

DUTCH - BANGLA BANK LIMITED

UN-AUDITED FINANCIAL STATEMENTS

For the half year ended 30 June 2019

Dutch-Bangla Bank Limited
Consolidated Balance Sheet
As at 30 June 2019

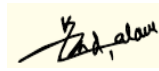
PROPERTY AND ASSETS	Notes	30-Jun-19 Taka (Un-audited)	31-Dec-18 Taka (Audited)	30-Jun-18 Taka (Audited)
Cash				
In hand (including foreign currencies)	4	16,075,152,337	17,419,869,741	11,964,935,205
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	5	25,822,262,193	32,728,425,040	25,280,301,941
		41,897,414,530	50,148,294,781	37,245,237,146
Balance with other banks and financial institutions				
In Bangladesh	6	13,944,252,262	6,715,668,728	14,126,060,202
Outside Bangladesh		1,469,035,622	656,896,195	1,839,164,951
		15,413,287,884	7,372,564,923	15,965,225,153
Money at call on short notice	7	-	-	2,080,000,000
Investments				
Government	8	34,968,915,113	31,457,164,331	25,825,143,566
Others		1,411,283,434	751,283,434	251,283,434
		36,380,198,547	32,208,447,765	26,076,427,000
Loans and advances				
Loans, cash credits, overdrafts, etc.	9	227,954,046,262	209,463,408,465	199,669,519,705
Bills purchased and discounted		18,563,793,946	22,090,531,874	20,970,185,699
		246,517,840,208	231,553,940,339	220,639,705,404
Fixed assets including land, building, furniture and fixtures	10	5,590,896,571	5,737,308,593	5,225,572,862
Other assets	11	22,897,188,729	19,448,234,568	18,281,486,257
Non-banking assets		-	-	-
TOTAL ASSETS		368,696,826,469	346,468,790,969	325,513,653,822
LIABILITIES AND CAPITAL				
Liabilities				
Borrowings from other banks, financial institutions and agents	12	17,180,330,060	20,200,735,203	21,957,800,962
Deposits and other accounts				
Current deposits and other accounts	13	63,027,310,534	56,491,756,720	53,516,778,920
Bills payable		5,477,265,043	3,465,965,762	4,867,080,885
Savings bank deposits		138,097,536,368	127,689,439,982	119,346,524,228
Term deposits		79,827,085,029	74,820,559,332	71,639,386,296
		286,429,196,974	262,467,721,796	249,369,770,329
Other liabilities	14	29,052,709,061	29,141,238,738	26,472,111,046
Subordinated debt	15	11,049,687,500	11,573,125,000	7,209,075,488
TOTAL LIABILITIES		343,711,923,595	323,382,820,737	305,008,757,825
Shareholders' equity				
Paid up share capital	16.2	5,000,000,000	2,000,000,000	2,000,000,000
Share premium	17	11,067,500	11,067,500	11,067,500
Statutory reserve	18	9,193,048,174	9,193,048,174	9,833,705,453
Other reserve	19	-	-	-
Dividend equalization account	20	1,766,827,195	1,766,827,195	1,766,827,195
Assets revaluation reserve	21	850,413,777	850,413,777	850,413,777
Revaluation reserve of HTM securities	22	2,009,455	16,355,788	11,473,900
Proposed dividend		-	-	-
Retained earnings	24	8,161,536,773	9,248,257,798	6,031,408,172
TOTAL SHAREHOLDERS' EQUITY		24,984,902,874	23,085,970,232	20,504,895,997
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		368,696,826,469	346,468,790,969	325,513,653,822

	Notes	30-Jun-19 Taka (Un-audited)	31-Dec-18 Taka (Audited)	30-Jun-18 Taka (Audited)
OFF-BALANCE SHEET ITEMS				
Contingent liabilities	23			
Acceptances and endorsements		36,735,582,239	43,854,923,220	43,140,194,979
Letters of guarantee		6,267,385,876	6,311,819,290	7,764,458,439
Irrevocable letters of credit		24,381,539,169	26,436,161,532	26,815,831,827
Bills for collection		-	-	615,773
Other contingent liabilities		4,367,661,368	2,029,968,810	2,624,273,327
Total contingent liabilities		71,752,168,652	78,632,872,852	80,345,374,345
Other commitments				
Documentary credits and short term trade-related transactions		-	-	-
Forward assets purchased and forward deposits placed		-	-	-
Undrawn note issuance and revolving underwriting facilities		-	-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-	-
Total other commitments		-	-	-
Total off-balance sheet items including contingent liabilities		71,752,168,652	78,632,872,852	80,345,374,345

The annexed notes 1 to 48 form an integral part of these financial statements.



Director



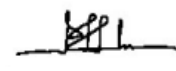
Director



Managing Director & CEO



Chief Financial Officer



Company Secretary

Dhaka, 30 July 2019

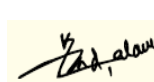
Dutch-Bangla Bank Limited
Consolidated Profit and Loss Account
For the half year ended 30 June 2019

Notes	For the six months ended 30 June (January - June)		For the quarter ended 30 June (April-June)		
	2019	2018	2019	2018	
	Taka	Taka	Taka	Taka	
Interest income	26	12,256,153,977	10,077,725,191	6,413,792,748	5,364,354,747
Interest paid on deposits and borrowings etc.	27	3,640,480,108	3,125,537,852	1,821,343,235	1,656,346,964
Net interest income		8,615,673,869	6,952,187,339	4,592,449,513	3,708,007,783
Investment income	28	1,392,887,878	1,044,650,763	757,688,414	563,436,504
Commission, exchange and brokerage	29	986,642,202	1,128,648,786	410,158,591	640,680,979
Other operating income	30	1,970,839,417	1,660,666,300	1,029,957,510	945,789,886
Total operating income		12,966,043,366	10,786,153,188	6,790,254,029	5,857,915,152
Salary and allowances	32	2,280,483,329	1,893,921,484	1,208,783,907	989,184,307
Rent, taxes, insurance, electricity, etc.	34	1,015,725,028	890,733,308	547,070,742	457,850,973
Legal expenses	35	1,261,247	1,939,083	691,586	1,165,744
Postage, stamp, telecommunications, etc.	36	167,757,974	176,917,027	81,127,707	88,366,769
Stationery, printings, advertisements, etc.	37	351,769,572	271,366,667	160,662,957	136,936,524
Managing Director & CEO's salary and allowances	38	5,248,000	5,248,000	3,139,000	3,139,000
Directors' fees	39	40,885	145,000	4,940	79,500
Auditors' fees	40	430,500	329,000	196,250	183,000
Charges on loan losses	41	2,399,081,265	1,451,085,376	2,399,081,265	1,451,085,376
Depreciation and repair of bank's assets	42	1,094,711,190	1,027,947,299	537,757,807	523,618,984
Other expenses	43	3,145,047,876	2,437,759,795	1,675,073,290	1,240,310,273
Total operating expenses		10,461,556,866	8,157,392,039	6,613,589,451	4,891,920,450
Profit before provision		2,504,486,500	2,628,761,149	176,664,577	965,994,703
Provision for loans and off-balance sheet exposures	14.1.3				
Specific provision for loans	14.1.3(A)	(887,825,399)	(830,300,223)	(2,136,573,513)	(959,608,867)
General provision for loans	14.1.3(B)	176,200,000	177,800,000	118,700,000	122,521,155
General provision for off-balance sheet exposures	14.1.3(C)	(84,682,786)	77,974,975	(146,079,205)	(41,690,947)
		(796,308,185)	(574,525,248)	(2,163,952,718)	(878,778,659)
Other provision	14.1.1	-	-	-	-
Total provision		(796,308,185)	(574,525,248)	(2,163,952,718)	(878,778,659)
Profit before taxes		3,300,794,685	3,203,286,397	2,340,617,295	1,844,773,362
Provision for taxation					
Current tax	14.1.2	1,102,420,994	1,111,016,211	1,055,208,367	391,708,384
Deferred tax	11.2.2	285,094,716	467,038,014	(154,064,799)	466,588,697
		1,387,515,710	1,578,054,225	901,143,568	858,297,081
Net profit after taxation		1,913,278,975	1,625,232,172	1,439,473,727	986,476,281
Appropriations					
Statutory reserve	18	-	640,657,279	-	368,954,672
Retained surplus to retained earnings		1,913,278,975	984,574,893	1,439,473,727	617,521,609
Earnings per share (EPS)	24.2	3.83	3.25	2.88	1.97

The annexed notes 1 to 48 form an integral part of these financial statements.



Director




Director



Managing Director & CEO



Chief Financial Officer



Company Secretary

Dutch-Bangla Bank Limited

Consolidated Cash Flow Statement For the half year ended 30 June 2019

	Notes	30-Jun-19 Taka	30-Jun-18 Taka
A) Cash flows from operating activities			
Interest receipts in cash		13,501,383,365	10,957,536,671
Interest payments		(3,771,632,969)	(3,272,773,026)
Dividend receipts in cash		5,711,803	5,711,981
Gain on sale of shares		-	-
Gain on sale of securities		-	-
Recoveries of loan previously written-off		185,080	-
Fee and commission receipts in cash		365,035,698	395,893,441
Cash payments to employees		(2,439,043,185)	(1,990,933,614)
Cash payments to suppliers		(1,788,097,713)	(2,998,693,503)
Income taxes paid		(1,868,876,367)	(1,903,671,878)
Receipts from other operating activities	44	2,574,024,574	2,393,036,554
Payments for other operating activities	45	(3,193,095,241)	(2,646,167,686)
<i>Operating profit before changes in operating assets and liabilities</i>		3,385,595,045	939,938,940
Increase/(decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase /sale of trading securities		(1,933,000,000)	-
Loans and advances to other banks		-	-
Loans and advances to customers		(17,144,034,045)	(22,598,929,400)
Other assets	46	(1,523,492,418)	237,173,233
Deposits from other banks		(2,249,568)	22,701,525
Deposits from customers		23,941,269,045	15,542,802,943
Other liabilities account of customers		(7,804,277,958)	7,108,222,160
Other liabilities	47	(166,788,932)	(3,820,526,358)
<i>Net cash from operating activities</i>		(1,246,978,829)	(2,568,616,957)
B) Cash flows from investing activities			
Payments for purchase of securities		(17,119,171,355)	(205,265,375,279)
Proceeds from sale of securities		14,875,544,373	205,391,964,494
Purchase of property, plant and equipment		(535,095,417)	(413,961,710)
Sale proceeds of property, plant and equipment		25,307,432	12,307,910
<i>Net cash used in investing activities</i>		(2,753,414,967)	(275,064,585)
C) Cash flows from financing activities			
Receipts from issue of loan capital and debt securities		-	-
Payment for redemption of loan capital and debt securities		(523,437,500)	(503,750,000)
Dividends paid		(415,003,576)	(510,452,752)
<i>Net cash from financing activities</i>		(938,441,076)	(1,014,202,752)
D) Net increase / (decrease) in cash (A+B+C)		(4,938,834,873)	(3,857,884,294)
E) Cash and cash-equivalents at beginning of the period		67,410,406,815	66,538,988,617
F) Cash and cash-equivalents at end of the period (D+E)	48	62,471,571,942	62,681,104,323
Net Operating Cash Flow Per Share (NOCFPS)	24.4	(2.49)	(5.14)



Director



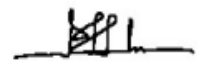
Director



Managing Director & CEO



Chief Financial Officer



Company Secretary

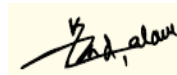
Dutch-Bangla Bank Limited
Consolidated Statement of Changes in Equity
For the half year ended 30 June 2019

Figures in Taka

Particulars	Paid up share capital	Share premium	Statutory reserve	Dividend equalization account	Assets revaluation reserve	Revaluation reserve of HTM securities	Retained earnings	Total
Balance at 1 January 2019	2,000,000,000	11,067,500	9,193,048,174	1,766,827,195	850,413,777	16,355,788	9,248,257,798	23,085,970,232
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated balance	2,000,000,000	11,067,500	9,193,048,174	1,766,827,195	850,413,777	16,355,788	9,248,257,798	23,085,970,232
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	(14,346,333)	-	(14,346,333)
Currency translation differences	-	-	-	-	-	-	-	-
Net gains and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Payment of dividend for the year 2018	-	-	-	-	-	-	-	-
Transfer for dividend for the year 2018	3,000,000,000			-			(3,000,000,000)	-
Net profit for the six months ended 30 June 2019	-	-	-	-	-	-	1,913,278,975	1,913,278,975
Appropriations during the period	-	-	-	-	-	-	-	-
Balance at 30 June 2019	5,000,000,000	11,067,500	9,193,048,174	1,766,827,195	850,413,777	2,009,455	8,161,536,773	24,984,902,874
Balance at 30 June 2018	2,000,000,000	11,067,500	9,833,705,453	1,766,827,195	850,413,777	11,473,900	6,031,408,172	20,504,895,997



Director



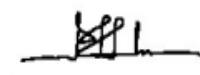
Director



Managing Director & CEO



Chief Financial Officer



Company Secretary

Dhaka, 30 July 2019

Dutch-Bangla Bank Limited

Notes to the Financial Statements as at and for the half year ended 30 June 2019 (Main Operation and Off-shore Banking Unit)

1. Status of the Bank

1.1 Dutch-Bangla Bank Limited (the Bank) is a scheduled commercial bank set up as a joint venture between Bangladesh and The Netherlands. Incorporated as a public limited company under the Companies Act 1994, the Bank obtained license from Bangladesh Bank on 23 July 1995 and started its banking business with one branch on 3 June 1996. The number of branches was 184 as at 30 June 2019 all over Bangladesh. The Bank is listed with Dhaka Stock Exchange and Chittagong Stock Exchange as a publicly quoted company.

1.2 Nature of business

Main operation

The principal activities of the Bank are to carry on all kinds of commercial banking business in Bangladesh.

Mobile Banking Services

The Bank obtained the permission for conducting the Mobile Banking services from Bangladesh Bank on 28 April 2010. The Bank started operation of Mobile Banking Services on 31 March 2011.

The principal activities of the Mobile Banking Services are to provide banking services to Mobile Banking customers through Mobile Phone and multiple delivery channels within the applicable rules & regulations and guidelines of Bangladesh Bank.

Mobile Banking Services are part of Main Operation of the Bank.

Agent Banking Services

The Bank obtained the permission for conducting the Agent Banking services from Bangladesh Bank on 27 July 2014. The Bank started operation of Agent Banking Services on 19 January 2015.

The principal activities of the Agent Banking Services are to provide banking services to the Bank customers through engagement of agents who conducts Banking Transaction on behalf of the Bank under a valid agency agreements rather than Bank's own Tellers/Cashiers to deliver the services within the applicable rules & regulations and guidelines of Bangladesh Bank.

Agent Banking Services are part of Main Operation of the Bank.

Off-shore Banking Unit (OBU)

The Off-shore Banking Unit (OBU) of the Bank is the separate business entity governed by the applicable rules & regulations and guidelines of Bangladesh Bank. The Bank obtained the permission for conducting the operations of OBU from Bangladesh Bank on 23 February 2010. The Bank started the operation of OBU on 12 July 2010. The number of OBUs were two as at 30 June 2019 located at Chittagong EPZ Branch-Chittagong and Dhaka EPZ Branch-Dhaka.

The principal activities of the OBUs are to provide commercial banking services through its Units within the rules & regulations and guidelines of Bangladesh Bank applicable for the Off-shore Banking Units.

2. Significant accounting policies and basis of preparation of financial statements

2.1 Basis of accounting

The financial statements of the Bank have been prepared under historical cost convention except investments which are measured at present value and in accordance with "First Schedule" of the Bank Companies Act, 1991 as amended under sub-section 38(4) of the Act, relevant Bangladesh Bank Circulars, International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other rules and regulations applicable for Banks in Bangladesh.

In cases, any requirement of provisions and circulars issued by Bangladesh Bank differs with those of other regulatory authorities, the provisions & circulars issued by Bangladesh Bank prevailed. Material departures from the requirement of IAS & IFRS are as follows:

2.1.1 Investment in shares and Securities

IFRS & IAS

As per requirements of IFRS 9, the investment in shares and securities generally falls either under "at fair value through profit and loss account" or under "at fair value through other comprehensive income" where any change in the fair value of securities measured "at fair value through profit and loss account" is taken to profit and loss account and any changes in the fair value of securities measured "at fair value through other comprehensive income" is transferred to equity through other comprehensive income.

Bangladesh Bank:

As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment.

2.1.2 Revaluation gain/loss on Government securities

IFRS & IAS:

As per requirement of IFRS 9, all financial assets are into two classifications - measured at amortised cost and measured at fair value. For securities like treasury bills and treasury bonds designated as “held for trading” falls under “fair value measurement” and any change in the fair value is recognized through fair value through profit and loss account. T-bills and T-Bonds not designated as “held for trading” (i.e., held to maturity) are measured at amortized cost method and interest income is recognized through the profit and loss account.

Bangladesh Bank:

As per DOS circular no. 05 dated 26 May 2008, HFT securities are revalued on the basis of marking to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognized in other reserve as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortization of discount are recognized in the profit and loss account.

2.1.3 Provision on loans and advances

IFRS & IAS:

As per IFRS 9, an entity shall recognised an impairment allowance on loans & advances based on the expected credit loss. Expected credit losses are required to be measured through a loss allowance at an amount equal to the (i) 12-month expected credit losses or (ii) full lifetime expected credit losses. For loans & Advances whose credit risk increased significantly since initial recognition, a loss allowance for full lifetime expected credit losses is required. For loans & advances whose credit risk didn't increased significantly, a loss allowance equal to the 12-month expected credit losses is required.

Bangladesh Bank:

As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013 & BRPD circular no. 16 dated 18 November 2014, a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on time past due. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IFRS 9.

2.1.4 Recognition of interest in suspense

IFRS & IAS:

Loans and advances to customers are generally classified at amortised cost as per IFRS 9 and interest income is recognized through effective interest rate method to the gross carrying amount over the term of the loan. Once a loan is impaired, interest income is recognized in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank:

As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

2.1.5 Other comprehensive income

IFRS & IAS:

As per IAS 1 Other Comprehensive Income (OCI) is a component of financial statements or the elements of Other Comprehensive Income are to be included in a Single Other Comprehensive Income (OCI) Statement.

Bangladesh Bank:

Bangladesh Bank has issued templates for financial statements as per BRPD circular no. 14 dated 25 June 2003, which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income (OCI) Statement. As such the company does not prepare the other comprehensive income statement. However elements of OCI, if any, are shown in the statements of changes in equity.

2.1.6 Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in IFRS 9. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.

2.1.7 Repo and Reverse Repo transactions

IFRS & BAS:

When an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is treated as a loan and the underlying asset continues to be recognized in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. Same rule applies to the opposite side of the transaction (reverse repo).

Bangladesh Bank:

As per DOS Circular letter no. 6 dated 15 July 2010 and subsequent clarification in DOS circular no. 2 dated 23 January 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transactions and the financial assets are derecognized in the seller's book and recognized in the buyer's book. However, as per Debt Management Department (DMD) circular letter no. 7 dated 29 July 2012, non primary dealer banks are eligible to participate in the Assured Liquidity Support (ALS) program, whereby such banks may enter collateralized repo arrangements with Bangladesh Bank. Here the selling bank accounts for the arrangement as a loan, thereby continuing to recognize the asset.

2.1.8 Financial guarantees**IFRS & IAS:**

As per IFRS 9, financial guarantees are contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of:

(i) the amount of the loss allowance and (ii) the amount initially recognised less, the cumulative amount of income recognised in accordance with the principles of IFRS 15..Financial guarantees are included within other liabilities.

Bangladesh Bank:

As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as letter of credit, letter of guarantee will be treated as Off-Balance Sheet items. No liability is recognized for the guarantee except the cash margin.

2.1.9 Cash and cash equivalent**IFRS & IAS:**

Cash and cash equivalent items should be reported as cash item as per IAS 7.

Bangladesh Bank:

Some cash and cash equivalent items such as 'money at call and on short notice', Treasury bills, Bangladesh Bank bills and Prize bond are not shown as cash and cash equivalent. Money at call and on short notice presented on the face of the balance sheet, and Treasury bills, Prize bonds are shown in investments.

2.1.10 Cash flow statement**IFRS & IAS:**

Cash flow statement can be prepared either in direct method or in indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank:

As per BRPD circular no. 14 dated 25 June 2003, cash flows is the mixture of direct and indirect method.

2.1.11 Balance with Bangladesh Bank: (CRR)**IFRS & IAS:**

Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per IAS 7.

Bangladesh Bank:

Balance with Bangladesh Bank is treated as cash and cash equivalents.

2.1.12 Presentation of intangible asset**IFRS & IAS:**

An intangible asset must be identified and recognized, and the disclosure must be given as per IAS 38.

Bangladesh Bank:

There is no requirement for regulation of intangible assets in BRPD circular no. 14 dated 25 June 2003.

2.1.13 Off-balance sheet items**IFRS & IAS:**

There is no concept of off-balance sheet items in any IFRS; the off-balance sheet item e.g., Letter of credit, Letter of guarantee etc are considered as contingent liability and require disclosure on note to the financial statements.

Bangladesh Bank:

As per BRPD circular no. 14 dated 25 June 2003, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of balance sheet.

2.1.14 Disclosure of appropriation of profit**IFRS & IAS:**

There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

Bangladesh Bank:

As per BRPD circular no. 14 dated 25 June 2003, an appropriation of profit should be disclosed in the face of profit and loss account.

2.1.15 Loans and advance net of provision

IFRS & IAS:

Loans and advances should be presented net of provisions.

Bangladesh Bank:

As per BRPD circular no. 14 dated 25 June 2003, provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

2.2 Consolidation of financial statements

The consolidated financial statements of the Bank include the financial statements of Dutch-Bangla Bank Limited and the Off-shore Banking Units.

The consolidated financial statements have been prepared on the basis of the consolidated statements of affairs and income and expenditure account of all branches and head office of Main Operations as well as the consolidated statement of affairs and income and expenditure account of all Off-shore Banking Units of the Bank.

All the financial transactions of the OBUs are recorded and maintained separately. A set of financial statements for the Off-shore Banking Units of the Bank are also shown separately.

2.3 Functional and presentation currency

These financial statements are presented in Taka, which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.

2.4 Use of estimates and judgments

The preparation of financial statements requires management to make informed judgments, estimates and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, income and expenses reported in the financial statements. Actual results may differ from these estimates.

2.5 Foreign currency transactions

Foreign currency transactions are converted into Taka using the exchange rates prevailing on the dates of respective transactions. In terms of instructions contained in Bangladesh Bank's Letter No. BRPD(R)717/2004-959 dated 21 November 2004, foreign currency assets and liabilities are translated into Taka at the weighted average rate as on balance sheet date. Gains and losses arising from foreign currency transactions are credited/charged to profit and loss account.

2.6 Taxation

As per provisions of **International Accounting Standard (IAS) 12 'Income Taxes'**, provision for income taxes has been made as under:

2.6.1 Current tax

Provision for current income tax has been made @ 37.50% on taxable profit as per Income Tax Ordinance 1984 and as per Finance Act 2018.

2.6.2 Deferred tax

Deferred tax is accounted for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purpose. Tax rate (@ 37.5%) prevailing at the balance sheet date is used to determine deferred tax.

2.7 Bases for valuation of assets

2.7.1 Loans and advances

a) Loans and advances are stated at gross amount. Provision and interest suspense against loans and advances are shown separately as other liabilities. Interest income is accounted for on accrual basis until the loans and advances are defined as classified accounts as per Bangladesh Bank guidelines.

Interest on classified loans (other than bad/loss loans) are credited to interest suspense account instead of income account. Such interest kept in suspense account is reversed to income account only when respective loan accounts are regularized and /or realized in cash, in accordance with Bangladesh Bank guidelines.

As per Bangladesh Bank directives, interest on loans and advances classified as bad/loss is not accounted for. A separate memorandum record is maintained for such interest on bad/loss loans.

b) Provision for loans and advances is made on the basis of the year end review by the management of the Bank in line with the instructions contained in BRPD Master Circular No. 14 dated 23 September 2012, BRPD Circular No. 19 dated 27 December 2012, BRPD Circular No. 05 and 06 dated 29 May 2013, BRPD Circular No. 15 dated 23 December 2013, BRPD Circular No. 16 dated 18 November 2014, BRPD Circular No. 08 dated 02 August 2015 and BRPD Circular No. 15 dated 27 September 2017 issued by Bangladesh Bank on the following basis:

Category / status of loans and advances	Rates	
	Bangladesh Bank's requirement	Maintained by the Bank
General provisions for unclassified loans and advances :		
All unclassified loans (other than loans under small and medium enterprise financing, consumer financing, loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares and staff loans)	1.00%	1.00%
Small and medium enterprise financing	0.25%	0.25%
Consumer financing (other than housing finance and loans for professionals under consumer financing scheme)	5.00%	5.00%
Consumer financing for housing finance, etc.	1.00%	1.00%
Consumer financing for loans to professionals and loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares etc.	2.00%	2.00%
Short term agricultural credit, and Micro credit	1.00%	1.00%
Special mention account		
All loans (other than loans under small and medium enterprise financing, consumer financing, loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares and staff loans)	1.00%	1.00%
Small & Medium enterprise financing	0.25%	0.25%
Consumer financing (other than housing finance and loans for professionals under consumer financing scheme)	5.00%	5.00%
Consumer financing for housing finance, and Credit card, loans to professionals and loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares etc.	2.00%	2.00%
Specific provision for classified loans and advances:		
Substandard	20.00%	20.00%
Substandard MC	5.00%	5.00%
Doubtful	50.00%	50.00%
Bad/loss	100.00%	100.00%

General provision

General provision for all unclassified and SMA loans and advances (other than loans under small and medium enterprise financing, consumer financing, loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares, short term agricultural credit and staff loans) has been maintained @ 1%.

General provision for all unclassified and SMA loans and advance under small & medium enterprise financing has been maintained @ 0.25%.

General provision for all unclassified and SMA loans and advance under consumer financing for housing finance, loans to professionals and loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares, short term agricultural credit has been maintained @ 1% to 5%.

Specific provision

Specific provision for classified loans and advances has been maintained @ 5% to 100% as prescribed by Bangladesh Bank.

- c) Loans and advances are written-off in line with Bangladesh Bank's BRPD Circular No. 02 dated 13 January 2003 and DOS Circular No. 01 dated 29 December 2004, when prospect of recovery of such loans and advances become non-existent. However, such write-off does not reduce the claim against the borrower. Detailed records for all write-off accounts are separately maintained by the Bank to continue the recovery efforts.

2.7.2 Investments

- a) Investments have been accounted for as follows :

<u>Particulars</u>	<u>Valuation method</u>
Government treasury bills	Amortised cost/ Fair value
Government treasury bonds	Amortised cost/ Fair value
Subordinated bonds	At redemption value
ICB's debenture	At redemption value
Prize bond	Cost price
Shares:	
Quoted	Cost or market price whichever is lower
Unquoted	Cost or Book value as per latest audited accounts whichever is lower

- b) The investment in government securities (Treasury bills and bonds) are classified into **Held to Maturity (HTM)** and **Held for Trading (HFT)** as per Bangladesh Bank's guidelines contained in DOS Circular Letter No. 05 dated 26 May 2008, DOS Circular Letter No. 05 dated 28 January 2009, DOS Circular No. 06 dated 15 July 2010 and under reference Letter No. DOS (SR)1153/120-A/2011-746 dated 29 December 2011. Reclassification of HTM securities into HFT securities are also done in compliance with Bangladesh Bank's guidelines.

The government securities under '**Held to Maturity (HTM)**' category are valued at present value at amortized cost at the end of the period. The Held to Maturity securities are amortized to ensure a constant yield over the remaining period of maturity of the securities. The resulting gains / (losses) are credited to **revaluation reserve account** and shown in the equity. Such gains / (losses) are credited to income account at the time of maturity or sale of the security.

The government securities under '**Held for Trading (HFT)**' category are valued at present value on the basis of marking to market method. The resulting gains / (losses) are transferred to **other reserve account**. The gains / (losses) arising on maturity or sale of such securities are credited to income.

2.7.3 Fixed assets

- a) All fixed assets are stated at cost or revalued amount less accumulated depreciation.
- b) Depreciation is charged over the estimated useful life of fixed assets excepting land on a straight line method. The useful life of fixed assets are reviewed on a yearly basis to determine if there has been any significant change in the expected pattern of consumption resulting in changes in estimated residual value and useful life of the fixed assets and if considered appropriate, adjustment is made at the balance sheet date.

The annual rates of depreciation based on estimated useful life for fixed assets are given below:

Building	2.50%
Interior decoration	15.00%
Furniture and fixtures	10.00%
ATM Booth	10.00%
ATM/Fast Track	12.50%
Computer equipment	20.00%
Computer software	20.00%
Other machinery and equipment	15.00%
Motor vehicles	20.00%
Books	10.00%

- c) As at 31 December 2010, all immovable properties of the Bank including land, building and ready made floor spaces were revalued by a professionally qualified valuation firm and certified by the external auditors, M/S. A. Qasem & Co., Chartered Accountants. Accordingly, revaluation surplus is included in fixed assets and equity in terms of instructions contained in BRPD Circular No. 10 dated 25 November 2002.

2.8 Off-balance sheet exposures

In compliance with the instruction contained in BRPD Circular No. 10 dated 18 September 2007 issued by Bangladesh Bank, provision against the off-balance sheet exposures of the Bank as at reporting date has been made as under:

Category / status of Off-balance sheet exposures	Rates	
	Bangladesh Bank's requirement	Maintained by the Bank
General provision for Off-balance sheet exposures		
All types of Off-balance sheet exposures	1.00%	1.00%

2.9 Bases for valuation of liabilities and provisions

2.9.1 Retirement benefits to the employees

The retirement benefits accrued for the employees of the Bank as at the reporting date have been accounted for in accordance with the provisions of **International Accounting Standard (IAS) 19, 'Employee Benefits'** as outlined below:

a) Provident fund

There is a Provident Fund Scheme under defined contribution plan. The Fund is operated by a separate Board of Trustees approved by the National Board of Revenue as per Income Tax Ordinance, 1984. All eligible employees contribute 10% of their basic pay to the Fund. The Bank also contributes equal amount of employees' contribution to the Fund. Benefits from the Fund is given to eligible employees at the time of retirement/resignation as per approved rules of the Fund.

b) Gratuity fund

The Bank has a separate Board of Trustees for operating the staff gratuity fund approved by the National Board of Revenue. The provision for the gratuity fund is made in the books of account of the Bank for the eligible employees on the basis of the assessment made by the management at the year / period end [**Note 14.1**]. The amount of provision is transferred to the Board of Trustees of the Fund on a yearly basis.

c) Superannuation fund

The Bank has a separate Board of Trustees for operating the staff superannuation fund approved by the National Board of Revenue. The provision for the superannuation fund is made in the books of account of the Bank for the eligible employees on the basis of the assessment made by the management at the year / period end. The amount of provision is transferred to the Board of Trustees of the Fund on a yearly basis.

2.9.2 Workers' Profit Participation Fund (WPPF)

Consistent with the Industry practice and in accordance with the Bank Company Act, 1991 and as per letter no. 53.00.0000.311.22.002.17-130, dated 14 February 2017 from Ministry of Finance, Bank & Financial Institution Division, Central Bank Unit, no provision has been made for WPPF.

2.10 Revenue recognition

The revenues of the Bank during the year have been recognized in terms of the provisions of **International Financial Reporting Standards (IFRSs) 15, 'Revenue from contracts with customers'** as outlined below:

2.10.1 Interest income

a) Interest income from loans and advances and lease finance

The policy for accounting of interest income on loans and advances is stated in **2.7.1.a** and **2.7.2** above.

b) Other interest income

Interest income from investments, Money at call on short notice and fund placement with other banks and financial institutions is recognized on accrual basis.

2.10.2 Fees and commission income

Fees and commission income arising from different services provided by the Bank is recognized on cash receipt basis. Commission realized on letters of credit and letters of guarantee is credited to income at the time of effecting the respective transactions.

2.10.3 Dividend income

Dividend income from investments in shares is accounted for on cash receipt basis.

2.10.4 Interest paid on deposits and borrowings

Interest paid on deposits, borrowings etc. are accounted for on accrual basis.

2.10.5 Other operating expenses

All other operating expenses are provided for in the books of the accounts on accrual basis.

2.11 Earnings per share

Earnings per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as at 30 June 2019 as per **International Accounting Standard (IAS) 33, 'Earnings Per Share'**.

2.12 Cash flow statement

Cash flow statement has been prepared in accordance with the **International Accounting Standard (IAS) 7, 'Statement of Cash Flows'** under Direct method as recommended in the BRPD Circular No. 14 dated 25 June 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

2.13 Statement of liquidity

The liquidity statement of assets and liabilities as at the reporting date has been prepared on residual maturity term as per the following bases:

- a) Balance with other banks and financial institutions, Money at call on short notice etc. are on the basis of their maturity term.
- b) Investments are on the basis of their maturity.
- c) Loans and advances are on the basis of their repayment / maturity schedule.
- d) Fixed assets are on the basis of their useful life.
- e) Other assets are on the basis of their realization/adjustment.
- f) Borrowing from other banks, financial institutions and agents are as per their maturity /repayment term.
- g) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors.
- h) Other long term liabilities are on the basis of their maturity term.
- i) Provisions and other liabilities are on the basis of their payment /adjustment schedule.

2.14 Events after the reporting period

There were no material post balance sheet events which could materially affect the values stated in these financial statements.

2.15 Reconciliation of books of account

Books of account with regard to inter-bank (in Bangladesh and outside Bangladesh) transactions and inter-branch transactions are reconciled in all material respects. There were no un-reconciled entries which could materially affect the financial condition or results of the Bank.

2.16 Reporting period

The reporting period of these financial statements cover six months of the calendar year from 1 January 2019 to 30 June 2019.

2.17 Offsetting

No asset or liability has been offset or reduced by any other asset or liability unless a legal right [10, 28 (revaluation gain on securities), 29.2 and 30.2] of set-off exists and the offsetting represents the expectation as to the realization or settlement of the asset or liability in normal course of business.

2.18 Compliance report on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the official standard setting body in the country. ICAB has adopted most of the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs). The Bank has complied with all the applicable Accounting Standards and Financial Reporting Standards for preparation and presentation of the financial statements of the Bank as at 30 June 2019 as noted below:

International Accounting Standards (IASs)	IAS Number	Status of compliance by DBBL
Presentation of Financial Statements	IAS -1	Complied
Inventories	IAS -2	Complied
Statement of Cash Flows	IAS -7	Complied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS -8	Complied
Events After the Reporting Period	IAS -10	Complied
Income Taxes	IAS -12	Complied
Property, Plant and Equipment	IAS -16	Complied
Employee Benefits	IAS -19	Complied
Accounting for Government Grants and Disclosure of Government Assistance	IAS -20	Not applicable
The Effects of Changes in Foreign Exchange Rates	IAS -21	Complied
Borrowing Costs	IAS -23	Complied
Related Party Disclosures	IAS -24	Complied
Accounting and Reporting by Retirement Benefit Plans	IAS -26	Complied
Separate Financial Statements	IAS -27	Not applicable
Investments in Associates and Joint Ventures	IAS -28	Not applicable
Financial Reporting in Hyperinflationary Economics	IAS -29	Not applicable
Financial Instruments: Presentation	IAS -32	Complied
Earnings Per Share	IAS -33	Complied
Interim Financial Reporting	IAS -34	Complied
Impairment of Assets	IAS -36	Complied
Provisions, Contingent Liabilities and Contingent Assets	IAS -37	Complied
Intangible assets	IAS -38	Complied
Financial Instruments: Recognition and Measurement	IAS -39	Complied
Investment Property	IAS -40	Not applicable
Agriculture	IAS -44	Not applicable

International Financial Reporting Standards (IFRSs)	IFRS Number	Status of compliance by DBBL
First-time Adoption of International Financial Reporting Standards	IFRS - 1	Not applicable
Share-based Payment	IFRS - 2	Not applicable
Business Combinations	IFRS - 3	Not applicable
Insurance Contracts	IFRS - 4	Not applicable
Non-current Assets Held for Sale and Discontinued Operations	IFRS - 5	Not applicable
Exploration for and Evaluation of Mineral Resources	IFRS - 6	Not applicable
Financial Instruments : Disclosures	IFRS - 7	Complied
Operating Segments	IFRS - 8	Complied
Financial instruments	IFRS - 9	Complied
Consolidated Financial Statements	IFRS - 10	Not applicable
Joint Arrangements	IFRS - 11	Not applicable
Disclosure of Interests in other Entities	IFRS - 12	Not applicable
Fair Value Measurement	IFRS - 13	Complied
Regulatory deferral accounts	IFRS - 14	Not applicable
Revenue from contracts with customers	IFRS - 15	Complied
Leases	IFRS - 16	Complied

2.19 Approval of the financial statements

The Board of Directors of the Bank in its 214th meeting held on 30 July 2019 approved the financial statements of the Bank for the half year ended 30 June 2019.

3. General

Wherever considered necessary previous period's figures have been rearranged to conform with the current period's presentation.

	30-Jun-19	31-Dec-18
	Taka	Taka
4. Cash in hand (including foreign currencies)		
Local currency	16,018,659,229	17,390,453,446
Foreign currencies	56,493,108	29,416,295
	16,075,152,337	17,419,869,741
5. Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		
Bangladesh Bank		
Local currency	16,664,828,442	30,838,935,879
Foreign currencies	8,408,625,423	1,389,770,715
	25,073,453,865	32,228,706,594
Sonali Bank Limited (as an agent of Bangladesh Bank) - Local currency	748,808,328	499,718,446
	25,822,262,193	32,728,425,040
5.1 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)		
Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 33 of the Bank Companies Act, 1991 and of instructions contained in MPD Circular No. 4 and 5 dated 1 December 2010, DOS Circular No. 1 dated 19 January 2014 and MPD Circular No. 1 and 2 dated 23 June 2014 issued by Bangladesh Bank.		
5.1.1 Cash Reserve Requirement (CRR): average 5.5% of average demand and time liabilities with minimum 5% on any date		
Required reserve	15,533,873,000	14,364,026,000
Actual reserve maintained		
Balance with Bangladesh Bank-Local currency [Note 5]	16,664,828,442	30,838,935,879
Surplus/(deficit)*	1,130,955,442	16,474,909,879
Cash Reserve Maintained: more than 5% throughout the accounting year and 5.82% on the Balance Sheet date	5.90%	13.96%
5.1.2 Statutory Liquidity Ratio (SLR): 13% of average demand and time liabilities		
Required reserve	36,716,427,000	33,951,333,000
Available for maintenance:		
Cash in hand (including foreign currencies)	16,075,152,337	17,419,869,741
Balance with Bangladesh Bank - Foreign currencies	8,408,625,423	1,389,770,715
Balance with Sonali Bank Limited (as an agent of Bangladesh Bank)	748,808,328	499,718,446
Unencumbered approved securities (treasury bills and bonds, debentures etc.)	34,960,934,113	31,444,307,131
	60,193,520,201	50,753,666,033
Surplus	23,477,093,201	16,802,333,033
Total surplus (5.1.1+5.1.2)	24,608,048,643	33,277,242,912
Statutory Liquidity Ratio (SLR) Maintained (%)	21.31%	19.43%
6. Balance with other banks and financial institutions		
In Bangladesh		
Main Operation [Note 6.1]	17,604,206,171	13,069,285,881
Off-shore Banking Unit	1,492,934,619	3,523,072,758
Less: Inter Bank transactions [Note 12]	(5,152,888,528)	(9,876,689,911)
	13,944,252,262	6,715,668,728
Outside Bangladesh		
Main Operation [Note 6.1]	1,469,035,622	656,896,195
Off-shore Banking Unit	-	-
	1,469,035,622	656,896,195
Total Balance with other banks and financial institutions	15,413,287,884	7,372,564,923

	30-Jun-19	31-Dec-18
	Taka	Taka
6.1 Balance with other banks and financial institutions - Main Operation		
(a) In Bangladesh		
In current deposit accounts with		
Janata Bank Limited	3,045,941	65,073
Sonali Bank Limited	133,606,394	124,034,103
Standard Chartered Bank, Dhaka	(353,344,914)	92,491,346
Islami Bank Bangladesh Limited	8,058,441	12,656,991
Agrani Bank Limited	301,234	333,147
Al Arafah Islami Bank Limited	1,010	2,160
The City Bank Limited	44,131	44,131
National Bank Limited	16,619	31,858
	(208,271,144)	229,658,809
In special notice deposit accounts with		
Sonali Bank Limited	628,082,232	1,085,198,333
National Bank Limited	2,767,007	17,205,195
The City Bank Limited	4,359	4,359
Rupali Bank Limited	10,050,320	6,012,895
Agrani Bank Limited	56,445,995	79,949,008
Janata Bank Limited	9,490,945	14,516,520
Dhaka Bank Limited	1,991,735	1,991,735
Islami Bank Limited	502,339,307	476,476,480
	1,211,171,900	1,681,354,525
In fixed deposit accounts with		
Al Arafah Islami Bank Limited	1,000,000,000	-
The City Bank Limited	2,000,000,000	-
Jamuna Bank Limited	1,000,000,000	-
Mutual Trust Bank Limited	1,000,000,000	-
NCC Bank Limited	2,000,000,000	-
One Bank Limited	1,000,000,000	-
	8,000,000,000	-
In fixed deposit accounts (in foreign currency) with		
Off-shore Banking Unit, Dutch-Bangla Bank Limited	3,801,305,415	6,468,272,547
	3,801,305,415	6,468,272,547
Other financial institutions		
In fixed deposit accounts with		
Investment Corporation of Bangladesh	3,860,000,000	4,250,000,000
Delta Brac Housing Limited (DBH)	500,000,000	-
International Leasing & Financial Services Limited	90,000,000	90,000,000
Bangladesh Industrial Finance Company Limited (BIFC)	350,000,000	350,000,000
	4,800,000,000	4,690,000,000
Total (a) In Bangladesh	17,604,206,171	13,069,285,881

(b) Outside Bangladesh**In demand deposit accounts (interest bearing) with**

Name of the correspondent Bank	Currency	30-Jun-19			31-Dec-18		
		Amount in foreign currency	Exchange rate for per unit foreign currency	Amount in Taka	Amount in foreign currency	Exchange rate for per unit foreign currency	Amount in Taka
Mashreqbank PSC, New York, USA	USD	1,912,420	83.9750	160,595,511	1,890,751	83.9000	158,633,980
Commerzbank AG, Frankfurt, Germany	EURO	114,226	95.6297	10,923,392	52,820	95.2349	5,030,263
AB Bank Ltd., Mumbai, India	ACU	285,111	83.9750	23,942,217	347,303	83.9000	29,138,690
Citibank N.A., New York, USA	USD	4,599,030	83.9750	386,203,539	1,906,296	83.9000	159,938,208
Unicredit S.P.A., Milano, Italy	EURO	5,559	95.6297	531,570	48,265	95.2349	4,596,486
ICICI Bank Limited, Mumbai, India	ACU	10,061	83.9750	844,899	292,118	83.9000	24,508,731
				583,041,128			381,846,358

In demand deposit account (non-interest bearing) with

Name of the correspondent Bank	Currency	30-Jun-19			31-Dec-18		
		Amount in foreign currency	Exchange rate for per unit foreign currency	Amount in Taka	Amount in foreign currency	Exchange rate for per unit foreign currency	Amount in Taka
Standard Chartered Bank, London, UK	GBP	18,167	105.9314	1,924,494	112,452	105.9825	11,917,917
Standard Chartered Bank, New York, USA	USD	8,917,334	83.9750	748,833,087	1,575,406	83.9000	132,176,533
ICICI Bank Ltd., Hong Kong	USD	5,507	83.9750	462,428	178,449	83.9000	14,971,855
JP Morgan Chase Bank N.A., New York, USA	USD	1,044,547	83.9750	87,715,802	354,612	83.9000	29,751,981
Standard Chartered Bank, Colombo, Sri Lanka	ACU	57,017	83.9750	4,788,020	75,219	83.9000	6,310,843
Commerzbank AG, Frankfurt, Germany	CHF	30,276	85.9224	2,601,345	49,485	84.2369	4,168,439
The Bank of Tokyo-Mitsubishi UFJ Ltd., Tokyo, Japan	JPY	551,857	0.7821	431,607	5,171,720	0.7533	3,895,857
Bank of Montreal Canada	CAD	31,039	63.8673	1,982,352	45,258	61.8093	2,797,394
Mashreqbank PSC, Mumbai, India	ACU	22,931	83.9750	1,925,663	76,196	83.9000	6,392,830
Mashreqbank PSC, Mumbai, India	EUR	683	95.6297	65,356	683	95.2349	65,086
Standard Chartered Bank, Mumbai, India	ACU	8,812	83.9750	739,952	128,879	83.9000	10,812,972
HDFC Bank Limited	ACU	29,222	83.9750	2,453,891	267,444	83.9000	22,438,516
Bank of Ceylon, Colombo, Sri Lanka	ACU	8,005	83.9750	672,222	196,013	83.9000	16,445,491
Habib Metropolitan Bank, Karachi, Pakistan	ACU	98,359	83.9750	8,259,671	53,782	83.9000	4,512,287
Commerzbank AG, Frankfurt, Germany	AUD	690	58.9547	40,677	50,233	59.2754	2,977,589
Axis Bank, India	ACU	28,828	83.9750	2,420,855	41,659	83.9000	3,495,198
Kookmin Bank, Seoul, Korea	USD	246,229	83.9750	20,677,072	22,873	83.9000	1,919,049
				885,994,494			275,049,837
Total (b) Outside Bangladesh				1,469,035,622			656,896,195
Total (a+b)				19,073,241,793			13,726,182,076

	30-Jun-19	31-Dec-18
	Taka	Taka
7. Money at call on short notice		
a) With banks	-	-
b) With non bank financial institutions	-	-
Total (a+b)	-	-
8. Investments		
In Government securities		
Treasury bills		
7-day treasury bills	-	-
14-day treasury bills	997,532,500	3,746,463,750
91-day treasury bills	-	-
182-day treasury bills	-	493,695,346
364-day treasury bills	-	-
	997,532,500	4,240,159,096
Treasury bonds		
2-year treasury bonds	2,954,984,272	1,021,984,272
5-year treasury bonds	8,146,125,244	8,146,125,245
10-year treasury bonds	17,156,452,991	13,265,824,927
15-year treasury bonds	4,909,806,686	4,475,989,186
20-year treasury bonds	796,032,420	294,224,405
	33,963,401,613	27,204,148,035
Total treasury bills and bonds	34,960,934,113	31,444,307,131
Prize bonds	7,981,000	12,857,200
	34,968,915,113	31,457,164,331
Other investments		
Subordinated bonds [Note 8.2]	1,400,000,000	740,000,000
Shares [Note 8.3]	11,283,434	11,283,434
	1,411,283,434	751,283,434
	36,380,198,547	32,208,447,765
8.1 Classification of investments		
Government treasury bills and bonds		
Held for trading (HFT)	1,933,000,000	-
Held to maturity (HTM)	33,027,934,113	31,444,307,131
Total investments in government securities	34,960,934,113	31,444,307,131
Prize bonds	7,981,000	12,857,200
Other investments	1,411,283,434	751,283,434
	36,380,198,547	32,208,447,765

	30-Jun-19 Taka	31-Dec-18 Taka
8.2 Other investments -Subordinated Bonds		
Prime Bank 7 Years Bond	-	-
Al-Arafah Islami Bank Limited	-	500,000,000
Mutual Trust Bank Bond	-	-
Dhaka Bank Bond	-	-
National Bank Bond	-	-
First Security Islami Bank Mudaraba Bond	1,400,000,000	240,000,000
	1,400,000,000	740,000,000
8.3 Other investments - shares		
In shares (quoted and unquoted)		
Quoted		
RAK Ceramics (Bangladesh) Limited	5,664	5,664
	5,664	5,664
Unquoted		
Central Depository Bangladesh Limited	6,277,770	6,277,770
Market Stabilization Fund (MSF) Asset Management Company Limited	5,000,000	5,000,000
	11,277,770	11,277,770
	11,283,434	11,283,434
9. Loans and advances		
Main Operation [Note 9.1]		
Loans, cash credits, overdrafts, etc.	226,659,202,381	208,026,971,615
Bills purchased and discounted	8,194,743,686	10,010,396,505
	234,853,946,067	218,037,368,120
Off-shore Banking Unit		
Loans, cash credits, overdrafts, etc.	1,294,843,881	1,436,436,850
Bills purchased and discounted	10,369,050,260	12,080,135,369
	11,663,894,141	13,516,572,219
Total loans and advances	246,517,840,208	231,553,940,339
9.1 Loans, cash credits, overdrafts etc. - Main operation		
In Bangladesh		
Overdraft	28,553,853,816	26,327,812,398
Cash credit	43,623,593,531	41,673,930,404
Export cash credit	10,114,423,013	11,902,239,415
Transport loan	2,040,417,601	2,332,264,851
House building loan	4,660,364,709	3,960,886,120
Loan against trust receipt	6,144,972,683	5,658,985,256
Term loan - industrial	68,522,728,642	64,537,919,730
Term loan - other	42,267,790,435	33,611,609,584
Payment against document - cash	117,167,506	74,569,790
Payment against document - EDF	746,253,289	1,129,632,259
Consumer finance	19,237,745,257	16,217,816,378
Staff loan	629,891,899	599,305,430
	226,659,202,381	208,026,971,615
Outside Bangladesh	-	-
	226,659,202,381	208,026,971,615
Bills purchased and discounted		
Payable in Bangladesh		
Inland bills purchased	8,144,423,736	9,960,125,437
Payable outside Bangladesh		
Foreign bills purchased and discounted	50,319,950	50,271,068
	8,194,743,686	10,010,396,505
Total loans and advances	234,853,946,067	218,037,368,120

	30-Jun-19 Taka	31-Dec-18 Taka
9.2 Net loans and advances including bills purchased and discounted		
Total loans, advances and lease receivables [Note 9.1]	234,853,946,067	218,037,368,120
Less : Provision against loans and advances (specific and general) [Note 9.4(b)]	6,734,078,138	7,435,718,457
Less : Cumulative balance of interest suspense account [Note 14.1.4]	2,214,706,759	2,333,278,760
	225,905,161,170	208,268,370,903

9.3 Loans and advances including bills purchased and discounted are classified into the following broad categories

a) Loans and advances

In Bangladesh

Loans

Cash credit

Overdraft

154,481,755,034	140,025,228,813
43,623,593,531	41,673,930,404
28,553,853,816	26,327,812,398
226,659,202,381	208,026,971,615
-	-
226,659,202,381	208,026,971,615

Outside Bangladesh

b) Bills purchased and discounted

Payable in Bangladesh

Payable outside Bangladesh

8,144,423,736	9,960,125,437
50,319,950	50,271,068
8,194,743,686	10,010,396,505
234,853,946,067	218,037,368,120

Total (a+b)

9.4 a) Classification of loans and advances including bills purchased and discounted

Status of loans and advances	Year					
	30-Jun-19				31-Dec-18	
	Outstanding amount (Taka)			Mix (%)	Total Outstanding amount (Taka)	Mix (%)
Main Operation [Note 9.4.b]	Off-shore Banking Unit	Total				
Unclassified loans and advances						
Standard (including staff loans)	216,105,326,632	11,663,894,141	227,769,220,773	92.39%	216,780,907,137	93.62%
Special mention account	6,338,822,136	-	6,338,822,136	2.57%	5,192,227,905	2.24%
Total unclassified loans and advances	222,444,148,768	11,663,894,141	234,108,042,909	94.97%	221,973,135,042	95.86%
Classified loans and advances						
Substandard	4,143,475,596	-	4,143,475,596	1.68%	377,752,249	0.16%
Substandard MC	2,580,675	-	2,580,675	0.0010%	149,028	0.0001%
Doubtful	168,778,800	-	168,778,800	0.07%	617,043,731	0.27%
Doubtful MC	-	-	-	-	-	-
Bad/loss	8,094,962,228	-	8,094,962,228	3.28%	8,585,860,288	3.71%
Total classified loans and advances	12,409,797,299	-	12,409,797,299	5.03%	9,580,805,297	4.14%
Total loans and advances	234,853,946,067	11,663,894,141	246,517,840,208	100.00%	231,553,940,339	100.00%

b) Classification and provisioning of loans and advances including bills purchased and discounted

b.1) Main Operation

Classification / Status of loans and advances	Amount of outstanding loans and advances as at 30 June 2019 (Taka)	Base for provision (Taka)	Percentage (%) of provision required as per Bangladesh Bank's directives	Amount of provision required as at 30 June 2019 (Taka)	Amount of provision required as at 31 December 2018 (Taka)
Unclassified loans and advances					
All unclassified loans (other than loans under small and medium enterprise, consumer financing and short term agricultural credit)	159,248,619,631	154,413,470,937	1%	1,602,329,060	1,585,745,594
Small and medium enterprise financing	29,137,835,743	29,137,835,743	0.25%	74,498,230	68,352,471
Consumer financing (other than housing finance under consumer financing scheme)	10,677,423,227	10,677,423,227	5%	533,871,161	437,081,134
Consumer Financing(Credit Card)	1,859,103,101	1,859,103,101	2%	37,182,062	33,029,397
Consumer financing (for housing finance)	9,870,029,161	9,870,029,161	1%	98,700,292	61,706,834
Loans to BHs/MBs/SDs	448,890,080	448,890,080	2%	8,977,802	9,313,703
Short term agricultural credit	4,839,610,894	4,839,610,894	1%	48,396,109	20,806,996
Micro credit	23,814,794	23,814,794	1%	238,148	261,380
	216,105,326,632	211,270,177,938		2,404,192,864	2,216,297,508
Special mention account					
All unclassified loans (other than loans under small enterprise and consumer financing)	5,360,028,057	5,360,028,057	1%	53,600,281	28,753,465
Small & Medium enterprise financing	957,151,514	957,151,514	0.25%	2,392,879	940,078
Consumer financing (other than housing finance under consumer financing scheme)	2,066,812	2,066,812	5%	103,341	11,183,695
Consumer Financing (Credit Card)	19,575,753	19,575,753	2%	391,515	439,516
Consumer financing (for housing finance)	-	-	1%	0	16,952,006
	6,338,822,136	6,338,822,136		56,488,016	58,268,760
	222,444,148,768	217,609,000,073		2,460,680,880	2,274,566,268
Classified loans and advances					
Substandard	4,143,475,596	2,421,870,588	20%	484,374,118	28,982,717
Substandard MC	2,580,675	2,416,726	5%	120,836	6,165
Doubtful	168,778,800	45,965,688	50%	22,982,844	77,303,723
Doubtful MC	-	-	5%	-	-
Bad /loss	8,094,962,228	3,765,878,588	100%	3,765,878,588	4,330,369,532
	12,409,797,299	6,236,131,590		4,273,356,386	4,436,662,136
Total-Main Operation	234,853,946,067	223,845,131,662		6,734,037,266	6,711,228,404
b.1.1) Main Operation					
Provision required				6,734,037,266	6,711,228,404
Provision maintained				6,734,078,138	7,435,718,457
Provision surplus (i)				40,872	724,490,053
b.2) Off-shore Banking Unit					
Provision required				116,638,941	135,165,722
Provision maintained				125,893,755	135,693,755
Provision surplus (ii)				9,254,814	528,033
Provision surplus					
Main Operation (i)				40,872	724,490,053
Off-shore Banking Unit (ii)				9,254,814	528,033
Total provision surplus (i+ii)				9,295,686	725,018,086

	30-Jun-19	31-Dec-18
	Taka	Taka
10. Fixed assets at cost or revalued amount including land, building, furniture and fixtures		
Main Operation [Note 10.1]		
Total cost	14,777,077,698	14,338,600,737
Less: Accumulated depreciation	9,186,181,209	8,601,292,226
	5,590,896,489	5,737,308,511
Off-shore Banking Unit		
Total cost	101,633	101,633
Less: Accumulated depreciation	101,551	101,551
	82	82
Total Fixed assets at cost or revalued	5,590,896,571	5,737,308,593
10.1 Fixed assets at cost or revalued amount including land, building, furniture and fixtures - Main Operation		
Land	748,360,000	748,360,000
Building	399,543,957	399,543,957
Interior decoration	1,195,921,549	1,136,155,389
Furniture and fixtures	373,560,411	365,351,685
Other machinery and equipment	2,186,921,712	2,136,183,378
Computer equipment	4,736,652,885	4,575,288,685
Computer software	503,967,591	501,244,591
Motor vehicles	607,590,438	604,983,417
ATM Booth	1,167,778,884	1,115,861,364
ATM and Fast Track (ATM & Deposit Machine)	2,856,585,680	2,755,433,680
Books	194,591	194,591
	14,777,077,698	14,338,600,737
Less: Accumulated depreciation	9,186,181,209	8,601,292,226
	5,590,896,489	5,737,308,511
11. Other assets - Consolidated		
Main Operation [Note 11.1]	22,932,894,663	19,498,086,767
Off-shore Banking Unit	15,621,171	27,961,214
Less: Inter Bank transactions [Note 14]	(51,327,105)	(77,813,413)
	22,897,188,729	19,448,234,568
11.1 Other assets		
Income generating other assets (Note 11.1.a)	-	-
Non-income generating other assets (Note 11.1.b)	22,932,894,663	19,498,086,767
	22,932,894,663	19,498,086,767
11.1.a Income generating other assets		
i) Investment in shares of subsidiary companies:		
In Bangladesh	-	-
Outside Bangladesh	-	-
	-	-
11.1.b Non-income generating other assets		
i) Stationery, stamps, printing materials in stock	161,844,093	135,201,701
ii) Advance rent and advertisement	838,782,208	659,279,804
iii) Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable	900,141,484	831,189,288
iv) Security deposits	21,096,413	22,322,210
v) Preliminary, formation and organization expenses, renovation/development expenses and prepaid expenses	374,065,046	333,968,254
vi) Branch adjustment (net)	382,730,878	14,643,233
vii) Suspense account	16,132,505	7,143,799
viii) Silver	-	-
ix) Others [Note 11.2]	20,238,102,036	17,494,338,478
	22,932,894,663	19,498,086,767
11.2 Break-up of others		
Encashment of Sanchaya Patra (awaiting realization)	985,042,954	489,118,917
Advance tax [Note 11.2.1]	14,189,196,369	12,320,320,002
Deferred tax [Note 11.2.2]	2,108,090,819	2,393,185,535
Sundry assets [Note 11.2.3]	2,955,771,894	2,291,714,024
	20,238,102,036	17,494,338,478

	30-Jun-19 Taka	31-Dec-18 Taka
11.2.1 Advance tax		
The amount is stated after adjustment of advance income tax against final assessment orders for the accounting years 1996, 1997, 2001, 2002, 2003, 2004, 2005, 2006 and 2007. [Note 14.1.2 and 14.1.2.2]		
11.2.2 Deferred tax		
Opening balance	2,393,185,535	2,085,282,270
Increase/(decrease) of Deferred tax assets for the period [Note 11.2.2.1]	(285,094,716)	307,903,265
Closing balance	2,108,090,819	2,393,185,535
11.2.2.1 Detail calculation of deferred tax asset / (liability)		
In terms of instructions contained in BRPD Circular No. 11 dated 12 December 2011 and provision of International		
i) Temporary timing difference in written down value (WDV) of Fixed Assets		
Accounting written down value [carrying amount] of fixed assets (excluding value of land) [A]	4,684,357,721	4,828,174,687
Written down value of fixed assets as per Tax (Tax base) as of the balance sheet date (excluding value of land) [B]	5,371,783,852	5,398,213,074
Temporary timing difference in Accounting WDV and Tax WDV (excluding value of land) [B - A]	687,426,131	570,038,387
ii) Temporary timing difference in provision for other classified assets	480,793,000	480,793,000
iii) Temporary timing difference in specific provision for loans and advances	4,273,356,386	5,160,996,705
iv) Temporary timing difference in provision for Gratuity	180,000,000	170,000,000
Total amount of temporary timing differences in assets / (liabilities) [i+ii+iii] [C]	5,621,575,517	6,381,828,092
Effective tax rate [D]	37.50%	37.50%
Deferred tax asset / (liability) [C X D]	2,108,090,819	2,393,185,535
Increase/(decrease) of Deferred tax asset for the period [Note 11.2.2]	(285,094,716)	307,903,265
11.2.3 Sundry assets		
Sundry debtors	84,142,344	64,614,397
Cash remittance	133,085,975	89,815,759
Others	2,738,543,575	2,137,283,868
	2,955,771,894	2,291,714,024
12. Borrowings from other banks, financial institutions and agents		
Main Operation [Note 12.1]	10,004,921,257	13,773,122,980
Off-shore Banking Unit	12,328,297,331	16,304,302,134
Less: Inter Bank transactions [Note 6]	(5,152,888,528)	(9,876,689,911)
	17,180,330,060	20,200,735,203
12.1 Borrowings from other banks, financial institutions and agents- Main operation		
a) In Bangladesh		
Secured		
Refinance from Bangladesh Bank		
Housing [Note 12.3]	5,080,080	6,706,501
Investment Promotion and Financing Facility (IPFF) [Note 12.3]	-	-
Export Development Fund (EDF)	7,946,677,227	9,483,884,547
Small and Medium Enterprise (SME) [Note 12.2 , 12.3]	27,041,101	43,788,869
Financial Sector Support Project (FSPP)	671,800,000	671,200,000
	8,650,598,408	10,205,579,917
Unsecured		
Call Money Borrowing		
From other Banks, Financial Institutions and Agents	-	-
Credit lines		
From Rupantarita Prakritik Gas Company Limited (RPGCL)	2,739,736	7,746,502
From Sonali Bank Limited, etc.	-	-
From BASIC Bank Limited	-	151,379,197
From Off-shore Banking Unit, Dutch-Bangla Bank Limited	1,351,583,113	3,408,417,364
	1,354,322,849	3,567,543,063
	10,004,921,257	13,773,122,980
b) Outside Bangladesh		
Secured	-	-
Unsecured	-	-
	-	-
	-	-
Total (a+b)	10,004,921,257	13,773,122,980

	30-Jun-19	31-Dec-18
	Taka	Taka
12.2 Small and Medium Enterprise (SME)		
Refinance facility (ies) availed from Bangladesh Bank under the following schemes for Small and Medium Enterprises :		
Asian Development Bank Fund [Note 12.3]	1,125,000	1,190,625
Women Entrepreneur Fund [Note 12.3]	6,051,101	9,150,744
10 Taka Account Fund [Note 12.3]	19,865,000	33,447,500
	27,041,101	43,788,869
12.3 Assets pledged as security for liability		
As at the reporting date of these financial statements, the Bank had no assets pledged as security except the Balance with Bangladesh Bank (local currency) against liability of refinance facility availed from Bangladesh Bank under the Housing Loan, Small & Medium Enterprising Financing under Asian Development Bank Fund, International Development Agency (IDA) and Enterprise Growth and Bank Modernization Programme (EGBMP) Fund and Women Entrepreneur Fund by the Bank. [Note 12.1]		
13. Deposits and other accounts		
Main Operation [Note 13.1]		
Current deposits and other accounts	63,010,174,747	56,457,626,938
Bills payable	5,477,265,043	3,465,965,762
Savings bank deposits	138,097,536,368	127,689,439,982
Term deposits	79,827,085,029	74,820,559,332
	286,412,061,187	262,433,592,014
Off-shore Banking Unit		
Current deposits and other accounts	17,135,787	34,129,782
Bills payable	-	-
Savings bank deposits	-	-
Term deposits	-	-
	17,135,787	34,129,782
Total Deposits and other accounts	286,429,196,974	262,467,721,796
13.1 Deposits and other accounts - Main Operation		
Current deposits and other accounts		
Current deposits	50,161,619,363	44,975,009,843
Foreign currency deposits	1,774,219,608	1,877,066,430
Sundry deposits [Note 13.1.1]	11,074,335,776	9,605,550,665
	63,010,174,747	56,457,626,938
Bills payable		
Payment order	5,460,627,465	3,448,909,030
Demand draft	16,637,578	17,056,732
	5,477,265,043	3,465,965,762
Savings bank deposits	138,097,536,368	127,689,439,982
Term deposits		
Fixed deposits	50,899,439,247	49,194,274,079
Special notice deposits	28,817,061,256	25,516,994,081
Non resident foreign currency deposits	1,682,731	1,681,228
Resident foreign currency deposits	73,967,670	69,130,170
Monthly term deposits	34,934,125	38,479,774
	79,827,085,029	74,820,559,332
	286,412,061,187	262,433,592,014
13.1.1 Details of sundry deposits		
Margin on irrevocable letters of credit	442,796,349	615,356,038
Margin on letters of guarantee	298,586,246	338,380,900
Margin on inward foreign documentary bills for collection (IFDBC)	342,254,238	456,531,768
Sundry deposit on foreign bills purchased awaiting for realization (FBPAR)	6,549,705,620	4,999,719,016
Sundry deposit - withholding tax -IT	146,602,044	351,326,840
Sundry deposit - excise duty	1,465,418	374,105,779
Sundry deposit - withholding tax -VAT	111,826,923	146,940,355
Sundry deposits-sale proceeds of Sanchay Patra	388,889,500	152,000,000
Interest payable on deposit accounts	649,065,081	626,609,380
Deposits on lease finance	-	-
Others sundry deposits	2,143,144,357	1,544,580,589
	11,074,335,776	9,605,550,665

	30-Jun-19	31-Dec-18
	Taka	Taka
13.1.2 Segregation of deposits and other accounts		
Other than inter-bank deposits	286,401,155,751	262,420,437,010
Inter-bank deposits [Note 13.3]	10,905,436	13,155,004
	286,412,061,187	262,433,592,014
13.1.3 Details of inter-bank deposits		
In current deposits account		
Al-Arafah Islami Bank Limited	1,153,563	1,154,483
Southeast Bank Limited	5,030	6,295
	1,158,593	1,160,778
In special notice deposits account		
Janata Bank Limited	53,254	54,101
Dhaka Bank Limited	8,434,029	10,700,989
Mutual Trust Bank Limited	68,725	68,069
National Credit and Commerce Bank Limited	137,352	135,208
Prime Bank Limited	930,465	913,113
ICB Islami Bank Limited	112,930	112,179
The City Bank Limited	10,088	10,567
	9,746,843	11,994,226
	10,905,436	13,155,004
14. Other liabilities - Consolidated		
Main Operation [Note 14.1]	28,833,267,310	28,929,366,747
Off-shore Banking Unit	270,768,856	289,685,404
Less: Inter Bank transactions [Note 11]	(51,327,105)	(77,813,413)
	29,052,709,061	29,141,238,738
14.1 Other liabilities- Main operation		
	<u>Notes</u>	
Unclaimed dividends		426,379,003
Provision for expenses		311,703,728
Contribution to Dutch-Bangla Bank Limited Employees' Superannuation Fund		180,000,000
Contribution to Dutch-Bangla Bank Limited Employees' Gratuity Fund		170,000,000
Provision for interest on credit lines, refinance scheme and subordinated debt		236,022,728
Branch adjustment (net)		-
Provision for classified assets	14.1.1	480,793,000
Provision for taxation	14.1.2	17,439,339,360
Accumulated provision for loans and advances including off-balance sheet exposures	14.1.3	7,424,851,281
Cumulative balance of interest suspense account	14.1.4	2,214,706,759
Others		209,226,178
		28,833,267,310
		28,929,366,747

	30-Jun-19	31-Dec-18
	Taka	Taka
14.1.1 Other provisions		
Provision for other classified assets [Note 14.1.1.1]	480,793,000	480,793,000
Provision for nostro accounts [Note 14.1.1.2]	-	-
	480,793,000	480,793,000

14.1.1.1 Provision for other classified assets

As per BRPD Circular No. 14 dated 25 June 2001, the following amount has been provided in the financial statements of the Bank as provision for other classified assets (legal expenses recoverable from the defaulted borrowers):

Opening balance	480,793,000	484,893,000
Add: Provision made for the period	-	(4,100,000)
Closing balance	480,793,000	480,793,000

14.1.1.2 Provision for nostro accounts

As per instructions contained in the Circular Letter No. FEPD (FEMO)/01/2005-677 dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank, provision has to be made against the un-reconciled debit balance of nostro accounts for more than three months @ 10% to 100%. As on 30 September 2017, the bank has no outstanding debit balance in nostro accounts for more than three months. Hence, no provision is required.

14.1.2 Provision for taxation

Current tax

Opening balance	16,336,918,366	13,466,859,777
Add: Provision made for the period [Note 14.1.2.1]	1,102,420,994	2,870,058,589
Less: Adjustment made against Advance Tax/Adjustment made against final assessment orders by the Deputy Commissioner of Taxes or the Appellate Authority	-	-
Closing balance [Note 14.1.2.2]	17,439,339,360	16,336,918,366

14.1.2.1 Current tax - Provision for the period

Provision made for the current period on taxable income	1,102,420,994	2,870,058,589
Adjustment for the previous period	-	-
	1,102,420,994	2,870,058,589

14.1.2.2 Assessment of income tax has been finalized with the tax authority for the accounting years 1996, 1997, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008 and 2009. [Note 11.2.1]

Final assessment of income tax for accounting years 1998, 1999, 2000, 2010, 2011 and 2012 are pending with Appellate Authorities. Full tax provision has been made in the accounts for the respective years based on the latest assessment orders made by the Deputy Commissioner of Taxes or Appellate Authorities.

30-Jun-19	31-Dec-18
Taka	Taka

14.1.3 Accumulated provision for loans and advances and Off-balance sheet exposures

(A) Specific provision for bad and doubtful loans and advances

Opening balance	5,160,996,705	5,100,192,229
Less : Fully provided debt written-off	-	-
Add: Recoveries of amounts previously written-off	185,080	9,055,175
Add: Specific provision for the period	(887,825,399)	51,749,301
Less: Recoveries and Provision no longer required	-	-
Add: Net charge to profit and loss account	-	-
Provision held at the end of the period [Note 9.4(b)]	4,273,356,386	5,160,996,705

(B) General provision

General provision against unclassified loans and advances

Opening balance	2,274,721,752	1,972,021,752
General provision for the period	186,000,000	302,700,000
Provision held at the end of the period [Note 9.4(b)]	2,460,721,752	2,274,721,752

(C) General provision against Off-balance sheet exposures

As per the instructions contained in BRPD Circular No. 8 dated 7 August 2007 and BRPD Circular No. 10 dated 18 September 2007, following provision has been made against the Off-balance sheet exposures of the Bank:

Opening balance	775,455,929	705,014,918
Add: Provision made for the period	(84,682,786)	70,441,011
Provision held at the end of the period	690,773,143	775,455,929
	3,151,494,895	3,050,177,681

Total (A + B + C)

7,424,851,281	8,211,174,386
----------------------	----------------------

(D) Accumulated provision for loans and advances and Off-balance sheet exposures - Consolidated

Specific provision for bad and doubtful loans and advances	4,273,356,386	5,160,996,705
General provision against unclassified loans and advances-Main Operation	2,460,721,752	2,274,721,752
General provision against Off-balance sheet exposures-Off-Shore Banking Unit	125,893,755	135,693,755
General provision against Off-balance sheet exposures	690,773,143	775,455,929
	7,550,745,036	8,346,868,141

14.1.4 Cumulative balance of interest suspense account

Opening balance	2,333,278,760	2,582,802,096
Add: Amount transferred to interest suspense account during the period	2,400,222,259	3,281,452,930
Less: Amount transferred from interest suspense account during the period	2,513,735,758	2,882,736,613
Less: Amount written-off/waived during the period	5,058,502	648,239,653
Balance at the end of the period	2,214,706,759	2,333,278,760

	30-Jun-19	31-Dec-18
	Taka	Taka
15. Subordinated debt		
Subordinated debt - Taka 642,252,440		
The Bank arranged a subordinated debt from FMO, the Netherlands totaling Taka 642,252,440 equivalent to EURO 6.6 million for a term of ten years to strengthen the capital base of the Bank. Principal amount of Taka 642,252,440 has been restructured in 2010 with the approval of Bangladesh Bank. The principal amount is repayable in five (5) equal yearly installments, last installment of which is payable on 15 December 2018.	-	-
The interest rate for the Subordinated debt is fixed at 7% p.a.		
Subordinated debt - Taka 1,934,375,000		
The Bank arranged a subordinated debt from FMO, the Netherlands for USD 25 million equivalent to Taka 1,934,375,000 for a term of six years to strengthen the Tier-2 capital as well as total capital of the Bank during December 2013 with the approval of Bangladesh Bank. The principal amount is repayable in eight (8) equal half-yearly installments with two years moratorium, last installment of which is payable on 15 February 2020.	524,843,750	786,562,500
The interest rate for the subordinated debt is six (6) month LIBOR plus 5% margin p.a.		
Subordinated debt - Taka 1,934,375,000		
The Bank arranged a subordinated debt from DEG, Germany for USD 25 million equivalent to Taka 1,934,375,000 for a term of six years to strengthen the Tier-2 capital as well as total capital of the Bank during June 2014 with the approval of Bangladesh Bank. The principal amount is repayable in eight (8) equal half-yearly installments with two years moratorium, last installment of which is payable on 15 August 2020.	524,843,750	786,562,500
The interest rate for the subordinated debt is six (6) month LIBOR plus 5% margin p.a.		
Subordinated debt - Taka 5,000,000,000		
The Bank arranged a subordinated debt from six scheduled local banks for Taka 5,000,000,000 for a term of seven years to strengthen the Tier-2 capital as well as total capital of the Bank during June 2017 with the approval of Bangladesh Bank. The principal amount is repayable in five (5) equal installments with two years moratorium, last installment of which is payable on 14 June 2024.	5,000,000,000	5,000,000,000
The interest rate for the subordinated debt is approximately @ 10.5% p.a.		
Subordinated debt - Taka 5,000,000,000		
The Bank arranged a subordinated debt from six scheduled local banks for Taka 5,000,000,000 for a term of seven years to strengthen the Tier-2 capital as well as total capital of the Bank during December 2018 with the approval of Bangladesh Bank. The principal amount is repayable in five (5) equal installments with two years moratorium, last installment of which is payable on 26 December 2025.	5,000,000,000	5,000,000,000
The interest rate for the subordinated debt is approximately @ 8.8% p.a.		
Total	11,049,687,500	11,573,125,000

As per BRPD Circular No. 13 dated 14 October 2009, BRPD Circular No. 35 dated 29 December 2010 and Letter No. BRPD(BIC)661/14B(P)/2010-340 dated 22 December 2010, FEPD (external debts & grants section)/701/K-1/2013-463 dated 17 December 2013 and Letter No. BRPD(BIC)661/148(P)/2013/2560 dated 30 December 2013 issued by Bangladesh Bank, the above noted debt capital (Subordinated debt) is considered as a component of supplementary capital (Tier 2 capital) of the Bank within the regulatory limits.

	30-Jun-19	31-Dec-18
	Taka	Taka
16. Share capital		
16.1 Authorized share capital		
400,000,000 ordinary shares of Taka 10 each	4,000,000,000	4,000,000,000
16.2 Issued, subscribed and fully paid up share capital		
500,000,000 ordinary shares of Taka 10 each	5,000,000,000	2,000,000,000
16.2.1 Raising of capital		
The paid-up share capital of the Bank was raised in the following manner:		
From the sponsor shareholders before IPO		
By issuing of 1,800,000 ordinary shares of Taka 100 each	180,000,000	180,000,000
Through Initial Public Offering (IPO)		
The Bank raised Taka 22,135,000 through initial public offering in the year 2001 against issuance of 221,350 ordinary shares of Taka 100 each	22,135,000	22,135,000
The premium of Taka 50 was also applied for 221,350 shares against face value of Taka 100 each [Note 17]		
Bonus shares		
Bonus shares @3.94719 against 1 existing share of Taka 100 each for the year 2007	797,865,000	797,865,000
Bonus shares @0.50 against 1 existing share of Taka 100 each for the year 2008	500,000,000	500,000,000
Bonus shares @0.333 against 1 existing share of Taka 100 each for the year 2009	500,000,000	500,000,000
Bonus shares @1.5 against 1 existing share of Taka 10 each for the year 2019 *	3,000,000,000	-
	5,000,000,000	2,000,000,000

*** Note:**

The Board of Directors of the Bank in its 207th meeting held on 12 March 2019 recommend (a) increase of authorized capital of the Bank from Taka 4,000.0 million to Taka 15,000.0 million and (b) 150% stock dividend for the year 2018 to increase the paid-up capital of the Bank from Taka 2,000.0 million to Taka 5,000.0 million. The recommendation to increase the authorized capital was approved by the shareholders by a Special Resolution in the 4th EGM of the Bank held on 29 April 2019. The recommendation of stock dividends was also approved by the shareholders in the 23rd AGM of the Bank held on 29 April 2019.

30-Jun-19 Taka	31-Dec-18 Taka
-------------------	-------------------

16.3 Capital to Risk Weighted Assets Ratio (CRAR) under Basel III:

As per Section 13 of the Bank Company (Amended) Act, 2018 and instructions contained in BRPD Circular No. 18 dated 21 December 2014, [Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)], the risk based capital (eligible regulatory capital) of the Bank as of 30 June 2019 stood at Taka 34,789,648,823 against the risk based capital requirement of Taka 29,115,156,808. As a result, there was a capital surplus of Taka 5,674,492,015 in risk based capital adequacy ratio as on 30 June 2019.

As per Section 13 of the Bank Company (Amended) Act, 2018 and the instruction contained in BRPD Circular Letter No. 11 dated 14 August 2008, the paid-up share capital and statutory reserve should be at least Taka 4,000,000,000, in which, the paid-up share capital should be minimum Taka 2,000,000,000. Against that, the paid-up share capital and statutory reserve of the Bank was Taka 14,193,048,174 (Paid-up share capital, Taka 5,000,000,000 and statutory reserve, Taka 9,193,048,174) as on 30 June 2019.

The details of capital to risk-weighted asset ratio (CRAR) are furnished below:

Total assets (excluding off-balance sheet assets)	368,696,826,469	346,468,790,969
Total off-balance sheet assets	71,752,168,652	78,632,872,852
Total Risk weighted assets [RWA] against		
i. Credit Risk		
On-balance sheet	171,430,654,880	156,907,132,382
Off-balance sheet	28,879,029,398	32,864,212,151
	200,309,684,278	189,771,344,533
ii. Market Risk	546,826,097	266,481,076
iii. Operational Risk	32,064,744,085	28,167,036,753
A) Total Risk weighted assets (RWA) [i+ii+iii]	232,921,254,460	218,204,862,362
B) Minimum Capital Requirement (MCR) with Capital Conservation Buffer (CCB) [12.5% for 2019 & 11.875% for 2018 of risk weighted assets]	29,115,156,808	25,911,827,405
C) Common Equity Tire 1 (CET1) capital		
Paid-up share capital	5,000,000,000	2,000,000,000
Share premium	11,067,500	11,067,500
Statutory reserve	9,193,048,174	9,193,048,174
Dividend equalization account	1,766,827,195	1,766,827,195
Retained earnings (Including OBU)	8,161,536,773	9,248,257,798
	24,132,479,642	22,219,200,667
Less : Other Intangible Assets (computer software)	97,836,257	108,433,689
Less : Deferred tax asset (95%)	1,522,383,213	1,838,605,076
	22,512,260,173	20,272,161,902
D) Additional Tier-1 Capital		
Non-cumulative irredeemable preference shares	-	-
Instruments issued by the banks that meet the qualifying criteria for AT1	-	-
Others (if any item approved by Bangladesh Bank)	-	-
Less Regulatory Adjustments from AT-1 Capital	-	-
	22,512,260,173	20,272,161,902
E) Tier 1 Capital [C+D]		
F) Tier 2 Capital		
General provision maintained against unclassified loans and off-balance sheet exposures	3,277,388,650	3,185,871,436
Subordinated debt capital	9,000,000,000	10,524,375,000
Assets revaluation reserves	425,206,889	425,206,889
Revaluation reserves of HTM securities	49,965,473	49,965,473
	12,752,561,012	14,185,418,798
Less: Revaluation Reserves for Fixed Assets and Securities is deducted at 100% in 2019 and 80% in 2018	475,172,362	380,137,890
	12,277,388,650	13,805,280,908
G) Total Eligible Regulatory Capital (Tier 1 and 2) [E+F]	34,789,648,823	34,077,442,810
Total capital surplus [G - B]	5,674,492,015	8,165,615,405
Capital to Risk Weighted Assets Ratio (CRAR):		
Common Equity Tier-1 to RWA (C/A)*100	9.67%	9.29%
Tier-1 Capital to RWA (E/A)*100	9.67%	9.29%
Tier-2 Capital to RWA (F/A)*100	5.27%	6.33%
Capital to Risk Weighted Assets Ratio (CRAR) (G/A)*100	14.94%	15.62%

	30-Jun-19	31-Dec-18
	Taka	Taka
17. Share premium		
Taka 50 per share on 221,350 ordinary shares of Taka 100 each at the time of issuing shares through initial public	11,067,500	11,067,500
* In compliance with Securities and Exchange Commission (SEC) Order No. SEC /CMRRCD/2009-193/109 dated 15 September 2011 and with the approval of shareholders in the 3rd Extra-ordinary General Meeting (EGM) held on 13 November 2011, the denomination of shares (face value) has been changed from Taka 100 each to Taka 10 each with effect from 4 December 2011 and accordingly the number of shares have been restated.		
18. Statutory reserve		
As per Section 24 (1) of the Bank Companies Act, 1991, an amount equivalent to 20% of profit before taxes for the period has been transferred to the statutory reserve fund as under.:		
Opening balance	9,193,048,174	9,193,048,174
Add: Transferred from profit during the period	-	-
Closing balance	9,193,048,174	9,193,048,174
19. Other reserve		
Revaluation reserve of HFT securities [Note 19.1]	-	-
	-	-
19.1 Other reserve		
In terms of First Schedule (Section 38) of the Bank Companies Act, 1991, and instructions contained in BRPD Circular No. 5 dated 26 May 2008 and Letter No. DOS (SR)1153/120-A/2011-746 dated 29 December 2011 the revaluation reserve for HFT securities has been made as under:		
Opening balance	-	-
Add: Reserve made for the period	-	-
Less: Adjustment during the period	-	-
Closing balance	-	-
20. Dividend equalization account		
As per BRPD Circular Letter No. 18 dated 20 October 2002 issued by Bangladesh Bank, ' <i>Dividend Equalization Account</i> ' has been created by transferring the amount from the profit that is equal to the cash dividend paid in excess of 20%.		
Opening balance	1,766,827,195	1,566,827,195
Add: Transferred for previous year's dividend paid	-	200,000,000
Closing balance	1,766,827,195	1,766,827,195
21. Assets revaluation reserve		
In terms of Bangladesh Accounting Standard (BAS) 16, 'Property, Plant and Equipment' , and instructions contained in BRPD Circular No. 10 dated 25 November 2002 issued by Bangladesh Bank, all the immovable properties of the Bank has been revalued by a professionally qualified valuation firm of the country. The rationale of the valuation has also been certified by the Bank's external auditors, M/s. A. Qasem & Co., Chartered Accountants. Accordingly, revaluation surplus of Taka 850,413,777 has been included in equity.		
Opening balance	850,413,777	850,413,777
Add : Addition during the period (net)	-	-
Closing balance	850,413,777	850,413,777
22. Revaluation reserve of HTM securities [Note 2.7.3(b)]		
Opening balance	16,355,788	14,001,469
Add: Reserve transferred to Income Account during the period	(14,346,333)	2,354,319
Closing balance	2,009,455	16,355,788
23. Contingent liabilities		
Main Operation [Note 23.1]	71,749,564,526	78,630,863,826
Off-shore Banking Unit	2,604,126	2,009,026
	71,752,168,652	78,632,872,852

	30-Jun-19	31-Dec-18
	Taka	Taka
23.1 Contingent liabilities - Main Operation		
a) Acceptances and endorsements	36,735,582,239	43,854,923,220
b) Letters of guarantee		
Local	6,115,339,441	6,156,681,949
Foreign	152,046,435	155,137,341
	6,267,385,876	6,311,819,290
c) Irrevocable letters of credit		
Local		
Cash	195,485,045	118,328,257
Usance	25,051,457	96,506,672
Back to back	6,006,448,499	7,426,870,201
	6,226,985,001	7,641,705,130
Foreign		
Cash	10,708,136,497	8,885,084,621
Usance	5,493,597,290	7,094,636,239
Back to back	1,950,216,255	2,812,726,516
	18,151,950,042	18,792,447,376
	24,378,935,043	26,434,152,506
d) Bills for collection		
Inward	-	-
Outward	-	-
	-	-
e) Other contingent liabilities		
Travelers' cheques	-	-
Export Development Fund	-	-
Bangladesh Shanchaya Patra	2,623,135,000	1,087,280,000
Forward Contract	1,744,526,368	942,688,810
	4,367,661,368	2,029,968,810
Total (a+b+c+d+e)	71,749,564,526	78,630,863,826
24. Retained Earnings - Consolidated		
Main Operation [Note 24.1]	7,605,288,734	8,808,768,845
Off-shore Banking Unit	556,248,039	439,488,953
	8,161,536,773	9,248,257,798
24.1 Retained Earnings-Main Operation		
Balance at 1 January	8,808,768,845	5,609,800,462
Dividend paid for previous year's	-	(600,000,000)
Transfer to dividend equalization fund for previous year's dividend paid	-	(200,000,000)
Transfer to paid up share capital for previous year's bonus share	(3,000,000,000)	-
Retained surplus for the current year	1,796,519,889	3,998,968,383
Closing balance	7,605,288,734	8,808,768,845
24.2 Calculation of Earnings Per Share (EPS)		
The earnings per share of the Bank has been calculated in accordance with the International Accounting Standard (IAS) 33, 'Earnings Per Share' under Basic Earning Per Share method as follows:		
Basic earnings (net profit after tax) [numerator]	1,913,278,975	1,625,232,172
Number of ordinary shares outstanding [denominator] *	500,000,000	500,000,000
Earnings Per Share	3.83	3.25
24.3 Calculation of Net Asset Value (NAV) Per Share		
Total Shareholders Equity [numerator]	24,984,902,874	20,504,895,997
Number of ordinary shares outstanding [denominator]*	500,000,000	500,000,000
Net Asset Value (NAV) Per Share	49.97	41.01
24.4 Net Operating Cash Flow Per Share (NOCFPS)		
Net cash from operating activities [numerator]	(1,246,978,829)	(2,568,616,957)
Number of ordinary shares outstanding [denominator]*	500,000,000	500,000,000
Net operating cash flow per share (NOCFS)	(2.49)	(5.14)

* As per requirement of IAS 33 - "Earning Per Share (EPS)", previous year's EPS was restated for the increase of number of ordinary shares outstanding through issue of bonus share during the first half of 2019. [Note 16.2.1]

		30-Jun-19 Taka	30-Jun-18 Taka
25.	Particulars of profit and loss account		
	Income		
		Notes	
	Interest, discount and other similar income	26	12,256,153,977
	Dividend income	28	5,711,803
	Fees, commission and brokerage	29.1	365,035,698
	Gains less losses arising from dealing securities		-
	Gains less losses arising from investment securities	28	1,387,176,075
	Gains less losses arising from dealing in foreign currencies	29.2	621,606,504
	Income from non-banking assets		-
	Other operating income	30	1,970,839,417
	Profit less losses on interest rate changes		-
			16,606,523,474
	Expenses		
	Interest, fee and commission	27	3,640,480,108
	Charges on loan losses	41	2,399,081,265.00
	Directors' fees	39	40,885
	Administrative expenses	31	4,242,765,486
	Other operating expenses	43	3,145,047,876
	Depreciation on banking assets	42	674,621,354
			14,102,036,974
	Profit before provision		2,504,486,500
26.	Interest income		
	Interest income - Main Operation [Note 26.1]		11,979,654,637
	Interest income - Off-Shore Banking Unit		422,451,938
	Less: Inter Bank transactions [Note 27]		(145,952,598)
			12,256,153,977
			10,077,725,191
26.1	Interest income - Main Operation		
	Interest on loans and advances		
	House building loan		144,843,790
	Transport loan		110,000,307
	Term loan - industrial		3,473,072,800
	Term loan - others		1,077,478,460
	Secured overdraft		1,178,785,680
	Cash credit		1,525,421,485
	Payment against document - cash		4,167,974
	Payment against document EDF- others		86,873,340
	Loan against trust receipts		150,567,308
	Export cash credit		72,822,433
	Loan against accepted bills		482,549,046
	Staff loan		15,736,849
	SME and consumer finance		2,888,663,660
			11,210,983,132
	Interest on balance with other banks and financial institutions		
	Fixed deposits		513,459,444
	Special notice deposits		5,240,665
	Nostro accounts		9,604,664
	Money at call on short notice		240,366,732
			768,671,505
			685,192,737
			11,979,654,637
			9,836,643,296

	30-Jun-19	30-Jun-18
	Taka	Taka
27. Interest paid on deposits and borrowings etc.		
Main Operation [Note 27.1]	3,468,435,701	2,996,215,514
Off-shore Banking Unit	317,997,005	283,023,517
Less: Inter Bank transactions [Note 26]	(145,952,598)	(153,701,179)
	3,640,480,108	3,125,537,852
27.1		
Interest paid on deposits- Main Operation [Note 27.2]	2,763,045,150	2,468,044,306
Interest paid on borrowings- Main Operation [Note 27.3]	705,390,551	528,171,208
	3,468,435,701	2,996,215,514
27.2 Interest paid on deposits- Main Operation		
Savings deposits	962,804,439	927,153,406
Special notice deposits	369,199,385	329,731,542
Fixed deposits	1,422,683,706	1,210,134,042
Non-resident foreign currency deposits	7,198,820	12,440
Resident foreign currency deposits	882,584	698,861
Monthly term deposits	276,216	314,015
	2,763,045,150	2,468,044,306
27.3 Interest paid on borrowings- Main Operation		
Interest on borrowing - call loan and term loan	2,331,171	54,761,915
Interest on credit lines	-	251,138
Interest paid on subordinated debt	493,350,659	314,641,436
Interest on borrowing under REPO and Re-financing facilities with Bangladesh Bank	209,708,721	158,516,719
Interest on borrowing under REPO with other banks	-	-
	705,390,551	528,171,208
28. Investment income		
Dividend on shares	5,711,803	5,711,981
Interest on treasury bills, bonds and debentures		
Interest on treasury bills and bonds	1,318,722,788	1,028,091,955
Interest on reverse REPO with other banks	13,976,025	-
Interest on subordinated bonds	54,477,262	10,846,827
Interest on debenture	-	-
	1,387,176,075	1,038,938,782
Gain on sale of shares	-	-
	1,392,887,878	1,044,650,763
29. Commission, exchange and brokerage		
Commission [Note 29.1]	365,035,698	395,893,441
Exchange earnings (net) [Note 29.2]	621,606,504	732,755,345
	986,642,202	1,128,648,786

	30-Jun-19	30-Jun-18
	Taka	Taka
29.1 Commission		
Commission on Remittances-Local	7,719,398	8,076,393
Commission on Remittances-Foreign	10,286,323	29,589,655
Commission on Letter of Credit-Import	41,298,639	48,621,170
Commission on Letter of Credit-Export	270,205,238	262,348,822
Commission on Export Bills	5,005,028	6,314,751
Commission on Letter of Guarantee	28,584,915	40,012,464
Commission on Sale of Government Saving Instruments	1,927,804	854,349
Commission on Banker to the issue & underwriting	83	-
Other Commission	8,270	75,837
	365,035,698	395,893,441
29.2 Exchange earnings (net)		
From General activities	233,982,733	206,577,910
From Treasury dealings	387,623,771	526,177,435
	621,606,504	732,755,345
30. Other operating income		
Main Operation [Note 30.1]	1,964,491,750	1,657,054,043
Off-shore Banking Unit	6,347,667	3,612,257
	1,970,839,417	1,660,666,300
30.1 Other operating income - Main Operation		
Charges for service	42,695,789	43,480,032
Income from IT service	1,154,522,304	1,061,298,381
Recoveries from client	77,547,916	73,511,360
Service charges on deposit accounts	255,655,735	237,447,513
Income from Export-Import	69,975,197	54,152,949
Examination and appraisal fees	-	9,603,138
Document handling charges-Export	146,700	4,883,000
Locker Rent	4,962,095	3,902,240
Gain on sale of fixed assets	18,421,347	385,091
Income from Mobile Banking Services	282,487,710	107,305,405
Other earning	58,076,957	61,084,934
	1,964,491,750	1,657,054,043
30.2 Gain on sale of fixed assets		
Some impaired items of fixed assets were sold during the period as under:		
Gain on sale of fixed assets [Note 30.3]	18,421,347	385,091
	18,421,347	385,091
30.3 Calculation of income from sale of fixed assets		
Sale proceeds [A]	25,307,432	12,307,910
Cost price of the sold items	96,618,456	36,617,724
Less: Accumulated depreciation	89,732,371	24,694,905
Written down value [B]	6,886,085	11,922,819
Net gain [A - B]	18,421,347	385,091

31. Administrative expenses	Notes	30-Jun-19 Taka	30-Jun-18 Taka
Salary and allowances	32	2,280,483,329	1,893,921,484
Rent, taxes, insurance, electricity, etc.	34	1,015,725,028	890,733,308
Legal expenses	35	1,261,247	1,939,083
Postage, stamp, telecommunications, etc.	36	167,757,974	176,917,027
Stationery, printings, advertisements etc.	37	351,769,572	271,366,667
Managing Director & CEO's salary and allowances	38	5,248,000	5,248,000
Auditors' fees	40	430,500	329,000
Repair and maintenance	42	420,089,836	418,367,616
		4,242,765,486	3,658,822,185
32. Salary and allowances			
Main Operation [Note 32.1]		2,278,103,797	1,891,909,775
Off-shore Banking Unit		2,379,532	2,011,709
		2,280,483,329	1,893,921,484
32.1 Salary and allowances-Main Operation			
Basic salary		950,211,876	791,146,036
House rent allowance		475,765,544	398,203,127
Conveyance allowance		95,667,223	78,280,996
Other allowances		105,190,436	85,211,657
Bank's contribution to provident fund		89,721,426	72,856,903
Medical expenses		98,070,354	84,847,103
Bonus		263,476,938	244,563,953
Gratuity		180,000,000	36,800,000
Superannuation		20,000,000	100,000,000
		2,278,103,797	1,891,909,775
33. Number of employees and remuneration thereof			
As per the Schedule XI of the Companies Act, 1994, the number of employees (including contractual employees) engaged for the whole year or part thereof who received a total remuneration of Taka 36,000 per annum or Taka 3,000 per month were 8,249 as at 30 June 2019 compared to 7,519 as at 30 June 2018.			
34. Rent, taxes, insurance, electricity, etc.			
Rent			
Office premises		399,560,001	339,449,118
ATM Booths and other installations		255,999,057	211,436,591
		655,559,058	550,885,709
Rates and taxes			
Rates		1,158,019	2,412,000
Taxes		2,347,116	3,145,248
		3,505,135	5,557,248
Insurance			
Cash		15,018,743	13,633,513
Vehicles		1,831,523	2,077,546
Deposits		79,814,945	70,650,402
Other properties		7,731,490	6,709,636
		104,396,701	93,071,097
Electricity and sanitation			
Light and power		245,544,733	234,456,344
Water and sewerage		4,320,864	4,108,075
Utilities		2,398,537	2,654,835
		252,264,134	241,219,254
		1,015,725,028	890,733,308
35. Legal expenses			
Legal expenses		1,261,247	1,939,083
		1,261,247	1,939,083

	30-Jun-19	30-Jun-18
	Taka	Taka
36. Postage, stamp, telecommunications, etc.		
Main Operation [Note 36.1]	167,752,655	176,914,078
Off-shore Banking Unit	5,319	2,949
	167,757,974	176,917,027
36.1 Postage, stamp, telecommunications, etc.-Main Operation		
Postage	12,973,838	12,007,091
Telephone	7,597,576	8,010,534
Radio link	139,269,436	149,057,027
Swift, Reuters, internet, etc.	7,911,805	7,839,426
	167,752,655	176,914,078
37. Stationery, printings, advertisements etc.		
Printing and stationery:		
Printed stationery	29,842,304	27,204,233
Security stationery	21,786,227	20,814,682
Petty stationery	54,577,949	25,234,448
	106,206,480	73,253,363
Publicity and advertisement	245,563,092	198,113,304
	351,769,572	271,366,667
38. Managing Director & CEO's salary and allowances		
Basic salary	3,180,000	3,180,000
House rent allowance	240,000	240,000
House maintenance	180,000	180,000
Bank's contribution to provident fund	318,000	318,000
Leave fare assistance	180,000	180,000
Other allowances	120,000	120,000
Bonus	1,030,000	1,030,000
	5,248,000	5,248,000
39. Directors' fees		
Honorarium for attending meeting	35,000	145,000
Incidental expenses for attending meeting	5,885	-
	40,885	145,000
40. Auditors' fees		
Statutory annual audit fees	267,500	260,000
Special audit fees	163,000	69,000
Fees for various certification	-	-
	430,500	329,000
41. Charges on loan losses		
Loan written- off	2,399,081,265	1,451,085,376
Interest waived	-	-
	2,399,081,265	1,451,085,376
42. Depreciation and repair of bank's assets		
Depreciation on fixed assets including building, furniture and fixtures		
Main Operation [Note 42.1]	674,621,354	609,579,683
Off-shore Banking Unit	-	-
	674,621,354	609,579,683
Repair and maintenance		
Main Operation [Note 42.2]	420,018,128	418,306,623
Off-shore Banking Unit	71,708	60,993
	420,089,836	418,367,616
	1,094,711,190	1,027,947,299

	30-Jun-19	30-Jun-18
	Taka	Taka
42.1 Depreciation on fixed assets including land, building, furniture and fixtures - Main Operation		
Land	-	-
Building (including lease hold property)	5,025,336	4,994,300
Interior decoration	48,368,306	50,400,776
Furniture and fixtures	13,679,890	13,722,979
Other machinery and equipment	116,657,536	112,459,398
Computer equipment	277,509,808	190,566,688
Computer software	13,320,432	29,194,937
Motor vehicles	35,591,167	29,898,203
ATM Booth	49,341,303	48,474,000
ATM and Fast Track (ATM & Deposit Machine)	115,118,662	129,859,389
Books	8,914	9,013
	674,621,354	609,579,683
42.2 Repair and maintenance - Main Operation		
Premises	107,215,388	95,106,491
Vehicles	27,720,438	25,924,179
Computers	285,082,302	297,275,953
	420,018,128	418,306,623
43. Other expenses		
Main Operation [Note 43.1]	3,143,660,921	2,437,746,392
Off-shore Banking Unit	1,386,955	13,403
	3,145,047,876	2,437,759,795
43.1 Other expenses- Main Operation		
Entertainment expenses	23,101,647	20,662,231
Fuel and lubricant	26,363,791	26,473,953
Subscription and donations	7,384,793	5,609,367
Annual general meeting	1,427,067	1,322,128
Casual wages and allowances	552,318,475	517,238,510
Travelling expenses and allowances	300,796,091	192,451,663
Petty conveyance	20,198,260	20,767,685
Credit rating fees	-	115,000
News papers, periodicals, learning materials etc.	1,080,493	1,596,123
Crockeries	218,044	165,274
Debit and Credit Card expenses	245,462,569	247,475,171
ATM expenses	553,837	2,668,301
Tele Banking Expenses	27,671,692	30,425,647
Cash carrying charges	19,146,186	18,015,110
ATM cash replenishment charges	359,800,000	329,800,000
Recruitment, training, seminar and workshop	10,891,260	10,855,362
Service charge on nostro account and others	16,595,166	22,503,542
Consultancy fees	12,409,322	2,725,657
Business promotion and development	925,668,160	651,293,642
Laundry and cleaning	182,896	232,455
Other expenses for Mobile Banking Services	125,354,117	175,222,175
Other expenses for Agent Banking Services	357,486,483	156,057,631
Miscellaneous	109,550,572	4,069,765
	3,143,660,921	2,437,746,392

	30-Jun-19	30-Jun-18
	Taka	Taka
44. Receipts from other operating activities - Consolidated		
Other operating income [Note 30]	1,970,839,417	1,660,666,300
Less: Income from sale of fixed assets (net)	18,421,347	385,091
	1,952,418,070	1,660,281,209
Exchange earnings (net) [Note 29.2]	621,606,504	732,755,345
	2,574,024,574	2,393,036,554
45. Payments for other operating activities		
Expenses for the year	3,530,764,389	2,933,025,149
Add: Opening accrued expenses	308,305,009	245,405,790
Add: Closing advance expenses	838,782,208	552,403,008
Less: Closing accrued expenses	825,476,561	500,449,689
Less: Opening advance expenses	659,279,804	584,216,572
	3,193,095,241	2,646,167,686
46. Increase/(decrease) of other assets		
Closing other assets		
Security deposits	21,096,413	21,766,382
Suspense account	16,132,505	6,728,328
Branch adjustment (net)	382,730,878	-
Encashment of Sanchaya Patra (awaiting realization)	985,042,954	521,755,157
Sundry debtors	84,142,344	89,262,439
Cash remittance	133,085,975	87,450,034
Others	2,726,203,532	1,405,662,032
	4,348,434,601	2,132,624,372
Opening other assets		
Security deposits	22,322,210	17,961,785
Suspense account	7,143,799	(4,685,242)
Branch adjustment (net)	14,643,233	8,037,461
Encashment of Sanchaya Patra (awaiting realization)	489,118,917	352,879,636
Sundry debtors	64,614,397	68,100,883
Cash remittance	89,815,759	83,485,115
Others	2,137,283,868	1,844,017,967
	2,824,942,183	2,369,797,605
	1,523,492,418	(237,173,233)
47. Increase/(decrease) of other liabilities		
Closing other liabilities		
Branch adjustment (net)	-	144,734,477
Cumulative balance of interest suspense account	2,214,706,759	2,517,623,472
Revaluation reserve for HTM securities	2,009,455	11,473,900
Revaluation reserve for HFT securities	-	-
Others	209,226,178	(3,707,062,944)
	2,425,942,392	(1,033,231,095)
Opening other liabilities		
Branch adjustment (net)	-	-
Cumulative balance of interest suspense account	2,333,278,760	2,582,802,096
Revaluation reserve for HTM securities	16,355,788	14,001,469
Revaluation reserve for HFT securities	-	-
Others	243,096,776	190,491,698
	2,592,731,324	2,787,295,263
	(166,788,932)	(3,820,526,358)

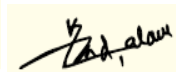
	30-Jun-19 Taka	31-Dec-18 Taka
48 Cash and cash-equivalents - Consolidated		
Main Operation [Note 48.1]	60,978,637,323	63,887,334,057
Off-shore Banking Unit	1,492,934,619	3,523,072,758
	62,471,571,942	67,410,406,815

48.1 Cash and cash-equivalents - Main Operation

Cash in hand (including foreign currencies)	16,075,152,337	17,419,869,741
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	25,822,262,193	32,728,425,040
Balance with other banks and financial institutions	19,073,241,793	13,726,182,076
Prize bonds	7,981,000	12,857,200
Money at call on short notice	-	-
	60,978,637,323	63,887,334,057



Director



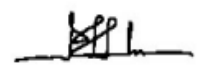
Director



Managing Director & CEO



Chief Financial Officer



Company Secretary

Dhaka, 30 July 2019