

DUTCH - BANGLA BANK LIMITED

FINANCIAL STATEMENTS

For the Third Quarter ended 30 September 2021

Dutch-Bangla Bank Limited

Balance Sheet As at 30 September 2021

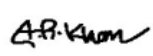
PROPERTY AND ASSETS	Notes	30-Sep-21 Taka (Un-audited)	31-Dec-20 Taka (Audited)	30-Sep-20 Taka (Un-audited)
Cash				
In hand (including foreign currencies)	4	19,906,735,462	17,030,120,126	16,542,550,789
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	5	18,848,043,995	23,858,695,319	16,485,838,315
		38,754,779,457	40,888,815,445	33,028,389,104
Balance with other banks and financial institutions	6			
In Bangladesh		11,101,788,255	12,574,309,059	8,088,277,382
Outside Bangladesh		495,492,455	682,321,195	(282,984,632)
		11,597,280,710	13,256,630,254	7,805,292,750
Money at call on short notice	7	2,840,000,000	-	3,310,000,000
Investments	8			
Government		110,190,798,965	106,718,508,845	109,420,702,000
Others		7,871,283,434	5,871,283,434	2,911,283,434
		118,062,082,399	112,589,792,279	112,331,985,434
Loans and advances	9			
Loans, cash credits, overdrafts, etc.		283,548,076,925	257,165,934,137	248,256,092,242
Bills purchased and discounted		19,911,582,800	16,216,972,893	14,828,784,366
		303,459,659,725	273,382,907,030	263,084,876,608
Fixed assets including land, building, furniture and fixtures	10	7,731,277,660	7,882,842,294	5,218,663,477
Other assets	11	23,219,715,855	24,354,460,906	26,089,695,365
Non-banking assets		-	-	-
TOTAL ASSETS		505,664,795,806	472,355,448,208	450,868,902,738
LIABILITIES AND CAPITAL				
Liabilities				
Borrowings from other banks, financial institutions and agents	12	29,922,107,262	25,796,052,059	23,748,337,317
Deposits and other accounts	13			
Current deposits and other accounts		94,021,511,835	89,092,047,606	83,253,877,518
Bills payable		4,172,241,785	3,925,305,619	3,940,029,440
Savings bank deposits		188,148,464,659	170,213,630,379	165,946,296,580
Term deposits		103,383,721,181	99,380,006,141	96,423,282,323
		389,725,939,460	362,610,989,745	349,563,485,861
Other liabilities	14	37,703,888,503	37,691,753,730	38,428,714,109
Subordinated debt	15	13,000,000,000	14,000,000,000	9,000,000,000
TOTAL LIABILITIES		470,351,935,225	440,098,795,534	420,740,537,286
Shareholders' equity				
Paid up share capital	16.2	6,325,000,000	5,500,000,000	5,500,000,000
Share premium	17	11,067,500	11,067,500	11,067,500
Statutory reserve	18	9,193,048,174	9,193,048,174	9,193,048,174
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	79,391,829	96,905,831	9,593,766
Proposed dividend		-	-	-
Retained earnings	24	17,087,112,106	14,838,390,197	12,797,415,040
TOTAL SHAREHOLDERS' EQUITY		35,312,860,581	32,256,652,674	30,128,365,452
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		505,664,795,806	472,355,448,208	450,868,902,738

	Notes	30-Sep-21 Taka (Un-audited)	31-Dec-20 Taka (Audited)	30-Sep-20 Taka (Un-audited)
OFF-BALANCE SHEET ITEMS				
Contingent liabilities	23			
Acceptances and endorsements		48,382,477,178	39,572,273,905	40,603,590,377
Letters of guarantee		5,696,437,757	5,654,553,523	5,798,280,315
Irrevocable letters of credit		39,032,550,956	35,020,907,978	22,230,908,511
Bills for collection		-	-	-
Other contingent liabilities		7,777,846,560	2,569,651,432	3,133,917,172
Total contingent liabilities		100,889,312,451	82,817,386,838	71,766,696,375
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		100,889,312,451	82,817,386,838	71,766,696,375
Net Asset Value (NAV) Per Share		55.83	51.00	47.63

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



Chairman



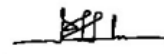
Director



Managing Director & CEO



Chief Financial Officer



Company Secretary

Dhaka, 24 October 2021

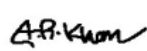
Dutch-Bangla Bank Limited
Profit and Loss Account
For the Third Quarter (Q3) ended 30 September 2021

	Notes	For the Third Quarter (Q3) ended 30 September (January - September)		For the quarter ended 30 September (July-September)	
		2021	2020	2021	2020
		Taka	Taka	Taka	Taka
Interest income	26	16,739,622,241	16,399,261,871	5,717,596,065	5,001,980,792
Interest paid on deposits and borrowings etc.	27	4,886,229,662	6,246,106,943	1,639,116,989	1,732,803,274
Net interest income		11,853,392,579	10,153,154,928	4,078,479,076	3,269,177,518
Investment income	28	5,446,035,476	5,088,838,077	1,854,728,507	1,812,213,344
Commission, exchange and brokerage	29	1,232,624,854	1,346,436,744	423,390,657	404,457,615
Other operating income	30	2,606,955,800	2,377,296,624	847,349,642	819,043,411
Total operating income		21,139,008,709	18,965,726,373	7,203,947,882	6,304,891,888
Salary and allowances	32	4,259,862,150	4,019,320,426	1,386,259,195	1,337,810,788
Rent, taxes, insurance, electricity, etc.	34	1,601,416,705	1,828,057,073	556,214,235	660,640,350
Legal expenses	35	1,752,045	1,011,621	539,401	328,464
Postage, stamp, telecommunications, etc.	36	299,923,022	282,374,422	102,470,287	95,590,197
Stationery, printings, advertisements, etc.	37	495,313,086	331,098,902	156,268,168	46,111,610
Managing Director & CEO's salary and allowances	38	12,915,000	11,320,000	4,255,000	4,040,000
Directors' fees	39	282,206	194,475	213,755	134,775
Auditors' fees	40	384,374	392,000	121,596	146,000
Depreciation and repair of bank's assets	41	2,069,720,558	1,620,323,697	712,776,497	548,826,476
Other expenses	42	4,898,871,393	4,635,286,208	1,540,647,927	1,392,226,327
Total operating expenses		13,640,440,539	12,729,378,824	4,459,766,061	4,085,854,987
Profit before provision		7,498,568,170	6,236,347,549	2,744,181,821	2,219,036,901
Provision for loans and off-balance sheet exposures	14.1.3.1				
Specific provision for loans	14.1.3.1.A	859,239,392	399,872,426	127,448,431	-
General provision for loans	14.1.3.1.B.iv	153,916,445	3,859,429	98,215,540	13,137,328
General provision for off-balance sheet exposures	14.1.3.1.B.iii	180,491,737	(35,406,791)	81,380,779	62,940,143
		1,193,647,574	368,325,064	307,044,750	76,077,471
Other provision	14.1.1	10,000,000	-	-	-
Total provision		1,203,647,574	368,325,064	307,044,750	76,077,471
Profit before taxes		6,294,920,596	5,868,022,485	2,437,137,071	2,142,959,430
Provision for taxation					
Current tax	14.1.2	2,711,719,276	2,570,523,573	835,817,352	901,459,804
Deferred tax	11.2.2	(370,508,035)	(160,270,570)	(93,087,696)	(52,211,451)
		2,341,211,241	2,410,253,003	742,729,656	849,248,353
Net profit after taxation		3,953,709,355	3,457,769,482	1,694,407,415	1,293,711,077
Appropriations					
Statutory reserve	18	-	-	-	-
Retained surplus to retained earnings		3,953,709,355	3,457,769,482	1,694,407,415	1,293,711,077
Earnings per share (EPS)	24.2	6.25	5.47	2.68	2.05

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



Chairman



Director



Managing Director & CEO



Chief Financial Officer



Company Secretary

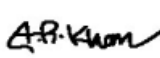
Dhaka, 24 October 2021

Dutch-Bangla Bank Limited
Cash Flow Statement
For the Third Quarter (Q3) ended 30 September 2021

	Notes	30-Sep-21 Taka	30-Sep-20 Taka
A) Cash flows from operating activities			
Interest receipts in cash		28,419,834,881	18,626,730,640
Interest payments		(4,315,630,523)	(5,562,024,240)
Dividend receipts in cash		3,427,082	5,711,803
Gain on sale of shares		-	-
Gain on sale of securities		859,678,009	-
Recoveries of loan previously written-off		1,997,400	127,574
Fee and commission receipts in cash		736,867,642	546,716,151
Cash payments to employees		(4,473,422,178)	(4,033,199,326)
Cash payments to suppliers		(2,576,577,910)	(3,029,539,907)
Income taxes paid		(3,075,945,565)	(3,304,524,227)
Receipts from other operating activities	43	3,083,680,563	3,170,139,982
Payments for other operating activities	44	(4,144,225,096)	(3,742,263,084)
Operating profit before changes in operating assets and liabilities		14,519,684,304	2,677,875,366
Increase/(decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase /sale of trading securities		(419,383,229)	(51,247,523,797)
Loans and advances to other banks		-	-
Loans and advances to customers		(37,539,179,395)	(4,303,544,203)
Other assets	45	(441,597,765)	(733,585,539)
Deposits from other banks		17,635,867	(69,874,023)
Deposits from customers		26,651,917,455	46,891,487,493
Other liabilities account of customers		2,338,794,639	8,097,569,415
Other liabilities	46	171,283,215	2,137,451,968
Net cash from operating activities		5,299,155,090	3,449,856,680
B) Cash flows from investing activities			
Payments for purchase of securities		(97,008,743,642)	(73,435,391,716)
Proceeds from sale of securities		91,955,643,752	67,453,322,381
Purchase of property, plant and equipment		(1,183,134,336)	(883,626,680)
Sale proceeds of property, plant and equipment		32,125,041	16,405,806
Net cash used in investing activities		(6,204,109,185)	(6,849,290,209)
C) Cash flows from financing activities			
Receipts from issue of loan capital and debt securities		-	-
Payment for redemption of loan capital and debt securities		(1,000,000,000)	(1,530,625,000)
Dividends paid		(835,885,603)	(40,668,911)
Net cash from financing activities		(1,835,885,603)	(1,571,293,911)
D) Net increase / (decrease) in cash (A+B+C)		(2,740,839,698)	(4,970,727,440)
E) Cash and cash-equivalents at beginning of the period		61,314,398,944	55,551,702,197
F) Cash and cash-equivalents at end of the period (D+E)	48	58,573,559,246	50,580,974,757
Net Operating Cash Flow Per Share (NOCFPS)	24.4	8.38	5.45



Chairman



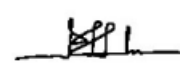
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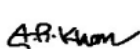
Dutch-Bangla Bank Limited
Statement of Changes in Equity
For the Third Quarter (Q3) ended 30 September 2021

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 2021	5,500,000,000	11,067,500	9,193,048,174	1,766,827,195	850,413,777	96,905,831	14,838,390,197	32,256,652,674
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated balance	5,500,000,000	11,067,500	9,193,048,174	1,766,827,195	850,413,777	96,905,831	14,838,390,197	32,256,652,674
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	(17,514,002)	-	(17,514,002)
Currency translation differences	-	-	-	-	-	-	-	-
Net gains and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Payment of dividend for the year 2020	-	-	-	-	-	-	(825,000,000)	(825,000,000)
Transfer for dividend for the year 2020	825,000,000	-	-	-	-	-	(825,000,000)	-
Net profit for the nine months ended 30 September 2021	-	-	-	-	-	-	3,953,709,355	3,953,709,355
Transfer to Start up Fund for the previous year's net profit after taxation	-	-	-	-	-	-	(54,987,446)	(54,987,446)
Issue of share capital	-	-	-	-	-	-	-	-
Appropriations during the period	-	-	-	-	-	-	-	-
Balance at 30 September 2021	6,325,000,000	11,067,500	9,193,048,174	1,766,827,195	850,413,777	79,391,829	17,087,112,106	35,312,860,581
Balance at 30 September 2020	5,500,000,000	11,067,500	9,193,048,174	1,766,827,195	850,413,777	9,593,766	12,797,415,040	30,128,365,452



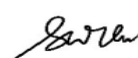
Chairman



Director



Managing Director & CEO



Chief Financial Officer



Company Secretary

Dhaka, 24 October 2021

Dutch-Bangla Bank Limited

Notes to the Financial Statements

As of and for the Third Quarter (Q3) ended 30 September 2021

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 210 as at 30 September 2021 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 and 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 and 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 September 2021 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 Financial Reporting Act, 2015, 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

As per requirements of IFRS 9, classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit or loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.

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

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

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.24 (17 November 2019), BRPD circular No.6 (19 May 2019), BRPD circular No.4 (16 May 2019), BRPD circular No.3 (21 April 2019), BRPD circular No.15 (27 September 2017), BRPD circular No.16 (18 November 2014), 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

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

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

As per IFRS 9 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), the arrangement is treated as a loan and the underlying asset continues to be recognised at amortised cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. The 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

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

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

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

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

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

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

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

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.

2.1.16 Name of Financial Statements

IFRS

As per IAS 1 : Presentation of financial of financial statements, Components of financial statements are defined as statement of financial position and statement of profit or loss and other comprehensive income.

Bangladesh Bank:

As per BRPD 14, statement of financial position is defined as "Balance Sheet" whilst statement of profit or loss and other comprehensive income is defined as "Profit and Loss Account"

2.2 IFRS 16: Leases

IFRS 16 Leases is effective for the annual reporting periods beginning on or after 1 January 2019. IFRS 16 defines that a contract is (or contains) a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16 significantly changes how a lessee accounts for operating leases. Under previous IAS 17, an entity would rent an office building or a branch premises for several years with such a rental agreement being classified as operating lease would have been considered as an off balance sheet item. However, IFRS 16 does not require a lease classification test and hence all leases shall be accounted for as on balance sheet item (except some limited exception i.e. short-term lease, leases for low value items).

Under IFRS 16, an entity shall be recognizing a right-of-use (ROU) asset (i.e. the right to use the office building, branches, service center, call center, warehouse, etc.) and a corresponding lease liability. The asset and the liability are initially measured at the present value of unavoidable lease payments. The depreciation of the lease asset (ROU) and the interest on the lease liability is recognized in the profit or loss account over the lease term.

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 as determined by Bangladesh Bank. 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 2021.

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 (02 August 2015), BRPD Circular No. 01 (20 February 2018), BRPD circular No. 24 (17 November 2019), BRPD circular No.6 (19 May 2019), BRPD circular No. 4 (16 May 2019), BRPD circular No.3 (21 April 2019), BRPD circular No. 4 (19 March 2020), BRPD circular No. 13 (15 June 2020), BRPD circular No. 15 (21 July 2020), BRPD Circular No. 17 (September 28, 2020), BRPD Circular No. 52 (October 20, 2020), BRPD Circular No. 56 (December 10, 2020), BRPD Circular No.03 (January 31, 2021); BRPD Circular No.05 (March 24, 2021) and BRPD Circular No.13 (June 27, 2021) 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)	2.00%	2.00%
Consumer financing for housing finance, etc.	1.00%	1.00%
Consumer financing for credit card, 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)	1.00%	1.00%
Small & Medium enterprise financing	0.25%	0.25%
Consumer financing (other than housing finance, Credit Card and loans for professionals under consumer financing scheme)	2.00%	2.00%
Consumer financing for housing finance, etc.	1.00%	1.00%
Consumer financing for 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 Other	20.00%	20.00%
Substandard small and MC	5.00%	5.00%
Doubtful Other	50.00%	50.00%
Doubtful small	20.00%	20.00%
Doubtful MC	5.00%	5.00%
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 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, Credit card, loans to professionals and loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares has been maintained @ 1% to 2%.

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 year. 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%
Right of use of asset - IFRS 16: lease	Over the lease term

- 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, 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 15, 'Revenue from contracts with customers' and International Financial Reporting Standards 9 "Financial Instruments" 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 is recognised when the right to receive payment is established.

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 September 2021 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

- a) There were no material post balance sheet events which could 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 nine months of the calendar year from 1 January 2021 to 30 September 2021.

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 Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) is formed and it is yet to issue financial reporting standards for public interest entities such as banks. The Bank Companies Act 1991 has been amended to require banks to prepare their financial statements under such financial reporting standards. The FRC has been formed but yet to issue any financial reporting standards as per the provisions of the FRA and hence International Financial Reporting Standards (IFRS) as approved by the Institute of Chartered Accountants of Bangladesh (ICAB) are still applicable. Subject to the departures mentioned above, the Bank has complied with all the applicable Accounting and Financial Reporting Standards for preparation and presentation of the financial statements of the Bank as at 30 September 2021 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 -41	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

* Subject to the departure specified above to comply with Bangladesh Bank Regulations

2.19 Approval of the financial statements

The Board of Directors of the Bank in its 243rd meeting held on 24 October 2021 approved the financial statements of the Bank for the period ended 30 September 2021.

3.1 Risk Management

Banking risk is defined by DBBL as prospect of potential losses or foregone profits that can be triggered by internal and external factors. The objective of risk management system is to identify, assess, record and actively manage any internal and external risks that could pose a threat to the attainment of the core objectives of the Bank. Therefore, as part of risk management system potential risks in Bank's operations and transactions, in assets, liabilities, income, costs and off-balance sheet items identified and assessed, and timely and adequate measures are initiated to actively manage and mitigate such risks within a risk-return framework. In DBBL, only calculated banking risks are taken while conducting banking business to strike a balance between risks and returns. Risks are clearly identified, quantified, mitigated or minimized to protect capital and maximize value to the shareholders.

3.1.1 Core risk management

Within risk management framework, all core banking risks of DBBL are proactively managed. Bank's risk management system adequately complies with an effective risk management system as required by BRPD circular no.17 (7 October 2003) and BRPD circular no.4 (5 March 2007). Bangladesh Bank monitors the progress of implementation of its risk management guidelines through on-site inspections and off-site supervisions. The risk management systems in place at the Bank are discussed below.

3.1.1.1 Credit risk

Credit risk is the most significant and inherent risk in banking business. Every loan exposure or transaction with counterparty involves the Bank to some extent of credit risks. Credit Risk Management is at the heart of the overall risk management system of the Bank. It is designed and regularly updated to identify, measure, manage and mitigate credit risk to maintain and improve quality of loan portfolio and reduce actual loan losses and to ensure that approved processes are followed and appropriate due diligence are made in approving new credit facilities and renewals.

The salient features of credit risk management practices in place at different levels of DBBL management and board are as under:

- I. Credit policy is approved by the Board
- II. Credit approval is delegated properly
- III. Independent Credit Risk Management Division is responsible for assessing and mitigating credit risk
- IV. Separate Credit Administration Division is responsible for documentation and disbursements
- V. Independent Special Asset Management Division is responsible for managing non-performing loans
- VI. Adequate loan-loss provisions (principal) and interest suspense accounts are maintained
- VII. Conducting Internal Credit Risk Rating (ICRR) for mitigating credit risk
- VIII. Eligible Borrowers' credit ratings are conducted for assessing client and industry specific credit risk
- IX. Credit operations are regularly audited by independent Internal Audit Division
- X. Early warning system is in place for raising red flag for potential credit problem for taking timely actions
- XI. Board of directors of the Bank, Executive Committee and Risk Management Committee of the board are regularly and adequately reported on existing and potential credit risks of the Bank and measures taken by the management for mitigating such credit risks
- XII. Environmental issues are properly assessed and mitigated while financing any project or industry

3.1.1.2 Asset liability management risk

The Asset-Liability (ALCO) management risk includes the process, procedures for managing & mitigating liquidity risk, interest rate risk, and foreign exchange risk of DBBL. ALCO works under specific Terms of References (functions) approved by the Board. Treasury Division (Front Office) and ALM desk under regular supervision of ALCO reviews the overall liquidity, interest rate and foreign exchange exposures and risk of DBBL and take appropriate measures in line with industry best practice.

3.1.1.3 Liquidity risk

Liquidity risk is the risk that we may not meet our financial obligation as they become due. Liquidity risks also include our inability to liquidate any asset at reasonable price in a timely manner. It is the policy of the Bank to maintain adequate liquidity at all times in both local and foreign currencies. Liquidity risks are managed on a short, medium and long-term basis. There are approved limits for credit/deposit ratio, liquid assets to total assets ratio, maturity mismatch, commitments for both on-balance sheet and off-balance sheet items and borrowing from money market to ensure that loans and investments are funded by stable sources, maturity mismatches are within limits and that cash inflow from maturities of assets, customer deposits in a given period exceeds cash outflow by a comfortable margin even under a stressed liquidity scenario.

3.1.1.4 Interest rate risk

Interest rate risk is the potential impact on the Bank's earnings and net asset value due to changes in market interest rates. Interest rate risk is the result of mismatches of interest rate re-pricing of financial assets and liabilities. DBBL uses the following tools for measuring the interest rate risk:

a. Gap analysis

Under this system, a gap i.e. the difference between the amount of financial assets and the amount of liabilities is calculated at a pre-determined time bucket. The interest rate factor is then applied on the assessed financial value of Gap for measuring the earning impact due to movement of interest rate.

b. Duration analysis

Duration is the time-weighted average maturity of the present value of the cash flows from on balance sheet assets and liabilities. It measures the relative sensitivity of the value of these instruments to changing interest rates and therefore reflects on the economic value i.e. the present value of shareholders' equity of the Bank.

3.1.1.5 Foreign exchange risk

Foreign exchange risk is the potential loss arising from changes in foreign currency exchange rate in either direction. Assets and liabilities denominated in foreign currencies generally entail foreign exchange risks.

The Bank operates its foreign exchange and money market activities under a centralized and single functional area. DBBL's dealing room is equipped with advanced technology and experienced personnel. Bank's Exchange Rate Committee meets on a daily basis to review the prevailing market condition, exchange rate, exposure and transactions to mitigate foreign exchange risk.

3.1.1.4 Internal control and compliance

Internal Control and Compliance (ICC) ensures compliance with laws and regulations, policies and procedures issued by both the bank management and the regulators. ICC enhances confidence over the bank and facilitates risk based bank examination. This is one of the means for reducing potential losses associated with unwanted events.

Banking is a diversified financial activities involving different risks. The issues of effective internal control system, good governance, transparency of all financial activities, accountability towards its stakeholders and regulators are highly important for ensuring smooth performance of the banking company. An effective internal control & compliance system has no alternative for protecting the stakeholders of a banking company.

Dutch-Bangla Bank Limited has established an appropriate and effective internal control environment through the Board of Directors, Management, organizational and procedural controls and an independent audit mechanism in order to ensure that the Bank is managed and controlled in a sound and prudent manner.

Internal Control and Compliance (ICC) operates independently as a division consisting of four units (Audit & Inspection, Compliance, Monitoring & ICC Secretariat) with prime responsibility to determine risks by evaluating overall Business, Operations & Credit Portfolios of the Bank. The key objective of ICC is to assist and guide in all aspects of the bank using adequate resources for identification of weaknesses and taking appropriate measures to overcome the same to be a compliant bank.

3.1.1.5 Operational Risk

Operational risk can be defined as the possibilities of losses resulting from inadequacy or failed internal processes, systems and people or from external events.

Operational risk includes legal and regulatory risk, business process and change risk, fiduciary or disclosure breaches, technology failure, financial crime and environmental risk. It exists in some form in every Bank business and function. Operational risk can not only result in financial loss, but also regulatory sanctions and damage to the Bank's reputation. DBBL is successful at managing operational risk with a view to safeguarding client assets and preserving shareholder value.

DBBL manages operational risks in the following manner:

- I. Risks are identified with reference to the relevant policy manuals, processes, and practices;
- II. Departmental Control Function Check List (DCFCL) is in place for evaluation of control;
- III. Review of safety and control measures of premises and equipments;
- IV. Management of technological and information security risks; and
- V. Ensuring the Bank's business continuity while facing unforeseen crisis under a business continuity and disaster management plan.

3.1.1.6 Money Laundering Risk and Terrorist Financing Risk

The Government through its bodies, particularly 'Bangladesh Financial Intelligence Unit (BFIU)' has been playing a vital role to enhance the compliance status of Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) among the local banks & financial institutions. Bangladesh has become the prestigious Co-Chair of the APG (Asia-Pacific Group on Money Laundering). All these have made our country viable and reliable to both the global regulators and investors. DBBL has become confident to nourish its financial-system and structure with more dynamism and professionalism to protect its customers' deposits and reputation from any Money Laundering (ML) or Terrorist Financing (TF) risks.

The Bank, under the legal framework of the "Money Laundering Prevention Act, 2012 (amended in 2015)" and Anti Terrorism Act, 2009 (amended in 2013), has been pursuing the policy of strict compliance with all regulatory directives and culture of good governance in all aspects of its banking services and operations.

3.1.1.7 Legal Risks

In DBBL, legal risks are covered by recognizing potential losses from litigation or possible litigation at an early stage and by formulating solutions for reducing, restricting and avoiding such risks and creating adequate provision there- against.

3.1.1.8 Business Risk

Business risk covers the risk of losses arising from lower non-interest income and higher expenses from the budgeted amount. The business risk is resulted from the market condition, greater customer expectation and / or technological development that may be significantly different from the assumptions made at the time of planning.

Business risk in DBBL is managed by setting clear targets for specific business units, in terms of business volume, income, cost, cost-income ratio, quality of assets etc. with an ongoing process of continuous improvement.

3.1.1.9 Reputational Risk

Reputational risk is defined as the risk of losses, falling business volume or income as well as reduced value of the company arising from business events that may reduce the confidence of the customers & clients, shareholders, investors, counterparties, business partners, credit rating agencies, regulators and general public in DBBL.

The branches and operational divisions are directly responsible for reputational risks arising from their business operations. Reputational risks may also arise from a deficiency in managing other risks. All risk must therefore be managed effectively in order to uphold the Bank's reputation. The management ensures that DBBL is aware of any changes in market perceptions as soon as possible. Accordingly, all business policies and transactions are subjected to careful consideration. DBBL takes necessary precautions to avoid business policies and transactions that may result in significant tax, legal or environmental risks. Reputational risk is also factored into major credit decisions that may lead to credit proposal being declined.

3.1.1.10 Compliance Risk

The success of DBBL is largely dependent on the trust and confidence of our existing and potential customers, our shareholders, our staff, our regulators and the general public in our integrity and ethical standard. The confidence largely depends on meticulous compliance with applicable legal and regulatory requirements and internal policies of DBBL. The confidence also depends on conformity with generally accepted market norms and standards in our business operations. The Board of Directors is primarily responsible for compliance with all applicable norms and regulations. The Board discharges its responsibilities itself and through delegation of authorities to Executive Committee, Audit Committee and Risk Management Committee of the Board. The objective is to identify any compliance risks at an early stage that may undermine the integrity and the success of DBBL and to mitigate the risks in most appropriate way.

3.1.1.11 Technology Risk

Technology risk is the risk of financial loss arising from failure, exploitation of vulnerabilities or other deficiencies in the electronic platforms that support our daily operations and the system applications and infrastructure on which they reside. As a component of operational risk, technology risk is inherent not only in our IT assets, but also in the people and processes that interact with them. Cyber risk, which is part of technology risk, is the risk that our systems will not operate properly or will be compromised as a result of cyber-attacks, security breaches, unauthorized access, loss or destruction of data, unavailability of service, computer viruses or other events that could have an adverse security impact. Any such event could subject us to litigation or cause us to suffer a financial loss, a disruption of our businesses, liability to our clients, regulatory intervention or reputational damage. We could also be required to expend significant additional resources to modify our protective measures or to investigate and remediate vulnerabilities or other exposures. Service and infrastructure disruption risks are managed through our business continuity management plan, our technology risk management program and other contingency and resiliency plans. Although we have business continuity plans, our businesses face a wide variety of operational risks, including technology risk arising from dependencies on IT, third-party suppliers and the worldwide telecommunications infrastructure. As a large IT investment financial services company in Bangladesh, we operate in a complex technological landscape covering our diverse business model. Ensuring that the confidentiality, integrity and availability of information assets are protected is critical to our operations.

3.2 General

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

	30-Sep-21 Taka	31-Dec-20 Taka
4. Cash in hand (including foreign currencies)		
Local currency	19,871,178,558	16,987,953,065
Foreign currencies	35,556,904	42,167,061
	19,906,735,462	17,030,120,126
5. Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		
Bangladesh Bank		
Local currency	15,798,408,060	23,087,790,589
Foreign currencies	2,874,598,670	318,852,121
	18,673,006,730	23,406,642,710
Sonali Bank Limited (as an agent of Bangladesh Bank) - Local currency	175,037,265	452,052,609
	18,848,043,995	23,858,695,319

	30-Sep-21 Taka	31-Dec-20 Taka
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, MPD Circular No. 1 and 2 dated 23 June 2014, DOS Circular No. 26 dated 19 August 2019 and MPD Circular No. 3 dated 09 April 2020 issued by Bangladesh Bank.		
5.1.1 Cash Reserve Requirement (CRR): average 4.0% of average demand and time liabilities with minimum 3.5% on any date		
Required reserve	16,044,689,000	14,544,507,000
Actual reserve maintained		
Balance with Bangladesh Bank-Local currency [Note 5]	15,798,408,060	23,087,790,589
Balance with Bangladesh Bank - Foreign currencies used from FC clg. A/C (for OBO)	-	-
	15,798,408,060	23,087,790,589
Surplus/(deficit)*	(246,280,940)	8,543,283,589
Cash Reserve Maintained: average at least 4.0% with minimum 3.5% throughout the accounting period and 3.94% on the Balance Sheet date *	3.94%	6.35%
*Average CRR @ 4.0% of average demand and time liabilities equivalent to Taka 16,044,689,000 was maintained during the last fifteen days of 30 September 2021. Therefore, effectively there was no shortfall in CRR as per Bangladesh Bank Directives.		
As per Bangladesh Bank's directives, actual CRR in 31 March 2021 was 4.0% of average demand and time liabilities calculated on a bi-weekly basis. However, there is an option that actual CRR on a given date during the calculation period may be below 4.0% but minimum 3.5%. At the rate of 3.5%, CRR of the Bank came to Taka 14,039,102,875 against which actual CRR of Taka 15,798,408,060 was maintained on 30 September 2021.		
5.1.2 Statutory Liquidity Ratio (SLR): 13% of average demand and time liabilities		
Required reserve	52,896,974,000	47,676,741,000
Available for maintenance:		
Cash in hand (including foreign currencies)	19,906,735,462	17,030,120,126
Balance with Sonali Bank Limited (as an agent of Bangladesh Bank)	175,037,265	452,052,609
Balance with Bangladesh Bank in excess of CRR	-	8,543,283,589
Unencumbered approved securities (treasury bills and bonds, debentures etc.)	110,182,363,565	106,709,880,445
Foreign currencies used in BDT from FC clg. A/C and Nostro A/C	-	-
	130,264,136,292	132,735,336,769
Surplus	77,367,162,292	85,058,595,769
Statutory Liquidity Ratio (SLR) Maintained (%)	32.01%	36.19%
6. Balance with other banks and financial institutions		
In Bangladesh		
Main Operation [Note 6.1]	16,470,426,034	19,715,885,793
Off-shore Banking Unit	4,425,900	18,748,111
Less: Inter Bank transactions [Note 12]	(5,373,063,679)	(7,160,324,845)
	11,101,788,255	12,574,309,059
Outside Bangladesh		
Main Operation [Note 6.1]	495,492,455	682,321,195
Off-shore Banking Unit	-	-
	495,492,455	682,321,195
Total Balance with other banks and financial institutions	11,597,280,710	13,256,630,254

	30-Sep-21 Taka	31-Dec-20 Taka
6.1 Balance with other banks and financial institutions - Main Operation		
(a) In Bangladesh		
In current deposit accounts with		
Janata Bank Limited	2,451,158	4,533,430
Sonali Bank Limited	132,802,074	151,726,447
Standard Chartered Bank, Dhaka	112,502,939	60,558,580
Islami Bank Bangladesh Limited	71,084,216	(13,412,650)
Agrani Bank Limited	406,348	627,391
Al Arafah Islami Bank Limited	-	-
The City Bank Limited	44,264	44,189
National Bank Limited	14,895	28,230
	319,305,894	204,105,617
In special notice deposit accounts with		
Sonali Bank Limited	1,328,835,448	56,433,698
National Bank Limited	7,942,950	2,727,602
The City Bank Limited	4,359	4,359
Rupali Bank Limited	5,012,005	15,399,580
Agrani Bank Limited	48,457,534	32,893,689
Janata Bank Limited	77,370,830	14,938,761
Dhaka Bank Limited	2,149,136	2,096,427
Islami Bank Limited	494,169,242	424,790,693
Mutual Trust Bank Limited	137,269	2,652,016
	1,964,078,773	551,936,825
In fixed deposit accounts with		
Jamuna Bank Limited	1,500,000,000	-
Social Islami Bank Limited	-	750,000,000
Dhaka Bank Limited	-	1,750,000,000
Southeast Bank Limited	-	2,500,000,000
NCC Bank Limited	600,000,000	500,000,000
One Bank Limited	-	1,000,000,000
Exim Bank Limited	1,000,000,000	750,000,000
Modhumoti Bank Limited	100,000,000	-
	3,200,000,000	7,250,000,000
In fixed deposit accounts (in foreign currency) with		
Islami Bank Bangladesh Limited	1,531,950,000	-
One Bank Limited	422,125,000	-
Al-Arafah Islami Bank Limited	-	169,602,200
Off-shore Banking Unit, Dutch-Bangla Bank Limited	5,372,966,367	7,160,241,151
	7,327,041,367	7,329,843,351
Other financial institutions		
In fixed deposit accounts with		
Investment Corporation of Bangladesh	2,720,000,000	3,440,000,000
Delta Brac Houseing Limited	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
IDLC Finance Limited	-	500,000,000
	3,660,000,000	4,380,000,000
Total (a) In Bangladesh	16,470,426,034	19,715,885,793

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

Name of the correspondent Bank	Currency	30-Sep-21			31-Dec-20		
		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	(433,301)	85.0250	(36,841,410)	578,150	84.8011	49,027,750
Commerzbank AG, Frankfurt, Germany	EURO	201,118	98.8173	19,873,901	92,491	103.8559	9,605,711
AB Bank Ltd., Mumbai, India	ACU	(427,158)	85.0250	(36,319,084)	32,563	84.8011	2,761,415
Citibank N.A., New York, USA	USD	(3,997,537)	85.0250	(339,890,568)	2,398,942	84.8011	203,432,942
ICICI Bank Limited, Mumbai, India	ACU	(245,840)	85.0250	(20,902,566)	27,740	84.8011	2,352,399
				(413,174,363)	267,180,217		

In demand deposit account (non-interest bearing) with

Name of the correspondent Bank	Currency	30-Sep-21			31-Dec-20		
		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	(4,407)	113.8724	(501,830)	99,606	114.4815	11,402,997
Standard Chartered Bank, New York, USA	USD	12,809,351	85.0250	1,089,115,079	3,315,352	84.8011	281,145,521
Standard Chartered Bank, AG, Germany	EUR	59,518	98.8173	5,881,406	35,973	103.8559	3,736,037
ICICI Bank Ltd., Hong Kong	USD	(97,644)	85.0250	(8,302,169)	60,308	84.8011	5,114,210
JP Morgan Chase Bank N.A., New York, USA	USD	(1,281,224)	85.0250	(108,936,105)	644,817	84.8011	54,681,193
Standard Chartered Bank, Colombo, Sri Lanka	ACU	564	85.0250	47,941	8,412	84.8011	713,308
Commerzbank AG, Frankfurt, Germany	CHF	38,478	90.9966	3,501,346	32,358	95.8529	3,101,569
The Bank of Tokyo-Mitsubishi UFJ Ltd., Tokyo, Japan	JPY	2,109,100	0.7636	1,610,509	6,083,293	0.8186	4,979,784
Bank of Montreal Canada	CAD	193,088	66.4925	12,838,910	80,464	66.1423	5,322,048
Axis Bank, India	ACU	(63,933)	85.0250	(5,435,913)	73,602	84.8011	6,241,542
Commerzbank AG, Frankfurt, Germany	AUD	80,980	61.2563	4,960,552	91,949	64.4912	5,929,925
Mashreqbank PSC, Mumbai, India	ACU	(119,831)	85.0250	(10,188,612)	104,971	84.8011	8,901,637
Mashreqbank PSC, Mumbai, India	EUR	683	98.8173	67,535	683	103.8559	70,978
Mashreq Bank PSC, Dubai, UAE	AED	431,084	22.9477	9,892,394	136,317	23.0846	3,146,830
Standard Chartered Bank, Mumbai, India	ACU	(573,275)	85.0250	(48,742,714)	79,401	84.8011	6,733,304
HDFC Bank Limited	ACU	(276,205)	85.0250	(23,484,314)	96,775	84.8011	8,206,636
Meezan Bank, Karachi, Pakistan	ACU	(58,462)	85.0250	(4,970,724)			
Bank of Ceylon, Colombo, Sri Lanka	ACU	4,173	85.0250	354,782	17,483	84.8011	1,482,601
Kookmin Bank, Seoul, Korea	USD	(133,316)	85.0250	(11,335,214)	5,855	84.8011	496,481
Al Rajhi Bank in Riyadh, Saudi Arabia	SAR	100,507	22.4679	2,258,188	99,934	22.5968	2,258,188
Habib Metropolitan Bank, Karachi, Pakistan	ACU	421	85.0250	35,771	17,408	84.8011	1,476,189
				908,666,818	415,140,978		
Total (b) Outside Bangladesh				495,492,455	682,321,195		
Total (a+b)				16,965,918,489	20,398,206,988		

	30-Sep-21 Taka	31-Dec-20 Taka
7. Money at call on short notice		
a) With banks		
Midland Bank Limited	500,000,000	
Southeast Bank Bangladesh Limited	1,100,000,000	-
Bank Asia Limited	490,000,000	-
	2,090,000,000	-
b) With non bank financial institutions		
IDLC Finance Limited	150,000,000	-
Delta Brac Housing Finance Corporation Limited (DBH)	600,000,000	-
	750,000,000	-
Total (a+b)	2,840,000,000	-
8. Investments		
In Government securities		
Treasury bills		
7-day treasury bills	1,997,333,000	-
14-day treasury bills	-	-
91-day treasury bills	497,258,500	-
182-day treasury bills	-	5,070,496,778
364-day treasury bills	3,733,923,747	8,589,180,443
	6,228,515,247	13,659,677,221
Treasury bonds		
2-year treasury bonds	46,912,779,214	43,703,200,151
5-year treasury bonds	15,054,837,712	16,735,035,717
10-year treasury bonds	30,567,611,498	23,287,902,337
15-year treasury bonds	7,786,822,092	6,827,640,817
20-year treasury bonds	3,631,797,802	2,496,424,202
	103,953,848,318	93,050,203,224
Total treasury bills and bonds	110,182,363,565	106,709,880,445
Prize bonds	8,435,400	8,628,400
	110,190,798,965	106,718,508,845
Other investments		
Subordinated bonds [Note 8.2]	7,860,000,000	5,860,000,000
Shares [Note 8.3]	11,283,434	11,283,434
	7,871,283,434	5,871,283,434
	118,062,082,399	112,589,792,279
8.1 Classification of investments		
Government treasury bills and bonds		
Held for trading (HFT)	54,771,764,461	54,352,381,232
Held to maturity (HTM)	55,410,599,104	52,357,499,213
Total investments in government securities	110,182,363,565	106,709,880,445
Prize bonds	8,435,400	8,628,400
Other investments	7,871,283,434	5,871,283,434
	118,062,082,399	112,589,792,279

		30-Sep-21 Taka	31-Dec-20 Taka
8.2	Other investments -Subordinated Bonds		
	Northwest Power Generation Company Limited	1,000,000,000	1,000,000,000
	Standard Bank Limited	1,000,000,000	1,000,000,000
	Islami Bank Bangladesh Limited	1,000,000,000	1,000,000,000
	Ashugonj Power Distribution Limited	500,000,000	500,000,000
	Bank Asia Limited	500,000,000	500,000,000
	Al-Arafah Islami Bank Limited	1,500,000,000	1,500,000,000
	Exim Bank Limited	1,000,000,000	-
	IFIC Bank Limited	1,000,000,000	-
	First Security Islami Bank Mudaraba Bond	360,000,000	360,000,000
		7,860,000,000	5,860,000,000
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.	282,794,240,016	256,245,350,799
	Bills purchased and discounted	1,867,457,531	1,983,551,092
		284,661,697,547	258,228,901,891
	Off-shore Banking Unit		
	Loans, cash credits, overdrafts, etc.	753,836,909	920,583,338
	Bills purchased and discounted	18,044,125,269	14,233,421,801
		18,797,962,178	15,154,005,139
		303,459,659,725	273,382,907,030
9.1	Loans, cash credits, overdrafts etc. - Main operation		
	In Bangladesh		
	Overdraft	31,862,068,180	31,162,729,003
	Cash credit	35,286,402,888	34,283,595,654
	Export cash credit	17,243,462,952	15,747,771,492
	Transport loan	1,873,313,055	1,951,208,952
	House building loan	6,253,231,978	6,137,437,502
	Loan against trust receipt	2,372,431,898	4,196,149,661
	Term loan - industrial	94,014,034,197	84,757,570,750
	Term loan - other	57,217,656,032	52,217,108,357
	Payment against document - cash	58,370,293	22,509,847
	Payment against document - EDF	1,460,228,380	315,481,905
	Consumer finance	34,561,930,953	24,819,131,748
	Staff loan	591,109,210	634,655,928
		282,794,240,016	256,245,350,799
	Outside Bangladesh		
		-	-
		282,794,240,016	256,245,350,799
	Bills purchased and discounted		
	Payable in Bangladesh		
	Inland bills purchased	1,867,451,756	1,881,592,372
	Payable outside Bangladesh		
	Foreign bills purchased and discounted	5,775	101,958,720
		1,867,457,531	1,983,551,092
		284,661,697,547	258,228,901,891
	Total loans and advances		

	30-Sep-21 Taka	31-Dec-20 Taka
9.2 Net loans and advances including bills purchased and discounted - Main operation		
Total loans, advances and lease receivables [Note 9.1]	284,661,697,547	258,228,901,891
Less : Provision against loans and advances (specific and general) [Note 9.4(b)]	8,487,436,762	7,647,486,337
Less : Cumulative balance of interest suspense account [Note 14.1.4]	4,923,878,486	4,841,730,487
	271,250,382,299	245,739,685,067

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

a) Loans and advances

In Bangladesh

Loans

Cash credit

Overdraft

215,645,768,948	190,799,026,142
35,286,402,888	34,283,595,654
31,862,068,180	31,162,729,003
282,794,240,016	256,245,350,799
-	-
282,794,240,016	256,245,350,799

Outside Bangladesh

b) Bills purchased and discounted

Payable in Bangladesh

Payable outside Bangladesh

1,867,451,756	1,881,592,372
5,775	101,958,720
1,867,457,531	1,983,551,092
284,661,697,547	258,228,901,891

Total (a+b)

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

Status of loans and advances	Year					
	30-Sep-21				31-Dec-20	
	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)	273,419,667,985	18,797,962,178	292,217,630,163	96.30%	263,520,541,133	96.39%
Special mention account	4,125,690,280	-	4,125,690,280	1.36%	3,940,497,972	1.44%
Total unclassified loans and advances	277,545,358,265	18,797,962,178	296,343,320,443	97.65%	267,461,039,105	97.83%
Classified loans and advances						
Substandard	661,854,824	-	661,854,824	0.22%	2,743,331,507	1.00%
Doubtful	385,179,200	-	385,179,200	0.13%	283,555,399	0.10%
Bad/loss	6,069,305,258	-	6,069,305,258	2.00%	2,894,981,019	1.06%
Total classified loans and advances	7,116,339,282	-	7,116,339,282	2.35%	5,921,867,925	2.17%
Total loans and advances	284,661,697,547	18,797,962,178	303,459,659,725	100.00%	273,382,907,030	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 September 2021	Base for provision (Taka)	Percentage (%) of provision required as per Bangladesh Bank's directives	Amount of provision required as at 30 September 2021 (Taka)	Amount of provision required as at 31 December 2020 (Taka)
Unclassified loans and advances					
All unclassified loans (other than loans under small and medium enterprise, consumer financing and short term agricultural credit)	192,827,209,652	192,796,778,514	1%	1,927,967,784	1,827,925,379
Small and medium enterprise financing	38,815,864,373	38,815,864,373	0.25%	98,693,301	84,673,194
Consumer financing (other than housing finance under consumer financing scheme)	21,531,015,690	21,531,015,690	2%	430,620,314	267,703,173
Consumer Financing(Credit Card)	2,626,354,080	2,626,354,080	2%	52,527,082	47,190,918
Consumer financing (for housing finance)	13,783,458,708	13,783,458,708	1%	137,834,587	111,696,993
Loans to BHs/MBs/SDs	458,328,661	458,328,661	2%	9,166,573	9,349,265
Short term agricultural credit	2,720,673,317	2,720,673,317	1%	27,206,733	50,224,299
Micro credit	656,763,504	656,763,504	1%	6,567,635	187,937
	273,419,667,985	273,389,236,847		2,690,584,009	2,398,951,157
Special mention account					
All unclassified loans (other than loans under small enterprise and consumer financing)	3,417,733,712	3,417,733,712	1%	51,969,108	52,701,488
Small & Medium enterprise financing	523,474,213	523,474,213	0.25%	1,308,686	1,031,486
Consumer financing (other than housing finance under consumer financing scheme)	62,371,945	62,371,945	2%	1,247,439	343,707
Consumer Financing (Credit Card)	100,101,248	100,101,248	2%	2,002,025	819,997
Consumer financing (for housing finance)	22,009,162	22,009,162	1%	220,092	6,650
	4,125,690,280	4,125,690,280		56,747,350	54,903,328
Sub-total General Provision [A]	277,545,358,265	277,514,927,126		2,747,331,359	2,453,854,485
Special General Provision-Covid 19 (Calculated) [B]				817,531,599	817,531,599
Classified loans and advances					
Substandard Small	99,054,531	48,118,213	5%	2,405,911	2,821,285
Substandard Other	559,089,023	395,394,230	20%	79,078,846	241,246,711
Substandard MC	3,711,270	3,295,982	5%	164,799	98,344
Doubtful Small	299,209,777	50,824,028	20%	10,164,806	5,899,909
Doubtful Other	83,009,515	65,920,120	50%	32,960,060	19,656,718
Doubtful MC	2,959,908	2,589,853	5%	129,493	-
Bad /loss	6,069,305,258	2,498,666,264	100%	4,797,669,889	3,930,377,286
	7,116,339,282	3,064,808,690		4,922,573,804	4,200,100,253
Total-Main Operation	284,661,697,547	280,579,735,816		8,487,436,762	7,471,486,337
b.1.1) Main Operation					
Provision required				8,487,436,762	7,471,486,337
Provision maintained				8,487,436,762	7,647,486,337
Provision surplus (i)				-	176,000,000
b.2) Off-shore Banking Unit					
Provision required				187,979,622	151,540,051
Provision maintained				187,979,622	151,540,051
Provision surplus (ii)				-	-
Provision surplus					
Main Operation (i)				-	176,000,000
Off-shore Banking Unit (ii)				-	-
Total provision surplus (i+ii)				-	176,000,000

	30-Sep-21 Taka	31-Dec-20 Taka
10. Fixed assets at cost or revalued amount including land, building, furniture and fixtures		
Main Operation [Note 10.1]		
Total cost	20,115,583,914	19,027,278,501
Less: Accumulated depreciation	12,384,306,336	11,144,436,289
	7,731,277,578	7,882,842,212
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	7,731,277,660	7,882,842,294
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	1,381,513,861	1,279,978,236
Furniture and fixtures	438,009,519	425,537,884
Other machinery and equipment	2,788,037,920	2,571,768,441
Computer equipment	6,087,425,108	5,478,464,515
Computer software	625,130,929	606,018,519
Motor vehicles	625,923,106	580,850,310
ATM Booth	1,375,730,615	1,317,592,740
ATM and Fast Track (ATM & Deposit Machine)	2,906,065,255	2,879,320,255
Right of use of asset - IFRS 16: lease	2,739,649,053	2,739,649,053
Books	194,591	194,591
	20,115,583,914	19,027,278,501
Less: Accumulated depreciation	12,384,306,336	11,144,436,289
	7,731,277,578	7,882,842,212
11. Other assets		
Main Operation [Note 11.1]	23,232,914,806	24,389,793,021
Off-shore Banking Unit	228,451	227,850
Less: Inter Bank transactions [Note 14]	(13,427,402)	(35,559,965)
	23,219,715,855	24,354,460,906
11.1 Other assets - Main operation		
Income generating other assets (Note 11.1.a)	-	-
Non-income generating other assets (Note 11.1.b)	23,232,914,806	24,389,793,021
	23,232,914,806	24,389,793,021
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	248,969,978	143,346,138
ii) Advance rent and advertisement	745,015,789	688,429,194
iii) Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable	2,104,305,494	1,798,308,038
iv) Security deposits	22,777,605	21,676,180
v) Preliminary, formation and organization expenses, renovation/ development expenses and prepaid expenses	526,900,823	728,865,676
vi) Branch adjustment (net)	-	-
vii) Suspense account	304,264,623	3,673,847
viii) Silver	-	-
ix) Others [Note 11.2]	19,280,680,494	21,005,493,948
	23,232,914,806	24,389,793,021
11.2 Break-up of others		
Encashment of Sanchaya Patra (awaiting realization)	1,061,483,266	978,050,019
Advance tax [Note 11.2.1]	11,968,888,579	14,204,115,031
Deferred tax [Note 11.2.2]	2,642,598,063	2,272,090,028
Sundry assets [Note 11.2.3]	3,607,710,586	3,551,238,870
	19,280,680,494	21,005,493,948

	30-Sep-21 Taka	31-Dec-20 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, 2007, 2008, 2009, 2016 and 2016. [Note 14.1.2 and		
11.2.2 Deferred tax		
Opening balance	2,272,090,028	2,581,667,377
Increase/(decrease) of Deferred tax assets for the period [Note 11.2.2.1]	370,508,035	(309,577,349)
Closing balance	2,642,598,063	2,272,090,028
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		
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]	4,438,175,355	4,327,653,852
Written down value of fixed assets as per Tax (Tax base) as of the balance sheet date (excluding value of land) [B]	5,591,580,720	5,293,011,340
Temporary timing difference in Accounting WDV and Tax WDV (excluding value of land) [B - A]	1,153,405,365	965,357,488
ii) Temporary timing difference in provision for other classified assets	620,949,000	610,949,000
iii) Temporary timing difference in specific provision for loans and advances	4,922,573,804	4,200,100,253
iv) Temporary timing difference in provision for Gratuity	350,000,000	282,500,000
Total amount of temporary timing differences in assets / (liabilities) [i+ii+iii] [C]	7,046,928,169	6,058,906,741
Effective tax rate [D]	37.50%	37.50%
Deferred tax asset / (liability) [C X D]	2,642,598,063	2,272,090,028
Increase/(decrease) of Deferred tax asset for the period [Note 11.2.2]	370,508,035	(309,577,349)
11.2.3 Sundry assets		
Sundry debtors	98,455,058	61,073,485
Cash remittance	260,810,233	91,558,511
Others	3,248,445,295	3,398,606,874
	3,607,710,586	3,551,238,870
12. Borrowings from other banks, financial institutions and agents		
Main Operation [Note 12.1]	17,958,813,204	19,079,301,498
Off-shore Banking Unit	17,336,357,737	13,877,075,406
Less: Inter Bank transactions [Note 6]	(5,373,063,679)	(7,160,324,845)
	29,922,107,262	25,796,052,059
12.1 Borrowings from other banks, financial institutions and agents- Main operation		
a) In Bangladesh		
Secured		
Refinance from Bangladesh Bank		
Housing [Note 12.3]	214,272	1,450,806
Financial Stimulus Fund	1,664,280,056	3,592,894,484
Export Development Fund (EDF)	15,429,566,838	14,153,285,885
Small and Medium Enterprise (SME) [Note 12.2, 12.3]	62,652,917	712,679,583
Financial Sector Support Project (FSSP)	547,826,809	618,907,046
	17,704,540,892	19,079,217,804
Unsecured		
Credit lines		
From Other Bank -Woori Bank	254,175,000	-
From Off-shore Banking Unit, Dutch-Bangla Bank Limited	97,312	83,694
	254,272,312	83,694
	17,958,813,204	19,079,301,498
b) Outside Bangladesh		
Secured	-	-
Unsecured	-	-
	-	-
	-	-
Total (a+b)	17,958,813,204	19,079,301,498

		30-Sep-21 Taka	31-Dec-20 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]	-	1,059,375
	Women Entrepreneur Fund [Note 12.3]	25,192,917	70,257,708
	10 Taka Account Fund [Note 12.3]	-	8,887,500
	SMEDP-2 Fund	37,460,000	44,500,000
	Covid-19 Fund	-	587,975,000
		62,652,917	712,679,583
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	93,897,001,131	88,898,579,297
	Bills payable	4,172,241,785	3,925,305,619
	Savings bank deposits	188,148,464,659	170,213,630,379
	Term deposits	103,383,721,181	99,380,006,141
		389,601,428,756	362,417,521,436
	Off-shore Banking Unit		
	Current deposits and other accounts	124,510,704	193,468,309
	Bills payable	-	-
		124,510,704	193,468,309
	Total Deposits and other accounts	389,725,939,460	362,610,989,745
13.1	Deposits and other accounts - Main Operation		
	Current deposits and other accounts		
	Current deposits	84,082,392,627	76,810,918,332
	Foreign currency deposits	2,138,595,022	2,414,052,540
	Sundry deposits [Note 13.1.1]	7,676,013,482	9,673,608,425
		93,897,001,131	88,898,579,297
	Bills payable		
	Payment order	4,155,770,446	3,908,611,527
	Demand draft	16,471,339	16,694,092
		4,172,241,785	3,925,305,619
	Savings bank deposits	188,148,464,659	170,213,630,379
	Term deposits		
	Fixed deposits	59,818,531,290	60,913,989,431
	Special notice deposits	43,466,634,018	38,370,761,967
	Non resident foreign currency deposits	1,790,783	1,786,067
	Resident foreign currency deposits	66,450,368	62,658,168
	Monthly term deposits	30,314,722	30,810,508
		103,383,721,181	99,380,006,141
		389,601,428,756	362,417,521,436
13.1.1	Details of sundry deposits		
	Margin on irrevocable letters of credit	702,906,175	675,300,998
	Margin on letters of guarantee	442,169,060	325,345,809
	Margin on inward foreign documentary bills for collection (IFDBC)	342,622,581	293,959,209
	Sundry deposit on foreign bills purchased awaiting for realization (FBPAR)	2,915,583,515	4,925,840,173
	Sundry deposit - withholding tax -IT	202,572,452	356,138,992
	Sundry deposit - excise duty	10,635,255	522,689,120
	Sundry deposit - withholding tax -VAT	154,039,917	194,882,140
	Sundry deposits-sale proceeds of Sanchay Patra	194,867,307	77,750,200
	Interest payable on deposit accounts	1,120,088,388	674,691,995
	Deposits on lease finance	-	-
	Others sundry deposits	1,590,528,832	1,627,009,789
		7,676,013,482	9,673,608,425

	30-Sep-21 Taka	31-Dec-20 Taka
13.1.2 Segregation of deposits and other accounts		
Other than inter-bank deposits	389,572,860,794	362,406,589,341
Inter-bank deposits [Note 13.3]	28,567,962	10,932,095
	389,601,428,756	362,417,521,436
13.1.3 Details of inter-bank deposits		
In current deposits account		
Al-Arafah Islami Bank Limited	6,235,458	1,235,803
Bangladesh Commerce Bank Limited	3,548,529	50,253
Bangladesh Krishi Bank	-	874,334
Rajshahi Krishi Unnayan Bank	873,989	-
Brac Bank Limited	668,186	2,007
BDBL	52,425	-
Southeast Bank Limited	2,270	3,305
	11,380,857	2,165,702
In special notice deposits account		
Janata Bank Limited	51,585	52,363
Dhaka Bank Limited	15,865,837	7,308,061
National Credit and Commerce Bank Limited	146,632	144,080
Prime Bank Limited	997,431	980,038
ICB Islami Bank Limited	117,445	116,719
The City Bank Limited	8,175	8,479
Habib Bank Limited	-	156,653
	17,187,105	8,766,393
	28,567,962	10,932,095
14. Other liabilities		
Main Operation [Note 14.1]	37,457,114,645	37,511,749,343
Off-shore Banking Unit	260,201,260	215,564,352
Less: Inter Bank transactions [Note 11]	(13,427,402)	(35,559,965)
	37,703,888,503	37,691,753,730
14.1 Other liabilities- Main operation		
	Notes	
Unclaimed dividends	1,695,326	12,580,929
Provision for expenses	2,376,492,964	1,351,638,405
Contribution to Dutch-Bangla Bank Limited Employees' Superannuation Fund	50,000,000	57,500,000
Contribution to Dutch-Bangla Bank Limited Employees' Gratuity Fund	350,000,000	282,500,000
Provision for interest on credit lines, refinance scheme and subordinated debt	318,537,747	121,915,485
Branch adjustment (net)	1,097,906,730	331,072,646
Provision for classified assets	14.1.1 620,949,000	610,949,000
Provision for taxation	14.1.2 15,751,682,713	18,351,135,454
Accumulated provision for loans and advances including off-balance sheet exposures	14.1.3.1 9,470,436,567	8,449,994,405
Cumulative balance of interest suspense account	14.1.4 4,923,878,486	4,841,730,487
Start up Fund	14.1.5 54,987,446	-
lease liability - IFRS-16	2,048,348,969	2,143,362,295
Others	392,198,697	957,370,237
	37,457,114,645	37,511,749,343

	30-Sep-21 Taka	31-Dec-20 Taka
Provision for other classified assets [Note 14.1.1.1]	620,949,000	610,949,000
Provision for nostro accounts [Note 14.1.1.2]	-	-
	620,949,000	610,949,000

14.1.1 Provision for classified assets

Provision for other classified assets [Note 14.1.1.1]
Provision for nostro accounts [Note 14.1.1.2]

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	610,949,000	582,014,000
Add: Provision made for the period	10,000,000	28,935,000
Closing balance	620,949,000	610,949,000

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, following provision has been made against the un-reconciled debit balance of nostro accounts:

Opening balance	-	-
Add: Adjustment during the year	-	-
Closing balance	-	-

14.1.2 Provision for taxation

Current tax

Opening balance	18,351,135,454	16,857,652,849
Add: Provision made for the period [Note 14.1.2.1]	2,711,719,276	3,852,516,597
Less: Adjustment made against Advance Tax/Adjustment made against final assessment orders by the Deputy Commissioner of Taxes or the Appellate Authority	5,311,172,017	2,359,033,992
Closing balance [Note 14.1.2.2]	15,751,682,713	18,351,135,454

14.1.2.1 Current tax - Provision for the period

	On Taka	Tax rate		
Banking business income (calculated) *	7,236,094,560	37.50%	2,713,535,460	3,853,291,836
Add: Dividend income *	3,427,082	20.00%	685,416	1,142,361
Less: Rebate on allowable CSR (calculated)	25,016,000	10.00%	(2,501,600)	(1,917,600)
Add/(Less): Adjustment for the previous year			-	-
			2,711,719,276	3,852,516,597
* Taxable Income [Banking business income (calculated) and Dividend income]			7,239,521,642	10,281,156,700

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, 2009, 2015 and 2016. [Note 11.2.1]

Final assessment of income tax for accounting years 1998, 1999, 2000, 2010, 2011, 2012, 2013 and 2014 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-Sep-21 Taka	31-Dec-20 Taka
14.1.3 Accumulated provision for loans and advances and Off-balance sheet exposures		
Main Operation [Note 14.1.3.1]	9,470,436,567	8,449,994,405
Off-shore Banking Unit	187,979,622	151,540,051
	9,658,416,189	8,601,534,456
14.1.3.1 Accumulated provision for loans and advances and Off-balance sheet exposures -Main Operation		
A. Specific provision for bad and doubtful loans and advances		
Opening balance	4,200,100,253	5,094,016,753
Less : Fully provided debt written-off	138,763,241	999,496,456
Add: Recoveries of amounts previously written-off	1,997,400	138,671,837
Add: Specific provision for the period	859,239,392	(33,091,881)
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)]	4,922,573,804	4,200,100,253
B. General provision		
General provision against unclassified loans and advances [i]		
Opening balance	2,629,854,485	2,696,332,558
General provision for the period *	117,476,874	(66,478,073)
Provision held at the end of the period [Note 9.4(b)]	2,747,331,359	2,629,854,485
Special General Provision-Covid-19 against deferred loans [iii]		
Opening balance	817,531,599	-
Special general provision - Covid 19 for the year	-	817,531,599
Provision held at the end of the year [Note 9.9(b)]	817,531,599	817,531,599
General provision against Off-balance sheet exposures [iiii]		
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	802,508,068	726,855,905
Add: Provision made for the period	180,491,737	75,652,163
Provision held at the end of the period	982,999,805	802,508,068
Accumulated general provision for loans and advances including deferred loans & off-balance sheet exposures - Main Operation [B]	4,547,862,763	4,249,894,152
Accumulated provision (Specific & General) for loans and advances including deferred loans & off-balance sheet exposures -Main Operation [A+B]	9,470,436,567	8,449,994,405
* General provision made for the period against unclassified loans and advances [iv]		
Main Operation [B.i]	117,476,874	(66,478,073)
Off-shore Banking Unit	36,439,571	17,928,362
	153,916,445	(48,549,711)
14.1.3.2 Accumulated provision for loans and advances and Off-balance sheet exposures		
Specific provision for bad and doubtful loans and advances-Main Operation [Note 14.1.3.1.A]	4,922,573,804	4,200,100,253
General provision against unclassified loans and advances-Main Operation [Note 14.1.3.1.B.i]	2,747,331,359	2,629,854,485
Special General Provision-Covid-19 against deferred loans [Note 14.1.3.1.B.ii]	817,531,599	817,531,599
General provision against Off-balance sheet exposures [Note 14.1.3.1.B.iii]	982,999,805	802,508,068
General provision against unclassified loans and advances-Off-Shore Banking Unit [C]	187,979,622	151,540,051
	9,658,416,189	8,601,534,456
14.1.3.3 General provision maintained against unclassified loans and off-balance sheet exposures [14.1.3.1.B+14.1.3.2.C]	4,735,842,385	4,401,434,203

	30-Sep-21 Taka	31-Dec-20 Taka
14.1.4 Cumulative balance of interest suspense account		
Opening balance	4,841,730,487	3,433,730,845
Add: Amount transferred to interest suspense account during the period	4,220,827,999	6,112,659,673
Less: Amount transferred from interest suspense account during the period	4,082,944,098	4,587,249,060
Less: Amount written-off/waived during the period	55,735,902	117,410,971
Balance at the end of the period	4,923,878,486	4,841,730,487

14.1.5 Cumulative balance of Start up Fund	Net profit after taxation		
Opening balance		-	-
Add: Fund made against 1% net profit after taxation for the year 2020	5,498,744,639	54,987,446	-
Balance at the end of the period		54,987,446	-

15. Subordinated debt

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.

3,000,000,000 4,000,000,000

The interest rate for the subordinated debt is approximately @ 7.97% 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 @ 7.22% p.a.

Subordinated debt - Taka 5,000,000,000

The Bank arranged a subordinated debt from five 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 2020 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 December 2027.

5,000,000,000 5,000,000,000

The interest rate for the subordinated debt is approximately @ 7.22% p.a.

Total	13,000,000,000	14,000,000,000
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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-Sep-21	31-Dec-20
		Taka	Taka
16. Share capital			
16.1 Authorized share capital			
	1500,000,000 ordinary shares of Taka 10 each	15,000,000,000	15,000,000,000
16.2 Issued, subscribed and fully paid up share capital			
	632,500,000 ordinary shares of Taka 10 each	6,325,000,000	5,500,000,000
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 @ 0.5 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 2018	3,000,000,000	3,000,000,000
	Bonus shares @ 0.1 against 1 existing share of Taka 10 each for the year 2019	500,000,000	500,000,000
	Bonus shares @ 0.15 against 1 existing share of Taka 10 each for the year 2020 *	825,000,000	-
		6,325,000,000	5,500,000,000

*** Note:**

The Board of Directors of the Bank in its 233rd meeting held on 06 March 2021 recommend 15% cash dividend and 15% stock dividend for the year 2020. The recommendation of dividend was approved by the shareholders of the Bank in the 25th AGM held on 26 April 2021.

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 eligible regulatory capital of the Bank as of 30 September 2021 stood at Taka 48,250,937,355 against the risk based capital requirement of Taka 37,298,727,621. As a result, there was a capital surplus of Taka 10,952,209,734 in risk based capital adequacy ratio as on 30 September 2021.

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

	30-Sep-21 Taka	31-Dec-20 Taka
Total assets (excluding off-balance sheet assets)	505,664,795,806	472,355,448,208
Total off-balance sheet assets	100,889,312,451	82,817,386,838
Total Risk weighted assets [RWA] against		
i. Credit Risk		
On-balance sheet	216,618,114,575	193,760,892,476
Off-balance sheet	32,032,033,418	29,729,778,034
	248,650,147,993	223,490,670,510
ii. Market Risk	6,343,461,624	5,756,446,495
iii. Operational Risk	43,396,211,348	38,214,875,246
A) Total Risk weighted assets (RWA) [i+ii+iii]	298,389,820,965	267,461,992,251
B) Minimum Capital Requirement (MCR) with Capital Conservation Buffer (CCB) [12.5% of RWA]	37,298,727,621	33,432,749,031
C) Common Equity Tier 1 (CET1) capital		
Paid-up share capital	6,325,000,000	5,500,000,000
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 (net off proposed cash dividend for the previous year, if any)	17,087,112,106	14,838,390,197
	34,383,054,975	31,309,333,066
Less : Other Intangible Assets (computer software)	114,293,088	130,542,541
Less : Deferred tax asset (95%)	1,753,666,918	1,496,285,715
	32,515,094,970	29,682,504,810
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	-	-
	32,515,094,970	29,682,504,810
E) Tier 1 Capital [C+D]	32,515,094,970	29,682,504,810
F) Tier 2 Capital		
General provision maintained against unclassified loans and off-balance sheet exposures [Note 14.1.3.2]	4,735,842,385	4,401,434,203
Subordinated debt capital [Total S. debt, Taka 13,000,000,000 less due within 1 Year, Taka 2,000,000,000]	11,000,000,000	12,000,000,000
Assets revaluation reserves	-	-
Revaluation reserves of HTM securities	-	-
	15,735,842,385	16,401,434,203
Less: Revaluation Reserves for Fixed Assets and Securities	-	-
	15,735,842,385	16,401,434,203
G) Total Eligible Regulatory Capital (Tier 1 and 2) [E+F]	48,250,937,355	46,083,939,013
Total capital surplus [G - B]	10,952,209,734	12,651,189,982
Capital to Risk Weighted Assets Ratio (CRAR):		
Common Equity Tier-1 to RWA (C/A)*100	10.90%	11.10%
Tier-1 Capital to RWA (E/A)*100	10.90%	11.10%
Tier-2 Capital to RWA (F/A)*100	5.27%	6.13%
Capital to Risk Weighted Assets Ratio (CRAR) (G/A)*100	16.17%	17.23%

	30-Sep-21 Taka	31-Dec-20 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 offering in the year 2001 *	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	1,766,827,195
Add: Transferred for previous year's dividend paid	-	-
Closing balance	1,766,827,195	1,766,827,195
21. Assets revaluation reserve		
In terms of International Accounting Standard (IAS) 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. Ames & 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	96,905,831	32,340,447
Add: Reserve transferred to Income Account during the period	(17,514,002)	64,565,384
Closing balance	79,391,829	96,905,831
23. Contingent liabilities		
Main Operation [Note 23.1]	100,889,312,451	82,817,386,838
Off-shore Banking Unit	-	-
	100,889,312,451	82,817,386,838

	30-Sep-21 Taka	31-Dec-20 Taka
23.1 Contingent liabilities - Main Operation		
a) Acceptances and endorsements	48,382,477,178	39,572,273,905
b) Letters of guarantee		
Local	5,625,086,294	5,574,426,694
Foreign	71,351,463	80,126,829
	5,696,437,757	5,654,553,523
c) Irrevocable letters of credit		
Local		
Cash	150,192,540	230,853,641
Usance	41,743,792	51,044,380
Back to back	7,971,889,316	7,924,494,652
	8,163,825,648	8,206,392,673
Foreign		
Cash	13,111,673,275	15,352,900,170
Usance	12,238,019,801	8,457,139,731
Back to back	5,519,032,232	3,004,475,404
	30,868,725,308	26,814,515,305
	39,032,550,956	35,020,907,978
d) Bills for collection		
Inward	-	-
Outward	-	-
	-	-
e) Other contingent liabilities		
Travelers' cheques	-	-
Export Development Fund	-	-
Bangladesh Shanchaya Patra	2,569,635,000	2,566,580,000
Others	5,208,211,560	3,071,432
	7,777,846,560	2,569,651,432
Total (a+b+c+d+e)	100,889,312,451	82,817,386,838
24. Retained Earnings		
Main Operation [Note 24.1]	16,005,565,196	13,951,517,082
Off-shore Banking Unit	1,081,546,910	886,873,115
	17,087,112,106	14,838,390,197
24.1 Retained Earnings-Main Operation		
Balance at 1 January	13,951,517,082	9,917,833,590
Dividend paid for previous year's	(825,000,000)	(750,000,000)
Transfer to dividend equalization fund for previous year's dividend paid	-	-
Transfer to paid up share capital for previous year's bonus share	(825,000,000)	(500,000,000)
Transfer to Start up Fund [Note 14.1.5]	(54,987,446)	-
Retained surplus for the current year	3,759,035,560	5,283,683,492
Closing balance	16,005,565,196	13,951,517,082
	30-Sep-21 Taka	30-Sep-20 Taka
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]	3,953,709,355	3,457,769,482
Number of ordinary shares outstanding [denominator] *	632,500,000	632,500,000
Earnings Per Share	6.25	5.47
24.3 Calculation of Net Asset Value (NAV) Per Share		
Total Shareholders Equity [numerator]	35,312,860,581	30,128,365,452
Number of ordinary shares outstanding [denominator]*	632,500,000	632,500,000
Net Asset Value (NAV) Per Share	55.83	47.63
24.4 Net Operating Cash Flow Per Share (NOCFPS) [Note 47.1, 47.2]		
Net cash from operating activities [numerator]	5,299,155,090	3,449,856,680
Number of ordinary shares outstanding [denominator]*	632,500,000	632,500,000
Net operating cash flow per share (NOCFS)	8.38	5.45

* 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 2020. [Note 16.2.1]

		30-Sep-21 Taka	30-Sep-20 Taka
25.	Particulars of profit and loss account		
	Income	Notes	
	Interest, discount and other similar income	26	16,739,622,241
	Dividend income	28	3,427,082
	Fees, commission and brokerage	29.1	736,867,642
	Gains less losses arising from dealing securities		-
	Gains less losses arising from investment securities	28	5,442,608,394
	Gains less losses arising from dealing in foreign currencies	29.2	495,757,212
	Income from non-banking assets		-
	Other operating income	30	2,606,955,800
	Profit less losses on interest rate changes		-
			26,025,238,371
	Expenses		
	Interest, fee and commission	27	4,886,229,662
	Directors' fees	39	282,206
	Administrative expenses	31	7,419,680,562
	Other operating expenses	42	4,898,871,393
	Depreciation on banking assets	41	1,321,606,378
			18,526,670,201
	Profit before provision		7,498,568,170
26.	Interest income		
	Main Operation [Note 26.1]		16,346,225,098.0
	Off-Shore Banking Unit		473,013,996
	Less: Inter Bank transactions [Note 27]		(79,616,853)
			16,739,622,241
26.1	Interest income - Main Operation		
	Interest on loans and advances		
	House building loan		274,325,364
	Transport loan		117,233,637
	Term loan - industrial		5,281,110,209
	Term loan - others		1,917,321,900
	Secured overdraft		1,655,042,151
	Cash credit		1,353,989,039
	Payment against document - cash		543,587
	Payment against document EDF- others		114,456,271
	Loan against trust receipts		138,468,537
	Export cash credit		80,265,373
	Loan against accepted bills		133,884,693
	Staff loan		19,432,259
	SME and consumer finance		4,891,296,858
			15,977,369,878
	Interest on balance with other banks and financial institutions		
	Fixed deposits		266,379,222
	Special notice deposits		398,912
	Nostro accounts		97,288
	Money at call on short notice		101,979,798
			368,855,220
			16,346,225,098
			16,020,029,849

	30-Sep-21 Taka	30-Sep-20 Taka
27. Interest paid on deposits and borrowings etc.		
Main Operation [Note 27.1]	4,714,743,958	6,037,086,262
Off-shore Banking Unit	251,102,557	286,918,527
Less: Inter Bank transactions [Note 26]	(79,616,853)	(77,897,846)
	4,886,229,662	6,246,106,943
27.1 Interest paid on deposits and borrowings - Main Operation		
Interest paid on deposits [Note 27.2]	3,878,216,706	4,357,784,399
Interest paid on borrowings [Note 27.3]	836,527,252	1,679,301,863
	4,714,743,958	6,037,086,262
27.2 Interest paid on deposits		
Savings deposits	1,187,138,482	1,399,865,652
Special notice deposits	553,920,861	635,309,794
Fixed deposits	2,121,840,162	2,306,223,377
Non-resident foreign currency deposits	14,926,464	15,588,546
Resident foreign currency deposits	47,534	435,655
Monthly term deposits	343,203	361,375
	3,878,216,706	4,357,784,399
27.3 Interest paid on borrowings		
Interest on borrowing - call loan and term loan	4,239,222	3,918,756
Interest on credit lines	-	-
Interest paid on subordinated debt	723,148,310	676,806,406
Interest on borrowing under REPO and Re-financing facilities with Bangladesh Bank	104,538,872	967,251,881
Interest on borrowing under REPO with other banks	4,600,848	31,324,820.00
	836,527,252	1,679,301,863
28. Investment income		
Dividend on shares	3,427,082	5,711,803
Interest on treasury bills, bonds and debentures		
Interest on treasury bills and bonds	4,225,628,090	4,776,423,112
Capital gain on sales of government securities	859,678,009	-
Interest on reverse REPO with other banks	235,309	88,353,573
Interest on subordinated bonds	357,066,986	218,349,589
Interest on debenture	-	-
	5,442,608,394	5,083,126,274
Gain on sale of shares	-	-
	5,446,035,476	5,088,838,077
29. Commission, exchange and brokerage		
Commission [Note 29.1]	736,867,642	546,716,151
Exchange earnings (net) [Note 29.2]	495,757,212	799,720,593
	1,232,624,854	1,346,436,744

		30-Sep-21	30-Sep-20
		Taka	Taka
29.1	Commission		
	Commission on Remittances-Local	7,543,745	9,324,252
	Commission on Remittances-Foreign	21,174,685	13,571,348
	Commission on Letter of Credit-Import	73,824,262	52,937,105
	Commission on Letter of Credit-Export	553,536,934	427,153,529
	Commission on Export Bills	7,256,485	5,595,321
	Commission on Letter of Guarantee	32,341,707	38,113,403
	Commission on Sale of Government Saving Instruments	38,455,324	16,943
	Commission on Banker to the issue & underwriting	2,709,000	-
	Other Commission	25,500	4,250
		736,867,642	546,716,151
29.2	Exchange earnings (net)		
	General activities and Treasury dealings	495,757,212	799,720,593
		495,757,212	799,720,593
30.	Other operating income		
	Main Operation [Note 30.1]	2,597,243,140	2,370,044,070
	Off-shore Banking Unit	9,712,660	7,252,554
		2,606,955,800	2,377,296,624
30.1	Other operating income - Main Operation		
	Charges for service	94,863,805	55,186,280
	Income from IT service	2,101,735,835	1,718,956,842
	Recoveries from client	113,894,218	102,007,902
	Service charges on deposit accounts	54,038,319	184,273,960
	Income from Export-Import	81,516,812	102,122,392
	Examination and appraisal fees	-	-
	Document handling charges-Export	561,116	3,407,907
	Locker Rent	5,375,543	4,809,550
	Gain on sale of fixed assets [Note 30.2]	19,032,449	6,877,235
	Income from Mobile Banking Services	31,911,600	110,937,155
	Other earning	94,313,443	81,464,847
		2,597,243,140	2,370,044,070
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]	19,032,449	6,877,235
		19,032,449	6,877,235
30.3	Calculation of income from sale of fixed assets		
	Sale proceeds [A]	32,125,041	16,405,806
	Cost price of the sold items	94,828,923	63,947,516
	Less: Accumulated depreciation	81,736,331	54,418,945
	Written down value [B]	13,092,592	9,528,571
	Net gain [A - B]	19,032,449	6,877,235

31. Administrative expenses			30-Sep-21 Taka	30-Sep-20 Taka
	Notes			
Salary and allowances	32	4,259,862,150	4,019,320,426	
Rent, taxes, insurance, electricity, etc.	34	1,601,416,705	1,828,057,073	
Legal expenses	35	1,752,045	1,011,621	
Postage, stamp, telecommunications, etc.	36	299,923,022	282,374,422	
Stationery, printings, advertisements etc.	37	495,313,086	331,098,902	
Managing Director & CEO's salary and allowances	38	12,915,000	11,320,000	
Auditors' fees	40	384,374	392,000	
Repair and maintenance	41	748,114,180	584,282,922	
		7,419,680,562	7,057,857,366	
32. Salary and allowances				
Main Operation [Note 32.1]		4,259,625,996	4,017,433,563	
Off-shore Banking Unit		236,154	1,886,863	
		4,259,862,150	4,019,320,426	
32.1 Salary and allowances-Main Operation				
Basic salary		1,734,505,972	1,648,621,789	
House rent allowance		868,033,058	827,411,456	
Conveyance allowance		182,085,384	172,774,468	
Other allowances		251,979,545	395,133,943	
Bank's contribution to provident fund		166,066,921	140,980,688	
Medical expenses		180,480,042	176,454,071	
Bonus		476,475,074	386,057,148	
Gratuity		350,000,000	220,000,000	
Superannuation		50,000,000	50,000,000	
		4,259,625,996	4,017,433,563	
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 17,450 as at 30 September 2021 compared to 16,477 as at 30 September 2020.				
34. Rent, taxes, insurance, electricity, etc.				
Rent				
Office premises		484,308,544	783,042,609	
ATM Booths and other installations		481,358,660	435,969,562	
		965,667,204	1,219,012,171	
Rates and taxes				
Rates		1,768,780	1,106,690	
Taxes		20,149,666	10,524,439	
		21,918,446	11,631,129	
Insurance				
Cash		38,838,947	34,942,084	
Vehicles		4,155,888	2,716,680	
Deposits		164,102,866	144,000,000	
Staff		3,750,000	60,000,000	
Other properties		18,366,492	9,761,981	
		229,214,193	251,420,745	
Electricity and sanitation				
Light and power		376,013,601	337,219,034	
Water and sewerage		8,103,176	5,746,069	
Utilities		500,085	3,027,925	
		384,616,862	345,993,028	
		1,601,416,705	1,828,057,073	
35. Legal expenses				
Legal expenses		1,752,045	1,011,621	
		1,752,045	1,011,621	

		30-Sep-21 Taka	30-Sep-20 Taka
36.	Postage, stamp, telecommunications, etc.		
	Main Operation [Note 36.1]	299,922,447	282,371,931
	Off-shore Banking Unit	575	2,491
		299,923,022	282,374,422
36.1	Postage, stamp, telecommunications, etc.-Main Operation		
	Postage	36,478,037	18,738,869
	Telephone	16,481,427	9,785,740
	Radio link	230,538,891	238,857,260
	Swift, Reuters, internet, etc.	16,424,092	14,990,062
		299,922,447	282,371,931
37.	Stationery, printings, advertisements etc.		
	Printing and stationery:		
	Printed stationery	59,746,895	42,562,575
	Security stationery	23,503,013	23,662,762
	Petty stationery	42,777,513	40,959,425
		126,027,421	107,184,762
	Publicity and advertisement	369,285,665	223,914,140
		495,313,086	331,098,902
38.	Managing Director & CEO's salary and allowances		
	Basic salary	7,650,000	7,200,000
	House rent allowance	720,000	720,000
	House maintenance	360,000	360,000
	Bank's contribution to provident fund	765,000	720,000
	Other allowances	270,000	270,000
	Leave fare assistance	450,000	450,000
	Bonus	2,700,000	1,600,000
		12,915,000	11,320,000
39.	Directors' fees		
	Honorarium for attending meeting	279,435	194,475
	Incidental expenses for attending meeting	2,771	-
		282,206	194,475
40.	Auditors' fees		
	Statutory annual audit fees	275,596	300,000
	Special audit fees	108,778	92,000
	Fees for various certification	-	-
		384,374	392,000
41.	Depreciation and repair of bank's assets		
	Depreciation on fixed assets including building, furniture and fixtures		
	Main Operation [Note 41.1]	1,321,606,378	1,036,040,775
	Off-shore Banking Unit	-	-
		1,321,606,378	1,036,040,775
	Repair and maintenance		
	Main Operation [Note 41.2]	748,114,180	584,221,122
	Off-shore Banking Unit	-	61,800
		748,114,180	584,282,922
		2,069,720,558	1,620,323,697

	30-Sep-21 Taka	30-Sep-20 Taka
41.1 Depreciation on fixed assets including land, building, furniture and fixtures - Main Operation		
Land	-	-
Building (including lease hold property)	7,491,450	7,491,448
Interior decoration	69,305,685	70,945,265
Furniture and fixtures	22,519,686	22,083,710
Other machinery and equipment	201,475,759	200,563,707
Computer equipment	467,904,165	436,354,417
Computer software	35,361,863	35,495,385
Motor vehicles	61,698,835	58,144,936
ATM Booth	74,404,169	75,512,635
ATM and Fast Track (ATM & Deposit Machine)	123,245,357	129,435,918
Right of use of assets IFRS-16: lease	258,193,553	-
Books	5,856	13,354
	1,321,606,378	1,036,040,775
41.2 Repair and maintenance - Main Operation		
Premises	205,006,356	142,879,847
Vehicles	35,189,901	31,189,134
Computers	507,917,923	410,152,141
	748,114,180	584,221,122
42. Other expenses		
Main Operation [Note 43.1]	4,898,597,389	4,631,529,237
Off-shore Banking Unit	274,004	3,756,971
	4,898,871,393	4,635,286,208
42.1 Other expenses- Main Operation		
Entertainment expenses	22,706,111	17,588,162
Fuel and lubricant	37,860,033	30,540,323
Subscription and donations	34,615,707	17,354,003
Annual general meeting	-	414,050
Casual wages and allowances	868,499,241	827,221,991
Travelling expenses and allowances	425,240,933	410,240,527
Petty conveyance	54,637,133	27,373,122
Credit rating fees	6,763,194	5,558,819
News papers, periodicals, learning materials etc.	588,837	889,914
Crockeries	235,840	107,650
Debit and Credit Card expenses	558,472,332	476,595,702
ATM expenses	-	-
Tele Banking Expenses	71,960,418	63,004,536
Cash carrying charges	36,012,478	27,370,686
ATM cash replenishment charges	449,650,060	529,700,000
Recruitment, training, seminar and workshop	3,546,292	8,622,505
Service charge on nostro account and others	38,279,313	20,141,093
Consultancy fees	10,503,321	11,456,335
Business promotion and development	556,203,938	1,299,488,042
Other Operational Expenses	600,000,000	-
Finance cost for right of use of asset - IFRS-16: lease	55,160,152	-
Laundry and cleaning	102,456	138,893
Other expenses for Mobile Banking Services	163,728,932	182,878,552
Other expenses for Agent Banking Services	883,251,735	663,283,138
Fixed Assts written-off	-	-
Miscellaneous	20,578,933	11,561,194
	4,898,597,389	4,631,529,237

	30/Sep/21 Taka	30/Sep/20 Taka
43. Receipts from other operating activities		
Other operating income [Note 30]	2,606,955,800	2,377,296,624
Less: Income from sale of fixed assets (net)	19,032,449	6,877,235
	2,587,923,351	2,370,419,389
Exchange earnings (net) [Note 29.2]	495,757,212	799,720,593
	3,083,680,563	3,170,139,982
44. Payments for other operating activities		
Expenses for the year	5,313,138,088	5,263,509,311
Add: Opening accrued expenses	1,350,862,285	690,360,033
Add: Closing advance expenses	745,015,789	1,162,989,537
Less: Closing accrued expenses	2,576,361,872	2,043,178,241
Less: Opening advance expenses	688,429,194	1,331,417,556
	4,144,225,096	3,742,263,084
45. Increase/(decrease) of other assets		
Closing other assets		
Security deposits	22,777,605	21,785,803
Suspense account	304,264,623	(1,538,179)
Branch adjustment (net)	-	10,720,498
Encashment of Sanchaya Patra (awaiting realization)	1,061,483,266	1,298,990,087
Sundry debtors	98,455,058	114,671,153
Cash remittance	260,810,233	96,354,754
Others	3,248,445,896	2,282,577,506
	4,996,236,681	3,823,561,622
Opening other assets		
Security deposits	21,676,180	21,377,839
Suspense account	3,673,847	3,408,075
Branch adjustment (net)	-	-
Encashment of Sanchaya Patra (awaiting realization)	978,050,019	726,256,923
Sundry debtors	61,073,485	75,924,088
Cash remittance	91,558,511	119,617,164
Others	3,398,606,874	2,143,391,994
	4,554,638,916	3,089,976,083
	441,597,765	733,585,539
46. Increase/(decrease) of other liabilities		
Closing other liabilities		
Branch adjustment (net)	1,097,906,730	-
Cumulative balance of interest suspense account	4,923,878,486	5,423,621,012
Revaluation reserve for HTM securities	79,391,829	9,593,766
Revaluation reserve for HFT securities	-	-
Others	392,198,697	1,239,439,641
	6,493,375,742	6,672,654,419
Opening other liabilities		
Branch adjustment (net)	331,072,646	141,355,153
Cumulative balance of interest suspense account	4,841,730,487	3,433,730,845
Revaluation reserve for HTM securities	96,905,831	32,340,447
Revaluation reserve for HFT securities	-	-
Others	957,370,237	219,770,786
	6,227,079,201	3,827,197,231
	266,296,541	2,845,457,188

		30/Sep/21 Taka	30/Sep/20 Taka
47.1 Reconciliation between Operating profit of the Bank and Cash flows from operating activities			
Profit before provision		7,498,568,170	6,236,347,549
Depreciation on fixed assets		1,321,606,378	1,036,040,775
Gain/loss on sale of fixed assets		(19,032,449)	(6,877,235)
Adjustment of provision for loans and advances		1,997,400	127,574
Increase of interest receivable		7,017,665,402	(2,933,555,351)
Increase of interest payable		650,215,992	761,980,549
Increase of accrued expenses		1,084,854,559	1,140,259,308
Increase of advance expenses		39,754,418	(251,923,576)
Advance tax paid		(3,075,945,565)	(3,304,524,227)
Operating profit before changes in operating assets and liabilities		14,519,684,304	2,677,875,366
Increase/(decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase /sale of trading securities		(419,383,229)	(51,247,523,797)
Loans and advances to other banks		-	-
Loans and advances to customers		(37,539,179,395)	(4,303,544,203)
Other assets		(441,597,765)	(733,585,539)
Deposits from other banks		17,635,867	(69,874,023)
Deposits from customers		26,651,917,455	46,891,487,493
Other liabilities account of customers		2,338,794,639	8,097,569,415
Other liabilities		171,283,215	2,137,451,968
Net cash from operating activities		5,299,155,090	3,449,856,680
47.2 Net operating cash flow per share (NOCFS) [Note 24.4]		8.38	5.45
47.3 Net operating cash flow per share (NOCFS) increase/(decrease) mainly due to			
Increase/(decrease) in operating cash flow			
	Difference from previous period		
Interest receivable	9,951,220,752	7,017,665,402	(2,933,555,351)
Purchase /sale of trading securities	50,828,140,568	(419,383,229)	(51,247,523,797)
Loans and advances to customers	(33,235,635,192)	(37,539,179,395)	(4,303,544,203)
Deposits from customers	(20,239,570,038)	26,651,917,455	46,891,487,493
Other liabilities account of customers	(5,758,774,776)	2,338,794,639	8,097,569,415
Total	1,545,381,314	(1,950,185,129)	(3,495,566,443)

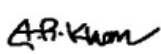
	30/Sep/21 Taka	31/Dec/20 Taka
48. Cash and cash-equivalents		
Main Operation [Note 48.1]	58,569,133,346	61,295,650,833
Off-shore Banking Unit	4,425,900	18,748,111
	58,573,559,246	61,314,398,944

48.1 Cash and cash-equivalents - Main Operation

Cash in hand (including foreign currencies)	19,906,735,462	17,030,120,126
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	18,848,043,995	23,858,695,319
Balance with other banks and financial institutions	16,965,918,489	20,398,206,988
Prize bonds	8,435,400	8,628,400
Money at call on short notice	2,840,000,000	-
	58,569,133,346	61,295,650,833



Chairman



Director



Managing Director & CEO



Chief Financial Officer



Company Secretary

Dhaka, 24 October 2021