,359,837
<b>Total Expenses</b>	<b>91,263,488</b>	<b>42,301,130</b>	<b>9,006,634</b>
<b>Profit Before Tax</b>	<b>69,987,986</b>	<b>14,224,759</b>	<b>2,688,313</b>
<b>Profit available for Appropriation</b>	<b>68,908,649</b>	<b>9,774,267</b>	<b>2,488,313</b>

### **(4) Seasonal Aspects:**

In general there is no seasonal impact on the business of the Company.

### **(5) Known Trends, Events or Uncertainties:**

Political unrest, Hartal and Flood are the known events in our country. These may affect the business of the Company.

### **(6) Changes in Assets to Pay Off Liabilities:**

No asset of the Company has been used to pay off any liabilities.

### **(7) Loans Taken from Subsidiary or Associate Concern**

The Company has no subsidiary or associate concern. Therefore, taking loan from such concerns does not arise. The Company has taken term loan from 10 scheduled banks.

### **(8) Future Contractual Liabilities**

The Company has not, as on 31<sup>st</sup> December 2004, entered into any future contractual liability.

### **(9) Future capital expenditure**

The Company has planned to expand its business further and capital expenditure has been planned to be incurred for the purpose.

### **(10) VAT, Income Tax, or other Tax Liability**

- (i) **VAT:** The Company has no other outstanding tax and VAT liability till 31.12.2004.
- (ii) **Income Tax:** The income tax status of our company as on 31.12.04 is as follows.

Accounting year	Assessment Year	Status
2002	2003-2004	Assessment completed and the assessed tax of Taka 12,37,508 has been paid by the company
2003	2004-2005	Assessment completed and the assessed tax of Taka 17,77,515 has been paid by the company



**(11) Sources from which Income Tax, VAT, Custom Duty and Other Liabilities to be paid:**

Unpaid/Unadjusted liabilities, if any, on account of Income Tax, VAT, Custom Duty or other tax liabilities will be paid out of the ordinary resources of the Company.

**(12) Financial Lease Agreements**

The Company has established its Head Office on leased accommodation.

**(13) Financial Lease Commitments**

The company doesn't have any lease commitment except lease on its head office accommodation. The monthly dues of lease rent liabilities will be paid out of the ordinary resources of the Company in terms of the provisions of the Lease Contracts.

**(14) Personnel Related Scheme**

The Company planned to initiate training schemes for human resource development. Company also has a well-designed Compensation Plan for attracting highly capable professional with high degree of integrity. This includes salary and allowances, Bonus, leave salary, gratuity, provident fund etc. Pension scheme is also under consideration.

**(15) Break Down of Expenses for Issue Manager and Underwriters**

Following is the amount to be paid to the Issue Manager and Underwriter:

- a) Issue Management Fee Tk. 700,000.00
- b) Underwriting commission Tk. 251,250 being 0.50% on the amount of Tk. 5,025,000 (50% of the IPO). Take up commission @ 2.50% (maximum) on the amount remaining unsubscribed will be paid to the Underwriters.

**(16) Revaluation of Company's Assets & Summary Thereof**

No revaluation has been made to the Company's assets and liabilities.

**(17) Transaction between Holding Company and the Issuer**

Premier Leasing International Limited has no subsidiary company. Hence no transaction has taken place.



## **DECLARATION FOR A NON-BANKING FINANCIAL INSTITUTION**

We hereby declare that all requirements have been met as specified in the Non-Banking Financial Institution Act, 1993 (Act No. 4 of the 1993) under the Financial Institutional Regulation 1994.

Sd/-  
(Dr. Mizanur Rahman Shelley)  
Chairman

Sd/-  
(A S M Feroz Alam)  
Director

Sd/-  
(Md. Mizanur Rahman  
Chowdhury)  
Director

Sd/-  
(Atif Rahman)  
Director

Sd/-  
(Abdul Mannan)  
Director

Sd/-  
(A S M Faridul Alam)  
Director

Sd/-  
(Engr. A Z M Akramul Haq)  
Director

Sd/-  
(M Rabiul Huq)  
Director

Sd/-  
(Khairul Anam)  
Director

Sd/-  
(Md. Saifuddin Khaled)  
Director

Sd/-  
(Maksud Morshed)  
Director

Sd/-  
(Mohammad Hafiz Ahmed)  
Managing Director

### **AUDITOR'S CERTIFICATE ABOUT ISSUANCE OF SHARES OTHER THAN FOR CASH**

This is to certify that the Paid up capital to date of **Premier Leasing International Limited** is Tk.12,27,82,800 divided into 12,27,828 ordinary shares of Tk. 100.00 each inclusive of Tk. 63,75,000 as Bonus Shares divided into 63,750 ordinary shares of Tk. 100.00 each as were approved in the Annual General Meeting of the Co. in the form of Stock Dividend.

Further, in a Board Meeting held on 24<sup>th</sup> March 2005, the Directors have recommended Bonus Shares of Tk. 5,40,24,432 in the form of Stock Dividend for approval of the shareholders in the ensuing Annual General Meeting of the Co.

For the Bonus Shares and the proposed Bonus Shares no payment was made or to be made in cash.

Besides this, no other shares have been issued and allotted for consideration other than cash.

Sd/-  
A Wahab & Co.  
Chartered Accountants

Dated: 4<sup>th</sup> April 2005

### **Declaration**

This is to declare that to the best of our knowledge and belief any information, facts circumstances which are disclosable has not been suppressed that can change the terms and conditions under which the offer has been made to the Public.

Sd/-  
(Mohammad Hafiz Ahmed)  
Managing Director  
Dated : 21-03-2005



### Director's relationship in other companies

Sl. No.	Name and permanent Address	Age	Rank	Directorship/Sponsorship/Ownership with other Companies
01.	Dr. Mizanur Rahman Shelley "Rezia Nelay" 62, Green Road, Dhaka-1205.	62	Chairman	Centre for Development Research Mohona Holding Limited Media Studio Limited
02.	A S M Feroz Alam "Villa Moina" (5 <sup>th</sup> Floor), House # 37, Road # 14/A (New), Dhanmondi, Dhaka .	46	Director	Mercantile Bank Limited
03.	Md. Mizanur Rahman Chowdhury "Chowdhury Complex", Custom Road, Chhatak Bazar, P.O. Chhatak, Dist. Sunamgonj	29	Director	Mercantile Bank Limited Y-Connection
04.	Atif Rahman Land Mark Building, 12/14, Gulshan-2, Dhaka-1212.	37	Director	Air Alliance Limited Bengal Information Technology Ltd.
05.	Abdul Mannan Vill - Gobindapur, P.O. Khalpar, Dist - Dhaka.	64	Director	Bengal Airlift Ltd. ACE Aviation Service Ltd. Bengal Knittex Ltd. Pacific Asia Travel Association BD A.R Choudhury Securities Ltd. Dhaka Export Ltd.
06.	A S M Faridul Alam "Villa Moina" (5 <sup>th</sup> Floor), House No. 37, Road No. 14/A (New), Dhanmondi, Dhaka	44	Director	Akhi Tours and Travels Fame Water and Cosmetics Limited
07.	Engr. A Z M Akramul Haq House # 67/B (4 <sup>th</sup> Floor), Road # 12/A, Dhanmondi, Dhaka	51	Director	Contech Engineering & Trading Ltd. Multilink Technical Services Ltd. Engineers Council of Information Technology Limited Dhaka Broadband Network Ltd.
08.	M Rabiul Huq 13/22, Babar Road, Mohammadpur, Dhaka.	52	Director	Creative Engineers Limited Trade Radix
09.	Khairul Anam House # 25, Road # 12, Baridhara, Dhaka-1212	58	Director	Topaz Garments Limited Renesa Enterprise Tulip Furniture Astron Trade & Distribution
10.	Md. Saifuddin Khaled 'Jubaida Manjil' 48/A, Kumar Para, Sylhet-3100	41	Director	Sylhet Tower Hotel Ltd. Sylhet Securities Ltd., Desh General Insurance Co. Ltd., Sylhet Shishu Park and Parjatan Motel, Sylhet Grammar School Metropolitan University
11.	Maksud Morshed 1119, North Beverly Drive Beverly Hills, CA 90210, USA.	38	Director	N/A



### **Retirement of Directors:**

Sl. No.	Name of Directors	Date of becoming first Director	Expiry of current term
1.	Dr. Mizanur Rahman Shelley	26 <sup>th</sup> September, 2001	2006
2.	A S M Feroz Alam	26 <sup>th</sup> September, 2001	2006
3.	Md. Mizanur Rahman Chowdhury	26 <sup>th</sup> September, 2001	2006
4.	Atif Rahman	26 <sup>th</sup> September, 2001	2006
5.	Abdul Mannan	5 <sup>th</sup> May, 2005	2006
6.	A S M Faridul Alam	26 <sup>th</sup> September, 2001	2006
7.	Engr. A Z M Akramul Haq	26 <sup>th</sup> September, 2001	2006
8.	M Rabiul Huq	26 <sup>th</sup> September, 2001	2006
9.	Khairul Anam	26 <sup>th</sup> September, 2001	2006
10.	Md. Saifuddin Khaled	26 <sup>th</sup> September, 2001	2006
11.	Maksud Morshed	26 <sup>th</sup> September, 2001	2006

### **Particulars of Top Executives/Officers:**

Sl No.	Name	Education Qualification	Position	Age	Length of Service with the Company	Last five year's working Experience
1.	Mr. Mohammad Hafiz Ahmed	M. A.	Managing Director	60	3 years 5 months	MD, Premier Leasing, EVP, Eastern Bank.
2.	Mr. Rustam ali Howladar	B. Com (Honours)	Consultant	65	3 years 5 months	Consultant, Premier Leasing, Chief Adviser, Global Insurance.
3.	Mr. Md. Rafiqul Islam	B. Sc. Engr. (Chemical) MBA	Executive Vice President	54	1 years 1 month	EVP, Premier Leasing, SVP, International Leasing and Financial Services Ltd.
4.	Mr. Mosharef Hossain	B. Com.	Senior Vice President & Company Secretary	57	3 years 5 months	SVP, Premier Leasing, AVP, National Bank.
5.	Mr. Nazrul Islam	M. Sc.	Senior Assistant Vice President	39	3 years 5 months	SAVP, Premier Leasing, SEO, Bay Leasing.

### **Family Relationship between Directors/Officers:**

There is no family relationship between the Directors and Officers.

### **Family Relationship among the Directors**

A S M Feroz Alam, Director, Premier Leasing International Limited is the brother of A S M Faridul Alam, Director, Premier Leasing International Limited.

### **Officers Employed in other Company**

No officer of Premier Leasing International Limited is currently employed by another Company.



## **Involvement of officers and director in certain legal proceedings**

No Officer or Director of the company was involved in any of the following types of legal proceedings in the past ten years:

- 1) Any bankruptcy petition filed by or against any company of which any Officer or Director or Nominee of the company filling the prospectus was a Director, Officer or general partner at the time of the bankruptcy or within two years prior to that time;
- 2) Any conviction of an Officer, Director or Nominee in the criminal proceedings or any criminal proceedings pending against him;
- 3) Any order, judgment or decree of any Court of competent jurisdiction against Officer, Director or Nominee permanently or temporarily enjoying, barring, suspending or otherwise limiting the involvement of any Officer or Director or Nominee in any type of business, securities or banking activities.
- 4) Any order of the Securities and Exchange Commission or other regulatory authority or foreign financial regulatory authority suspending or otherwise limiting the involvement of any Officer or Director or Nominee in any type of business securities or banking activities.

### **CIB Report**

It appears from the Bangladesh Bank's letter No. 7(1)/2005-10782 dated 28.06.05 that none of the directors of the company is found loan defaulter.

## **Certain relationship and related transactions**

### **Special Arrangement of Directors with the Company**

Amongst the directors M. Rabiul Haq, A.S.M. Faridul Alam, Md. Saifuddin Khaled and Engr. A.Z.M. Akramul Haq have taken Lease/Term finance facility from the company with sufficient collateral.

<b>Name of director</b>	<b>Type of Finance</b>	<b>Amount of finance</b>	<b>Present outstanding</b>	<b>Security Value</b>
M. Rabiul Haq	Lease Finance	1,060,000	61,100	1,280,000
	Term Finance	36,000,000	22,603,433	22,105,000
A.S.M. Faridul Alam	Lease Finance	1,500,000	1,093,794	4,074,000
	Term Finance	4,500,000	3,866,183	4,100,000
Md. Saifuddin Khaled	Term Finance	3,000,000	3,787,666	2,500,000
Engr. A.Z.M. Akramul Haq	Term Finance	5,000,000	5,296,013	10,000,000

### **Directors' Facilities during Prospectus Publication**

Facilities whether pecuniary or non-pecuniary enjoyed by the Directors will remain unchanged during the publication period of the Prospectus. Interest and facility is already disclosed in Executive Compensation of the Prospectus.



## **Short BIO-DATA of the Directors & Executives**

### **Directors Profile**

#### **01. Dr. Mizanur Rahman Shelley, Chairman**

DR. Mizanur Rahman Shelley son of Late Mr. B. M. Rahman was born in the year 1943 in a respectable Muslim family of Bikrampur/Munshigonj. He has obtained his Masters Degree from Dhaka University and Ph.D. from University of London in International Politics in 1976.

After a brilliant career as a student, DR. Shelley had his stints as a teacher of Dhaka University, a technocrat Cabinet Minister for Information – besides he is a Social Scientist, Litterateur and Journalist. After liberation he served as Director of the Directorate of Social Service, Government of Peoples Republic of Bangladesh during 1976-80.

DR. Mizanur Rahman Shelley is a prominent personality in the country and founder Chairman of the Company. He has earned fame in the field of education, literature and journalism for which he is widely known as an intellectual of high standing of National and International repute. Apart from that he has also established himself as an icon in various kinds of business. His business activities includes as Chairman, Centre for Development Research, Bangladesh (CDRB), Mohona Holdings Ltd. and Media Studio Ltd.

His association with various socio-cultural organizations makes him forward looking, prominent intellectual and progressive personality in number of fields and activities. Furthermore, he has deep affinity and attachment with number of Socio-cultural and Socio-economic activities which includes member of National Education Advisory Council in 1978; Bangladesh Jail Reforms Commission in 1978-80; Bangladesh Film Censor Board in 1985-86; National Disaster Prevention Council in 1988-90; National Population Council of Bangladesh in 1989-90; the Fourth Wage Board for Newspaper Employees in 1989-90 and so on. In recognition of his meritorious and intellectual activities Mr. Shelley was awarded the highest Polish Order of Merit by Lech Walesa and Nobel Laureate for peace in 1991. DR. Shelley has also worked and continues to work actively as a Consultant to various Ministries and Development Agencies of the Government of Bangladesh, World Bank, UNICEF, UNDP, FAO, ESCAP, ADB, CIRDAP, GTZ, ZDH (Germany), JICA (Japan), FBCCI, DCCI, MCCI and many more national and international organizations.

#### **02. Mr. A S M Feroz Alam, Director**

Mr. Feroz Alam son of Mr. M A Gafur was born in the year 1954 in a respectable Muslim family of Potuakhali. After completion of his graduation he started his business career and established himself as a successful entrepreneur. He is an icon of wholesale business of wristwatch in the country. To add new dimension to his business portfolio, he has involved himself in travel and tourism business. Subsequently he associated himself with Banking and Leasing business. Besides being one of the sponsor directors of Premier Leasing, Mr. Alam is also sponsor shareholder of Mercantile Bank Limited. Mr. Alam has travelled more than 60 countries for business purposes. He can speak in seven languages fluently.

#### **03. Mr. Md. Mizanur Rahman Chowdhury, Director**

Mr. Md. Mizanur Rahman Chowdhury son of Late Mr. Sunu Miah Chowdhury was born in the year 1973 in Sunamgonj District. He is young and promising businessman of only 31 years of age. Just after completion of his education he started his business career and became a successful entrepreneur. Mr. Md. Mizanur Rahman is one of the Sponsor Directors of Premier Leasing. He is also a sponsor shareholder of Mercantile Bank Ltd. and proprietor of Y-Connection situated in Subid Bazar, Sylhet.

#### **04. Mr. Atif Rahman, Director**

Mr. Atif Rahman, son of Mr. Rezaur Rahman was born in the year 1969. He obtains B A in Economics and MBA in Finance from USA. After completing his education he started his business career in various field and earned a notable fame in business arena for his integrity and hard working activities. Mr. Rahman is young and energetic and within a short period of time he has established himself as a successful



entrepreneur. He is one of the Sponsor Directors of Premier Leasing International Ltd. Mr. Atif is also involved with versatile business houses which includes Air Alliance Ltd., United Parcel Service Inc. of USA as Chief Executive Officer, Bengal Information Technology Ltd. as Director, master franchise of Informatics Holdings Ltd. of Singapore as Director, Bengal NFK Textile Ltd. and Bengal Knittex Ltd.

Mr. Rahman is also associated with a number of social and cultural activities. He is a well traveled person and visited many countries.

#### **05. Mr. Abdul Mannan, Director**

Mr. Abdul Mannan son of Late Al-haj A. Samad is Vice Chairman and Sponsor Director of Premier Leasing International Ltd. He has obtained B. Sc. degree and also F.C.M.A. from U.K. He was formerly State Minister, Ministry of Civil Aviation & Tourism and also Ministry of Textiles. He was also CEO & Managing Director, Biman Bangladesh Airlines. He is engaged with various business organizations such as, Chairman, Pacifica Asia Travel Association Bangladesh Chapter (PATA), Chairman, Bengal Airlift Ltd, Chairman, ACE Aviation Services Ltd, Chairman, Bengal Knittex Ltd, He is at present Member of Parliament (Dhaka-2).

#### **06. Mr. A S M Faridul Alam, Director**

Mr. A S M Faridul Alam son of Mr. M A Gafur was born in the year 1963 in a respectable Muslim family of Potuakhali. After completion of graduation degree, he entered in business and earned a notable fame in business community within a short period. He started his career in tours and travel business. Mr Alam joined as one of the Sponsor Directors of Premier Leasing International Ltd. He is associated with Akhi Tours and Travels and Fame Water and Cosmetics Ltd.

#### **07. Engr. A Z M Akramul Haq, Director**

Engr. A Z M Akramul Haq was born in February, 1953. He graduated in Engineering Degree in 1973 from Bangladesh University of Engineering and Technology (BUET), Dhaka. After completion of his education he started his career in the field of Engineering and Technology. He is one of the Sponsor Directors of Premier Leasing International Ltd. since inception. Apart from that he is the Managing Director of Contech Engineering and Trading Ltd.; Multilink Technical Services Ltd.; Chairman of Dhaka Broadband Network Ltd.; Director of Engineers Council of Information Technology. He is a man of pleasant personality and amiable disposition. He is a well traveled person and visited many countries.

#### **08. Mr. M Rabul Huq, Director**

Mr. M Rabiul Huq son of Mr. Md. Anowarul Huq was born in the year 1952. He graduated in Mechanical Engineering. After graduation he devoted himself to business and built up a reputation as an astute and efficient businessman. Mr. Huq is a Sponsor Director of Premier Leasing International Ltd. Apart from that he is a Director of Creative Engineers Ltd. and Trade Radix. Mr. Rabiul is a man of pleasant personality and amiable disposition. He has also made contribution and associated with numbers of socio-cultural activities.

#### **09. Mr. Khairul Anam, Director**

Mr. Khairul Anam, Director of Premier Leasing International Ltd. was born in 1946. After completion of his graduation and masters education he started his career in business. He has long and creditable experience in garments, furniture and trading business and established himself as an icon of the business community. Mr. Anam joined as one of the Sponsor Directors of Premier Leasing International Ltd. He is also the Managing Director of Topaz Garments Ltd., Proprietor of Renesa Enterprise, Tulip Furniture and Astran Trade and Distribution. Mr. Anam is a man of amiable disposition and pleasant personality.

#### **10. Mr. Md. Saifuddin Khaled, Director**

Mr. Md. Saifuddin Khaled son of Late Al-haj Md. Haris Uddin was born in the year 1965 in respectable and pious Muslim family in Sylhet District. He obtained B.Com. (Hons.) and M.Com and after completion of his education he started his business career and become renowned businessman and entrepreneur



in Sylhet. Mr. Khaled is also known as renowned educationist and established a Private University in Sylhet. Apart from being a sponsor director of Premier Leasing International Ltd. he is also Chairman of Sylhet Securities Ltd., Director of Desh General Insurance Co. Ltd., Director of Sylhet Shishu Park and Parjatan Motel, Chairman of Sylhet Grammar School and Vice-Chairman of Metropolitan University. Mr. Khaled is a dynamic personality and earned notable fame in the business community for his remarkable business activities. He is a widely traveled person and visited many countries.

#### **11. Mr. Maksud Morshed, Director**

Mr. Maksud Morshed son of Mr. R A Howladar was born in a reputed Muslim family in the year 1968. He is qualified as an Electrical Engineer. Mr. Morshed joined as one of the sponsor directors of Premier Leasing International Ltd. He is young, energetic and dynamic person and started his career in business with dedication and integrity.

## **Executives Profile**

#### **01. Mr. Mohammad Hafiz Ahmed, Managing director**

Mr. Md. Hafiz Ahmed son of Late Md. Qutub Uddin Khan was born in January, 1944 in a respectable Muslim Family of Moulvi Bazar district, Sylhet. He obtained M A degree in Modern History from Dhaka University in the year 1965. He also completed the course of LLB from Dhaka University in the year 1967. After completion of his education, Mr. Hafiz joined the then United Bank Limited (now Janata Bank Limited) in the year 1967 as Probationary Officer and trained in Karachi, Pakistan. He served the bank for about 17 years in different branches till 1984 in various capacities. Mr. Hafiz has got professional banking experience for long 35 years and 3 years in NBF. During this period he hold various important positions both home and abroad including working in foreign commercial banks for 11 years in UAE, Muscat, Sultanat of Oman. His assignments in various important capacities includes Credit Controller, Credit Administrator, Deputy Manager, Manager, Assistant General Manager, Senior Assistant Vice President, Vice President, Senior Vice President and Executive Vice President in different banks. He joined Premier Leasing International Limited as the 1<sup>st</sup> Managing Director on January, 2002 for commencing the operations of the Company. Mr. Hafiz has served with great honor, dignity and satisfactorily in Janata Bank, Bank of Oman, IFIC Bank, National Bank Limited and Al-Baraka Bank Limited (Oriental Bank Ltd.) and Eastern Bank Limited. He believes in Management Competency Model, Leadership and Team Building and the skill of working with team members. He has the commitment for iconoclastic/chemist and transformation leadership with international outlook. During his service period he participated in numbers of professional training courses which rewarded his service career. He also participated in numbers of seminars and workshops of different topics which includes Management, Marketing, Credit Management, Human Resource Management & Development, Business Strategy, Pursuit of Excellence, Productivity Enhancement, Corporate Governance, Leadership programme for Chairman and Directors and so on. Mr. Hafiz Ahmed has also many publications Particularly on management development which published in different Dailies and Weeklies. He is committed for result oriented management.

In recognition to his outstanding contribution and creditable activities stated above, Mohammad Hafiz Ahmed has been awarded the Rapport Award for Excellence in Human Resource Development 2003 and Financial News Services (FNS) Business Award 2004 as the Best Management Leader. Besides his service creditability with various banking sector, Mr. Hafiz is equally conscious about his social responsibilities. In order to serve the community and to perform social activities, he joined the Rotary Movement and holds several important positions in Rotary International, Sher-e-Bangla Nagar Club, Dhaka of the Rotary District-3280, Bangladesh. He is the President elect of this Club for the year 2005-2006. His association with Rapport Bangladesh Limited – the pioneer management development and training organization in the private sector has been very much rewarding for leadership development. He performed Holy Hajj in the year 2000.

#### **02. Mr. Rustam Ali Howlader, Consultant**

Mr. R A Howladar son of Late Al-haj Hajrat Ali Howladar was born in the year 1938 in a respectable Muslim family in Barisal District. After obtaining B.Com. (Hons.) degree he started his service career in Banking and gathered long 35 years experience in various high positions including Managing Director. Mr. R A Howladar has acquired prominence, popularity and fame for his innovative ideas in banking. His ability and dynamism to steer the wheels of a financial organization in a smooth way made him



indisputably outstanding person in banking sector He joined Premier Leasing International Limited since its inception as Consultant and he is contributing for the growth of the Company. In addition to that Mr. Howladar is also associated with other organizations such as Delta Spinners Ltd. as Chairman and Global Insurance Ltd. as Chief Adviser.

Mr. Howladar is a man of pleasant personality and amiable disposition. He is also associated with various socio-cultural activities and educational institution.

### **03. Mr. Md. Rafiqul Islam, Executive Vice President**

Mr. Md. Rafiqul Islam son of Late Md. Taib Ali Sarker was born in the year 1950 at Kurigram. He obtained MBA in finance in the year 1979 from IBA, Dhaka University. He has also obtained B. Sc. in Chemical Engineering from BUET in 1972. and obtained First Class. After completion of his MBA he started his career and served numbers of industries and companies in various important positions including General Manager, Company Secretary, Senior Vice President etc. Mr. Islam has got long 30 years working experience. He joined Premier Leasing International Limited on January 01, 2004 as Executive Vice President.

Mr. Rafiqul Islam also participated in various overseas training courses on Development Banking organized by UNDP and ADB held in Colombo and Kuala Lumpur. During his service he attended number of seminars and workshops on Planning and Development organized by BIBM and DCCI as guest speaker. During his versatile service career he proved himself competent, enthusiastic, capable and worthy to perform assignments. Apart from that Mr. Rafiqul Islam is the member of Institution of Engineers, Bangladesh and IBA Alumni Association of IBA, Dhaka University.

### **04. Mr. Mosharef Hossain, Senior Vice President & Company Secretary**

Mr. Mosharef Hossain was born in the year 1947 at Chandpur District. He graduated in commerce from Dhaka University in the year 1971. After completion of his education he joined in Banking Service and served for long 32 years in various important & senior positions in different Banks, lastly National Bank Limited. M. Hossain has joined Premier Leasing International Ltd. as Vice President & Company Secretary since inception and subsequently promoted to Senior Vice President.

During his versatile service career he proved himself competent, enthusiastic, capable and worthy to perform the job of a Banker. His rich experience in financial sector is a valuable possession of Premier Leasing International Limited. Apart from that he participated in various training programme, seminars and workshops.

### **05. Mr. Nazrul Islam, Senior Assistant Vice President**

Mr. Nazrul Islam son of late Dr. Abul Kashem was born in January, 1965. He obtained M.Sc. in Geography from Dhaka University in the year 1993. Just after completion of his education he joined National Bank Limited and served for more than 6 years in different capacities. In the year 1996, he joined Bay Leasing & Investment Limited as Senior Executive Officer and served till he join Premier Leasing as Senior Assistant Vice President.

Mr. Islam received training on General Insurance from Insurance Academy in the year 2000. He is young, energetic and hardworking person having innovative business development ideas.



## Executive Compensation

### A. Remuneration paid to top Three Executives

SL.	Name	Designation (Present)	Jan. to Dec. 2004
01.	Mohammad Hafiz Ahmed	Managing Director	9,80,000/-*
02.	Md. Rafiqul Islam	EVP	9,80,000/-
03.	Mosharef Hossain	SVP & Company Secretary	6,37,200/-

\*Excluding car facility.

### B. Aggregate Amount of Remuneration paid to Directors & Officers

SL.	Name	Jan. To Dec. 2004
01.	Director Honorarium	295,000/-
02.	Officers	4,869,567/-

✍ The Company did not pay any amount to any person who was not an Officer/ Director of the Company during the last fiscal year.

✍ There is no contract with any Director/Officer for future compensation.

### Pay Increase Intention

Besides normal increment, additional salary increment has also been made.

### Option Granted to Officers, Directors and Employees

The company did not grant any option for issue of shares to any Officer, Director and other employees of the Company or to any other person not involved with the Company.

### Transactions with Promoters

#### Benefit from the Company

The Promoters of the Company have not received any benefits other than Board Meeting attendance fees and the Company also has not received anything from its Promoters except fund against allotment of Shares.

#### Promoters' Asset to Company

Promoters have not transferred any asset to the Company but deposited share money as required. The Company acquired assets by investing its own funds.

### Ownership of the company's Securities

Sl.	Name of Sponsors	Status	Class of Share	No of Shares Subscribed	Amount of Shares Subscribed	Percent age
1.	DR. Mizanur Rahman Shelley	Chairman	Ordinary	48,150	4,815,000	3.922%
2.	Mr. A S M Feroz Alam	Director	Ordinary	165,263	16,526,300	13.460%
3.	Mr. Md. Mizanur Rahman Chowdhury	Director	Ordinary	80,375	8,037,500	6.546%
4.	Mr. Atif Rahman	Director	Ordinary	96,300	9,630,000	7.843%
5.	Mr. Abdul Mannan	Director	Ordinary	96,300	9,630,000	7.843%
6.	Mr. A S M Faridul Alam	Director	Ordinary	39,375	3,937,500	3.207%



7.	Engr. A Z M Akramul Haq	Director	Ordinary	72,225	7,222,500	5.882%
8.	Mr. M Rabiul Huq	Director	Ordinary	72,225	7,222,500	5.882%
9.	Mr. Khairul Anam	Director	Ordinary	72,225	7,222,500	5.882%
10.	Mr. Saifuddin Khaled	Director	Ordinary	45,000	4,500,000	3.665%
11.	Mr. Maksud Morshed	Director	Ordinary	68,150	6,815,000	5.550%
12.	Mrs. Shaheena Badruddoza	Sponsor Shareholder	Ordinary	36,113	3,611,300	2.941%
13.	Mr. Md. Anwarul Haque	Sponsor Shareholder	Ordinary	36,113	3,611,300	2.941%
14.	Mr. S M A Mannan	Sponsor Shareholder	Ordinary	87,413	8,741,300	7.119%
15.	Mr. Md. Nasiruddin Choudhury	Sponsor Shareholder	Ordinary	56,113	5,611,300	4.570%
16.	Mr. Juned Ahmed	Sponsor Shareholder	Ordinary	36,113	3,611,300	2.941%
17.	Ms. Zarina Begum	Sponsor Shareholder	Ordinary	24,075	2,407,500	1.961%
18.	Mrs. Nazifa K. Chowdhury	Sponsor Shareholder	Ordinary	24,075	2,407,500	1.961%
19.	Mr. Nikhil Kumar Saha	Sponsor Shareholder	Ordinary	24,075	2,407,500	1.961%
20.	Mr. A S M Shafiqul Islam (Mamun)	Sponsor Shareholder	Ordinary	24,075	2,407,500	1.961%
21.	Mr. A T M Shoeb	Sponsor Shareholder	Ordinary	24,075	2,407,500	1.961%
	<b>Total</b>			<b>1,227,828</b>	<b>122,782,800</b>	<b>100.00%</b>

### Beneficial Owners Holding Shares 5% or Above

Sl.	Name of Sponsors	Status	Class of Share	No of Shares Subscribed	Amount of Shares Subscribed	Percentage
1.	Mr. A S M Feroz Alam	Director	Ordinary	165,263	16,526,300	13.46%
2.	Mr. Atif Rahman	Director	Ordinary	96,300	9,630,000	7.84%
3.	Mr. A bdul Mannan	Director	Ordinary	96,300	9,630,000	7.84%
4.	Mr. S M A Mannan	Sponsor Shareholder	Ordinary	87,413	8,741,300	7.12%
5.	Mr. Md. Mizanur Rahman Chowdhury	Director	Ordinary	80,375	8,037,500	6.55%
6.	Engr. A Z M Akramul Haq	Director	Ordinary	72,225	7,222,500	5.88%
7.	Mr. M Rabiul Huq	Director	Ordinary	72,225	7,222,500	5.88%
8.	Mr. Khairul Anam	Director	Ordinary	72,225	7,222,500	5.88%
9.	Mr. Maksud Morshed	Director	Ordinary	68,150	6,815,000	5.55%



## Determination of Offering Price

The offering price of the common stock of Premier Leasing International Limited has been determined by assessing the **Net Asset Value (NAV)**. The financial calculations presented below are from the audited accounts as of 31 December, 2004.

Sl. No.	Particulars	Amount (Taka)	Net Amount (Taka)
A. 1.	Current Assets	420,263,578	<b>1,227,570,579</b>
2.	Lease Receivables	453,982,416	
3.	Direct Finance	315,363,555	
4.	Investment in Share	32,781,500	
5.	Fixed Assets	5,179,530	
	<b>Total assets</b>		
B. 1.	Long Term Liability	758,324,249	
2.	Deferred Taxation	6,500,000	
3.	Current Liability	270,190,104	
	<b>Total liabilities</b>		<b>1,035,014,353</b>
<b>C. (A-B)</b>	<b>Net Assets</b>		<b>192,556,226</b>
<b>D.</b>	<b>Number of Shares</b>		<b>1,227,828</b>
<b>E.</b>	<b>Net Assets Value per Share</b>		<b>156.83</b>

We have examined the above calculation of Net Asset Value (NAV) of Premier Leasing International Limited which appears to be correct.

Sd/-

A. Wahab & Co.

Chartered Accountants

Dated: Dhaka, June 09, 2005

Net asset Value per share of Tk. 100 each is Tk. 156.83 that is higher than the face value, but the company is offering its issue price at Tk. 100 per share (at par).



## Plan of Distribution

### Underwriting of Shares

As per Securities and Exchange Commission's guideline 50% of the Public Offer of 1,005,000 ordinary shares of TK. 100 each (at par) i.e., for TK. 50,250,000 will be Underwritten at a rate of 0.50% (underwriting commission) by the Proposed Underwriters for the IPO of Premier Leasing International Limited.

SL. No.	Name of Underwriter	Number of Shares	Underwriting Amount in Taka
1.	Prime Bank Ltd. Adamjee Court Annex -2, 119-120 Motijheel, Dhaka -1000	27,750	2,775,000.00
2.	Southeast Bank Ltd. 1, Dilkusha C.A. Dhaka-1000	30,750	3,075,000.00
3.	Arab Bangladesh Bank Ltd. BCIC Bhaban (10 <sup>th</sup> Floor), 30-31 Dilkusha, Dhaka-1000	27,750	2,775,000.00
4.	The Trust Bank Ltd. 98, Main Road, Dhaka Cantonment, Dhaka-1206	27,750	2,775,000.00
5.	Fidelity Assets & Securities Co. Ltd. Nitol Centre, 71, Mohakhali Dhaka	27,750	2,775,000.00
6.	Export Import Bank of Bangladesh Ltd. Printers Building, 5 Rajuk Avenue (10 <sup>th</sup> Floor), Dhaka-1000	27,750	2,775,000.00
7.	National Credit and Commerce Bank Ltd. 7-8, Motijheel C.A. Dhaka -1000.	27,750	2,775,000.00
8.	Bay Leasing & Investment Ltd. Printers Building, 5 Rajuk Avenue (5 <sup>th</sup> Floor), Dhaka-1000	27,750	2,775,000.00
9.	Swadesh Investment Management Ltd. Road#1/A, House#35, Banani, Dhaka-1212	27,750	2,775,000.00
10.	Green Delta Insurance Company Ltd. Hadi Mansion (4 <sup>th</sup> Floor), 2, Dilkusha C.A., Dhaka -1000	27,750	2,775,000.00
11.	IDLC of Bangladesh Ltd. Hadi Mansion (6 <sup>th</sup> & 7 <sup>th</sup> Floor), 2 Dilkusha, Dhaka-1000	27,750	2,775,000.00
12.	Grameen Capital Management Ltd. Grameen Bank Bhaban (10 <sup>th</sup> Floor), Mirpur-2, Dhaka-1216	27,750	2,775,000.00
13.	Standard Bank Ltd. 19, Dilkusha C.A., Dhaka -1000.	27,750	2,775,000.00
14.	Global Insurance Ltd. Printers Building, 5 Rajuk Avenue (11 <sup>th</sup> Floor), Dhaka-1000	27,750	2,775,000.00
15.	Premier Bank Ltd. Iqbal Center (4 <sup>th</sup> floor) Banani, Dhaka-1217.	27,750	2,775,000.00
16.	Bangladesh Mutual Securities Ltd. Biman Bhaban (8 <sup>th</sup> Floor), 100 Motijheel, Dhaka-1000	27,750	2,775,000.00
17.	Prime Finance & Investment Ltd. 63, Dilkusha C.A. Dhaka-1000	27,750	2,775,000.00
18.	GSP Finance Company (BD) Ltd. 1/C, Paribagyh, Mymensing Road Ramna, Dhaka-1205	27,750	2,775,000.00
	<b>Total</b>	<b>502,500</b>	<b>50,250,000.00</b>



## **Terms and Conditions**

- 1) If and to the extent that the shares offered to the public through a prospectus authorised hereunder shall not have been subscribed and paid for in cash in full by the closing date, the Company shall within 10 (ten) days of the closure of subscription call upon the underwriters in writing to subscribe the shares/debentures not so subscribed and ask the underwriters to pay for them in cash in full within 15 (fifteen) days of the date of said notice and the said amount shall have to be credited into shares subscription account within the said period.
- 2) If payment is made by Cheque /Bank Draft by the underwriter it will be deemed that the underwriter has not fulfilled his obligation towards his underwriting commitment under his Agreement, until such time as the Cheque / Bank Draft has been encashed and the Company's account credited.
- 3) In any case within 7 (seven) days after the expiry of the aforesaid 15(fifteen) days, the Company shall send proof of subscription and deposit of share money by the underwriters to the Commission.
- 4) In the case of failure by the underwriters to pay for the Shares under the terms mentioned above, the said underwriters will not be eligible any issue, until such time as they fulfill their underwriting commitment under this Agreement and also other penalties as may be determined by the Commission.
- 5) In case of failure by any underwriters to pay for the shares within the stipulated time, the Company/issuer will be under no obligation to pay any underwriting commission under this agreement.
- 6) In case of failure by the Company to call upon the underwrites for the aforementioned purpose within the stipulated time, the Company and its directors shall individually and collectively be held responsible for the consequence and/or penalties as determined by the Securities and Exchange Commission under the law.

### **Commission for Underwriters**

The Underwriters will be paid an Underwriting Commission @ 0.50 of the 50% of the IPO amount (i.e., for Tk 50,250,000.00) of the issue value of shares Underwritten by them out of the Public Issue. Simultaneously with calling upon an underwriter to subscribe or procure subscriber, and pay for any number of shares, the Company shall pay to that underwriter an additional commission maximum @ 2.50% of the amount of issue value of the shares required to be subscribed by it.

### **Underwriters' right to represent in the Board of the Company**

Underwriters have not acquired any right to have their representatives in the Board of Directors of the Company.

### **Officer or director of the underwriters acting as director of the company**

No officer or Director of the underwriters is presently engaged as the Director of the Company.



## Market for the Securities being offered

The Securities will be traded subject to listing at:

**Dhaka Stock Exchange Limited (DSE)**

9/F, Motijheel C/A, Dhaka-1000

And/or

**Chittagong Stock Exchange Limited (CSE)**

CSE Building, 1080 Sk. Mujib Road,

Agrabad C/A, Chittagong

### “Declaration about Listing of Shares with the Stock Exchange(s):

Application(s) will be made to the Dhaka and/or Chittagong Stock Exchange(s) within 5 (five) days of first issuance of the prospectus for permission of the share of the company for dealing in any or both of the said stock exchanges and for quotation on the stock exchange(s).

None of the stock exchange(s), if for any reason, grants listing within 75 days from the closure of subscription, any allotment in terms of this prospectus shall be void and the company shall refund the subscription money within fifteen days from the date of refusal for listing by the stock exchanges, or from the date of expiry of the said 75 (seventy five) days, as the case may be.

In case of non-refund of the subscription money within the aforesaid fifteen days, the company directors, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (two percent) per month above the bank rate, to the subscribers concerned.

The issue manager, in addition to the issuer company, shall ensure due compliance of the above mentioned conditions and submit compliance report thereon to the Commission within seven days of expiry of the aforesaid fifteen days time period allowed for refund of the subscription money.”

### **The Company is likely to be placed in “A” Category**

## Description of Securities Outstanding or Being Offered

### **Dividend, Voting, Preemption Right**

The share capital of the Company is divided into ordinary shares carrying equal rights to vote and receive dividend in terms of the relevant provisions of the Companies Act, 1994 and the Articles of Association of the Company. Shareholders shall have the usual voting right in person or by proxy in connection with, among others, selection of Directors & Auditors and other usual agenda of General Meeting – Ordinary or Extra Ordinary. On a show of hand every shareholder present and every duly authorised representative of a shareholder present at a General Meeting shall have one vote and on a poll every shareholder present in person or by proxy shall have one vote for every share held by him/her.

In case of any additional issue of shares for raising further capital the existing shareholders shall be entitled to Right Issue of shares in terms of the guidelines issued by the SEC from time to time.

### **Conversion & Liquidation Right**

If the company at any time issues convertible preference shares or Debenture with the consent of SEC, such holders of Securities shall be entitled to convert such securities into ordinary shares if it is so determined by the company.

Subject to the provisions of the Companies Act, 1994, Articles of Association of the Company and other relevant Rules in force, the Shares, if any, of the Company are freely transferable, the Company shall not change any fee for registering transfer of shares. No transfer shall be made to firms, minors or persons of unsound mental health.



## Dividend Policy

- a) The profit of the company, subject to any special right relating thereto created or authorized to be created by the Memorandum of Association subject to the provision of the Articles of Association, shall be divisible among the members in proportion to the capital paid up on the Shares held by them respectively.
- b) No larger dividend shall be declared than is recommended by the Directors, but the Company in its General Meeting may declare a smaller dividend. The declaration of Directors as to the amount of net Profit of the Company shall be conclusive.
- c) No dividend shall be payable except out of profits of the Company or any other undistributed profits. Dividend shall not carry interest as against the Company.
- d) The Directors may, from time to time, pay the members such interim dividend as in their judgment the financial position of the Company may justify.
- e) A transfer of Shares shall not pass the right to any dividend declared thereon before the registration of transfer.

## Other Rights of Stock Holders

The shareholders shall have the right to receive all periodical reports and statements, audited as well as un-audited, published by the company from time to time. The Directors shall present the financial statements as required under the Law and International Accounting standards. Financial Statements will be prepared in accordance with International Accounting Standards, consistently applied throughout the subsequent periods and present with the objective of providing maximum disclosure as per law and International Accounting Standard to the shareholders regarding the Financial and operational position of the Company.

In case of any declaration of stock dividend by issue of bonus shares, all shareholders shall be entitled to it in proportion to their shareholdings on the date of book closure for the purpose.

The shareholders holding not less than 10% of the issued/fully paid up capital of the company shall have the right to requisition Extra-Ordinary General Meeting of the Company as provided under Section 84 of the Companies Act, 1994.

## Financial Structure

a) Issued & Fully Paid up Capital	Tk. 176,807,232
b) IPO (Initial Public Offering)	Tk. 100,500,000
<b>Total After IPO</b>	<b>Tk. 277,307,232</b>

IPO funds will be utilized for purposes mentioned in the section "Use of Proceeds"

The securities, which are subscribed by the Sponsors/Promoters/Directors, as described in the Prospectus, shall be subject to a **Lock-in period of three years**, in case of the companies intended/intending to go for Initial Public Offering (IPO), from the date of publication of the prospectus.

Either a **Jumbo Share** (one for each of the existing Sponsors/ Directors/ Shareholders) in respect of the shares already issued shall be issued covering together respective total holding which shall contain the expiry date of lock-in period or Sponsors/ Directors/ Promoters/Shareholders' shareholding shall be converted into demat form but shall be lock-in for three years as per the condition at Para 24 above.

In case of **Jumbo Share** Certificate of the existing Sponsors/ Directors/ Shareholders, the said share certificates shall be kept under custody of a security custodian bank registered with SEC during the Lock-in period. The name and branch of the bank be furnished to the Commission jointly by the issuer and the issue manager, along with a confirmation thereof from the custodian bank, within one week of listing of the shares with the stock exchange(s).



### Debt securities:

The company offered five years' term debenture of Tk. 40 million under private placement for which consent from SEC was obtained (ref. no. SEC/CFD/CPLC-9/2001/602 dated February 26, 2003) and the amount was subscribed within December 31, 2004. The detail features of the said debenture are given below:

Name of the Subscriber	Principal outstanding as on 31.12.2004	Rate of interest	Date of maturity
Investment Corporation of Bangladesh	40,000,000	13.5%	23.04.2009

### Redemption

The interest on the debentures is paid on half yearly basis and the principal amount shall be paid to the investor by the company at the end of maturity.

### Trustee

Investment Corporation of Bangladesh is the Trustee of the above debt instrument

### Details of IPO

IPO will be 1,005,000 Shares @ TK.100 each totaling Tk. 100,500,000 as per Public Issue Rules 1998, 10% has been reserved for NRB, leaving a balance of 90% for the General Public. The position is thus as follows:

01.	100,500 Ordinary Shares of Tk. 100 each are hereby offered at per to Non Resident Bangladeshis for subscription in cash in full on application.	Tk. 10,050,000
02.	904,500 Ordinary Shares of Tk. 100 each per are hereby being offered at per to the General Public for subscription in cash in full on application.	Tk. 90,450,000
<b>Total After IPO</b>		<b>Tk. 100,500,000</b>

### CONDITIONS OF OFFER AND ALLOTMENT OF SHARE

#### 1. Shares

a) 10% of IPO i.e. 100,500 Ordinary Shares shall be reserved at par for Non Resident Bangladeshis	Tk. 10,050,000
b) The remaining 90% of IPO i.e. 904,500 Ordinary Shares shall be open for subscription by the General Public.	Tk. 90,450,000
<b>Total</b>	<b>Tk. 100,500,000</b>

- All Shares as stated in clause 1(a) and 1 (b) shall be offered for subscription and subsequent allotment by the Issue Manager, subject to any restriction, which may be imposed, from time to time, by the Securities and Exchange Commission.
- In case of over-subscription of both the categories mentioned in clause 1(a) and 1(b) the Issue Manager shall conduct an open lottery of all the Applications received under each category separately.
- In case of under-subscription under the 10% category as mentioned in clause 1(a) the unsubscribed portion shall be added to the General Public category and if after such addition there is over subscription in the General Public category the Issue Manager shall conduct an open lottery of all the applicants added together.
- In case of under subscription of share shall be taken by the underwriters.
- In case of over-subscription under 10% category as mentioned in clause 1(a) the over-subscription portion shall be added to the General Public category and if after such addition there is over-



- subscription in the General Public category, the Issue Manager shall conduct an open lottery of all the applicants added together.
7. The lottery as stated in clause (3), (5) and (6) should be conducted in the presence of authorized representatives of DSE and Members of the Board of the Company and Issue Manager and the applicants, if present.
  8. Applications must not be for less than 50 Shares and must be multiple of 50. Any Application not meeting the criteria will not be considered for allotment purpose.
  9. There are no founders' management or deferred Shares. It is also not presently intended to Issue any preference Shares.
  10. No payment has been or is intended to be made to the Promoters, Directors or other persons for promotion of the Company.
  11. The minimum subscription on which Directors will proceed to allotment is the full amount of the amount of the present Issue, which on the opinion of the Directors must be raised in order to provide fund required by the Company.
  12. The NRB applicants, after completing and signing will submit the Application form along with foreign drafts in US Dollar/UK Pound Sterling drawn and payable in Dhaka, to the Issuer Company's office directly.

## **ALLOTMENT**

The company shall issue share allotment letters to all successful applicants within 6 (six) weeks from the date of the subscription closing date. At the same time, the unsuccessful applicants shall be refunded with the application money within 6 (six) weeks from the closing of the subscription date by Account Payee Cheque without interest 'payable at Dhaka/ Chittagong/ Khulna/ Rajshahi/Barisal/Sylhet, as the case may be. A compliance report shall be submitted to the Commission within 7(seven) weeks from the date of closure of subscription.

## **Application for Subscription.**

01. Application for Shares may be made for a minimum lot of 50 (Fifty) Ordinary Shares to the value of Tk. 5,000.00 and should be made on the Company's Printed Application forms. Application forms and the Prospectus may be obtained from the Registered Office of the Company, members of the Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd. or from the Bankers to the Issue. In case adequate forms are not available, applicants may use photocopied/cyclostyled/typed/handwritten copies of the forms. Application must not be for less than 50 Shares. Any Application not meeting the criterion will not be considered for allotment purpose.
02. Joint Application form for more than two persons will not be accepted. In the case of a joint Application each party must sign the Application form.
03. Application must be in full name of individuals or limited companies or trusts or societies and not in the name of firms, minors or persons of unsound mind. Applications from insurance, financial and market intermediary companies must be accompanied by Memorandum and Articles of Association.
04. An applicant can submit not more than two Applications, one in his own name and another jointly with another person. In case an applicant makes more than two Applications, those in excess of two Applications shall not be considered for allotment purpose.
05. Bangladeshi Nationals (including Non-Resident Bangladeshis residing/working abroad) and Foreign Nationals shall be entitled to apply for Shares.
06. Payment for subscription by investors other than Non-Resident Bangladeshi may be made to the said branches/office of the Banks mentioned below in Cash/Cheque/Pay Order/Bank Draft. The Cheque or Pay Order or Bank Draft shall be made payable to the Bank to which it is sent and be marked "**Premier Leasing International Limited.**" And shall bear the crossing "**Account Payee only**" and must be drawn on a Bank in the same town of the Bank to which Application form is deposited.
07. All completed Application forms, together with remittance for the full amount payable on Application, shall be lodged by investors other than Non-Resident Bangladeshis with any of the branches of the following Bankers to the Issue:



## BANKERS TO THE ISSUE

<b>Prime Bank Limited</b>	<b>Mercantile Bank Limited</b>	<b>Arab Bangladesh Bank Limited</b>
<ol style="list-style-type: none"> <li>Motijheel Br., Motijheel C/A, Dhaka,</li> <li>Khatungonj Br. 142, Chand Meah Lane, Khatungonj.</li> <li>Moulvi Bazar Br. 77/4, Moulvi Bazar,</li> <li>Khulna Br., 07, Old Jessore Road, Khulna</li> <li>Islamic Banking Br. 19, Dilkusha C/A, Dhaka,</li> <li>Sylhet Br., Laldighirpar, Sylhet-3100,</li> <li>Mohakhali Br. 69, Mohakhali C/A, Dhaka,</li> <li>Barishal Br., 37, K.B, Hemayat Uddin Road, Barishal</li> <li>Rajshahi Br., 138/144, Shaheb Bazar, Rajshahi.</li> <li>Kawranbazar Br. 54 Kawranbazar C/A, Dhaka,</li> <li>Elephant Road Br. 136, Elephant Road, Dhaka,</li> <li>Islamic Banking Br. Nabiba Complex, Amberkhana, Sylhet.</li> <li>Court Rd Br., Court Rd., Moulvi Bazar, Sylhet</li> <li>Mouchak Br., Manahattah Tower, 83, Siddeswari Road Dhaka,</li> <li>Gulshan Br., Gulshan Avenue. Dhaka-1212,</li> <li>Narayangonj Br. 56 S.M. Maleh Road, Narayangonj</li> <li>Agrabad Br., Chamber House, Chittagong,</li> <li>Jubilee Rd Br., 05, Jubilee Rd. Chittagong,</li> <li>Bangshal Br., 43/44, Malitola, N.S.Rd. Dhaka,</li> <li>Jessore Br., 47, Netajee Subash Chandra Rd., Jessore,</li> <li>Gonakbari Br. Gonakbari, Shamser Plaza, Savar, Dhaka,</li> <li>Uttara Br., H #24, R#13, Sector#4, Uttara, Dhaka.,</li> <li>Foreign Exchange Br., 82, Motijheel C/A, Dhaka</li> <li>Dhanmondi Br., H#99, R#11/A, Dhanmondi R/A, Dhaka</li> <li>Eskaton Br. 133, New Eskaton Rd, Dhaka,</li> <li>Bogra Br., 331/364, Rongpur Rd. Bogra,</li> <li>Madhabdi Br. Madhabdi Bazar, Narsingdi,</li> <li>Banani Br. House-62, Block-E, Kamal Ataturk Avenue, Dhaka,</li> <li>IBB Mirpur, Dhaka Br. Mamoni Tower, 1244 East Monipur, Mirpur,</li> <li>IBB O.R. Nizam Road Br. 739/804 CDA Avenue, Chittagong,</li> <li>Pragati Sarani Br. Facility Tower, Badda, Dhaka.</li> <li>IBB Br. B.S Plaza Pahartoli, Chittagong,</li> <li>Shimrali Branch, Narayangonj,</li> <li>Shyomili Br. Mohammadpur, Dhaka.</li> <li>Tongi Br., Plot#09, Block#F, Tongi, Gazipur,</li> <li>Fatickchari Br. Chittagong,</li> </ol>	<ol style="list-style-type: none"> <li>Main Branch, Dilkusha C.A. Dhaka</li> <li>Dhanmondi Br. Dhanmondi Dhaka.</li> <li>Kawranbazar Br. Kawranbazar, Dhaka.</li> <li>Mirpur Br. Mirpur, Dhaka</li> <li>Elephant Road Br. Dhaka.</li> <li>Motijheel Br. Dhaka.</li> <li>Satmosjid Road Br. Dhaka.</li> <li>Ashulia Br. Dhaka.</li> <li>Banani Br. Dhaka.</li> <li>Mohakhali Br. Mohakhali, Dhaka.</li> <li>Nayabazar Br. Nayabazar, Dhaka.</li> <li>Khatungonj Br. Khatungonj, Chittagong.</li> <li>Agrabad Br. Chittagong</li> <li>Jubilee Road Br. Chittagong.</li> <li>Rajshahi Br. Rajshahi</li> <li>Naogaon Br. Naogaon.</li> <li>Sylhet Branch. Shylet.</li> <li>Uttara Br. Uttara</li> </ol> <p><b>Investment Corporation of Bangladesh</b></p> <ol style="list-style-type: none"> <li>Head Office, BSB Building (12<sup>th</sup>, 13<sup>th</sup>, 14<sup>th</sup>, &amp; 15<sup>th</sup> Floor) 8, DIT Avenue, Dhaka.</li> <li>Local Office, Nayapaltan, VIP Road, Dhaka.</li> <li>Chittagong Br. Pine view, 100, Agrabad C/A, Chittagong</li> <li>Rajshahi Br., Gaffar Plaza, Saheb Bazar, Rajshahi</li> <li>Khulna Br., Shilpa Bank Bhaban, 25-26, KDA C/A, Khulna.</li> <li>Barishal Br., 87-88, Hemayat Uddin Road, Barishal.</li> <li>Sylhet Br., Chamber Building, Jail Road, Sylhet</li> <li>Bogra Br., Bogra Islamic Studies Group Bhaban, Station Road, Satmatha, Bogra</li> </ol> <p><b>Export Import Bank of Bangladesh Limited</b></p> <ol style="list-style-type: none"> <li>Motijheel Br. Sharif Mansion Motijheel Dhaka.</li> <li>Panthapath Br, 19/2, West Panthapath Dhaka</li> <li>Gulshan Br. 75, Gulshan Avenue, Dhaka-1212</li> <li>Rajuk Avenue Br. 9, Rajuk Avenue, Motijheel, Dhaka.</li> <li>Uttara Br. H#61/A, R#7, Sector#4, Uttara Model Town, Uttara, Dhaka.</li> <li>Agrabad Branch, Mawla Chamber, Chittagong.</li> <li>Jubilee Road Br. 63-64, Jubilee Road, Chittagong.</li> <li>Sylhet Br. Al-Hamra Shopping City, Zinda Bazar, Sylhet.</li> <li>Bogra Br. Sheik Mansion, Borogola, Bogra.</li> <li>Jessore Br. 37, M.K Road, Jessore</li> <li>Elephant Road Br. 218, Elephant Road, Dhaka</li> <li>Malibagh Br. 484, DIT Road, Malibag, Dhaka.</li> <li>Ashulia Br. Rifat Square Plaza, Jamgara, Savar.</li> </ol>	<ol style="list-style-type: none"> <li>Principal Br., 30-31, Dilkusha C/A, Dhaka</li> <li>Merchant Banking Wing, Dilkusha C/A, Dhaka.</li> <li>Kawranbazar Br. Kawranbazar, Dhaka</li> <li>Kakrail Branch, Kakrail, Dhaka</li> <li>Dhanmondi Br. Mirpur Road, Lalmatia Dhaka.</li> <li>Mohakhali Br. Pacific Plaza, Mohakhali, Dhaka.</li> <li>Gulshan Br. Gulshan Dhaka.</li> <li>New Elephant Rd, Br., Dhaka</li> <li>Nawabpur Br., Nawabpur Rd., Dhaka</li> <li>Uttara Branch, Uttara Dhaka</li> <li>Mirpur Branch, Mirpur-1, Dhaka</li> <li>Rokeya Sharani Branch, Dhaka</li> <li>Khulna Branch, KDA C/A, Khulna</li> <li>Modhuban Branch, Bandar Bazar, Sylhet</li> <li>Agrabad Br., Agrabad C/A, Chittagong.</li> </ol> <p><b>Southeast Bank Limited</b></p> <ol style="list-style-type: none"> <li>Principal Br, 1 Dilkusha C/A, Dhaka</li> <li>Imamgonj Br., Mitford Rd., Dhaka-1100.</li> <li>Dhanmondi Br., Dhaka-1205.</li> <li>Uttara Br., Uttara Model Town, Dhaka,</li> <li>New Elephant Rd. Br. Dhaka.</li> <li>Gulshan Br., Gulshan Avenue, Dhaka-1212.</li> <li>Motijheel Br., Motijheel C/A, Dhaka</li> <li>Kawran Bazar Br., Dhaka</li> <li>Banani Branch, Banani, Dhaka</li> <li>Bangshal Br, North South Rd, Dhaka</li> <li>New Eskaton Br. Ramna Dhaka.</li> <li>Agargaon Br. Mohammadpur Dhaka. ,</li> <li>Bandar Bazar Br. (Islami Banking), Shylet.,</li> <li>Shahjahan Upashahar Br. Main Road Sylhet.</li> <li>Laldighirpar Br., New Market, Sylhet,</li> <li>Chouhatta br. Choutatta, Sylhet.</li> <li>Moulivi Bazar Br., Moulivi Bazar</li> <li>Kulaura Br., Moulivi Bazar</li> <li>Agrabad Br., Agrabad C/A Chittagong,</li> <li>Jubilee Road Br., Jubilee Road, Chittagong</li> <li>Khatungonj Br, Khatungonj, Chittagong</li> <li>Halishahar Br, Halishahar H.E, Chittagong</li> <li>CDA Avenue Br., Pachlaih, Chittagong</li> <li>Cox's Bazar Br., Bazar Ghat, Cox Bazar.</li> <li>Chagalnaya Br. (Islami Banking) Feni</li> <li>Feni Branch, Feni,</li> <li>Khulna Br., Sir Iqbal Road Br., Khulna.</li> </ol> <p><b>Standard Bank Limited</b></p> <ol style="list-style-type: none"> <li>Principal Br. Dhaka.</li> <li>Foreign Exchange Br. Dhaka.</li> <li>Topkhana Road Br., Dhaka.</li> <li>Imamgonj Br. Dhaka.</li> <li>Gulshan Br. Dhaka.</li> <li>Dhanmondi Br. Dhaka.</li> <li>Uttara Br. Dhaka.</li> <li>Jubilee Rd. Br. Chittagong.</li> <li>Agrabad Br. Chittagong.</li> <li>Khatungonj Br. Chittagong.</li> <li>Khulna Br. Khulna.</li> <li>Sylhet Br. Sylhet.</li> </ol>
<p><b>The Trust Bank Limited</b></p> <ol style="list-style-type: none"> <li>Principal Branch, Trust Bhaban, 98, Shahid Swarani, Dhaka Cantonment, Dhaka-1206.,</li> <li>Sena Kallyan Bhaban Branch, Sena Kallyan Bhaban, 195, Motijheel C/A, Dhaka-1000</li> <li>Gulshan Corporate Branch, 110, Gulshan Avenue, Dhaka</li> <li>Agrabad Branch, BSB Bhaban 106, Agrabad C/A, Chittagong</li> <li>Dhanmondi Branch, BDR Headquarters, 4, BDR Gate, Peelkhana, Dhaka</li> <li>Comilla Cantonment Br. Comilla</li> <li>Rangpur Cantonment Br. Rangpur</li> </ol>		



08. A Non-Resident Bangladeshi (NRB) shall apply against the IPO either directly by enclosing a foreign demand draft drawn on a Bank payable at Dhaka, or through a nominee (including a bank or a company) by paying out of foreign currency deposit account maintained in Bangladesh, for the value of Securities applied for. The value of Securities applied for may be paid in Taka, US Dollar or UK Pound Sterling at the rate of exchange mentioned in the Share Application Form. Refund against over subscription of Shares shall be made in the currency in which the value of Shares applied for was paid by the applicant. Share Application Form against the quota for NRB shall be sent by the applicant directly along with a draft or cheque to the Company at its Registered Office. Copies of Application Form and Prospectus shall be available with Bangladesh Embassy/High Commission in USA, UK, Saudi Arabia, UAE, Qatar, Kuwait, Oman, Bahrain, Malaysia and South Korea and web site of ICICL and the SEC.
09. The IPO subscription money collected from investors (other than Non-Resident Bangladeshis) by the Bankers to the Issue will be remitted to the Company's **STD Account No. 13100001721** With **Southeast Bank** Principal Branch for the purpose.
10. The subscription money collected from Non-Resident Bangladeshis in US Dollar, UK Pound Sterling, Euro shall be deposited to "FC Account(s) for IPO". In case of over subscription, refund shall be made by the Company out of the "FC Account(s) for IPO". The Company has opened required **FC Account No. 15100001569** With **Southeast Bank** Principal Branch for IPO in US Dollar, UK Pound Sterling, Euro. This accounts will closed after refund of over-subscription, if any.

APPLICATIONS NOT IN CONFORMITY WITH THE ABOVE REQUIREMENTS AND  
THE INSTRUCTIONS PRINTED ON THE APPLICATION FORM ARE LIABLE TO BE REJECTED.

#### **UNDERWRITERS OBLIGATION**

If and to the extent that the Shares offered to the public through a Prospectus authorized hereunder shall not have been subscribed and paid for in cash in full by the closing date, the Company shall within 10 (ten) days of the closure of subscription call upon the underwriter in writing with a copy of the said writing to the Securities and Exchange Commission, to subscribe the Shares not so subscribed within the closing date and to pay for in cash in full, inclusive of any premium, if applicable, for such unsubscribed Shares within 15 (fifteen) days after being called upon to do so. If payment is made by Cheque/Bank Draft by the underwriter it will be deemed that the underwriter has not fulfilled his obligation towards underwriting commitment under this agreement, until such time as the Cheque/Bank Draft has been encashed and the Company's account credited. In any case within 7 (seven) days after expiry of the aforesaid 15 (fifteen) days, the Company shall send proof of subscription and payment by the underwriters, to the Commission. In the case of failure by the underwriter to pay for the Shares under the terms mentioned above, the said underwriter will not be eligible to underwrite any Issue, until such time as he fulfills his underwriting commitment under this Agreement and also other penalties as may be determined by the Commission.

#### **UNDERWRITING COMMISSION**

Each underwriter will be paid general commission @ 0.50% of the nominal value of Shares underwritten by them out of the Underwriting amount of Tk. 50,250,000.00. Simultaneously, with the calling upon an underwriter to subscribe or procure subscriber and pay for any number of Shares, the Company will pay to that underwriter an additional commission @ 2.50% of the nominal value of Shares required to be subscribed by them.



### **COMMISSION TO THE BANKER TO THE ISSUE**

Commission @ 1/4<sup>th</sup> of 1% of the amount collected will be paid to the Bankers to the Issue for the services to be rendered by them.

### **MANAGER TO THE ISSUE**

AAA Consultants & Financial Advisers, Amin Court, 4th Floor, 62-63 Motijheel C/A., Dhaka-1000, is the Manager to the Issue. The Issue Manager will be paid a fee of Tk. 700,000 for the Public Issue.

### **BROKERAGE**

The Company shall pay brokerage @ 1% only on the paid up value of Shares allotted to the members of recognized Stock Exchanges on Applications bearing their rubber stamp. Neither the brokerage to the members of the Dhaka & Chittagong Stock Exchange nor the commission to the Bankers shall be payable in respect of the Shares taken up by the underwriters in discharge of their underwriting obligation

### **Miscellaneous**

#### **ISSUE MANAGER**

#### **AAA Consultants & Financial Advisers**

Amin Court, 4<sup>th</sup> Floor (Suit#404)  
62-63, Motijheel C/A, Dhaka-1000

#### **AUDITOR**

#### **A Wahab & Co.**

Chartered Accountants

#### **BANKER**

#### **Southeast Bank Limited**

#### **COMPANY'S COMPLIANCE OFFICER**

#### **Mr. Mosharef Hossain**

Senior Vice President and Company Secretary

All investors are hereby informed by the Company that it has appointed a Compliance Officer who may be contacted in case of any Pre-Issue / Post Issue related problems such as, non-receipt of letters of allotment /Share Certificates/Refund warrants/Cancelled Stock Investors, etc.

### **Material Contracts**

The following are material contracts in the ordinary course of business, which have been entered into by the Company.

- a) Underwriting Agreement between the Company and the Underwriters.
  - b) Issue Management Agreement between the Company and the Manager to the Issue, AAA Consultants & Financial Advisers.
  - c) Contract between the company and the Central Depository Bangladesh Ltd. (CDBL).
- Copies of the aforementioned contracts and documents and a copy of Memorandum and Articles of Association of the Company and the Consent Order from the Securities and Exchange Commission may be inspected on any working day during office hours at the Company's Registered Office.



## Credit Rating Report of Premier Leasing International Ltd.

	Long Term	Short Term
Entity Rating	BB	ST-4
Date of Rating	March 24, 2005	

Analysts: Mr. Ayub Meor of RAM, Malaysia / Ms. Sabeen Salim of JCR-VIS, Pakistan / Mr. Mir Farhad Ali and Mr. Fajlul Karim Khan of CRISL, Bangladesh

### 1. RATIONALE

Credit Rating Information and Services Limited (CRISL) assigns 'BB' (pronounced as double Be) rating to Premier Leasing International Ltd. (PLIL) in the long term and ST-4 rating in the short term. This has been done on the basis of PLIL's poor asset quality, small market share, unstructured internal control procedure, inadequate operation level human resources, etc. Financial Institutions rated in this category are adjudged to lack key protection factors, which results in an inadequate safety. This level of rating indicates a Financial Institution as below investment grade but deemed likely to meet obligations when due. Overall quality may move up or down frequently within this category. The short-term rating indicates that the company has the capacity to meet its short-term obligations with its flexibility in liquidity management. Other protection factors qualify issues as to invest grade. Risk factors are larger and subject to more variation.

### 2. COMPANY PROFILE

Premier Leasing International Ltd is a Non-Banking Financial Institution (NBFI) established under the Financial Institutions Act, 1993. The company was incorporated as a Public Limited Company on September 26, 2001 under the Companies Act, 1994. Having the license from Bangladesh Bank PLIL launched its operation on February 04, 2002 with an authorize capital of Tk. 400 million consisting of 4 million shares of Tk.100 each. The company achieved a commendable growth of credit portfolio during the last two years of its operation. Outstanding credit portfolio of the company stood at Tk. 862.77 million as on 31st December 2004. PLIL enjoys credit lines from 10 Banks to the tune of Tk. 224.58 million and Tk. 40.00 million worth of debenture facilities from Investment Corporation of Bangladesh (ICB). The company offers a wide range of products under lease finance and direct finance. The corporate address of PLIL is 5, Rajuk Avenue, Printers Building (15th Floor), Dhaka-1000, Bangladesh.

### 3. MARKET SHARE

PLIL is a third generation NBFI and holds 1.19% share of the total NBFI credit portfolio as on 31st December 2003 (0.45% in YE 2002). Its credit portfolio stood at Tk. 433.81 million in YE 2003 as compared to Tk. 131.56 million in YE 2002. As a new entrant in the market PLIL achieved much higher growth of credit portfolio than overall growth of the industry (NBFI). The company achieved a portfolio growth of 229.74% as against industry growth of 25.86% in YE 2003. Again credit portfolio size of the company has also been increased in YE 2004 with a growth rate 98.88%.

### 4. OWNERSHIP PATTERN

PLIL is a closely held Public Limited Company sponsored by a diverse group of businessmen and professionals. As on 31st December 2004, twenty one sponsors are holding 1227828 numbers of shares of TK 100 each. Mr. A.S.M. Feroz Alam holds highest shareholdings 13.46% in the share capital. The Board Chairman Dr. Mizanur Rahman Shelley holds 3.92% shares. There are nine shareholders holding more than 5% shares of the company (joint holding is 66.00%). On the other hand there are four shareholders holding more than 7.00% each (joint holding is 35.85% shares). The above shareholding pattern will be changed on issue of additional 45% shares to the public.

### 5. CORPORATE GOVERNANCE

Corporate governance is a blend of law, regulations, enforcement and appropriate voluntary practice by the companies that permit a corporate to attract capital, perform efficiently and generate long term economic value for its shareholders while respecting the interest of its stakeholders and society as



a whole. The specific areas covered are transparency in disclosure of relevant reliable financial and operational information, information on ownership and control, information on internal processing of management.

### **5.1 Board of Directors**

The Board of PLIL consists of 11 Sponsor Directors and Managing Director as ex-officio. Dr. Mizanur Rahman Shelley is the Chairman of the Board. Mr. Shelley did his Ph. D from United Kingdom and engaged himself in various business enterprises and development organizations. He is the Chairman of Centre for Development Research, Bangladesh. Total 11 Directors jointly hold 69.68% shares of the company. In order to facilitate business operation, the Board has formed two committees, namely, Executive Committee and Audit Committee. Executive Committee is headed by Board Director Engr. A.Z.M Akramul Huq and Audit Committee is headed by another Director Mr. Khairul Anam. There were 12 board meetings in 2004. The function of the Board is limited to the policy issues. The above two committees are functioning independently and reporting to the Board for information.

### **5.2 Management**

A team of experienced executives operate the business of PLIL under the leadership of Managing Director Mr. Mohammad Hafiz Ahmed. Having 35 years of experience in different financial institutions at home and abroad, Mr. Ahmed joined PLIL in 2002. He started his career as a probationary officer in the erstwhile United Bank Limited, Pakistan. Mr. Ahmed is aided by one Executive Vice President, one Senior Vice President, two Senior Assistant Vice Presidents and two Principal Officers. Operation & Marketing Department is headed by Senior Assistant Vice President. All financing activities, documentation and legal affairs operate under this department. Finance & Accounts Department is headed by Senior Assistant Vice President. This department coordinates both accounts and treasury. The Company Secretary (rank of Senior Vice President) heads Administration, Human Resources Department and Corporate Affairs Department. Mr. R. A. Howlader, an experienced banker has been engaged as Consultant.

### **5.3 Human Resources (HR) Policy**

The company has a structured Service Rules. With staff strength of 16 (including 3 support staffs) PLIL offers congenial working environment. However, present staff strength is found to be inadequate to handle its growing earning assets. Salary and compensation packages of the company are found to be average as compare to the other competitors in the industry. Although the employee turnover of PLIL is found to be insignificant there is a growing demand of experienced and skilled manpower in Financial Sector. The PLIL has established relationship with leading executive training houses. In 2004, seven executives participated as much as six different training program related to lease financing, development of managerial skills, marketing of financial products, etc.

### **5.4 Delegation of Power**

The Board of PLIL has delegated certain Business, Financial and Administrative powers to Executive Committee (EC) as well as to the Managing Director for smooth operation of business. The Executive Committee enjoys business delegation equivalent amount to 20% of paid-up capital of the company. These delegations are appeared to be sufficient at this stage to run the business effectively.

### **5.5 Management Information System**

As a third generation NBFI with age of three years, PLIL achieved a satisfactory level of development in IT infrastructure. The executives are working in a LAN environment with support of Intel Pentium 4 (2.8 GHz) Server. Accounts department uses Ex-Next Generation accounting software of Tata Consultancy Services Ltd. of India. Recently, the company bought integrated lease solution software (locally developed) having four modules. This software will cover accounts, loan administration, MIS and check tracking. This software is being used by several Financial Institutions and considered to be sufficient for PLIL at this stage of development. This software is expected to produce sector wise portfolio, up dated portfolio, overdue status, rescheduling agreements report, etc.

### **5.6 Internal Control Procedure**

PLIL is yet to form any internal audit department for its internal control. The company follows an unstructured internal control practices. However, the Board has formed an Internal Audit Committee recently to assist the Board of Directors in respect of audit, corporate governance, risk management and regulatory compliances. The responsibilities of Internal Audit Committee include the evaluation and facilitate discharge of internal audit function of the company, formulate and review the internal



audit procedure. As per the Board resolution Internal Audit Committee will meet at least once in every month. During 2004, the Internal Audit Committee had two meetings.

## **6. CREDIT APPRAISAL AND APPROVAL SYSTEM**

Like other competing NBFIs the PLIL follows quick approval system for its clients. Operation department receives application from the clients, appraises the same and submits appraisal report to Managing Director for approval. Managing Director, Executive Committee and the Board approves the proposals within the jurisdiction. Operation department collects the supporting documents as per the predetermined check list of the company. On an average the company takes 2-3 days to decide on the applications from existing and established organization while it takes 5-7 days for new clients and large loans/lease applications.

## **7. RISK MANAGEMENT**

The PLIL operates business under a documented risk management policy. Integrated Lease Solution software (check tracking module) is being used as tool of operation and risk management. In addition, newly formed Internal Audit Committee has started operation. The company formulated an operating policy guideline for the credit risk management which is being reviewed periodically to match with the business development. However it needs further development for full coverage. The company has a sectoral exposure limit of 30%, which considers as high sectoral concentration policy. Single enterprise exposure has been fixed at not more than 20% of equity. Single group of companies' exposure should not ordinarily exceed 30% of paid up capital and free reserves. Industrial sub-sector exposure specified within 25% of paid up capital or free reserves. However, money market participation by the company is without having any specific guidelines or ceiling. The Board is yet to form Assets-Liabilities Management Committee. Managing Director under his own supervision maintains assets-liabilities maturity structure.

## **8. MARKETING ASPECTS**

PLIL achieved a satisfactory growth of its loan portfolio in YE 2004. Business Plan -2005 reveals another growth of 106.52% of investment portfolio, representing a projected total investment of Tk. 1.76 billion. The sources of fund for the above investment are identified in the business plan. However, company is yet to form a separate marketing team to implement the Business Plan. Under the direct supervision of Managing Director Operation Department is responsible for business procurement, loan disbursement, loan administration, collection, etc. Operation team (manned with 3 executives) is also responsible for deposit collection. Term deposit of PLIL has increased by 130.35% in YE 2004. PLIL has diversified its product line and introduced term loan, house building loan with its core product lease financing in vehicles, computers, garments machineries, water purification plant, telecommunication, etc. Personal financing scheme includes household durables.

## **9. PERFORMANCE**

The financial performance of PLIL in YE 2004 is satisfactory although the same was based on volatile source (capital market) of earnings. The company reported net profit after tax of Tk. 63.49 million in YE 2004 from Tk. 7.82 million in YE 2003, an extra ordinary growth of 715.60%. Non-interest (other operational) income has increased from Tk. 5.86 million to Tk. 60.65 million in YE 2004. This figure includes income from investment in shares, which has contributed mainly to the above performance. However, the company did not provide required provision for the non-performing loan (NPL), which was 22.20% during YE 2004. PLIL charged 1% provision only considering the total amount as unclassified and thus misleading the net profit after tax. High overdue decreases the return of the lease financing and subsequently affect the profitability.

The company earned lease rental of Tk. 133.66 million in YE 2004 compared to Tk. 70.13 million in YE 2003 (90.60% growth). Interest earning on direct finance stood at Tk. 48.30 million from Tk. 16.51 million (192.55% growth). The entire after tax profit of the company amounting to Tk 63.49 million has been transferred to retained earning without any allocation or distribution. However, the Board of PLIL has recently approved the bonus share and applied to Securities and Exchange Commission for necessary approval.

While making a peer analysis it has been observed that the net profit margin of the company was 28.93% as compared to peer average of 30.76% in 2004. The above performance of the company



increased the return on average asset to 8.05% in YE 2004 from 4.21% in YE 2003 (Peer-5.43% in YE 2003). Thus, return on average equity has enormously increased to 54.37% in YE 2004 from 13.63% only during preceding year (Peer-25.60% in YE 2003). As said earlier the above performance of PLIL is based on non-recurring income from trading in shares. The company has been operating under satisfactory level of operating overhead, though operating expenses have increased by 106% in YE 2004. However, efficiency ratio (cost to income) of the company has been decreasing during last three years and stood at 54.55% in YE 2004, one of the lowest in the peer group. The company earned yield of Tk. 14.44 by spending one taka for its staff during the year. However, this yield was less than the peer average during YE 2003. Increasing earning assets size has reduced PLIL's general and administrative expenses ratio.

## 10. ASSET QUALITY

The asset quality of PLIL is poor. Lease assets has NPL ratio (six months & above) of 22.20% with infection ratio of 49.31% as on 31<sup>st</sup> December 2004. The company did not follow the BB guideline of loan classification; therefore, FICL statement did not reflect the genuine asset quality of the company. Three months and above infection was 37.79% during the same period. Overdue to outstanding assets (as per audited accounts) has increased from 4.72% in YE 2003 to 6.78% in YE 2004, indicating increasing trend of overdue. In addition, Directors' loan (as per statement submitted to BB) stood at Tk. 36.94 million as on 31<sup>st</sup> December 2004. Overdue of the above Directors' loan stood at Tk. 3.25 million, representing 8.80% overdue. Again a single Director has taken Tk. 23.74 million (64.27% of total Directors' loan) with overdue of Tk. 2.61 million, representing overdue of 10.99%. The total asset size of PLIL stood at Tk. 1228.81 million in YE 2004 against Tk. 515.64 million in YE 2003, representing overall assets growth of 138.45%. The assets comprises of fixed assets of Tk. 5.18 million (0.42% of total assets), lease assets of Tk. 511.79 million (41.65% of total assets), direct finance of Tk. 350.98 million (28.56% of total assets) including house building and real estate finance of Tk. 51.93 million, investment in shares of Tk. 32.78 million (2.66% of total assets), cash and cash equivalent of Tk. 296.93 million (24.16% of total assets) and other current assets of Tk. 38.01 million (3.09% of total assets). The balance of Provision for bad & doubtful accounts stood at Tk 8.10 million in YE 2004.

### 10.1 Lease Financing

Lease assets portfolio of PLIL stood at Tk. 511.79 million in YE 2004, representing 69.63% growth from preceding year. It is expected that the lease assets portfolio of the company will increase further as the IPO offer will increase the capital base. However, insufficient marketing operation and monitoring set-up may lead to increasing in assets infection. Overall infection (considering one & above months overdue) of lease assets was 49.31% during YE 2004. Total overdue amount was Tk. 53.49 million, representing 12.31% of outstanding lease financing. NPL ratio in this class of finance was high and the coverage was as low as 8.40% only. Three months and above infection was also high (37.79%) since major (76.64% of total overdue) overdue was three & above three months. However, management did not formally reschedule any lease assets so far, though; undocumented flexible terms & conditions facilities in some cases have been observed. Large loan exposure of the company identified high as lease asset was confined 83.89% in Tk. 5.00 million & above loan and 66.37% in Tk. 10.00 million & above.

### 10.2 Direct Financing

Direct financing portfolio of PLIL stood at Tk. 350.98 million in YE 2004, representing 165.69% growth from the preceding year. Direct finance constitutes long term finance of Tk. 263.43 million (75.06% of total direct finance), house building loan of Tk. 51.93 million (14.82% of total direct finance) and receivable of Tk. 35.62 million. Infection rate was stable and stood at 12.63% in YE 2004 from 12.07% in YE 2003. Overdue to outstanding direct finance was 2.69% in YE 2004 (2.53% in YE 2003). Large loan exposure in this class was also high since the portfolio was confined 51.00% in Tk. 5.00 million & above loan and 45.00% in Tk. 10.00 million and above loan.

### 10.3 Fixed Deposit

PLIL has been earning 1% interest margin from the fixed deposit of Tk. 200.00 million. The company has taken call loan with fixed interest rate of 6.75% and depositing the same amount with 7.75% interest as fixed deposits. The maturity of the both is different, however, call loan verbally in line with the fixed deposit maturity. The above arrangement represents 58.99% of total fixed deposits of Tk. 339.03 million as on December 31, 2004. However, rest of the fixed deposits represents low interest bearing instruments (average 9.59%) than the overall cost of fund (average 10.76%), affecting profitability. In order to get overdraft facilities from banks NBFIs requires certain amount of fixed deposits as lien. Sufficient overdraft facilities are necessary for financial flexibility of NBFIs. PLIL has been keeping an amount as fixed



deposits in different banks to enjoy overdraft facilities as well as Statutory Liquidity Requirement (SLR) of Tk. 13.36 million in the month of December 2004. Interest income from deposits with bank was Tk. 12.75 million in YE 2004.

#### **10.4 Investment in Shares**

The investment in primary and secondary shares of PLIL stood at Tk. 32.78 million as on 31<sup>st</sup> December 2004. The company earned Tk. 30.14 million from the share trading as dividend and capital gain during 2004. However, the market value of the existing shares as on February 13, 2004 was Tk. 31.02 million against the cost price of Tk. 32.78 million, representing unrealized loss of Tk. 1.76 million. The above investment (share of two leading private commercial banks) considers as blue chip shares in Dhaka Stock Exchange.

#### **10.5 Sectoral Exposure**

The overall loan exposure of the company segregated among 13 different sectors. The company has a sectoral exposure limit of 30% as per the operating policy, however, highest sectoral exposure found in education sector (23.07% in YE 2004). The company has exposure of Tk. 179.71 million (outstanding as per 31<sup>st</sup> December 2004) in a single Private University, considering high concentration in a single institution, however, the cash flow was found to be strong. The said University is a reputed University among the private Universities of Bangladesh. The investment of the company under this sector does not carry any over due amount and the quality is found to be good. Transport sector was highest infected sector among the above 13 sectors and have an overdue of Tk. 26.51 million, representing 45.83% of total overdue amount. Textile sector carries the second highest investment representing 18.48% of its total exposure (with 4.69% overdue) in a single company. Recently, the company has been trying to reduce its exposure in transport sector due to high infection. Exposure in textile sector has also been reduced considering the consequences of Post MFA.. Loan exposure in Information Technology has been increased from 1.69% in YE 2003 to 13.48% in YE 2004 along with its overdue from Tk. 1.69 million to Tk. 3.61 million in YE 2004.

### **11. LIQUIDITY & FUNDING**

PLIL enjoys satisfactory level of financial flexibility. Term deposit is the main source of fund for PLIL, which constitutes Tk. 480.52 million (39.10%) of total funding base of Tk. 1228.80 million. Funding composition in addition to the above term deposit includes shareholders' equity of Tk. 193.79 million including share money deposit (15.77%), long term loan of Tk. 264.58 million including debenture (21.53%), current liabilities of Tk. 270.00 million (21.97%) and lease deposits of Tk. 13.23 million (1.08%) in YE 2004. Shareholders injected additional share money of Tk. 65.41 million (waiting for approval of Security and Exchange Commission), which has improved the capital base of the company. Long term loan from different banks has increased from Tk. 190.06 million to Tk. 264.58 million, representing growth of 18.16%, whereas, term deposit has increased from Tk. 208.60 million to 480.52 million in YE 2004, representing growth of 130.35%. Term deposit includes 41.62% deposits from Financial Institutions (FIs), 5.41% deposits from insurance companies, 10.39% deposits from other non-financial institutions and 42.57% deposits from individual customers. Customer base of the company found satisfactory. However, term deposit of PLIL found high cost bearing source of fund, specially, double money deposit scheme offers high interest rate to the customers. Money at call & short notice fund exposure has been increased from Tk. 20.00 million to Tk. 230.00 million in YE 2004. PLIL enjoys fixed interest rate (6.75%) call loan facilities for one month (verbal maturity) from two Banks of Tk. 200.00 million.

The company piled up cash & cash equivalent of Tk. 296.93 million, which includes fixed deposit of Tk. 200.00 million for one month financed from call borrowing (verbally approved for one month) and thus made the liquidity related ratios relatively strong. Current ratio of the company stood at 1.68 times in YE 2004 (2.03 times in YE 2003) against the peer average of 0.96 time and liquid assets to current liabilities stood at 1.10 times in YE 2004 (1.49 times in YE 2003) against the peer average of 0.23 times, representing satisfactory level of liquidity position of the company. However, PLIL did not consider term deposit with one year maturity (renewable) in the current liabilities, thus facilitating strong liquidity ratios as compare to the peer average. Time interest earned ratio has been found lower than the peer average, which stood at 3.02 times against peer average of 4.67 times in YE 2004.

#### **11.1 Credit Lines**

PLIL has established good relationship with the private commercial banks, Investment Corporation of Bangladesh (ICB), etc., representing increasing trend of financial flexibilities. The company enjoys a limit of Tk. 743.84 million credit lines in different modes (term loan, L/C, O/D and Debenture) in twelve



different financial institutions. The company availed an amount of Tk. 613.86 million against the aforesaid limits, representing 82.53% utilization rate. Term loan interest rate varies from 14.00% to 11.75%. PLIL have the facilities of Tk. 103.84 million overdraft limits with three different banks. The company also issued debenture of Tk. 40.00 million to ICB @ 13.50%. PLIL has been negotiating of Tk. 1.50 billion for future credit lines (term loan, L/C, call loan facilities) with new and existing financial institutions.

## 12. CAPITAL ADEQUACY

PLIL, as a third generation NBFIs, piled up adequate equity. Shareholders' equity stood at Tk. 193.79 million in YE 2004 (YE 2003: Tk. 61.31 million) an increase of 216.08%. Equity includes Tk. 57.38 million paid-up capital and reserve & surplus of Tk. 71.01 million. Reserve & surplus includes statutory reserve of Tk. 14.80 million and retained earnings of Tk. 56.21 million. As said earlier, existing shareholders have paid Tk. 65.41 million share money deposits, constituting total paid up capital of Tk. 122.78 million. Recent move for Initial Public Offer (IPO) of Tk. 100.50 million will enhance the capital base of PLIL further. BB has set a deadline for all NBFIs to build up paid up capital and statutory reserve of Tk. 250.00 million within June 30, 2005. A successful floatation of IPO will meet the required capital within the given timeframe.

Capital adequacy related ratios of PLIL are found to be in line with the peer average and considered satisfactory. Equity to total assets of PLIL stood at 15.77%, which was in line with the peer average in YE 2004. This ratio has soared up from 11.89% in YE 2003 due to additional capital injection by the sponsors as said earlier. Equity to earning assets stood at 15.85% as against peer average of 15.46% in YE 2004. The company's long term gearing ratio is high as compared to short term gearing due to less dependency in the money market. Long term gearing was 3.95 times in YE 2004 as compared to 2.60 times of peer average. The company has borrowed 60.64% of its total fund requirement from long term loan from different banks, issuance of private placement debenture and term deposits. Internal capital generation of PLIL was high as compared to the peer average. BB does not allow the NBFIs having less than 250.00 million paid up capital and statutory reserve to declare cash dividend to the shareholders and thus the internal capital generation of those companies soared up significantly recent years.

## 13. ASSET-LIABILITIES MANAGEMENT

PLIL operates its financing activities in an unstructured assets-liabilities management environment. The assets and liabilities aging statement reveals a poor position during '>8 days' period, representing only 17.18% asset backings against liabilities of Tk. 30.03 million including Tk. 30.00 million overnight call liabilities. The fixed call liabilities of Tk. 200.00 million considers under '8 days-3 months' maturity. The company has been taking fixed call loan from the bank with lower interest rate and depositing the same amount in banks in one month maturity instruments and thus making 1% profit. However, as on 31<sup>st</sup> December 2004 the unutilized overdraft facility and term loan was Tk. 40.98 million and 30.00 million respectively, indicating sufficient financial flexibilities. Ageing statement of '8 days- 3 months' and '3 months-6 months' period reveals 112.15% and 163.95% assets against liabilities. However, the maturity in '1 -2 years' period found 73.27% assets against the liabilities of Tk. 352.93 million. The maturity structure of 2-5 years period found well matched.

## 14. SWOT ANALYSIS

<p><b>Strengths:</b></p> <ul style="list-style-type: none"> <li>? Experienced top tier management</li> <li>? Adequate equity base</li> <li>? Increasing funding base</li> <li>? Cost efficiency</li> <li>? Improving IT infrastructure &amp; MIS</li> </ul>	<p><b>Weakness:</b></p> <ul style="list-style-type: none"> <li>? Poor asset quality</li> <li>? Inadequate human resources in operation level</li> <li>? Substantial amount of low earning FDR</li> <li>? Inadequate risk management policies</li> <li>? Directors' loan exposure holds significant overdue amount.</li> <li>? Unstructured internal control practices.</li> <li>? High large loan exposure</li> </ul>
<p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>? Falling rate of borrowings</li> <li>? Scope for further product diversification</li> </ul>	<p><b>Threats:</b></p> <ul style="list-style-type: none"> <li>? Commercial banks have started lease financing business</li> <li>? Decreasing trend of lease rental rate due to increasing competition</li> </ul>



## 15. PROSPECTS

The role of NBFIs in providing quick finance to the various economic sectors of Bangladesh is now well recognized. Its growth and wider role in financing economic activities are promising, which is supported by promising macroeconomic indicators. Bangladesh expects a 5.50% to 5.75% growth of GDP in fiscal year 2004-05 despite losses caused by recent unprecedented flood as per the Bangladesh Bank Annual Report. The rate of inflation is projected to decline to 5.5% in fiscal year 2004-05 and to 4.0% in fiscal year 2007-08. The textile industry is likely to face significant competitive pressure in the international market with the possibility of an adverse shock on the balance of payments. Despite that Bangladesh economy is showing robust.

Similar to the BFIs, NBFIs enjoy the privilege of issuing shares, debentures and bonds to raise funds. These institutions are allowed to deal with public deposits through promissory notes and to borrow fund from the Financial Institutions on wholesale basis. Along with lease financing NBFIs are also allowed to extend short and long term direct finance. However, these financial institutions have been facing tough competition from the Banking Institutions in grabbing clients. In addition, Government has increased corporate tax from 40% to 45% for the financial institutions and imposed additional dividend distribution tax @ 10%, which will increase the effective dividend rate. Under the above backdrop, PLIL has been showing an outstanding growth of the asset portfolio albeit high inflation. It has the potential to attain further market share if the weaknesses (special concern over the asset quality) are properly addressed and opportunities are tapped in time. Moreover, higher degree of care for possible threats is likely to bring about a more promising future.

### End of the Report

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## CORPORATE INFORMATION

**Date of Incorporation:** September 26, 2001

**Commencement of Business:** September 26, 2001

### DIRECTORS:

Dr. Mizanur Rahman Shelley (Chairman)  
Mr. A S M Feroz Alam  
Mr. Md. Mizanur Rahman Chowdhury  
Mr. Atif Rahman  
Mr. A K M A Quadir  
Mr. A S M Faridul Alam  
Engr. A Z M Akramul Haq  
Mr. M. Rabiul Huq  
Mr. Khairul Anam  
Mr. Md. Saifuddin Khaled  
Mr. Maksud Morshed

**CONSULTANT:** Mr. R A Howlader

**AUDITOR:** M/S A. Wahab & Co. Chartered Accountants

Issuer Company:  
Premier Leasing International Limited



Issue Manager:  
AAA Consultants & Financial Advisers

**MANAGEMENT:**

Mr. Mohammad Hafiz Ahmed  
Mr. Md.Rafiqul Islam  
Mr. Mosharef Hossain  
Mr. Nazrul Islam Sr. Asstt.  
Mr. Md. Golam Mustafa

Managing Director  
Executive Vice President  
SVP & Company Secretary  
Vice President  
Sr. Asstt. Vice President

**CAPITAL HISTORY:**

Year	Authorized Capital (Million Taka)	Issued, Subscribed and Paid-up Capital (Million Taka)	Rate of Increase %	Source of Capital
2002	400	51.00	-	-
2003	400	57.38	12.51	Issuance of bonus Share
2004	400	122.78	140.75	Issuance of right Share



## CRISL RATING SCALES AND DEFINITIONS

### LONG TERM - BANKS AND NON BANK FINANCIAL INSTITUTIONS

RATING	DEFINITION
<b>AAA</b> Triple A (Highest Safety)	Financial Institutions rated in this category are adjudged to be of best quality, offer highest safety and have highest credit quality. Risk factors are negligible and risk free, nearest to risk free Government bonds and securities. Changing economic circumstances are unlikely to have any serious impact on this category.
<b>AA+, AA, AA-</b> (Double A) (High Safety)	Financial Institutions rated in this category are adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicates a corporate entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions.
<b>A+, A, A-</b> Single A (Adequate Safety)	Financial Institutions rated in this category are adjudged to offer adequate safety for timely repayment of financial obligations. This level of rating indicates a corporate entity with an adequate credit profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories.
<b>BBB+, BBB, BBB-</b> Triple B (Moderate Safety)	Financial Institutions rated in this category are adjudged to offer moderate degree of safety for timely repayment of financial obligations. This level of rating indicates that a Financial Institution is under-performing in some areas. Risk factors are more variable in periods of economic stress than those rated in the higher categories. These entities are however considered to have the capability to overcome the above-mentioned limitations.
<b>BB+, BB, BB-</b> Double B (Inadequate Safety)	Financial Institutions rated in this category are adjudged to lack key protection factors, which results in an inadequate safety. This level of rating indicates a Financial Institution as below investment grade but deemed likely to meet obligations when due. Overall quality may move up or down frequently within this category.
<b>B+, B, B-</b> Single B (High Risk)	Financial Institutions rated in this category are adjudged to be with high risk. Timely repayment of financial obligations is impaired by serious problems which the entity is faced with. Whilst an entity rated in this category might be currently meeting obligations in time, continuance of this would depend upon favorable economic conditions or on some degree of external support.
<b>C</b> (Very High Risk)	Financial Institutions rated in this category are adjudged to be with very high risk of timely repayment of financial obligations. This level of rating indicates entities with very serious problems and unless external support is provided, they would be unable to meet obligations in a timely fashion.
<b>D</b> (Default)	Financial Institutions rated in this category are adjudged to be either currently in default or expected to be in default. This level of rating indicates that the entities are unlikely to meet maturing financial obligations and calls for immediate external support of a high order.



### SHORT TERM - BANKS AND NON BANK FINANCIAL INSTITUTIONS

ST-1	<b>Highest Grade</b> Highest certainty of timely payment. Short-term liquidity including internal fund generation is very strong and access to alternative sources of funds is outstanding, Safety is almost like risk free Government short-term obligations.
ST-2	<b>High Grade</b> High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.
ST-3	<b>Good Grade</b> Good certainty of timely payment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital markets is good. Risk factors are small.
ST-4	<b>Satisfactory Grade</b> Satisfactory liquidity and other protection factors qualify issues as to investment grade. Risk factors are larger and subject to more variation.
ST-5	<b>Non-Investment Grade</b> Speculative investment characteristics. Liquidity is not sufficient to insure against disruption in debt service. Operating factors and market access may be subject to a high degree of variation.
ST-6	<b>Default</b> Issuer failed to meet scheduled principal and/or interest payments.





## INSTRUCTIONS

1. As per provision of Depository Act, 1999 and regulations made thereunder shares will only be issued in dematerialized condition. Please mention your BO (Beneficiary Owner) Account number in the Application form. If you do not mention your valid BO (Beneficiary Owner) Account, your application will be treated as invalid.
2. All information must be typed or written in full (in Block letters) in English or in Bengali and must NOT be abbreviated.
3. Application must be made on the Company's printed form/photocopy or typed copy/hand written form thereof.
4. Application must not be for less than 50 Ordinary Shares and must be for a multiple of 50 Ordinary Shares. Any Application not meeting these criterion will not considered for allotment purpose.
5. Remittance for the full amount of the Shares must accompany each Application and must be forwarded to any of the Bankers to the Issue. Remittance should be in the form of Cash/Cheque/Bank Draft/Pay Order payable to one of the Bankers to the Issue A/C "**Premier Leasing International Limited**" and crossed "**A/C Payee only**" and must be drawn on a Bank in the same town as the Bank to which the Application form has been sent.
6. In the case of Joint Application Form, the Allotment Letter will be dispatched to the person whose name appears first on this Application Form and where any amount is refundable in whole or in part the same will be refunded by Account Payee Cheque by post/courier service to the person named first on this Application Form in the manner prescribed in the Prospectus.
7. Joint Application form for more than two persons will not be accepted. In case of joint Application, each party must sign the Application Form.
8. Application must be in full name of individuals or companies or societies or trusts and not in the name of firms, minors or persons of unsound mind. Application from financial and market intermediary companies and Private Company must be accompanied by Memorandum and Articles of Association and Certificate of Incorporation.
9. An applicant can submit NOT more than two Applications, one in his/her own name and another jointly with another person. In case an applicant makes more than two Applications, those in excess of two Applications shall NOT be considered for allotment purpose.
10. No receipt will be Issued for the payment made with Application, but the bankers will issue a provisional acknowledgment to the Issue for Application lodged with them.
11. Refund will be made only through "**ACCOUNT PAYEE**" Cheque(s) with Bank A/C No. and name of Bank Branch as mentioned in the Application payable at Dhaka or Chittagong, as the case may be.
12. Allotment shall be made solely in accordance with the instructions of the Securities and Exchange Commission (SEC).
13. Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information shall make the Application liable to rejection and subject to forfeiture of Application money and/or forfeiture of the share (unit) before or after issuance of the same by the issuer. The said forfeited Application money or share (unit) will be deposited in account specified by the Securities and Exchange Commission (SEC). This may be in addition to any other penalties as may be provided for by law.
14. Applications, which do not meet the above requirements, or Applications, which are incomplete, shall NOT be considered for allotment purpose.
15. The Banker's to the Issue Banks shall be obliged to receive the A/C Payee Cheque(s) on the closing day of the subscription of the IPO.



**BANKERS TO THE ISSUE**

<p><b>Prime Bank Limited</b></p> <ol style="list-style-type: none"> <li>Motijheel Br., Motijheel C/A, Dhaka,</li> <li>Khatungonj Br. 142, Chand Meah Lane, Khatungonj.</li> <li>Moulvi Bazar Br. 77/4, Moulvi Bazar,</li> <li>Khulna Br., 07, Old Jessore Road, Khulna</li> <li>Islamic Banking Br. 19, Dilkusha C/A, Dhaka,</li> <li>Sylhet Br., Laldighirpar, Sylhet-3100,</li> <li>Mohakhali Br. 69, Mohakhali C/A, Dhaka,</li> <li>Barishal Br., 37, K.B, Hemayat Uddin Road, Barishal</li> <li>Rajshahi Br., 138/144, Shaheb Bazar, Rajshahi.</li> <li>Kawranbazar Br. 54 Kawranbazar C/A, Dhaka,</li> <li>Elephant Road Br. 136, Elephant Road, Dhaka,</li> <li>Islamic Banking Br. Nabiba Complex, Amberkhana, Sylhet. ,</li> <li>Court Rd Br., Court Rd., Moulvi Bazar, Sylhet</li> <li>Mouchak Br., Manahattah Tower, 83, Siddeswari Road Dhaka,</li> <li>Gulshan Br., Gulshan Avenue. Dhaka-1212,</li> <li>Narayangonj Br. 56 S.M. Maleh Road, Narayangonj</li> <li>Agrabad Br., Chamber House, Chittagong,</li> <li>Jubilee Rd Br., 05, Jubilee Rd. Chittagong,</li> <li>Bangshal Br., 43/44, Malitola, N.S.Rd. Dhaka,</li> <li>Jessore Br., 47, Netajee Subash Chandra Rd., Jessore,</li> <li>Gonakbari Br. Gonakbari, Shamser Plaza, Savar, Dhaka,</li> <li>Uttara Br., H #24, R#13, Sector#4, Uttara, Dhaka.,</li> <li>Foreign Exchange Br., 82, Motijheel C/A ,Dhaka</li> <li>Dhanmondi Br., H#99, R#11/A, Dhanmondi R/A, Dhaka</li> <li>Eskaton Br. 133, New Eskaton Rd, Dhaka,</li> <li>Bogra Br., 331/364, Rongpur Rd. Bogra,</li> <li>Madhabdi Br. Madhabdi Bazar, Narsingdi,</li> <li>Banani Br. House-62, Block-E, Kamal Ataturk Avenue, Dhaka,</li> <li>IBB Mirpur, Dhaka Br. Mamoni Tower, 1244 East Monipur, Mirpur,</li> <li>IBB O.R. Nizam Road Br. 739/804 CDA Avenue, Chittagong,</li> <li>Pragati Sarani Br. Facility Tower, Badda, Dhaka.</li> <li>IBB Br. B.S Plaza Pahartoli, Chittagong,</li> <li>Shimrali Branch, Narayangonj,</li> <li>Shyomili Br. Mohammadpur, Dhaka.</li> <li>Tongi Br., Plot#09, Block#F, Tongi, Gazipur,</li> <li>Fatickchari Br. Chittagong,</li> </ol> <p><b>The Trust Bank Limited</b></p> <ol style="list-style-type: none"> <li>Principal Branch, Trust Bhaban, 98, Shahid Swarani, Dhaka Cantonment, Dhaka-1206.,</li> <li>Sena Kallyan Bhaban Branch, Sena Kallyan Bhaban, 195, Motijheel C/A, Dhaka-1000</li> <li>Gulshan Corporate Branch, 110, Gulshan Avenue, Dhaka</li> <li>Agrabad Branch, BSB Bhaban 106, Agrabad C/A, Chittagong</li> <li>Dhanmondi Branch, BDR Headquarters, 4, BDR Gate, Peelkhana, Dhaka</li> <li>Comilla Cantonment Br. Comilla</li> <li>Rangpur Cantonment Br. Rangpur</li> </ol>	<p><b>Mercantile Bank Limited</b></p> <ol style="list-style-type: none"> <li>Main Branch, Dilkusha C.A. Dhaka</li> <li>Dhanmondi Br. Dhanmondi Dhaka.</li> <li>Kawranbazar Br. Kawranbazar, Dhaka.</li> <li>Mirpur Br. Mirpur, Dhaka.</li> <li>Elephant Road Br. Dhaka.</li> <li>Motijheel Br. Dhaka.</li> <li>Satmosjid Road Br. Dhaka.</li> <li>Ashulia Br. Dhaka.</li> <li>Banani Br. Dhaka.</li> <li>Mohakhali Br. Mohakhali, Dhaka.</li> <li>Nayabazar Br. Nayabazar, Dhaka.</li> <li>Khatungonj Br. Khatungonj, Chittagong.</li> <li>Agrabad Br. Chittagong</li> <li>Jublee Road Br. Chittagong.</li> <li>Rajshahi Br. Rajshahi</li> <li>Naogaon Br. Naogaon.</li> <li>Sylhet Branch. Shylet.</li> <li>Uttara Br. Uttara</li> </ol> <p><b>Investment Corporation of Bangladesh</b></p> <ol style="list-style-type: none"> <li>Head Office, BSB Building (12<sup>th</sup>, 13<sup>th</sup>, 14<sup>th</sup>, &amp; 15<sup>th</sup> Floor) 8, DIT Avenue, Dhaka.</li> <li>Local Office, Nayapaltan, VIP Road, Dhaka.</li> <li>Chittagong Br. Pine view, 100, Agrabad C/A, Chittagong</li> <li>Rajshahi Br., Gaffar Plaza, Saheb Bazar, Rajshahi</li> <li>Khulna Br., Shilpa Bank Bhaban, 25-26, KDA C/A, Khulna.</li> <li>Barishal Br., 87-88, Hemayat Uddin Road, Barishal.</li> <li>Sylhet Br., Chamber Building, Jail Road, Sylhet</li> <li>Bogra Br., Bogra Islamic Studies Group Bhaban, Station Road, Satmatha, Bogra</li> </ol> <p><b>Export Import Bank of Bangladesh Limited</b></p> <ol style="list-style-type: none"> <li>Motijheel Br. Sharif Mansion Motijheel Dhaka.</li> <li>Panthapath Br. 19/2, West Panthapath Dhaka</li> <li>Gulshan Br. 75, Gulshan Avenue, Dhaka-1212</li> <li>Rajuk Avenue Br. 9, Rajuk Avenue, Motijheel, Dhaka.</li> <li>Uttara Br. H#61/A, R#7, Sector#4, Uttara Model Town, Uttara, Dhaka.</li> <li>Agrabad Branch, Mawla Chamber, Chittagong.</li> <li>Jubilee Road Br. 63-64, Jubilee Road, Chittagong.</li> <li>Sylhet Br. Al-Hamra Shopping City, Zinda Bazar, Sylhet.</li> <li>Bogra Br. Sheik Mansion, Borogola, Bogra.</li> <li>Jessore Br. 37, M.K Road, Jessore</li> <li>Elephant Road Br. 218, Elephant Road, Dhaka</li> <li>Malibagh Br. 484, DIT Road, Malibag, Dhaka.</li> <li>Ashulia Br. Rifat Square Plaza, Jamgara, Savar.</li> </ol>	<p><b>Arab Bangladesh Bank Limited</b></p> <ol style="list-style-type: none"> <li>Principal Br., 30-31, Dilkusha C/A, Dhaka</li> <li>Merchant Banking Wing, Dilkusha C/A, Dhaka.</li> <li>Kawranbazar Br. Kawranbazar, Dhaka</li> <li>Kakrail Branch, Kakrail, Dhaka</li> <li>Dhanmondi Br. Mirpur Road, Lalmatia Dhaka.</li> <li>Mohakhali Br. Pacific Plaza, Mohakhali, Dhaka.</li> <li>Gulshan Br. Gulshan Dhaka.</li> <li>New Elephant Rd, Br., Dhaka</li> <li>Nawabpur Br., Nawabpur Rd., Dhaka</li> <li>Uttara Branch, Uttara Dhaka</li> <li>Mirpur Branch, Mirpur-1, Dhaka</li> <li>Rokeya Sharani Branch, Dhaka</li> <li>Khulna Branch, KDA C/A, Khulna</li> <li>Modhuban Branch, Bandar Bazar, Sylhet</li> <li>Agrabad Br., Agrabad C/A, Chittagong.</li> </ol> <p><b>Southeast Bank Limited</b></p> <ol style="list-style-type: none"> <li>Principal Br, 1 Dilkusha C/A, Dhaka</li> <li>Imamgonj Br., Milford Rd., Dhaka-1100.</li> <li>Dhanmondi Br., Dhaka-1205.</li> <li>Uttara Br., Uttara Model Town, Dhaka,</li> <li>New Elephant Rd. Br. Dhaka.</li> <li>Gulshan Br., Gulshan Avenue, Dhaka-1212.</li> <li>Motijheel Br., Motijheel C/A, Dhaka</li> <li>Kawran Bazar Br., Dhaka</li> <li>Banani Branch, Banani, Dhaka</li> <li>Bangshal Br, North South Rd, Dhaka</li> <li>New Eskaton Br. Ramna Dhaka.</li> <li>Agargaon Br. Mohammadpur Dhaka ,</li> <li>Bandar Bazar Br. (Islami Banking), Shylet.,</li> <li>Shahjahaj Upashahar Br. Main Road Sylhet.</li> <li>Laldighirpar Br., New Market, Sylhet,</li> <li>Chouhatta br. Chouhatta, Sylhet.</li> <li>Moulivi Bazar Br., Moulivi Bazar</li> <li>Kulaura Br., Moulivi Bazar</li> <li>Agrabad Br., Agrabad C/A Chittagong,</li> <li>Jubilee Road Br., Jubilee Road, Chittagong</li> <li>Khatungonj Br., Khatungonj, Chittagong</li> <li>Halishahar Br, Halishahar H.E, Chittagong</li> <li>CDA Avenue Br., Pachlaih, Chittagong</li> <li>Cox's Bazar Br., Bazar Ghat, Cox Bazar.</li> <li>Chagalnaya Br. (Islami Banking) Feni</li> <li>Feni Branch, Feni,</li> <li>Khulna Br., Sir Iqbal Road Br., Khulna.</li> </ol> <p><b>Standard Bank Limited</b></p> <ol style="list-style-type: none"> <li>Principal Br. Dhaka.</li> <li>Foreign Exchange Br. Dhaka.</li> <li>Topkhana Road Br., Dhaka.</li> <li>Imamgonj Br. Dhaka.</li> <li>Gulshan Br. Dhaka.</li> <li>Dhanmondi Br. Dhaka.</li> <li>Uttara Br. Dhaka.</li> <li>Jublee Rd. Br. Chittagong.</li> <li>Agrabad Br. Chittagong.</li> <li>Khatungonj Br. Chittagong.</li> <li>Khulna Br. Khulna.</li> <li>Sylhet Br. Sylhet.</li> </ol>
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## INSTRUCTIONS

1. As per provision of Depository Act, 1999 and regulations made thereunder shares will only be issued in dematerialized condition. Please mention your BO (Beneficiary Owner) Account number in the Application form. If you do not mention your valid BO (Beneficiary Owner) Account, your application will be treated as invalid.
2. All information must be written or typed in Block Letters in English and must NOT be abbreviated.
3. Application must not be for less than 50 Ordinary Shares and must be for a multiple of 50 Ordinary Shares. Any Application not meeting this criterion will not be considered for allotment purpose.
4. Application must be accompanied by a foreign demand draft drawn on a bank payable at Dhaka or cheque drawn out of foreign currency deposit account maintained in Bangladesh for the full value of Shares favoring **"Premier Leasing International Limited"** and crossed **"ACCOUNT PAYEE ONLY"**.
5. Application shall be sent by the applicant directly to the Company within 18/08//2005 so as to reach the Company within 27/08/2005. No Application sent after 18/08/2005 or received by the Company after 27/08/2005 will be considered for allotment purpose.
6. Refund against over-subscription shall be made in the currency in which the value of Shares was paid for by the applicant through Account Payee Cheque payable at Dhaka with bank account number, Bank's name and Branch.
7. All the applicants shall first be treated as applied for one minimum lot. If, on this basis, there is over subscription, then lottery shall be held amongst the applicants allocating one identification number for each application, irrespective of the application money. On the other hand, if there is under subscription, then all the applicants shall first be distributed with a single lot and thereafter, for the balance amount, lottery, shall be held for the applicants who have applied for multiple lots on the basis of dividing the application money by amount of a market lot separately for both NRB and General Public.
8. Money receipt of clearance of draft or cheque, as the case may be, shall be sent by post to the applicant by the Company.
9. Joint Application by two persons will be acceptable. In such a case, allotment or refund shall be made by post to the first applicant.
10. Application must be made by an individual, a corporation or Company, a trust or a society and not by a firm, minor or persons of unsound mind.
11. Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information shall make the Application liable to rejection and subject to forfeiture of Application money and/or forfeiture of the share (unit) before or after issuance of the same by the issuer. The said forfeited Application money or share (unit) will be deposited in account specified by the Securities and Exchange Commission (SEC). This may be in addition to any other penalties as may be provided for by law.
12. The intending NRB applicants shall deposit share money by US \$/UK Pound Sterling draft drawn on and payable in Dhaka, Bangladesh, so that the Issuer's collecting Bank can clear that proceeds and deposit the same into Issuer's Bank account in time.
13. Spot buying rate (TT Clean) in US Dollars and UK Pound Sterling of Sonali Bank as prevalent on the date of opening of subscription will be applicable for the Non-Resident Bangladeshi (NRB) applicants.
14. **The applicant shall furnish photocopies of relevant pages of valid passport(s) in support of his being a NRB, dual citizenship or of the foreign passport bearing an endorsement from the concerned Bangladeshi Embassy to the effect that no visa is required for him to travel to Bangladesh.**

**THE NRB APPLICATION ALONG WITH THE DRAFT, AS ABOVE, IS TO BE SUBMITTED TO THE COMPANY'S HEAD OFFICE DIRECTLY WITHIN THE STIPULATED TIME MENTIONED IN PARA 5.**