Project Report

ON

“HR Activities of Mercantile Bank Ltd”
HR Activities of Mercantile Bank Ltd

“HRM Activities of Mercantile Bank LTD”

Under the Supervision of
Farhana Rashid
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School of business, UIU

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HR Activities of Mercantile Bank Ltd

Transmittal letter

13/11/2018

Farhana Rashid
Assistant Professor
School of Business
United International University

Subject: Submission of Project.

Dear Madam,

I am very glad to submit the Project entitled HRM Activities of Mercantile Bank Ltd. This project has done by me. It gives me immense pleasure to complete my Project successfully and submit this report on the analysis I have conducted during this period.

I would be very happy to provide you with any clarification regarding the report. Would you please kindly accept my paper and oblige me thereby.

Your support in this regard will be highly appreciated.

Sincerely Yours

……………………………….

Name: Mohammed Hazzaz Hossain.

I.D: 111 141 128

Department: Bachelor of Business Administration.
Acknowledgement

During Project, I have been fortunate to get the support, assistance and encouragement from a number of individuals. Firstly, I would like to express my grateful appreciation to the almighty Allah for enabling me to complete this report successfully.

I would like to convey my heartfelt respect and cordial thanks to Farhana Rashid, Assistant Professor, and School of Business, United International University my supervisor for her encouragement, guidance, advice and valuable supervision. She was also available when I needed her for help, suggestions and guidelines.

I thank Mohammed Akther Hossain, Senior Executive Officer, Mercantile Bank Ltd; Muhammad Abdul Hamid Shohag, Public Relation Officer, Mercantile Bank Ltd; Partho Saha Executive Officer, Corporate Affair Division, Mercantile Bank Ltd for assistance, and for comments that greatly improved the manuscript.

I am also grateful to the entire Mercantile Bank Ltd. as they have always been helpful there for me when I needed them the most while talking interview. Their active participation to all my questions, queries made it easy for me to make the project.
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HR Activities of Mercantile Bank Ltd

Executive Summary

This research is a small scale research. There may be a lot of lacking. But it can be said that this report will help people who want to research within a small scale. This report may also help others to understand the Hr Activities of Mercantile Bank Ltd. This project is done by a survey and face to face Interview with real executives and employees from Mercantile Bank Ltd

This Project provides an analysis and evaluation of the current situation of HR activities of MBL.

One researcher gone to the MBL to conducted some survey and conducted some face to face interview with some of the executives of MBL. This Project was conducted to complete the B.B.A program because it was a important part of the program.

Methods of analysis include both primary and secondary data and Google form is used for the ata analysis, graphs are used for calculation. The survey was done over 10 people of that company. The researcher found that the company is in quite positive to their employees. And their compensation systems are quite effective in increasing the productivity. Their overall HR activities were positive; they provide sufficient training to their employees. Their employees believe that that can grow faster in Mercantile bank Ltd. The communication between employees and management are quite good

MBL hires it employees in traditional of of recruiting. There was one problem some of their employees were not satisfied with the new promotion rules. Researcher suggested that MBL should change the promotion time.

Because this is a small scale research there is a lot of lacking in the paper. There were some and they are researcher was inexperienced, lacking in the questionnaire, time management was tough, the organization didn’t give all the information because of hr confidentiality and growing competition. There is a lot of lacking in the research it would be better recommend for the further research of this topic in a greater version. All the calculation, Graph, MBL HRD circulation has been given in the attachment section.
10 employees have participated in this employee satisfaction survey, most of them have answered the questionnaire in a positive way. Questionnaire and analysis is in the appendices part. At last, it can be said that employers in the MBL maintain the compensation system as well as the whole HR activities properly, and for this, employees are satisfied and have less grievance.

Finally, it can be said that this report may be capable to help others and to provide better information.
Chapter 1

Introduction

1.1. Origin of the project

I am Mohammed Hazzaz Hossain, I.D: 111 141 128, Department: B.B.A, a student of United International University conducted a project which is very important part of the whole program for its completion. My supervisor is Farhana Rashid, Assistant professor, school of Business, UIU. She assigned me with a topic entitled “HR activities of mercantile bank ltd.” So this project has conducted as my supervisor’s instruction to complete the B.B.A program.

1.2. Objective Of the Report

1.2.1. General Objective:

The general objective of this project is to make a project report on the topic of “HRM activities of mercantile bank ltd” for the completion of B.B.A program.

1.2.2. Specific Objectives

The specific objectives of this project are given below:

- To identify the compensation system of MBL.
- To identify the Recruitment & selection process of MBL.
- To identify the performance appraisal system of MBL.
- To Identify the training program
- To identify the employee satisfaction about MBL.
1.3. Scopes & Limitations

1.3.1. Scopes:

- The researcher went to 1 organization & done some survey on employee satisfaction.

- The researcher took some interview of some of the executives of the bank to know the specific objectives of this project.

- Researcher had a known person in this bank so the entry was little bit easy.

1.3.2. Limitations:

There was little limitation –

- Organization didn’t give some information because of HR confidentiality and the growing competitions between banks.

- Research got done only on 1 organization.

- Researcher was only one person to carry out the project work.

- Time Management was tough.

- The researcher was inexperienced.

- Lacking in questionnaire.
1.4. Methodology

- This is a descriptive research.
- Data are both primary & secondary.

**Primary data source:**

- HRD circular (internal rules) which is arranged from one of the executive of the MBL.
- Face to face interview.

**Secondary Data Source:**

- Mercantile Bank Website.
- Annual report.
- Internet.

- Data is collected by doing studies and printed questionnaire.
- Google form is used for the data analysis.
- Survey is done on 1 organization which is Mercantile Bank Ltd.
- Survey is done over 10 peoples.
- Survey is done to identify the employee satisfaction.
1.5. Acronyms/Abbreviations

- UIU-United International University
- MBL-Mercantile Bank Ltd.
- HRD-Human Resource Department
Chapter - 2

Company Profile

2.1. About Mercantile Bank:

Mercantile Bank Limited emerged as a new commercial bank to provide efficient banking services and to contribute socio-economic development of the country. The Bank commenced its operation on June 2, 1999.

The Bank provides a broad range of financial services to its customers and corporate clients. The Board of Directors consists of eminent personalities from the realm of commerce and industries of the country.

2.2. Branches:

- **Total Branch:** 151 branches

- **AD Branch:** 22.

They have one head office in dilkusha Dhaka, one zonal office in Chittagong and one training centre.

2.3. Subsidiaries:

MBL has two subsidiaries-

- Mercantile bank securities limited.

- Mercantile Exchange house (UK) Ltd.
2.4. Vision

Would make finest corporate citizen

2.5. Mission

Will become most caring, focused for equitable growth based on diversified deployment of resources and nevertheless would remain healthy and gainfully profitable bank

2.6. Objectives

2.6.1. Strategic objectives

- to increase shareholders’ value
- to achieve economic value addition
- to be market leader in product innovation
- to be one of the top three financial institutions in Bangladesh in terms of efficiency
- to be one of the top five financial institutions in Bangladesh in terms of market share..

2.7. Core values

2.7.1. Customer delight.

Customer satisfaction pervades all our activities. We appreciate that Customer’s satisfaction is critical for our success.

2.7.2. Innovation

Spurring innovation for reinforcement of our business.

Origination and materialization of change management for attainment of perfection.
2.7.3. Ethical Values

We continue to be responsible, ethical, sincere and transparent in our thoughts and actions.

2.7.4. Caring for Human Resources

Realization of latent potentialities of employees, respecting individual worth and dignity to ensure smooth career progression as well as welfare orientation in Human Resources management policy and practices.

2.7.5. Commitment

We always keep high on the agenda our commitment towards valued depositors as their trustworthy custodian and to maintain the same spirit for all other stakeholders.

2.7.6. Socially Responsible

Constant endeavor to act and respond in a socially responsible manner keeping in mind society and our country.

To care for our environment.

2.8. Products:

2.8.1. Deposit’s and A/C:

- Current Deposit a/c.
- Savings bank a/c.
HR Activities of Mercantile Bank Ltd

- Special noticed bank a/c.
- Fixed Deposit a/c.
- Double benefit deposit scheme.
- Family maintenance scheme.
- Monthly savings scheme.
- Quarterly benefit deposit scheme.
- 1.5 times benefit scheme.
- School banking.
- Education planning deposit scheme.
- Super benefit deposit scheme.
- Non chequeable savings bank a/c.

2.8.2. SME Banking.

2.8.3. NRB Banking.
2.8.4. Loans:

- Car loans
- Cottage loans
- Home loan
- Doctors loan
- Education loan.
- Secured Overdraft.
- House Furnishing Loan.

2.8.5. Cards:

- MBL VISA Credit Card
- MBL VISA Debit Card
- MBL VISA Prepaid Card

Types of Credit Card

- Local Credit Card
- International Credit Card
- Dual Credit Card
HR Activities of Mercantile Bank Ltd

Category of Credit Card
- Platinum Card
- Gold Card
- Classic Card

MBL VISA Prepaid Cards
- MBL VISA Medical Card
- MBL VISA Student International Card
- MBL VISA Virtual Card
- MBL VISA Hajj Card

Dual Card (Two in One)
Single Card with double benefits. No hassle to carry two cards (local and international single Credit Card).
It can be used both in every pos machine atms.

Debit Card

Visa Debit Card is mainly tagged with deposit account that is automatically debited from the A/C.
Debit Card may also be used for purchasing goods, services, payment of utility bills.

Pre-Paid Card
Those who have no account with MBL may avail pre-paid Card facilities. Pre-paid Card may be equally used at home and abroad. The Pre-Paid cardholders pay first and buy later.

Supplementary Card
A principal cardholder (local) may apply for more than one supplementary card where one supplementary card is free. Expenses made by supplementary card will be charged to the principal card.
HR Activities of Mercantile Bank Ltd

MBL VISA Medical Card

This is first time MBL introduce Visa Medical card for a large number of Bangladeshi nationals visit abroad every year for treatment purpose. As per Bangladesh Bank regulatory guidelines, up to US$ 10,000 or equivalent (on health ground) may be released by the ADs without prior clearance from Bangladesh Bank.

A patient can meet up all treatment expenses through MBL Medical card instead of cash form. This Card would be Pre-paid or Credit in nature.

2.8.6. Interest Rates

<table>
<thead>
<tr>
<th>Period</th>
<th>For any Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>01 Month</td>
<td>4.50% (For any Amount)</td>
</tr>
<tr>
<td>3 Months</td>
<td>6.00% (For any Amount)</td>
</tr>
<tr>
<td>6 Months</td>
<td>7.00% (below Taka Ten Crore)</td>
</tr>
<tr>
<td></td>
<td>7.50% (Taka Ten Crore and above)</td>
</tr>
<tr>
<td>1 Year</td>
<td>8.00% (below Taka Five Crore)</td>
</tr>
<tr>
<td></td>
<td>8.50% (Taka Five Crore &amp; above)</td>
</tr>
</tbody>
</table>
HR Activities of Mercantile Bank Ltd

Special Notice Deposit (SND) Account Rates

Interest Rate of Loans & Advances:

**Interest Rate of all manufacturing Corporate and SME Loans to be reduced to 9.00% p.a. with Effect from 1st July, 2018 (As per Instruction Circular no.1970/2018)**

<table>
<thead>
<tr>
<th>Sectors of Business</th>
<th>Present Interest Rate (Mid Rate)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Agricultural Loans:</strong></td>
<td></td>
</tr>
<tr>
<td>Term Loan (Both Short Term &amp; Long Term)</td>
<td>As per Bangladesh Bank's directives *</td>
</tr>
<tr>
<td>Revolving Credit</td>
<td>As per Bangladesh Bank's directives *</td>
</tr>
<tr>
<td><strong>Term Loan:</strong></td>
<td></td>
</tr>
<tr>
<td>Industrial / Manufacturing Project</td>
<td>12.00%</td>
</tr>
<tr>
<td>Other Term Loans</td>
<td>12.00%</td>
</tr>
<tr>
<td><strong>Working Capital Financing:</strong></td>
<td></td>
</tr>
<tr>
<td>Industrial / Manufacturing Project</td>
<td>12.00%</td>
</tr>
<tr>
<td>Work Order / Supply Order</td>
<td>13.00%</td>
</tr>
<tr>
<td>Export Loan (PC)</td>
<td>7.00%****</td>
</tr>
<tr>
<td>Export Loan (ECC)</td>
<td>7.00%****</td>
</tr>
<tr>
<td>Trade Financing/Business Loans</td>
<td>12.00%</td>
</tr>
<tr>
<td>Import financing of rice, wheat, edible oil (refined and crude), pulse, peas, onion, dates and sugar</td>
<td>12.00%</td>
</tr>
<tr>
<td><strong>Short Term Loan (STL)- (For maximum 06 months)</strong></td>
<td>Negotiable ***</td>
</tr>
</tbody>
</table>
### Financing to Small & Medium Enterprise

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>With BB refinancing</td>
<td>As per Bangladesh Bank's directives **</td>
</tr>
<tr>
<td>Without BB refinancing</td>
<td>13.00%</td>
</tr>
<tr>
<td>Loans to NBFIs</td>
<td>12.00%</td>
</tr>
<tr>
<td>Lease Finance/Hire Purchase</td>
<td>12.50%</td>
</tr>
</tbody>
</table>

### House Building Loan (HBL)

<table>
<thead>
<tr>
<th>Type</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>12.50%</td>
</tr>
<tr>
<td>Commercial</td>
<td>13.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOD/Loans against FDR of our Bank</td>
<td>FDR Rate + 3.00%*</td>
</tr>
<tr>
<td>SOD/Loans against Scheme Deposits of our Bank</td>
<td>Scheme Deposit Rate + 4.00%*</td>
</tr>
<tr>
<td>SOD/Loans against FDR/ Scheme Deposits etc. of other Bank, ICB Unit Certificate &amp; FC Bond</td>
<td>12.00%</td>
</tr>
<tr>
<td>SOD/Loans against Shares/Debenture</td>
<td>12.00%</td>
</tr>
</tbody>
</table>

### Special Credit Schemes

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans under schemes</td>
<td></td>
</tr>
</tbody>
</table>

### Doctors' Credit Scheme

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Rate</td>
<td>18.50%</td>
</tr>
<tr>
<td>Loan Processing Fee</td>
<td>1%</td>
</tr>
</tbody>
</table>

### Personal Loan Scheme

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Rate</td>
<td>13.50%</td>
</tr>
<tr>
<td>Loan Processing Fee</td>
<td></td>
</tr>
<tr>
<td>Scheme</td>
<td>Interest Rate</td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td><strong>Car Loan Scheme</strong></td>
<td></td>
</tr>
<tr>
<td>Interest Rate</td>
<td>13.00%</td>
</tr>
<tr>
<td><strong>Home Loan Scheme</strong></td>
<td></td>
</tr>
<tr>
<td>Interest Rate</td>
<td>11.50%</td>
</tr>
<tr>
<td><strong>House Furnishing Loan (Consumer Loan Scheme)</strong></td>
<td></td>
</tr>
<tr>
<td>Interest Rate</td>
<td>14.50%</td>
</tr>
<tr>
<td><strong>Cottage Loan</strong></td>
<td></td>
</tr>
<tr>
<td>Interest Rate</td>
<td>12.50%</td>
</tr>
<tr>
<td><strong>Education Loan</strong></td>
<td></td>
</tr>
<tr>
<td>Interest Rate During Moratorium Period</td>
<td>10.00%*</td>
</tr>
<tr>
<td>Interest Rate After Moratorium Period</td>
<td>14.50%</td>
</tr>
<tr>
<td><strong>Overseas Employment Loan Scheme</strong></td>
<td></td>
</tr>
<tr>
<td>Interest Rate</td>
<td>14.00%</td>
</tr>
<tr>
<td><strong>Rural Development Scheme</strong></td>
<td></td>
</tr>
<tr>
<td>Interest Rate</td>
<td>14.00%</td>
</tr>
<tr>
<td><strong>Financing Solar Energy &amp; Bio-Gas project under BB refinance</strong></td>
<td></td>
</tr>
<tr>
<td>Direct lending to ultimate beneficiary</td>
<td></td>
</tr>
<tr>
<td>Lending through NGO linkage</td>
<td></td>
</tr>
<tr>
<td><strong>Financing Effluent Treatment Plant (ETP)</strong></td>
<td></td>
</tr>
<tr>
<td>Financing to Jute Sector under Refinance Scheme of Bangladesh</td>
<td></td>
</tr>
</tbody>
</table>
### HR Activities of Mercantile Bank Ltd

<table>
<thead>
<tr>
<th>Bank</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Financing to RMG Sector Safe Working Environment program of JICA assistance &quot;FSPDSME&quot; Project (Pre Finance)</td>
<td></td>
</tr>
<tr>
<td>Financing for Renewable Energy &amp; Environment Friendly sector under Refinance Scheme of Bangladesh Bank</td>
<td></td>
</tr>
<tr>
<td>Financing against Scheme of Rfinance for setting up Agro based Product Processing Industries in Rural Areas under Refinance Scheme of Bangladesh Bank.</td>
<td></td>
</tr>
<tr>
<td>Credit Card</td>
<td>25.00Yo*</td>
</tr>
<tr>
<td>Loan under Employees House Building Scheme</td>
<td>As per approval of the Board of Directors of the Bank from time to time.</td>
</tr>
<tr>
<td>Loan under Car Loan Policy for the Executives of the Bank</td>
<td>As per approval of the Board of Directors of the Bank from time to time.</td>
</tr>
<tr>
<td>Factoring</td>
<td>12.50%</td>
</tr>
<tr>
<td>SOD (EMFS) under e tendering</td>
<td>14.50% *</td>
</tr>
<tr>
<td>Other Loans &amp; Advances</td>
<td>13.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BDT 1 Lac to Less than BDT 1 Cr.</th>
<th>BDT 1 Cr. to less than BDT 25 Cr.</th>
<th>BDT 25 Cr. to less than BDT 50 Cr.</th>
<th>BDT 50 Cr. to less than BDT 100 Cr.</th>
<th>BDT 100 Cr. and above</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.50%</td>
<td>3.00%</td>
<td>3.50%</td>
<td>5.00%</td>
<td>6.00%</td>
</tr>
</tbody>
</table>
2.8.7. Organizational Hierarchy:

Chairman

Vice-Chairman

Director

Independent Director

Managing Director & CEO

Additional Managing Director

Deputy M.D

Senior Executive Vice President

Executive Vice President

Vice President

First Vice President

Assistant Vice President

First Assistant Vice President
HRM Activities of Mercantile Bank Ltd

Chapter -3

3.1. Recruitment & selection:

3.1.1. Requisition:

Each department of mercantile bank ltd reports to HRD if there is vacancy or if they need to hire new employee. After that reporting HRD examines the need of hiring. If they can identify the needs of hiring then they go for circulation with job specification, and job description.

3.1.2. Circulation of Employment:

There are 2 sources for hiring employees-

- **Internal Source:**
  
  First of all MBL distribute the job circulation among the employees. If they have any qualified known person who will be competent for that particular post then they can apply to the MBL for that particular post.

- **External Source:**
  
  - **Newspaper:** MBL HRD publishes job vacancy circulation on public newspaper. They give circulation in newspaper if they hire a good number of employees.
  
  - **Online:** In these days organization are dependent on internet and so is MBL. They post job vacancy circulation online all the time. They uses different websites. Example: Bdjobs, LinkedIn E.T.C.

These two sources are the main external hiring source in MBL. Other than these two MBL sometimes goes to recruitment agencies, people can also drop their resume at the headoffice CV box.
3.1.3. Recruiting:

After collecting all the CV’S from all sources, MBL HRD evaluate those CV’s under different criteria and those are-

- Educational Qualification.
- Experience.
- Age.
- Required Skill.

- Written Test:

  After Evaluating the CV’s MBL HRD conducts written test.

- Interview:

  After taking the written test HRD takes Interview’s of those candidates who passed the written test successfully. Interview Board consist of following members-

  - Branch Manager
  - Depart Head.
  - HRD Head.

- Medical, background check & appointment:

  Who has made it through all the criteria their background check gets done and a medical examination gets conducted. After all this one gets his/her appointment.

3.2. Training Programs:

Mercantile Bank Ltd has its own training institute in swadesh tower Purana Paltan, Dhaka, in which they conduct training programs for all the departments all the year in different time. They also send their employees to the Bangladesh banks training program if required.
HR Activities of Mercantile Bank Ltd

They give initial training to their employees to their training centre. The schedule of training of MBL in the training centre is given in the attachment.

3.3. Compensation Program:

MBL has a rich compensation plan for its employees they have different compensation plan. Compensation Package are explaining below-

3.3.1. Travel Expense:

If the employees of MBL travel anywhere in the national or international boundary their expenses gets beared by the Company itself. They have different plan for different employees who bears different designation. These are given in the Circulation of Human Resource department of MBL.

Domestic Travel:

- Junior Officers:

  They will get 800 Tk or economy class bus ticket for travelling to divisional Headoffices. Daily allowance will be 2500tk.

- Assistant Officer:

  They will get 600 tk or 2\textsuperscript{nd} class ticket in any public transport and daily allowances will be 1500 per day.

- Other Members/General Staff:

  Other general Staff Will Get 400 tk in any public transport and daily allowances will be 600tk.
Foreign Travel:

- Senior Officers:

The travel expense for senior officers are given below-

<table>
<thead>
<tr>
<th>Hotel Accommodation</th>
<th>Daily Allowance including Food, Conveyance, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group – 1</td>
<td>US$ 300.00</td>
</tr>
<tr>
<td>Group – 2</td>
<td>US$ 260.00</td>
</tr>
<tr>
<td>Group – 3</td>
<td>US$ 240.00</td>
</tr>
<tr>
<td>Group – 4</td>
<td>US$ 210.00</td>
</tr>
</tbody>
</table>

Reimbursement against hotel accommodation will be made on production of Hotel bill.

- Mid-Level Officers:

<table>
<thead>
<tr>
<th>Hotel Accommodation</th>
<th>Daily Allowance including Food, Conveyance, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group – 1</td>
<td>US$ 250.00</td>
</tr>
<tr>
<td>Group – 2</td>
<td>US$ 230.00</td>
</tr>
<tr>
<td>Group – 3</td>
<td>US$ 200.00</td>
</tr>
<tr>
<td>Group – 4</td>
<td>US$ 180.00</td>
</tr>
</tbody>
</table>
• Junior Officers:

<table>
<thead>
<tr>
<th>Hotel Accommodation</th>
<th>Daily Allowance including Food, Conveyance, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group – 1</td>
<td>US$ 200.00</td>
</tr>
<tr>
<td>Group – 2</td>
<td>US$ 180.00</td>
</tr>
<tr>
<td>Group – 3</td>
<td>US$ 160.00</td>
</tr>
<tr>
<td>Group – 4</td>
<td>US$ 150.00</td>
</tr>
<tr>
<td></td>
<td>US$ 70.00</td>
</tr>
<tr>
<td></td>
<td>US$ 60.00</td>
</tr>
<tr>
<td></td>
<td>US$ 50.00</td>
</tr>
<tr>
<td></td>
<td>US$ 40.00</td>
</tr>
</tbody>
</table>

3.3.2. Gratuity:

MBL gives its employees gratuity on termination by employee or by employer. If a person works at least 1 year in MBL then he will become entitled to get gratuity on his termination. The gratuity will be 1 month of basic salary of that employee at for 1 year work. Gratuity will be doubled if one works 2 years MBL.

3.3.3: Increment & Promotion:

Each employee will get a increase in the salary every year. Increment rate will be a percentage of his/her basic pay.

In previous Years employee gets promoted after continuous successful completion of 3 working year in MBL. Recently MBL changed its policy regarding promotion because of competition. Now -a- days they take written exams and interviews for promoting one person after every 3 years.
3.3.4. Retirement:

3 types of retirements are there in MBL.

- Voluntary Retirement.
- Normal Retirement.
- Forced Retirement.

Rules regarding of retirement are given in the appendix as an attachment which is Mercantile bank HRD rules circulation.

3.3.5. MBL employee welfare fund:

- Sources of this Fund:

The fund shall be subscribed by monthly contribution of the employees as under

<table>
<thead>
<tr>
<th>Rank</th>
<th>Monthly Subscription</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Additional Managing Director/Deputy Managing Director</td>
<td>BDT 2,000.00</td>
</tr>
<tr>
<td>2. Executive Vice President to Senior Executive Vice President</td>
<td>BDT 1,000.00</td>
</tr>
<tr>
<td>3. Assistant Vice President to Senior Vice President</td>
<td>BDT 800.00</td>
</tr>
<tr>
<td>4. Principal Officer &amp; First Assistant Vice President</td>
<td>BDT 500.00</td>
</tr>
<tr>
<td>5. Executive Officer &amp; Senior Executive Officer</td>
<td>BDT 400.00</td>
</tr>
<tr>
<td>6. Assistant Officer &amp; Officer</td>
<td>BDT 250.00</td>
</tr>
<tr>
<td>7. Driver/All other employees</td>
<td>BDT 100.00</td>
</tr>
</tbody>
</table>
• **Benefits:**

If an employee dies during active service then her lawful heir will get the benefits as under:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Deputy Managing Director/Additional MD</td>
<td>BDT. 15,00,000.00</td>
</tr>
<tr>
<td>2. Executive VP to Sr. Executive VP</td>
<td>BDT. 12,00,000.00</td>
</tr>
<tr>
<td>3. Vice President to Sr. Vice President</td>
<td>BDT. 10,00,000.00</td>
</tr>
<tr>
<td>4. Assistant VP to First VP</td>
<td>BDT.  9,00,000.00</td>
</tr>
<tr>
<td>5. Principal Officer &amp; First Asst. VP</td>
<td>BDT.  8,00,000.00</td>
</tr>
<tr>
<td>6. Executive Office &amp; Senior Executive Officer</td>
<td>BDT.  7,00,000.00</td>
</tr>
<tr>
<td>7. Assistant Officer &amp; Officer</td>
<td>BDT.  6,00,000.00</td>
</tr>
<tr>
<td>8. Driver / All other Employees</td>
<td>BDT.  5,00,000.00</td>
</tr>
</tbody>
</table>

**3.3.6. Bonuses:**

Mercantile Bank gives different bonuses.

- **Festival Bonus:** MBL gives 2 bonuses for two Eid festivals. It also gives Bengali New Year bonus which is 2000 tk for each employee.

- **Profit Bonus:** MBL gives an amount from its yearly profit to its all employees.

**3.4. Performance Appraisal:**

Performance appraisal system of MBL is focused on employees and supervisors after an appraisal the main responsibility goes to one employee’s supervisor. After an appraisal a supervisor judge its subordinates performance and then helps them to grow according to the result.

MBL performs an appraisal of its employees once in a year. It gets conducted at the end of the year.
3.4.1. Functions of MBL Performance appraisal system:

- Discussion about day to day work progress.
- Discussion About career.
- Questions about the organization or work.
- Make the employee understand the performance appraisal system.

3.4.2. Performance appraisal standard of MBL:

<table>
<thead>
<tr>
<th>Category</th>
<th>Mark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent</td>
<td>03</td>
</tr>
<tr>
<td>Good</td>
<td>02</td>
</tr>
<tr>
<td>Average</td>
<td>01</td>
</tr>
<tr>
<td>Below Average</td>
<td>00</td>
</tr>
</tbody>
</table>

3.4.3. ACR Rating:

<table>
<thead>
<tr>
<th>Category</th>
<th>Mark</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent</td>
<td>50-60</td>
<td>Suprio Action</td>
</tr>
<tr>
<td>Good</td>
<td>40-49</td>
<td>High Quality Performance</td>
</tr>
<tr>
<td>Average</td>
<td>30-39</td>
<td>Performance are matching</td>
</tr>
<tr>
<td></td>
<td></td>
<td>expectation</td>
</tr>
<tr>
<td>Below Average</td>
<td>0-29</td>
<td>Performance are not matching</td>
</tr>
<tr>
<td></td>
<td></td>
<td>the standard</td>
</tr>
</tbody>
</table>
### 3.4.4 Key Performance Indicator and mark Distribution:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>ACR</td>
<td>60</td>
</tr>
<tr>
<td>2</td>
<td>Academic Qualification</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>Institution of Bankers Qualification</td>
<td>5</td>
</tr>
<tr>
<td>4</td>
<td>Professional Training</td>
<td>5</td>
</tr>
<tr>
<td>5</td>
<td>Computer Training And Knowledge</td>
<td>5</td>
</tr>
<tr>
<td>6</td>
<td>Overall Performance</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>
Data analysis/Findings

1.1. Findings and analysis:

The researcher went to the MBL and done some survey over how satisfied their employees about Mercantile Bank Ltd and its HRD. 10 People were participated in this survey. Google forms have been used to analyze the data.

Question 1

How much satisfied are you with the existing recruitment or promotion policies?

10 responses

Analysis:

80% of the people among who were participated in this survey conveyed their opinion as satisfied. The researcher can say that there is dissatisfaction regarding promotion and recruitment. The possible reason could be MBL introduced written exam and interview system for being promoted which were not applied before in this bank.
Question.2:

MBL gives its employees a clear idea about its mission and vision -
10 responses

Analysis:

70% among the participants thinks that MBL has given the understanding of their mission and vision to the employees. 30% people disagree with the opinion.
Question 3

Are you satisfied with the recognition of your work by MBL?

10 responses

Analysis:

70% of the participants are satisfied with the organizations job recognition and 30% of the participants are very satisfied with the job recognition. That means MBL does a very good performance appraisal and according to the appraisal result they take proper actions.
HR Activities of Mercantile Bank Ltd

Question.4

Your Job gives you the opportunity to learn fast- 
10 responses

Analysis:

100% people among the participants thinks that they can learn and grow in MBL very fast. So MBL is a good bank to start a career.

Question.5

MBL gives you the proper training to do your job- 
10 responses

Analysis:

As the researcher discussed in the previous chapter that MBL has its own training centre. So we can see in this diagram that 100% people among the participants said that MBL gives proper training to do a Job.
Question.6

Are You satisfied with the communication system between the Management and the employees?

Analysis:

80% People among the participants are satisfied about communication system between management and the employees and 20% are very satisfied. So the result is in good condition.

Question.7

Are you Satisfied with the compensation system of MBL?

Analysis:

80% people among the participants are satisfied and 20% of them are very satisfied. so the researcher thinks that MBL’S compensation package is good enough.
HR Activities of Mercantile Bank Ltd

Question 8

Is MBL focused on teamwork or individualism?

10 responses

Analysis:

MBL is focused on team work. It means relation between employee to employee is in good condition.

Question 9

How much satisfied are you in MBL?

10 responses

Analysis:

80% people among the participants are satisfied with MBL. 10% were very satisfied. 10% remained silent may be they have some objection about MBL.
Question 10

How the management of MBL treat an employee?

10 responses

80% Very Good
20% Good

Analysis:
All the Participants think bears a positive thinking regarding the management system of MBL.

Overall Analysis:
Sample size represents the population. According to the sample size of this survey the researcher can say that MBL is a good organization and its HRD cares for its employee.
1.2. S.O.W.T Analysis:

HR department is the life line of an organization. A organization with strong HRD is a strong organization. Regarding the HRD of MBL the S.O.W.T analysis is given below-

Strength:

- Strong Board of directors
- Adequate Fund.
- Competent Human Resource Department
- Positive Mindset
- Good Management.

Weakness:

- Intense Competition.
- Less Number of ATM.
- High Cost of Fund

Opportunity:

- Product Variety
- Consistent Economic Growth.
- Old Organization
- Uses of modern technologies.

Threat:

- Liquidity Crisis.
- Political Unrest.
Chapter – 5

Conclusion & Suggestions

5.1. Suggestions

- MBL should give more competitive pay to its Employee.
- MBL should extend all its possible facilities for employee.
- MBL should survey about employee satisfaction.
- MBL should check its work environment time to time.
- MBL should arrange more training outside of its own training center.
- MBL should lessen the time limit of promotion to 2 years instead of 3 continuous service years.
- MBL should arrange monthly meeting at the root level to know the work progress.

5.2. Conclusion

The aim of this project was to identify the Overall HRM activities in Mercantile Bank Ltd. The researcher identified the major HRM activities that are followed by the MBL. The researcher has conducted a survey on its employee satisfaction. Overall findings of hr activities and survey result were good. The researcher thinks that there are few places which need modification and made some suggestions according to that. MBL should lessen the promotion time limit other than overall performance and especially HR performance is good here in MBL. They are aiming to secure the 1st place in the top ten ranking of bank in Bangladesh.
Appendix

References:


Dear Sir/Madam,

I am Mohammed Hazzaz Hossain, student of United International University Department B.B.A. I am doing a project which is a required part of my course for completion of B.B.A degree. As the partial requirement of the project I need to conduct a survey.

I am requesting you to answer the questions given below. The given information will be handled with utmost confidentiality and will be used only for academic purpose.

Name: ………………… (Optional).
Designation: ………………… (Optional).

1. How much satisfied are you with the existing recruitment or promotion policies?

☐ Very satisfied.

☐ Satisfied.

☐ Neutral.

☐ Dissatisfied.

☐ Very dissatisfied.
2. MBL gives its employees a clear idea about its mission and vision-

☐ Strongly disagree.

☐ Disagree.

☐ Neutral.

☐ Agree.

☐ Strongly agree.

3. Are you satisfied with the recognition of your work by MBL?

☐ Very satisfied.

☐ Satisfied.

☐ Neutral.

☐ Dissatisfied.

☐ Very Dissatisfied.

4. Your Job gives you the opportunity to learn fast-

☐ Yes.

☐ No.
5. MBL gives you the proper training to do your job-

☐ Strongly disagree.

☐ Disagree.

☐ Neutral.

☐ Agree.

☐ Strongly agree.

6. Are you satisfied with the communication system between the Management and the employees?

☐ Very Satisfied.

☐ Satisfied.

☐ Neutral.

☐ Very Dissatisfied.

☐ Dissatisfied.
HR Activities of Mercantile Bank Ltd

7. Are you satisfied with the compensation system of MBL?

☐ Very Satisfied.

☐ Satisfied.

☐ Neutral.

☐ Very Dissatisfied.

☐ Dissatisfied.

8. Is MBL focused on teamwork or individualism?

☐ Teamwork.

☐ Individualism.

9. How much satisfied are you in MBL?

☐ Very Satisfied.

☐ Satisfied.

☐ Neutral.

☐ Very Dissatisfied.

☐ Dissatisfied.
10. How the management of MBL treat an employee?

☐ Very Good.

☐ Good.

☐ Neutral.

☐ Very Bad.

☐ Bad.

Thank You
HR Activities of Mercantile Bank Ltd

Calculation sheets

How much satisfied are you with the existing recruitment or promotion policies?
10 responses

MBL gives its employees a clear idea about its mission and vision?
10 responses

Are you satisfied with the recognition of your work by MBL?
10 responses
HR Activities of Mercantile Bank Ltd

Your Job gives you the opportunity to learn fast-
10 responses

- 100% Yes

MBL gives you the proper training to do your job-
10 responses

- 100% Strongly agree

Are You satisfied with the communication system between the Management and the employees?
10 responses

- 80% Very Satisfied
- 20% Satisfied

Are you Satisfied with the compensation system of MBL?
10 responses

- 90% Very Satisfied
- 10% Satisfied
HR Activities of Mercantile Bank Ltd

Is MBL focused on teamwork or individualism?
10 responses

How much satisfied are you in MBL?
10 responses

How the management of MBL treat an employee?
10 responses
# HR Activities of Mercantile Bank Ltd

## Training Schedule of MBI

### Mercantile Bank Training Institute

Swadesh Tower 41/5, Purana Paltan, Dhaka.

### Month-wise In-house Training Course during 2015

<table>
<thead>
<tr>
<th>Month</th>
<th>Course Name</th>
<th>Date</th>
<th>Days</th>
<th>Number of Attendees</th>
<th>Participants' Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>International Trade Payment and Finance</td>
<td>14 – 22</td>
<td>08</td>
<td>30</td>
<td>Officer – SEO</td>
</tr>
<tr>
<td></td>
<td>Negotiation and Selling Skills</td>
<td>17</td>
<td>01</td>
<td>30</td>
<td>HOB</td>
</tr>
<tr>
<td></td>
<td>Risk Based Audit and Common Audit Findings</td>
<td>22</td>
<td>01</td>
<td>30</td>
<td>GB/Credit/Forex. Desk Officials</td>
</tr>
<tr>
<td></td>
<td>Customer Service and Complaint Management</td>
<td>24</td>
<td>01</td>
<td>30</td>
<td>MOP</td>
</tr>
<tr>
<td>February</td>
<td>Marketing and Financing in SME</td>
<td>11 – 12</td>
<td>02</td>
<td>30</td>
<td>SME Desk Officials</td>
</tr>
<tr>
<td></td>
<td>Consumer and Retail Banking</td>
<td>18 – 19</td>
<td>02</td>
<td>30</td>
<td>Desk Officials</td>
</tr>
<tr>
<td></td>
<td>Risk Based Audit and Common Audit Findings</td>
<td>19</td>
<td>01</td>
<td>30</td>
<td>GB/Credit/Forex. Desk Officials</td>
</tr>
<tr>
<td></td>
<td>Major Attributes of General Banking</td>
<td>22 – 26</td>
<td>05</td>
<td>30</td>
<td>HOBs’</td>
</tr>
<tr>
<td></td>
<td>KYC: A Guideline to Prevent Bank from Fraudulent Activities</td>
<td>28</td>
<td>01</td>
<td>30</td>
<td>EO – FAVP</td>
</tr>
<tr>
<td>March</td>
<td>Credit Appraisal and Management</td>
<td>11–16</td>
<td>05</td>
<td>30</td>
<td>Officer – PO</td>
</tr>
<tr>
<td></td>
<td>Prevention of Money Laundering and Combating Terrorist Financing</td>
<td>21</td>
<td>01</td>
<td>30</td>
<td>Officers without AML Training</td>
</tr>
<tr>
<td></td>
<td>Frauds, Forgeries and Operational Losses in Banks</td>
<td>22 – 23</td>
<td>02</td>
<td>30</td>
<td>SEO – FAVP</td>
</tr>
<tr>
<td></td>
<td>Business English Essentials</td>
<td>24 – 25</td>
<td>02</td>
<td>30</td>
<td>EO – FAVP</td>
</tr>
<tr>
<td></td>
<td>Strategies for Credit Portfolio Management</td>
<td>28</td>
<td>01</td>
<td>30</td>
<td>HOB / MOP</td>
</tr>
<tr>
<td>April</td>
<td>Basel-II Implementation and Introduction to Basel-III</td>
<td>11</td>
<td>01</td>
<td>30</td>
<td>Credit In-charge</td>
</tr>
<tr>
<td></td>
<td>Legal Aspects &amp; Recovery of NPL</td>
<td>16</td>
<td>01</td>
<td>30</td>
<td>SEO – FAVP</td>
</tr>
<tr>
<td></td>
<td>Banking Laws and Regulations</td>
<td>19 – 20</td>
<td>02</td>
<td>30</td>
<td>Officer – SEO</td>
</tr>
<tr>
<td></td>
<td>HML Branch Management</td>
<td>19 – 23</td>
<td>05</td>
<td>30</td>
<td>SEO – FAVP (Prospective HOB/MOP)</td>
</tr>
<tr>
<td></td>
<td>Credit Risk Grading</td>
<td>22 – 23</td>
<td>02</td>
<td>30</td>
<td>Credit Desk Officials</td>
</tr>
<tr>
<td></td>
<td>Customer Service and Complaint Management</td>
<td>25</td>
<td>01</td>
<td>30</td>
<td>MOP</td>
</tr>
<tr>
<td>May</td>
<td>Marketing and Financing in SME</td>
<td>13–14</td>
<td>02</td>
<td>30</td>
<td>SME Desk Officials</td>
</tr>
<tr>
<td></td>
<td>Structured Finance &amp; Syndication</td>
<td>14</td>
<td>01</td>
<td>30</td>
<td>HOBs’ / MOPs’</td>
</tr>
<tr>
<td></td>
<td>Working Capital Financing; Case Based Analysis</td>
<td>20 – 21</td>
<td>01</td>
<td>30</td>
<td>Desk Officials</td>
</tr>
<tr>
<td></td>
<td>Time &amp; Stress Management</td>
<td>21</td>
<td>01</td>
<td>30</td>
<td>HOBs’ / MOPs’</td>
</tr>
<tr>
<td></td>
<td>Risk Management in Banks</td>
<td>23 – 24</td>
<td>02</td>
<td>30</td>
<td>EO – FAVP</td>
</tr>
<tr>
<td></td>
<td>Credit Proposal and Documentation</td>
<td>27 – 28</td>
<td>02</td>
<td>30</td>
<td>Credit Desk Officials</td>
</tr>
<tr>
<td>June</td>
<td>Negotiation and Selling Skills</td>
<td>13</td>
<td>01</td>
<td>30</td>
<td>HOBs’</td>
</tr>
<tr>
<td></td>
<td>Customer Service and Complaint Management</td>
<td>20</td>
<td>01</td>
<td>30</td>
<td>MOPs’</td>
</tr>
<tr>
<td></td>
<td>Foundation Training for TAOs’</td>
<td>21 – 29</td>
<td>08</td>
<td>50</td>
<td>TAO’s recruited in 2014</td>
</tr>
<tr>
<td></td>
<td>Business English Essentials</td>
<td>24 – 25</td>
<td>02</td>
<td>30</td>
<td>EO – FAVP</td>
</tr>
<tr>
<td></td>
<td>UCP – 600 and Related ICC Guidelines</td>
<td>25</td>
<td>01</td>
<td>30</td>
<td>Desk Officials</td>
</tr>
<tr>
<td></td>
<td>Temenos – 24; A System in MBL</td>
<td>27</td>
<td>01</td>
<td>30</td>
<td>Desk Officials</td>
</tr>
<tr>
<td>Month</td>
<td>Course Name</td>
<td>Date</td>
<td>Days</td>
<td>Number of Attendees</td>
<td>Participants’ Category</td>
</tr>
<tr>
<td>---------</td>
<td>------------------------------------------------------</td>
<td>--------</td>
<td>------</td>
<td>---------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>July</td>
<td>Prevention of Money Laundering and Combating Terrorist Financing</td>
<td>11</td>
<td>01</td>
<td>30</td>
<td>Officers without AML Training</td>
</tr>
<tr>
<td></td>
<td>Consumer and Retail Banking</td>
<td>12-13</td>
<td>02</td>
<td>30</td>
<td>Desk Officials</td>
</tr>
<tr>
<td></td>
<td>Major Attributes of General Banking</td>
<td>18-23</td>
<td>05</td>
<td>30</td>
<td>HOBs’</td>
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<td></td>
<td>Customer Service and Complaint Management</td>
<td>25</td>
<td>01</td>
<td>30</td>
<td>MOP</td>
</tr>
<tr>
<td></td>
<td>Financing Agriculture &amp; Rural Sectors</td>
<td>26-27</td>
<td>02</td>
<td>30</td>
<td>Desk Officials</td>
</tr>
<tr>
<td>August</td>
<td>Stress Management and Counseling</td>
<td>08</td>
<td>01</td>
<td>30</td>
<td>MOP / HOB</td>
</tr>
<tr>
<td></td>
<td>Frauds, Forgeries and Operational Losses in Banks</td>
<td>12-13</td>
<td>02</td>
<td>30</td>
<td>SEO – FAVP</td>
</tr>
<tr>
<td></td>
<td>Legal Aspects &amp; Recovery of NPL</td>
<td>13</td>
<td>01</td>
<td>30</td>
<td>EO – FAVP</td>
</tr>
<tr>
<td></td>
<td>Credit Appraisal and Management</td>
<td>16-20</td>
<td>05</td>
<td>30</td>
<td>Officer – PO</td>
</tr>
<tr>
<td></td>
<td>Basel-II Implementation and Introduction to Basel-III</td>
<td>22</td>
<td>01</td>
<td>30</td>
<td>Credit In-charge</td>
</tr>
<tr>
<td></td>
<td>Negotiation and Selling Skills in Banks</td>
<td>22</td>
<td>01</td>
<td>30</td>
<td>HOBs’</td>
</tr>
<tr>
<td></td>
<td>Foundation Training for TAOs’</td>
<td>23-31</td>
<td>08</td>
<td>50</td>
<td>TAOs’ recruited in 2014</td>
</tr>
<tr>
<td>September</td>
<td>Prevention of Money Laundering and Combating Terrorist Financing</td>
<td>12</td>
<td>01</td>
<td>30</td>
<td>Officers without AML Training</td>
</tr>
<tr>
<td></td>
<td>Bank Branch Management</td>
<td>13-17</td>
<td>05</td>
<td>30</td>
<td>SEO – FAVP (Prospective HOB/MOP)</td>
</tr>
<tr>
<td></td>
<td>Banking Laws and Regulations</td>
<td>16-17</td>
<td>02</td>
<td>30</td>
<td>Officer – SEO</td>
</tr>
<tr>
<td></td>
<td>Tenor – 24; A System in MBL</td>
<td>19</td>
<td>01</td>
<td>30</td>
<td>Desk Officials</td>
</tr>
<tr>
<td></td>
<td>Credit Proposal and Documentation</td>
<td>20-21</td>
<td>02</td>
<td>30</td>
<td>Credit Desk Officials</td>
</tr>
<tr>
<td>October</td>
<td>Foundation Training for MTOs’</td>
<td>04-27</td>
<td>30</td>
<td>33</td>
<td>MTOs’ recruited in 2014</td>
</tr>
<tr>
<td></td>
<td>Credit Risk Grading</td>
<td>21-22</td>
<td>02</td>
<td>30</td>
<td>Credit Desk Officials</td>
</tr>
<tr>
<td></td>
<td>Basel-II Implementation and Introduction to Basel-III</td>
<td>17</td>
<td>01</td>
<td>30</td>
<td>Credit In-charge</td>
</tr>
<tr>
<td></td>
<td>CIB Online Reporting</td>
<td>18</td>
<td>01</td>
<td>50</td>
<td>Desk Officials</td>
</tr>
<tr>
<td>November</td>
<td>Foundation Training for MTOs’</td>
<td>01-23</td>
<td>30</td>
<td>33</td>
<td>MTOs’ recruited in 2014</td>
</tr>
<tr>
<td></td>
<td>Working Capital Financing; Case Based Analysis</td>
<td>11-12</td>
<td>02</td>
<td>30</td>
<td>Desk Officials</td>
</tr>
<tr>
<td></td>
<td>Legal Aspects &amp; Recovery of NPL</td>
<td>19</td>
<td>01</td>
<td>30</td>
<td>SEO – FAVP</td>
</tr>
<tr>
<td></td>
<td>KYC; A Guideline to Prevent Bank from Fraudulent Activities</td>
<td>21</td>
<td>02</td>
<td>30</td>
<td>EO – FAVP</td>
</tr>
<tr>
<td>December</td>
<td>Foundation Training for MTOs’</td>
<td>Nov. 29 – Dec. 22</td>
<td>30</td>
<td>33</td>
<td>MTOs’ to be recruited in 2014</td>
</tr>
<tr>
<td></td>
<td>Internal Control Mechanism and Bank Supervision</td>
<td>09-10</td>
<td>02</td>
<td>20</td>
<td>ICCD Officials</td>
</tr>
</tbody>
</table>
HRD Circulation of Mercantile Bank Ltd

TA/DA RULES

1. **TRAVELLING AND DAILY ALLOWANCES - LOCAL (SEVP AND BELOW):**
   The TA & DA shall be payable for journey undertaken for the purpose of the Bank duly authorized by the competent authority for its actual duration. The DA & TA Rules for Executives and officials shall be as follows:

   A. **SENIOR MANAGEMENT (SEVP/EVP/SVP):**
      I. Economy class by Air and top available class in Train, Steamer, A/C Coach and public transport. In case of Train, Steamer, A/C Coach or public Transport pocket expenses of BDT.1000.00 per journey in addition to the cost of the ticket.
      II. Actual rent for a room in a moderate hotel. Reimbursement of expenses will include hotel rent, telephone expenses (local) and Food & Soft drinks charges and incidental expenses of BDT.1000.00 per day.
      III. In case of own arrangement in all Divisional Headquarters: BDT.3,000.00 and other places BDT 2,500.00 per day.
      IV. If traveled by Road:
          a. By own car BDT 20.00 per k.m.
          b. By Bank’s car BDT 6.00 per k.m.

   B. **MID-LEVEL MANAGEMENT (VP/FVP/AVP):**
      I. They will avail journey by Air in Economy Class. Top Class by Steamer, Launch, Train, A/C Coach and Public Transport and pocket expenses of BDT.1,000.00 per journey in addition to the cost of ticket. They will get the cost of ticket only if they traveled by Train, Steamer or any other public transport.
      II. Rent for a moderate hotel cost not exceeding BDT.3,500.00 per day including food expenses. Incidental expenses of BDT.700.00 per day in addition to hotel cost.
      III. In case of own arrangement in Divisional Headquarters BDT. 2000.00 per day and other places BDT. 1,500.00 per day.
      IV. If traveled by Road:
          a) By own car BDT 18.00 per k.m.
          b) By Bank’s car BDT 4.00 per k.m.
C. **JUNIOR MANAGEMENT (FAVP/PRINICPAL OFFICER):**

i. They will avail journey by Air in Economy Class. 1st class accommodation in Train, Steamer, A/C Coach and Public Transport of BDT. 800.00 as pocket expenses per journey in addition to the cost of ticket. They will get the cost of ticket only if they traveled by Train, Steamer or any other public transport.

ii. They will be allowed a daily allowance of BDT 2,500.00 per day for all Divisional Headquarters and for other places BDT 1,600.00.

D. **(SEO/EO):**

I. They will travel by 1st Class in Steamer, Train and Public transport and get BDT. 700.00 as pocket expenses per journey in addition to the cost of ticket. They will get the cost of ticket only if they traveled by Train, Steamer or any other public transport.

II. They will be allowed a daily allowance of BDT 2,000.00 per day for all Divisional Headquarters and for other places BDT 1,200.00.

E. **(OFFICER/ASSISTANT OFFICER):**

I. They will travel by 2nd Class in Steamer, Train and Public transport and will get BDT 600.00 as pocket expenses per journey in addition to the cost of ticket. They will get the cost of ticket only if they traveled by Train, Steamer or any other public transport.

II. They will be allowed a daily allowance of BDT 1,500.00 per day for all Divisional Headquarters and for other places BDT 1,000.00.

F. **OTHER MEMBERS OF GENERAL STAFF (INCLUDING DRIVER, ETC.):**

I. They will travel in Train and Steamer in Economy Class and by Public transport and will be entitled to BDT 400.00 as pocket expenses per journey in addition to the cost of ticket. The Driver of the Car and the General Staff traveling in that car or accompanying the Bank’s Official in his/her Car will not be entitled the cost of ticket of any transport for that travel.

II. They will be allowed a daily allowance of BDT 600.00 per day for all Divisional Headquarters and for other places BDT 500.00.
2. **TRAVELLING & DAILY ALLOWANCES (FOREIGN):**

The following rules shall be followed in case of authorized foreign tours undertaken for the purpose of the Bank by Executives and officials as detailed below:

I) The Hotel accommodation and living expenses may differ from one country to another in the world depending upon the economic condition. Hence based upon the living standard of countries around the globe are divided into the following four groups for the Daily Allowances:

Group-1 : North America, Europe, Australia, New Zealand & Japan.
Group-2 : South America, Middle East, Africa & Turkey.
Group-3 : Asian Countries (other than SAARC Countries, Afghanistan, Myanmar and Japan),
Group-4 : SAARC Countries, Afghanistan and Myanmar

II) **Mode & Class Travel:**

By Air: Economy class fare plus Travel Tax, Embarkation fees and taxi fare to and from place of accommodation/Airport/Hotel at actual, if Bank's transport is not provided.

III) **Accommodation, Food and other Expenses:**

These will be paid as per the following rates:

a. **For Senior Management (SEVP/EVP/SVP):**

<table>
<thead>
<tr>
<th>Hotel Accommodation</th>
<th>Daily Allowance including Food, Conveyance, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group – 1</td>
<td>US$ 300.00</td>
</tr>
<tr>
<td>Group – 2</td>
<td>US$ 260.00</td>
</tr>
<tr>
<td>Group – 3</td>
<td>US$ 240.00</td>
</tr>
<tr>
<td>Group – 4</td>
<td>US$ 210.00</td>
</tr>
<tr>
<td></td>
<td>US$ 100.00</td>
</tr>
<tr>
<td></td>
<td>US$ 90.00</td>
</tr>
<tr>
<td></td>
<td>US$ 70.00</td>
</tr>
<tr>
<td></td>
<td>US$ 60.00</td>
</tr>
</tbody>
</table>

Reimbursement against hotel accommodation will be made on production of Hotel bill.
**ELIGIBILITY CRITERIA FOR PROMOTION**

Subject to availability of vacancy in the relevant Grade of the Organogram approved by the Board of Directors, the Eligibility Criteria for Promotion will be as under:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Executive Vice President</td>
<td>At least 3 (three) years’ satisfactory and continuous services as Executive Vice President in the Bank and minimum 4 years of working experience outside Dhaka &amp; Chittagong.</td>
</tr>
<tr>
<td>Executive Vice President</td>
<td>At least 3 (three) years’ satisfactory and continuous services as Senior Vice President in the Bank and minimum 4 years of working experience outside Dhaka &amp; Chittagong.</td>
</tr>
<tr>
<td>Senior Vice President</td>
<td>At least 3 (three) years’ satisfactory and continuous services as Vice President in the Bank and minimum 4 years of working experience outside Dhaka &amp; Chittagong.</td>
</tr>
<tr>
<td>Vice President</td>
<td>At least 3 (three) years’ satisfactory and continuous services as First Vice President in the Bank. Preference will be given to those with minimum 3 years of working experience outside Dhaka &amp; Chittagong.</td>
</tr>
<tr>
<td>First Vice President</td>
<td>At least 3 (three) years’ satisfactory and continuous services as Assistant Vice President in the Bank. Preference will be given to those with minimum 3 years of working experience outside Dhaka &amp; Chittagong.</td>
</tr>
<tr>
<td>Assistant Vice President</td>
<td>At least 3 (three) years’ satisfactory and continuous services as First Assistant Vice President in the Bank. Preference will be given to those with minimum 3 years of working experience outside Dhaka &amp; Chittagong.</td>
</tr>
<tr>
<td>First Assistant Vice President</td>
<td>At least 3 (three) years’ satisfactory and continuous services as Principal Officer in the Bank. Preference will be given to those with minimum 3 years of working experience outside Dhaka &amp; Chittagong.</td>
</tr>
<tr>
<td>Principal Officer</td>
<td>At least 3 (three) years’ satisfactory and continuous services as Senior Executive Officer in the Bank.</td>
</tr>
<tr>
<td>Senior Executive Officer</td>
<td>At least 3 (three) years’ satisfactory and continuous services as Executive Officer in the Bank.</td>
</tr>
<tr>
<td>Executive Officer</td>
<td>At least 3 (three) years’ satisfactory and continuous services as Officer in the Bank.</td>
</tr>
<tr>
<td>Officer</td>
<td>At least 3 (three) years’ satisfactory and continuous services as Assistant Officer in the Bank.</td>
</tr>
<tr>
<td>Assistant Officer (Operations/Cash)</td>
<td>These are the entry levels and they will be promoted as per Service Rule of the Bank.</td>
</tr>
</tbody>
</table>

- Continuous service in a grade- 3 years includes other bank’s in same grade.
- For promotion to Officer rank from Assistant Officer – 3 years includes 01 year as TAO
HR Activities of Mercantile Bank Ltd

MERCANTILE BANK LIMITED
Human Resources Division
Head Office, Dhaka.

Name of Branch/Division...............................

PERFORMANCE APPRAISAL FOR THE EXECUTIVES AND OFFICERS
FOR THE YEAR ENDING 31. 12 .......

(PART "A" TO BE FILLED IN BY THE EMPLOYEE)

01. Name (In Block Letter) :
02. Designation :
03. Date of Birth :
04. Academic Qualification :
05. Professional Qualification :
06. Date of joining in MBL & Designation :
07. Experience in other Bank (s) :
08. Present place of posting :
09. Date of joining in the Present place of posting :
10. Previous Posting in MBL :

   Place of Posting     Posting held
   i) 
   ii) 

11. Working Experience outside Dhaka & Chittagong; if any

   Place             Period             Position Held
   i)                 
   ii)                
   iii)               

Total Period: __________________

12. Promotion received in Mercantile Bank Ltd.;
   Grade/Rank     Date of
   Promotion i)   
   ii)   

[Signature]

[Mercantile Bank Limited]
[Head Office, Dhaka]
HR Activities of Mercantile Bank Ltd

13. Present Basic Salary: Basic BDT .................. Total Salary BDT ..................

14. Business Performance

(a) Applicable for Branch-In-Charge:

<table>
<thead>
<tr>
<th>Area</th>
<th>Targets</th>
<th>Achievement upto 31.12..........</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Deposit:</td>
<td></td>
<td>BDT '000'</td>
</tr>
<tr>
<td>ii) Advances:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>iii) Profit:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>iv) Exports:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>v) Imports:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>vi) Remittance:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>vii) Cost of Deposit:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>viii) Yield on advance:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>viii) Recovery of NPL, if any</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(b) Other than Branch-In-Charge:

(i) Deposit
   (a) No Cost
   (b) Low Cost
   (c) High Cost

(ii) No. of Accounts
   (a) Current Deposit
   (b) Savings Bank
   (c) SND
   (d) Others

Special Performance During the Year ..................................

- In case of other employees authentication by the Branch In-charge:

______________________________
Signature
**PART "B" TO BE FILLED IN BY THE REPORTING OFFICER**

**PART - B**

15. **Measurable Performance Rating:**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Item Rated</th>
<th>Excellent 03</th>
<th>Good 02</th>
<th>Average 01</th>
<th>Below Average 00</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Attendance, Time Consciousness &amp; Punctuality</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Honesty &amp; Integrity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Interpersonal Behaviour, Team Spirit &amp; Cooperation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Discipline &amp; Compliance of Employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Mental Alertness &amp; Promptness to Carryout Superior’s Instructions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Learning Ability &amp; Potential for Growth</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Quality &amp; Quantity of Work</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Initiative, Drive &amp; Enthusiasm</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Reliability, Commitment &amp; Sense of Belongingness</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Marketing Ability</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Skill &amp; Knowledge of Banking</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Power of Judgment &amp; Decision Making</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Willingness &amp; Ability to Train-up Subordinates</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Ability to Plan &amp; Execute</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>Creativity &amp; Innovative Ideas</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td>Managing Capabilities Including Crisis Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Personality &amp; Power of Analytical Thinking</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>Leadership : Ability to Get Things Done</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>Communication Ability : Verbal</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>Communication Ability : Written</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[Signature]

[Stamp]
16. **ACR Rating (Tick the appropriate Box):**

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent (50-60)</td>
<td>Superior actions and results that consistently deliver very high quality performance, exceeding expectation.</td>
</tr>
<tr>
<td>Good (40-49)</td>
<td>High quality performance where actions &amp; results always meet expectation.</td>
</tr>
<tr>
<td>Average (30-39)</td>
<td>Satisfactory performance that just meets expectation.</td>
</tr>
<tr>
<td>Below Average (0-29)</td>
<td>Actions and results that fall short of expectation and do not meet requirement of the job.</td>
</tr>
</tbody>
</table>

**Note:** The reporting officer must inform the employee about his/her below average rating. Any disagreement should be reported to the supervisor of the reporting officer.

**(SIGNATURE OF THE REPORTING OFFICER)**

**(PART "C" TO BE FILLED IN BY THE REPORTING OFFICER)**

**Part-C**

**Comments of the Reporting Officer**

(Please insert your initial in the appropriate Box)

- [ ] Recommended for Promotion to .........................
- [ ] Not yet ready for promotion, needs further development in present position.
- [ ] Appears to have reached his/her limit.
- [ ] Recommended for Annual Grade Increment.
- [ ] Recommended for Special Increment(s)
- [ ] Please mention the No. of Increment(s) .........................
- [ ] Should be considered for another job such as .........................

Assessment of future potential

**(SIGNATURE OF THE REPORTING OFFICER)**
**HR Activities of Mercantile Bank Ltd**

**(COMMENTS OF SUPERVISOR OF THE REPORTING OFFICER)**

(Please insert your initial in the appropriate Box)

I agree about the assessment : 

I do not agree about the assessment : 

**Points of Dissent:**

1. 

2. 

3. 

I agree about the recommendation : 

I do not agree about the recommendation : 

(In case of dissent, please give your reason)

**(SEAL AND SIGNATURE OF THE SUPERVISOR)**

**TOTAL MARKS SECURED**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Total Marks</th>
<th>Marks Secured</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>ACR</td>
<td>60</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Academic Qualification *</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Institute of Bankers Examination Part-I=2 marks &amp; Part-II=3 marks</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Professional Training (for each training) mark</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Computer training / knowledge</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Interview performance/overall assessment</td>
<td>20</td>
<td></td>
</tr>
</tbody>
</table>

**Total = 100**

* (Masters = 5, Graduate (Hons.) = 4, Graduate = 3)

1. ACR : 60
2. Professional Training & Academic Records : 20 (2,3,4,&5)  
   80

In case of special increment & Promotion, Head Office may arrange an Interview for the following marks:

3. Interview performance / overall assessment : 20  
   100
HR Activities of Mercantile Bank Ltd

Necessary Instructions for the Reporting Officers:

01. Please write ACR of those employee who have served under you for a minimum period of 06 (six) months.

02. While writing ACRs of your subordinates, please consider the following:
   
   (a) Be practical as far as possible.
   
   (b) Be reasonably prudent in the judgment.
   
   (c) Be sincere, impartial and unbiased in making comments.
   
   (d) Avoid over-statement & under-statement.
   
   (e) Compare the employee concerned with his/her colleagues of the same rank. Do not allow your own liking & disliking to influence the ratings.
   
   (f) Keep in mind that your impartial ratings will reward the right person and facilitate Management to take measures for improvement of the skill of the deficient employees.

03. Write about the reaction of the employee concerned about his/her weakness which were brought to his/her notice by you.

04. For recommendation of special increment or cash award, the employee concerned shall have to perform at least one-year service in the grade.

INSTRUCTION FOR THE COUNTERSIGNING OFFICER:

01. Use your own judgment on the basis of knowledge about the employee concerned while making comments over the ratings done by the Reporting Officer.

02. Put forward your own remarks if not agreed with that of the Reporting Officer.

03. Make sure that adverse remarks made by the Reporting Officer against the Officer concerned have been communicated, if not, inform him/her of the same.

04. Mention the over-statement or under-statement, if any, done by the Reporting Officer.
HR Activities of Mercantile Bank Ltd

MERCANTILE BANK LIMITED
Human Resources Division
Head Office, Dhaka.

RETIREMENT POLICY OF MERCANTILE BANK LIMITED

RULES & REGULATIONS OF THE RETIREMENT

1. The rules may be called the “Mercantile Bank Limited” (Employees) Retirement and Retirement Benefit Rules, 1999.

2. It shall come into force at once and shall be deemed to have taken effect from the date of inception of the Bank.

3. Interpretations: Unless there is anything repugnant in the subject or context.

3.1 “The Bank” means Mercantile Bank Limited.

3.2 “Rules” means Mercantile Bank Limited (Employees) Retirement and Retirement benefit Rules.

3.3 “Board of Directors” means the Board of Directors of Mercantile Bank Limited.

3.4 “Employees” means and include every confirmed and permanent employees of the Bank in any grade appointed directly by the Bank and exclude a probationer, casual worker and persons on contractual service.

3.5 “Management” means the management of the Mercantile Bank Limited.

3.6 “Benefit” means the financial benefits payable to an employee and other privilege such as house accommodation, transport facility, leave preparatory to retirement etc.

3.7 “Gratuity Rules” means Employees Gratuity Rules of Mercantile Bank Limited.

3.8 “Provident Fund” means Mercantile Bank Limited Employees Provident fund.

3.9 “Pay” means the amount drawn monthly by an employee as the pay which has been sanctioned for the post held by him/her substantively or in an officiating capacity and includes personal payment and any other remuneration classed as pay with the approval of the Board of Directors.

3.10 “Service” means and includes the period during which an employee is on duty, on sanctioned leave and on deputation elsewhere with the expressed approval of the Bank.

3.11 “Family” means and includes wife or husband, children wholly dependent upon the employee.

3.12 “Re-employment” means employment on contract basis after normal retirement.
4. **KINDS OF RETIREMENT:**

4.1 The Retirement may be categorized in the following ways:

(a) Voluntary Retirement;

(b) Normal Retirement;

(c) Forced Retirement;

5. **AGE FOR RETIREMENT:**

5.1 **VOLUNTARY RETIREMENT:**

Any employee of the bank may opt to retire from the service of the Bank at any time after he/she has completed minimum 25 (twenty five) years of banking service giving notice in writing to the Managing Director at least 60 (sixty) days prior to the date of his/her intended retirement.

Provided that the Management/the Board of Directors shall have the discretion to accept or reject prayer for such optional retirement. In case of its rejection, the concerned employee shall be informed of the rejection before expiry of the Notice for Voluntary Retirement.

5.2 **NORMAL RETIREMENT:**

All regular employees of the Bank shall retire on attainment of the age of 62 (sixty two) years.

5.3 **FORCED RETIREMENT:**

Forced retirement will not depend on age of the employee. An employee may be dismissed from the service of the Bank after conforming to rules and procedures provided in law for his/her committing any misconduct, but as a measure of punishment in that case, the Management may for reasons to be recorded in writing, put such an employee to Forced Retirement.

6. No employee who has retired from service shall be re-employed in the regular service of the Bank in any capacity.

7. **RETIREMENT BENEFITS:**

7.1 An employee whose voluntary retirement has been accepted by the Bank shall be entitled to the following retirement benefits:

(a) Pay for the period of the accumulated Privileged Leave available in his/her Leave account and Special leave account subject to maximum 06 (six) months to be calculated on the basic pay drawn by him/her for the immediate last month before his/her voluntary retirement.

(b) Gratuity as per Gratuity Rules.

(c) He/She shall be entitled to payments admissible to him/her as per Provident Fund Rules of the Bank.
HR Activities of Mercantile Bank Ltd

(d) If the concerned employee was availing car loan facilities from the Bank at the time of his/her voluntary retirement, he/she shall be allowed to repay the entire outstanding amount of the car loan and in that case it may be transferred in his/her name.

In case, he/she was simply availing a transport from Bank’s account, he/she will surrender the transport immediately.

7.2 An employee who has retired at the age of 62 (Sixty two) years in usual course shall be entitled to the following retirement benefits:

Leave preparatory to retirement of 03 (three) months with pay, allowances and other facilities in full which he/she was availing from the Bank before proceeding to such leave.

7.3 The leave preparatory to retirement shall not be debited from his/her leave account.

7.4 Pay for the period of the accumulated Privileged Leave available in his/her Leave Account and Special Leave Account subject to maximum 9 (nine) months to be calculated on the basic pay drawn by him/her for the immediate last month before his/her retirement.

7.5 An employee, who has been put to forced retirement as a measure of punishment for committing any misconduct shall be entitled to the following benefits:-

(a) His /her own contribution to the Provident fund.

(c) Gratuity benefit if admissible as per existing Employees’ Gratuity Rules of the Bank.

If an employee die while in service/or permanently/partially disabled while in service and removed from service on that ground, his/her family or dependent shall be entitled to the benefits specified in Rules 7.2, 7.4 where applicable. Such benefits shall be in excess of other death benefits, if any, admissible to the family of the deceased.
HR Activities of Mercantile Bank Ltd

MERCANTILE BANK LIMITED
Human Resources Division
Head Office, Dhaka.

RULES FOR EMPLOYEES WELFARE FUND

1. These Rules may be called the Mercantile Bank Limited Employees’ Welfare Fund Rules.

2. In these Rules unless there is anything repugnant in the subject or context:
   i. “Bank” means the Mercantile Bank Limited
   iii. “Board of Trustees” means the body by which the fund shall be governed and administered.
   iv. “Board” means the Board of Trustees.
   v. “Chairman” means the Chairman of the Board of Trustees.
   vi. “Employee” means the employee of the Bank; whether temporary or permanent or on contract basis.
   vii. “Pay” includes substantive pay.
   viii. “Service” includes the period during which an employee is on active duty or on authorized leave, but does not include any period during which an employee is absent from duty without authority or he/she overstays his/her leave unless such period of absence or overstay is regularized.

3. SOURCE OF THE FUND:
   i. The Fund shall be subscribed by monthly contribution of the employees as under:

<table>
<thead>
<tr>
<th></th>
<th>Additional Managing Director/Deputy Managing Director</th>
<th>Executive Vice President to Senior Executive Vice President</th>
<th>Assistant Vice President to Senior Vice President</th>
<th>Principal Officer &amp; First Assistant Vice President</th>
<th>Executive Officer &amp; Senior Executive Officer</th>
<th>Assistant Officer &amp; Officer</th>
<th>Driver/All other employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>BDT 2,000.00</td>
<td>BDT 1,000.00</td>
<td>BDT 800.00</td>
<td>BDT 500.00</td>
<td>BDT 400.00</td>
<td>BDT 250.00</td>
<td>BDT 100.00</td>
</tr>
</tbody>
</table>
ii) Bank will contribute to the fund from time to time. Since the scheme has been formulated to substitute group insurance coverage of the employees, which is usually being done by other Banks, Bank would contribute an amount not less than the amount required for group insurance of the employees.

iii) Sale proceeds of the waste paper of the Bank.

iv) Sale proceeds of old newspapers or BDT 10.00 per newspaper per month to be realized from the employees enjoying the facility.

4. **Entitlement:**
   i) All permanent employees will be entitled to the benefit of the scheme provided they are members of the fund by contributing monthly subscription. Other than the permanent employees may get the benefit of the scheme as decided by the Board.

ii) The scheme will be applicable to Bank's employees only and not to other members of family.

5. **Membership and Nomination Form:**
   i) A prescribed form duly signed by the employee be obtained expressing their willingness to become a member of the fund.

ii) The employee concerned shall also mention the name of the nominee/nominees to receive benefit in case of his/her death.

6. **Benefit:**
   a) **Death:**

In case of death of an employee while in active service/financial benefit to the bereaved family of the deceased will of the bank be paid to the nominee/nominees. In absence of such nomination, benefit will be paid to the legal heirs subject to production of succession certificate from the competent court of law in the following manner:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Deputy Managing Director/Additional Managing Director/Managing Director</td>
<td>BDT. 15,00,000.00</td>
</tr>
<tr>
<td>2. Executive Vice President to Sr. Executive Vice President</td>
<td>BDT. 12,00,000.00</td>
</tr>
<tr>
<td>3. Vice President to Sr. Vice President</td>
<td>BDT. 10,00,000.00</td>
</tr>
<tr>
<td>4. Assistant Vice President to First Vice President</td>
<td>BDT. 9,00,000.00</td>
</tr>
<tr>
<td>5. Principal Officer &amp; First Asst. Vice President</td>
<td>BDT. 8,00,000.00</td>
</tr>
<tr>
<td>6. Executive Office &amp; Senior Executive Officer</td>
<td>BDT. 7,00,000.00</td>
</tr>
<tr>
<td>7. Assistant Officer &amp; Officer</td>
<td>BDT. 6,00,000.00</td>
</tr>
<tr>
<td>8. Driver / All other Employees</td>
<td>BDT. 5,00,000.00</td>
</tr>
</tbody>
</table>
HR Activities of Mercantile Bank Ltd

(b) **Disability:**

(i) Financial benefit to the employees in case of their physical disability during service because of any accident or otherwise making them incapable of continuing service will be as under:

<table>
<thead>
<tr>
<th>Designation</th>
<th>Tk. In lac</th>
</tr>
</thead>
<tbody>
<tr>
<td>MD, AMD, MD</td>
<td>15.00</td>
</tr>
<tr>
<td>SEVP - EVP</td>
<td>12.00</td>
</tr>
<tr>
<td>SVP - VP</td>
<td>10.00</td>
</tr>
<tr>
<td>FVP - AVP</td>
<td>9.00</td>
</tr>
<tr>
<td>FAVP - PO</td>
<td>8.00</td>
</tr>
<tr>
<td>SEO - EO</td>
<td>7.00</td>
</tr>
<tr>
<td>Officer - AO</td>
<td>6.00</td>
</tr>
<tr>
<td>Driver - Electrician</td>
<td>5.00</td>
</tr>
</tbody>
</table>

(ii) In case of partial disability caused by accident or amputation of any limb by surgical operation due to any cause acceptable to the Board of Trustees may be taken into consideration for payment of such benefit which shall not exceed 50% of the amount as mentioned at 6 (b) (i).

(c) **Retirement:**

(i) The employees who will retire after completion of normal service period with a **minimum 10 (Ten) years continuous service in Mercantile Bank Limited** will be entitled to retirement benefit from “Employees Welfare Fund” as under:

<table>
<thead>
<tr>
<th>Designation</th>
<th>Tk. In lac</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMD - DMD</td>
<td>15.00</td>
</tr>
<tr>
<td>SEVP - EVP</td>
<td>12.00</td>
</tr>
<tr>
<td>SVP - VP</td>
<td>10.00</td>
</tr>
<tr>
<td>FVP - AVP</td>
<td>9.00</td>
</tr>
<tr>
<td>FAVP - PO</td>
<td>8.00</td>
</tr>
<tr>
<td>SEO - EO</td>
<td>7.00</td>
</tr>
<tr>
<td>Officer - AO</td>
<td>6.00</td>
</tr>
<tr>
<td>Driver - Electrician</td>
<td>5.00</td>
</tr>
</tbody>
</table>

(ii) The employees on lateral entry shall also be entitled to the benefits of Welfare Fund under these rules in the event of normal retirement/ relinquishment of service provided he has completed 10 (ten) years of total Banking service including minimum 5 (five) years in Mercantile Bank Limited.

(iii) The employees who will retire voluntarily after (i) 10 years but less than 15 years service in the Bank will get 50% (ii) 15 years and above service in the Bank will get 100% from this fund provided the Board of Trustees is satisfied that the employees seeking such benefit have rendered their best and meritorious services to the Bank.

In case of golden handshake is imposed by the Board, entitlement of retirement benefit from this fund shall be decided by the Board.
HR Activities of Mercantile Bank Ltd

(d) **Medical:**

(i) In case of serious illness where hospitalization is advised by the Doctors, charges may be paid as under:

<table>
<thead>
<tr>
<th>Category</th>
<th>Rate per day</th>
<th>Maximum Limit</th>
<th>Maximum in service period</th>
<th>At a time not exceeding</th>
</tr>
</thead>
<tbody>
<tr>
<td>MD - EVP</td>
<td>5,000.00</td>
<td>1,00,000.00</td>
<td>60 days</td>
<td>20 days</td>
</tr>
<tr>
<td>SVP - AVP</td>
<td>3,000.00</td>
<td>75,000.00</td>
<td>- Do -</td>
<td>- Do -</td>
</tr>
<tr>
<td>FAVP - PO</td>
<td>2,500.00</td>
<td>60,000.00</td>
<td>- Do -</td>
<td>- Do -</td>
</tr>
<tr>
<td>SEO - EO</td>
<td>2,000.00</td>
<td>40,000.00</td>
<td>- Do -</td>
<td>- Do -</td>
</tr>
<tr>
<td>Officer - AO</td>
<td>1,500.00</td>
<td>30,000.00</td>
<td>- Do -</td>
<td>- Do -</td>
</tr>
<tr>
<td>Driver - Electrician</td>
<td>1,000.00</td>
<td>20,000.00</td>
<td>- Do -</td>
<td>- Do -</td>
</tr>
</tbody>
</table>

(ii) For major surgical operation charges may be paid as under:

<table>
<thead>
<tr>
<th>Category</th>
<th>Maximum Limit</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>MD - EVP</td>
<td>70,000.00</td>
<td>During entire service period with the Bank</td>
</tr>
<tr>
<td>SVP - AVP</td>
<td>60,000.00</td>
<td>- do -</td>
</tr>
<tr>
<td>FAVP - PO</td>
<td>50,000.00</td>
<td>- do -</td>
</tr>
<tr>
<td>SEO - EO</td>
<td>40,000.00</td>
<td>- do -</td>
</tr>
<tr>
<td>Officer - AO</td>
<td>30,000.00</td>
<td>- do -</td>
</tr>
<tr>
<td>Driver - Electrician</td>
<td>20,000.00</td>
<td>- do -</td>
</tr>
</tbody>
</table>

(iii) Reimbursement of maternity expenses on production of Hospital/Clinic bill may be made from this fund as under:

<table>
<thead>
<tr>
<th>Category</th>
<th>Maximum Limit per delivery</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>All female employees</td>
<td>BDT.30,000.00</td>
<td>Restriction up to 2 children only</td>
</tr>
</tbody>
</table>

(iv) An employee of the Bank, if gets admitted in the hospital as per advice of Physician, he/she may be paid to the actual bill of all pathological tests and medicine purchased during the period of hospitalization.

(e) **Stipend:**

Children of employees of MBL will be eligible for applying for “ABDUL JALIL EDUCATION SCHOLARSHIP” irrespective of income of employees of MBL.
Glossary

- **Title fly**- A page only displaying the title.

- **Title page**- A page displaying the title, identification of writer and recipient.

- **Authorization Message**- Included only when a message authorized the report.

- **Transmittal Message**- A message transmitting the report.

- **Table of Content**- A listing of the report parts.

- **Executive Summary**- The report in miniature.