

DUTCH - BANGLA BANK LIMITED

FINANCIAL STATEMENTS

For the First Quarter ended 31 March 2022

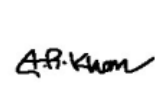
Dutch-Bangla Bank Limited

Balance Sheet As at 31 March 2022

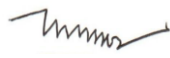
| PROPERTY AND ASSETS | Notes | 31-Mar-22 Taka (Un-audited) | 31-Dec-21 Taka (Audited) | 31-Mar-21 Taka (Un-audited) |
|---|-------|--------------------------------|-----------------------------|--------------------------------|
| Cash | | | | |
| In hand (including foreign currencies) | 4 | 21,228,677,207 | 17,853,114,090 | 16,667,785,422 |
| Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies) | 5 | 18,323,829,886 | 17,863,639,768 | 19,842,993,246 |
| | | 39,552,507,093 | 35,716,753,858 | 36,510,778,668 |
| Balance with other banks and financial institutions | 6 | | | |
| In Bangladesh | | 9,176,828,992 | 12,404,257,887 | 16,502,089,251 |
| Outside Bangladesh | | 595,820,692 | 956,190,048 | (1,438,993,063) |
| | | 9,772,649,684 | 13,360,447,935 | 15,063,096,188 |
| Money at call on short notice | 7 | 1,000,000,000 | - | 260,000,000 |
| Investments | 8 | | | |
| Government | | 111,097,074,095 | 107,955,029,777 | 102,494,329,383 |
| Others | | 8,686,283,434 | 8,726,283,434 | 5,871,283,434 |
| | | 119,783,357,529 | 116,681,313,211 | 108,365,612,817 |
| Loans and advances | 9 | | | |
| Loans, cash credits, overdrafts, etc. | | 299,716,752,028 | 299,879,503,769 | 260,437,233,384 |
| Bills purchased and discounted | | 22,115,167,236 | 19,568,567,985 | 16,858,738,037 |
| | | 321,831,919,264 | 319,448,071,754 | 277,295,971,421 |
| Fixed assets including land, building, furniture and fixtures | 10 | 7,645,493,637 | 7,806,988,757 | 7,683,658,154 |
| Other assets | 11 | 23,477,571,507 | 21,386,202,543 | 25,588,392,329 |
| Non-banking assets | | - | - | - |
| TOTAL ASSETS | | 523,063,498,714 | 514,399,778,058 | 470,767,509,577 |
| LIABILITIES AND CAPITAL | | | | |
| Liabilities | | | | |
| Borrowings from other banks, financial institutions and agents | 12 | 30,260,048,293 | 28,974,520,236 | 26,815,731,134 |
| Deposits and other accounts | 13 | | | |
| Current deposits and other accounts | | 106,514,372,535 | 104,093,219,774 | 88,350,636,591 |
| Bills payable | | 4,730,816,450 | 4,219,947,608 | 3,854,664,916 |
| Savings bank deposits | | 196,208,786,690 | 191,210,176,186 | 170,543,082,584 |
| Term deposits | | 98,686,136,528 | 101,977,001,852 | 94,278,827,189 |
| | | 406,140,112,203 | 401,500,345,420 | 357,027,211,280 |
| Other liabilities | 14 | 36,576,707,830 | 34,958,550,601 | 39,762,902,248 |
| Subordinated debt | 15 | 12,000,000,000 | 12,000,000,000 | 14,000,000,000 |
| TOTAL LIABILITIES | | 484,976,868,327 | 477,433,416,257 | 437,605,844,662 |
| Shareholders' equity | | | | |
| Paid up share capital | 16.2 | 6,325,000,000 | 6,325,000,000 | 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 | 181,135,270 | 181,135,270 | 96,905,831 |
| Proposed dividend | | - | - | - |
| Retained earnings | 24 | 19,759,138,471 | 18,638,869,885 | 15,743,402,438 |
| TOTAL SHAREHOLDERS' EQUITY | | 38,086,630,387 | 36,966,361,801 | 33,161,664,915 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 523,063,498,714 | 514,399,778,058 | 470,767,509,577 |

| | Notes | 31-Mar-22 Taka (Un-audited) | 31-Dec-21 Taka (Audited) | 31-Mar-21 Taka (Un-audited) |
|---|-------|--------------------------------|-----------------------------|--------------------------------|
| OFF-BALANCE SHEET ITEMS | | | | |
| Contingent liabilities | 23 | | | |
| Acceptances and endorsements | | 61,484,040,582 | 56,280,687,848 | 48,029,118,682 |
| Letters of guarantee | | 7,556,168,351 | 5,336,987,314 | 5,813,934,430 |
| Irrevocable letters of credit | | 47,324,024,230 | 44,519,600,967 | 34,511,440,419 |
| Bills for collection | | - | - | - |
| Other contingent liabilities | | 7,063,063,169 | 3,194,100,077 | 2,589,026,516 |
| Total contingent liabilities | | 123,427,296,332 | 109,331,376,206 | 90,943,520,047 |
| 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 | | 123,427,296,332 | 109,331,376,206 | 90,943,520,047 |
| Net Asset Value (NAV) Per Share | | 60.22 | 58.44 | 52.43 |

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



Director




Director



Managing Director & CEO



Chief Financial Officer



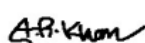
Company Secretary

Dhaka, 26 April 2022

Dutch-Bangla Bank Limited
Profit and Loss Account
For the First Quarter (Q1) ended 31 March 2022

| | Notes | For the First Quarter (Q1) ended 31 March (January - March) | |
|---|----------------|--|----------------------|
| | | 2022 | 2021 |
| | | Taka | Taka |
| Interest income | 26 | 5,533,355,366 | 5,281,044,731 |
| Interest paid on deposits and borrowings etc. | 27 | 1,758,363,226 | 1,657,213,785 |
| Net interest income | | 3,774,992,140 | 3,623,830,946 |
| Investment income | 28 | 1,860,913,961 | 1,788,325,015 |
| Commission, exchange and brokerage | 29 | 844,603,663 | 337,166,389 |
| Other operating income | 30 | 849,274,338 | 930,354,190 |
| Total operating income | | 7,329,784,102 | 6,679,676,540 |
| Salary and allowances | 32 | 1,504,978,143 | 1,380,594,753 |
| Rent, taxes, insurance, electricity, etc. | 34 | 545,560,229 | 492,134,048 |
| Legal expenses | 35 | 1,382,297 | 547,670 |
| Postage, stamp, telecommunications, etc. | 36 | 96,997,312 | 87,716,214 |
| Stationery, printings, advertisements, etc. | 37 | 164,239,115 | 176,237,014 |
| Managing Director & CEO's salary and allowances | 38 | 3,570,000 | 3,405,000 |
| Directors' fees | 39 | 25,300 | 43,616 |
| Auditors' fees | 40 | 100,000 | 100,000 |
| Depreciation and repair of bank's assets | 41 | 724,791,601 | 669,260,584 |
| Other expenses | 42 | 1,595,629,652 | 1,777,698,443 |
| Total operating expenses | | 4,637,273,649 | 4,587,737,342 |
| Profit before provision | | 2,692,510,453 | 2,091,939,198 |
| Provision for loans and off-balance sheet exposures | | | |
| Specific provision for loans | 14.1.3.1.A | 332,660,094 | 405,242,561 |
| General provision for loans | 14.1.3.1.B.iv | 52,039,338 | 34,921,710 |
| General provision for off-balance sheet exposures | 14.1.3.1.B.iii | 139,409,843 | 80,943,849 |
| | | 524,109,275 | 521,108,120 |
| Other provision | 14.1.1 | 130,000,000 | - |
| Total provision | | 654,109,275 | 521,108,120 |
| Profit before taxes | | 2,038,401,178 | 1,570,831,078 |
| Provision for taxation | | | |
| Current tax | 14.1.2 | 1,019,769,154 | 782,060,045 |
| Deferred tax | 11.2.2 | (101,636,562) | (116,241,208) |
| | | 918,132,592 | 665,818,837 |
| Net profit after taxation | | 1,120,268,586 | 905,012,241 |
| Appropriations | | | |
| Statutory reserve | 18 | - | - |
| Retained surplus to retained earnings | | 1,120,268,586 | 905,012,241 |
| Earnings per share (EPS) | 24.2 | 1.77 | 1.43 |

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



Director



Director



Managing Director & CEO



Chief Financial Officer

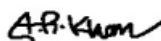


Company Secretary

Dhaka, 26 April 2022

Dutch-Bangla Bank Limited
Cash Flow Statement
For the First Quarter (Q1) ended 31 March 2022

| | Notes | 31-Mar-22 Taka | 31-Mar-21 Taka |
|--|-------|-----------------------|------------------------|
| A) Cash flows from operating activities | | | |
| Interest receipts in cash | | 8,648,290,336 | 10,696,531,005 |
| Interest payments | | (940,349,535) | (948,827,051) |
| Dividend receipts in cash | | 5,711,803 | 3,427,082 |
| Gain on sale of shares | | - | - |
| Gain on sale of securities | | 235,883,229 | 323,569,944 |
| Recoveries of loan previously written-off | | 42,183,532 | 1,287,697 |
| Fee and commission receipts in cash | | 228,090,327 | 252,113,017 |
| Cash payments to employees | | (1,327,380,451) | (1,253,605,090) |
| Cash payments to suppliers | | (1,514,729,681) | (1,279,970,998) |
| Income taxes paid | | (901,556,973) | (1,029,772,019) |
| Receipts from other operating activities | 43 | 1,465,399,384 | 996,515,495 |
| Payments for other operating activities | 44 | (1,629,545,455) | (1,397,034,004) |
| Operating profit before changes in operating assets and liabilities | | 4,311,996,516 | 6,364,235,078 |
| Increase/(decrease) in operating assets and liabilities | | | |
| Statutory deposits | | - | - |
| Purchase /sale of trading securities | | (3,142,428,520) | 5,178,337,959 |
| Loans and advances to other banks | | - | - |
| Loans and advances to customers | | (4,164,683,140) | (8,071,337,313) |
| Other assets | 45 | (509,621,156) | 222,525,565 |
| Deposits from other banks | | (15,930,410) | 13,282,770 |
| Deposits from customers | | 4,077,403,857 | (6,049,161,333) |
| Other liabilities account of customers | | 932,353,075 | (1,832,698,986) |
| Other liabilities | 46 | (338,658,311) | 179,331,918 |
| Net cash from operating activities | | 1,150,431,911 | (3,995,484,343) |
| B) Cash flows from investing activities | | | |
| Payments for purchase of securities | | (46,291,174,058) | (3,695,963,715) |
| Proceeds from sale of securities | | 46,331,174,061 | 2,743,598,518 |
| Purchase of property, plant and equipment | | (300,683,196) | (240,720,743) |
| Sale proceeds of property, plant and equipment | | 2,801,453 | 28,244,889 |
| Net cash used in investing activities | | (257,881,741) | (1,164,841,051) |
| C) Cash flows from financing activities | | | |
| Receipts from issue of loan capital and debt securities | | - | - |
| Payment for redemption of loan capital and debt securities | | - | - |
| Dividends paid | | (8,002) | (1,829,201) |
| Net cash from financing activities | | (8,002) | (1,829,201) |
| D) Net increase / (decrease) in cash (A+B+C) | | 892,542,168 | (5,162,154,594) |
| E) Cash and cash-equivalents at beginning of the period | | 54,621,135,843 | 61,314,398,944 |
| F) Cash and cash-equivalents at end of the period (D+E) | 48 | 55,513,678,011 | 56,152,244,350 |
| Net Operating Cash Flow Per Share (NOCFPS) | 24.4 | 1.82 | (6.32) |



Director



Director



Managing Director & CEO



Chief Financial Officer



Company Secretary

Dhaka, 26 April 2022

Dutch-Bangla Bank Limited
Statement of Changes in Equity
For the First Quarter (Q1) ended 31 March 2022

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 | 6,325,000,000 | 11,067,500 | 9,193,048,174 | 1,766,827,195 | 850,413,777 | 181,135,270 | 18,638,869,885 | 36,966,361,801 |
| Changes in accounting policy | - | - | - | - | - | - | - | - |
| Restated balance | 6,325,000,000 | 11,067,500 | 9,193,048,174 | 1,766,827,195 | 850,413,777 | 181,135,270 | 18,638,869,885 | 36,966,361,801 |
| Surplus/deficit on account of revaluation of properties | - | - | - | - | - | - | - | - |
| Surplus/deficit on account of revaluation of investments | - | - | - | - | - | - | - | - |
| Currency translation differences | - | - | - | - | - | - | - | - |
| Net gains and losses not recognized in the income statement | - | - | - | - | - | - | - | - |
| Payment of cash dividend during the period for the previous year | - | - | - | - | - | - | - | - |
| Transfer of stock dividend during the period for the previous year | - | - | - | - | - | - | - | - |
| Net profit for the three months ended 31 March 2022 | - | - | - | - | - | - | 1,120,268,586 | 1,120,268,586 |
| Transfer to Start up Fund | - | - | - | - | - | - | - | - |
| Issue of share capital | - | - | - | - | - | - | - | - |
| Appropriations during the period | - | - | - | - | - | - | - | - |
| Balance at 31 March 2022 | 6,325,000,000 | 11,067,500 | 9,193,048,174 | 1,766,827,195 | 850,413,777 | 181,135,270 | 19,759,138,471 | 38,086,630,387 |
| Balance at 31 March 2021 | 5,500,000,000 | 11,067,500 | 9,193,048,174 | 1,766,827,195 | 850,413,777 | 96,905,831 | 15,743,402,438 | 33,161,664,915 |


 Director


 Director


 Managing Director & CEO


 Chief Financial Officer


 Company Secretary

Dhaka, 26 April 2022

Dutch-Bangla Bank Limited

Notes to the Financial Statements As of and for the First Quarter (Q1) ended 31 March 2022

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 220 as at 31 March 2022 all over Bangladesh. The Bank is listed with Dhaka Stock Exchange and Chittagong Stock Exchange as a publicly quoted company.

1.2 Nature of business

Main operation

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

Mobile Banking Services

The Bank obtained the permission for conducting the Mobile Banking services from Bangladesh Bank on 28 April 2010 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 31 March 2022 located at Centralized Processing Centre (CPC), Head Office, Dhaka 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 @ 0.25% to 2% 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 @ 5% & 20%, @ 5%, 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, BRPD circular no. 14 dated 23 September 2012, a general provision @ 1% is required to be provided for all off-balance sheet exposures and BRPD circular no. 50 dated 14 December 2021, a special general provision-Covid -19 @ 2% is required to be provided for deferral loans. 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 dated 29 May 2013, BRPD Circular No. 15 dated 23 December 2013, BRPD Circular No. 16 dated 18 November 2014, BRPD Circular No. 08 dated 02 August 2015, BRPD Circular No. 15 dated 27 September 2017, BRPD Circular No. 03 dated 21 April 2019, BRPD Circular No. 56 dated 10 December 2020, BRPD Circular No. 03 dated January 31, 2021; BRPD Circular No. 05 dated March 24, 2021, BRPD Circular No. 19 dated August 26, 2021, BRPD Circular Letter No. 45 dated October 04, 2021, BRPD Circular Letter No. 50 dated December 14, 2021, BRPD Circular Letter No. 51 dated December 29, 2021, BRPD Circular Letter No. 52 dated December 29, 2021, BRPD Circular Letter No. 53 dated December 30, 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 AG/MC | 5.00% | 5.00% |
| Doubtful Other | 50.00% | 50.00% |
| Doubtful small | 20.00% | 20.00% |
| Doubtful AG/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 31 March 2022 as per **International Accounting Standard (IAS) 33, 'Earnings Per Share'**.

2.12 Cash flow statement

Cash flow statement has been prepared under mixture of Direct and Indirect 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.
- b) The Board of Directors of the Bank in its 248th meeting held on 06 March 2022 recommended 17.5% cash dividend and 10% stock dividend for the year 2021. Subsequently the Honorable Shareholders has approved recommended dividend in the 26th AGM held on 24 April 2022.

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 three months of the calendar year from 1 January 2022 to 31 March 2022.

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 31 March 2022 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 250th meeting held on 26 April 2022 approved the financial statements of the Bank for the period ended 31 March 2022.

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.

| | 31-Mar-22 Taka | 31-Dec-21 Taka |
|---|-----------------------|-----------------------|
| 4. Cash in hand (including foreign currencies) | | |
| Local currency | 21,200,768,705 | 17,823,419,696 |
| Foreign currencies | 27,908,502 | 29,694,394 |
| | 21,228,677,207 | 17,853,114,090 |
| 5. Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) | | |
| Bangladesh Bank | | |
| Local currency | 17,126,294,081 | 16,993,708,064 |
| Foreign currencies | 977,684,948 | 442,609,553 |
| | 18,103,979,029 | 17,436,317,617 |
| Sonali Bank Limited (as an agent of Bangladesh Bank) - Local currency | 219,850,857 | 427,322,151 |
| | 18,323,829,886 | 17,863,639,768 |

| 31-Mar-22 Taka | 31-Dec-21 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 | 16,288,393,000 | 16,246,605,000 |
| Actual reserve maintained | | |
| Balance with Bangladesh Bank-Local currency [Note 5] | 17,126,294,081 | 16,993,708,064 |
| Balance with Bangladesh Bank - Foreign currencies used from FC clg. A/C (for OBO) | - | - |
| | 17,126,294,081 | 16,993,708,064 |
| Surplus/(deficit)* | 837,901,081 | 747,103,064 |
| Cash Reserve Maintained: average at least 4.0% with minimum 3.5% throughout the accounting period and 4.21% on the Balance Sheet date | 4.21% | 4.18% |

5.1.2 Statutory Liquidity Ratio (SLR): 13% of average demand and time liabilities

| | | |
|--|-----------------------|-----------------------|
| Required reserve | 53,686,991,000 | 53,568,524,000 |
| Available for maintenance: | | |
| Cash in hand (including foreign currencies) | 21,228,677,207 | 17,853,114,090 |
| Balance with Sonali Bank Limited (as an agent of Bangladesh Bank) | 219,850,857 | 427,322,151 |
| Balance with Bangladesh Bank in excess of CRR | 837,901,081 | 747,103,064 |
| Unencumbered approved securities (treasury bills and bonds, debentures etc.) | 111,089,566,795 | 107,947,138,277 |
| Foreign currencies used in BDT from FC clg. A/C and Nostro A/C | - | - |
| | 133,375,995,940 | 126,974,677,582 |
| Surplus | 79,689,004,940 | 73,406,153,582 |
| Statutory Liquidity Ratio (SLR) Maintained (%) | 32.30% | 30.81% |

6. Balance with other banks and financial institutions

In Bangladesh

| | | |
|---|-----------------|-----------------|
| Main Operation [Note 6.1] | 14,340,320,513 | 17,910,691,156 |
| Off-shore Banking Unit | 17,522,414 | 29,609,281 |
| Less: Inter Bank transactions [Note 12] | (5,181,013,935) | (5,536,042,550) |
| | 9,176,828,992 | 12,404,257,887 |

Outside Bangladesh

| | | |
|--|----------------------|-----------------------|
| Main Operation [Note 6.1] | 595,820,692 | 956,190,048 |
| Off-shore Banking Unit | - | - |
| | 595,820,692 | 956,190,048 |
| Total Balance with other banks and financial institutions | 9,772,649,684 | 13,360,447,935 |

| | 31-Mar-22 Taka | 31-Dec-21 Taka |
|---|-----------------------|-----------------------|
| 6.1 Balance with other banks and financial institutions - Main Operation | | |
| (a) In Bangladesh | | |
| In current deposit accounts with | | |
| Janata Bank Limited | 2,216,970 | 27,316,054 |
| Sonali Bank Limited | 2,512,653,046 | 296,607,388 |
| Standard Chartered Bank, Dhaka | 80,998,041 | 143,791,801 |
| Islami Bank Bangladesh Limited | 118,567,854 | 77,071,163 |
| Agrani Bank Limited | 289,668 | 284,062 |
| Al Arafah Islami Bank Limited | - | - |
| The City Bank Limited | 43,718 | 43,989 |
| National Bank Limited | 14,894 | 27,448 |
| | 2,714,784,191 | 545,141,905 |
| In special notice deposit accounts with | | |
| Sonali Bank Limited | 285,118,805 | 2,168,638,425 |
| National Bank Limited | - | 157,375 |
| The City Bank Limited | 4,359 | 4,359 |
| Rupali Bank Limited | 5,011,855 | 33,311,430 |
| Agrani Bank Limited | 27,550,553 | 50,092,220 |
| Janata Bank Limited | 147,004,967 | 59,420,542 |
| Dhaka Bank Limited | - | 2,149,136 |
| Islami Bank Limited | 453,636,460 | 371,265,152 |
| Mutual Trust Bank Limited | 1,335,274 | 987,510 |
| | 919,662,273 | 2,686,026,149 |
| In fixed deposit accounts with | | |
| Jamuna Bank Limited | - | 1,500,000,000 |
| IFIC Bank Limited | - | 1,000,000,000 |
| NCC Bank Limited | 1,000,000,000 | - |
| Dhaka Bank Limited | 500,000,000 | 500,000,000 |
| Exim Bank Limited | 1,000,000,000 | 1,000,000,000 |
| Modhumoti Bank Limited | - | 100,000,000 |
| One Bank Limited | - | 1,000,000,000 |
| | 2,500,000,000 | 5,100,000,000 |
| In fixed deposit accounts (in foreign currency) with | | |
| Islami Bank Bangladesh Limited | (5,000,000) | 423,625,000 |
| Off-shore Banking Unit, Dutch-Bangla Bank Limited | 5,180,874,049 | 5,535,898,102 |
| | 5,175,874,049 | 5,959,523,102 |
| Other financial institutions | | |
| In fixed deposit accounts with | | |
| Investment Corporation of Bangladesh | 2,590,000,000 | 2,680,000,000 |
| 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 |
| | 3,030,000,000 | 3,620,000,000 |
| Total (a) In Bangladesh | 14,340,320,513 | 17,910,691,156 |

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

| Name of the correspondent Bank | Currency | 31-Mar-22 | | | 31-Dec-21 | | |
|------------------------------------|----------|----------------------------|---|----------------------|----------------------------|---|--------------------|
| | | 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 | (273,006) | 85.7250 | (23,403,435) | 544,200 | 85.8000 | 46,692,332 |
| Commerzbank AG, Frankfurt, Germany | EURO | (280,617) | 97.8621 | (27,461,726) | 92,955 | 97.3658 | 9,050,596 |
| AB Bank Ltd., Mumbai, India | ACU | (605,758) | 85.7250 | (51,928,568) | 160,232 | 85.8000 | 13,747,922 |
| Citibank N.A., New York, USA | USD | (6,421,544) | 85.7250 | (550,486,883) | 1,923,937 | 85.8000 | 165,073,787 |
| ICICI Bank Limited, Mumbai, India | ACU | (54,936) | 85.7250 | (4,709,418) | 169,449 | 85.8000 | 14,538,753 |
| | | | | (657,990,030) | | | |
| | | | | | | | 249,103,390 |

In demand deposit account (non-interest bearing) with

| Name of the correspondent Bank | Currency | 31-Mar-22 | | | 31-Dec-21 | | |
|---|----------|----------------------------|---|-----------------------|----------------------------|---|-----------------------|
| | | 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 | (287,945) | 114.8998 | (33,084,790) | 162,668 | 115.7099 | 18,822,273 |
| Standard Chartered Bank, New York, USA | USD | 17,249,412 | 85.7250 | 1,478,705,881 | 5,580,347 | 85.8000 | 478,793,734 |
| Standard Chartered Bank, AG, Germany | EUR | (71,700) | 97.8621 | (7,016,696) | 64,599 | 97.3658 | 6,289,701 |
| ICICI Bank Ltd., Hong Kong | USD | 16,875 | 85.7250 | 1,446,605 | 130,143 | 85.8000 | 11,166,303 |
| JP Morgan Chase Bank N.A., New York, USA | USD | (1,714,171) | 85.7250 | (146,947,279) | 816,794 | 85.8000 | 70,080,889 |
| Standard Chartered Bank, Colombo, Sri Lanka | ACU | 631 | 85.7250 | 54,073 | 11,987 | 85.8000 | 1,028,467 |
| Commerzbank AG, Frankfurt, Germany | CHF | 33,435 | 94.6359 | 3,164,162 | 19,833 | 93.8012 | 1,860,321 |
| The Bank of Tokyo-Mitsubishi UFJ Ltd., Tokyo, Japan | JPY | 3,572,690 | 0.7145 | 2,552,687 | 12,103,716 | 0.7463 | 9,033,003 |
| Bank of Montreal Canada | CAD | 58,414 | 70.2201 | 4,101,819 | 64,721 | 67.0732 | 4,341,028 |
| Axis Bank, India | ACU | (14,137) | 85.7250 | (1,211,934) | 94,294 | 85.8000 | 8,090,450 |
| Commerzbank AG, Frankfurt, Germany | AUD | 37,976 | 66.1695 | 2,512,871 | 78,407 | 62.1878 | 4,875,975 |
| Mashreqbank PSC, Mumbai, India | ACU | (307,173) | 85.7250 | (26,332,411) | 392,749 | 85.8000 | 33,697,880 |
| Mashreqbank PSC, Mumbai, India | EUR | 683 | 97.8621 | 66,882 | 683 | 97.3658 | 66,543 |
| Mashreq Bank PSC, Dubai, UAE | AED | 251,075 | 23.7389 | 5,960,243 | 709,918 | 23.3565 | 16,581,198 |
| Standard Chartered Bank, Mumbai, India | ACU | (216,803) | 85.7250 | (18,585,429) | 97,933 | 85.8000 | 8,402,648 |
| HDFC Bank Limited | ACU | (48,402) | 85.7250 | (4,149,292) | 194,768 | 85.8000 | 16,711,116 |
| Meezan Bank, Karachi, Pakistan | ACU | (123,584) | 85.7250 | (10,594,237) | 8,012 | 85.8000 | 687,398 |
| Bank of Ceylon, Colombo, Sri Lanka | ACU | 293 | 85.7250 | 25,090 | 4,173 | 85.8000 | 358,016 |
| Kookmin Bank, Seoul, Korea | USD | 10,079 | 85.7250 | 863,998 | 158,917 | 85.8000 | 13,635,085 |
| Al Rajhi Bank in Riyadh, Saudi Arabia | SAR | 99,701 | 22.6496 | 2,258,188 | 98,842 | 22.8465 | 2,258,188 |
| Habib Metropolitan Bank, Karachi, Pakistan | ACU | 237 | 85.7250 | 20,291 | 3,572 | 85.8000 | 306,442 |
| | | | | 1,253,810,722 | | | |
| | | | | 595,820,692 | | | |
| | | | | 14,936,141,205 | | | |
| Total (b) Outside Bangladesh | | | | | | | 707,086,658 |
| | | | | | | | 956,190,048 |
| Total (a+b) | | | | | | | 18,866,881,204 |

| | | 31-Mar-22 Taka | 31-Dec-21 Taka |
|--|------------------------|------------------------|-------------------|
| 7. Money at call on short notice | | | |
| a) With banks | | | |
| Midland Bank Limited | 400,000,000 | | |
| Mercantile Bank Limited | 200,000,000 | | - |
| | 600,000,000 | | - |
| b) With non bank financial institutions | | | |
| Delta Brac Housing Finance Corporation Limited (DBH) | 400,000,000 | | - |
| | 400,000,000 | | - |
| Total (a+b) | 1,000,000,000 | | - |
| 8. Investments | | | |
| In Government securities | | | |
| Treasury bills | | | |
| 7-day treasury bills | - | - | - |
| 14-day treasury bills | - | - | - |
| 91-day treasury bills | 999,720,999 | - | - |
| 182-day treasury bills | - | - | - |
| 364-day treasury bills | 3,162,445,749 | 2,687,778,250 | |
| | 4,162,166,748 | 2,687,778,250 | |
| Treasury bonds | | | |
| 2-year treasury bonds | 47,409,598,849 | 45,741,558,829 | |
| 5-year treasury bonds | 15,088,139,824 | 15,088,139,824 | |
| 10-year treasury bonds | 32,757,012,498 | 32,757,012,498 | |
| 15-year treasury bonds | 7,839,861,345 | 7,839,861,345 | |
| 20-year treasury bonds | 3,832,787,531 | 3,832,787,531 | |
| | 106,927,400,047 | 105,259,360,027 | |
| Total treasury bills and bonds | 111,089,566,795 | 107,947,138,277 | |
| Prize bonds | 7,507,300 | 7,891,500 | |
| | 111,097,074,095 | 107,955,029,777 | |
| Other investments | | | |
| Subordinated bonds [Note 8.2] | 7,680,000,000 | 7,720,000,000 | |
| Shares [Note 8.3] | 1,006,283,434 | 1,006,283,434 | |
| | 8,686,283,434 | 8,726,283,434 | |
| | 119,783,357,529 | 116,681,313,211 | |
| 8.1 Classification of investments | | | |
| Government treasury bills and bonds | | | |
| Held for trading (HFT) | 47,339,023,902 | 44,196,595,382 | |
| Held to maturity (HTM) | 63,750,542,893 | 63,750,542,895 | |
| Total investments in government securities | 111,089,566,795 | 107,947,138,277 | |
| Prize bonds | 7,507,300 | 7,891,500 | |
| Other investments | 8,686,283,434 | 8,726,283,434 | |
| | 119,783,357,529 | 116,681,313,211 | |

| | | 31-Mar-22 Taka | 31-Dec-21 Taka | | | | | | | | | | | | | | | | | | | | |
|---|---|-------------------------|------------------------|--------------------|--------------|-----------------|--|-----|-------|-------|---|--|------------|---------------|-------------|--------------------|---|--|--|--|--------------------|--|--|
| 8.2 | Other investments -subordinated bonds | | | | | | | | | | | | | | | | | | | | | | |
| | IFIC Bank Limited | 1,000,000,000 | 1,000,000,000 | | | | | | | | | | | | | | | | | | | | |
| | Exim Bank Bangladesh Limited | 1,000,000,000 | 1,000,000,000 | | | | | | | | | | | | | | | | | | | | |
| | 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 | 1,400,000,000 | 1,400,000,000 | | | | | | | | | | | | | | | | | | | | |
| | First Security Islami Bank Mudaraba Bond | 280,000,000 | 320,000,000 | | | | | | | | | | | | | | | | | | | | |
| | | 7,680,000,000 | 7,720,000,000 | | | | | | | | | | | | | | | | | | | | |
| 8.3 | Other investments - shares and bonds | | | | | | | | | | | | | | | | | | | | | | |
| | In shares and bonds (quoted and unquoted) | | | | | | | | | | | | | | | | | | | | | | |
| | Quoted Share: RAK Ceramics (Bangladesh) Limited | 5,664 | 5,664 | | | | | | | | | | | | | | | | | | | | |
| | Bond: Beximco Green-Sukuk al Istisna'a | 1,000,000,000 | - | | | | | | | | | | | | | | | | | | | | |
| | | 1,000,005,664 | 5,664 | | | | | | | | | | | | | | | | | | | | |
| | Unquote Share: Central Depository Bangladesh Limited | 6,277,770 | 6,277,770 | | | | | | | | | | | | | | | | | | | | |
| | Bond: Beximco Green-Sukuk al Istisna'a | - | 1,000,000,000 | | | | | | | | | | | | | | | | | | | | |
| | | 6,277,770 | 1,006,277,770 | | | | | | | | | | | | | | | | | | | | |
| | | 1,006,283,434 | 1,006,283,434 | | | | | | | | | | | | | | | | | | | | |
| 8.4 | Valuation of Investments | | | | | | | | | | | | | | | | | | | | | | |
| | <table><tr><th>Quoted shares and bonds</th><th>Number of share/bond</th><th>Cost Value</th><th>Market Value</th><th>Value Decreased</th></tr><tr><td>Share: RAK Ceramics (Bangladesh) Limited</td><td>214</td><td>5,664</td><td>9,609</td><td>-</td></tr><tr><td>Bond: Beximco Green-Sukuk al Istisna'a</td><td>10,000,000</td><td>1,000,000,000</td><td>880,000,000</td><td>120,000,000</td></tr><tr><td colspan="4">Total Value Decreased [Provision kept agaist value decreased in Note 14.1.1.2]</td><td>120,000,000</td></tr></table> | Quoted shares and bonds | Number of share/bond | Cost Value | Market Value | Value Decreased | Share: RAK Ceramics (Bangladesh) Limited | 214 | 5,664 | 9,609 | - | Bond: Beximco Green-Sukuk al Istisna'a | 10,000,000 | 1,000,000,000 | 880,000,000 | 120,000,000 | Total Value Decreased [Provision kept agaist value decreased in Note 14.1.1.2] | | | | 120,000,000 | | |
| Quoted shares and bonds | Number of share/bond | Cost Value | Market Value | Value Decreased | | | | | | | | | | | | | | | | | | | |
| Share: RAK Ceramics (Bangladesh) Limited | 214 | 5,664 | 9,609 | - | | | | | | | | | | | | | | | | | | | |
| Bond: Beximco Green-Sukuk al Istisna'a | 10,000,000 | 1,000,000,000 | 880,000,000 | 120,000,000 | | | | | | | | | | | | | | | | | | | |
| Total Value Decreased [Provision kept agaist value decreased in Note 14.1.1.2] | | | | 120,000,000 | | | | | | | | | | | | | | | | | | | |
| | * Valuation of all others investment: Cost value are not less than Market Value. | | | | | | | | | | | | | | | | | | | | | | |
| 9. | Loans and advances | | | | | | | | | | | | | | | | | | | | | | |
| | Main Operation [Note 9.1] | | | | | | | | | | | | | | | | | | | | | | |
| | Loans, cash credits, overdrafts, etc. | 298,998,236,621 | 299,139,586,778 | | | | | | | | | | | | | | | | | | | | |
| | Bills purchased and discounted | 1,708,446,230 | 1,789,290,459 | | | | | | | | | | | | | | | | | | | | |
| | | 300,706,682,851 | 300,928,877,237 | | | | | | | | | | | | | | | | | | | | |
| | Off-shore Banking Unit | | | | | | | | | | | | | | | | | | | | | | |
| | Loans, cash credits, overdrafts, etc. | 718,515,407 | 739,916,991 | | | | | | | | | | | | | | | | | | | | |
| | Bills purchased and discounted | 20,406,721,006 | 17,779,277,526 | | | | | | | | | | | | | | | | | | | | |
| | | 21,125,236,413 | 18,519,194,517 | | | | | | | | | | | | | | | | | | | | |
| | Total loans and advances | 321,831,919,264 | 319,448,071,754 | | | | | | | | | | | | | | | | | | | | |
| 9.1 | Loans, cash credits, overdrafts etc. - Main operation | | | | | | | | | | | | | | | | | | | | | | |
| | In Bangladesh | | | | | | | | | | | | | | | | | | | | | | |
| | Overdraft | 27,156,864,911 | 28,063,798,778 | | | | | | | | | | | | | | | | | | | | |
| | Cash credit | 37,742,539,168 | 38,381,644,088 | | | | | | | | | | | | | | | | | | | | |
| | Export cash credit | 15,788,981,543 | 17,498,215,560 | | | | | | | | | | | | | | | | | | | | |
| | Transport loan | 1,626,238,049 | 1,714,766,854 | | | | | | | | | | | | | | | | | | | | |
| | House building loan | 5,207,382,632 | 5,426,269,095 | | | | | | | | | | | | | | | | | | | | |
| | Loan against trust receipt | 2,721,810,517 | 2,140,626,933 | | | | | | | | | | | | | | | | | | | | |
| | Term loan - industrial | 88,455,334,946 | 98,691,081,230 | | | | | | | | | | | | | | | | | | | | |
| | Term loan - other | 72,439,061,333 | 63,885,258,334 | | | | | | | | | | | | | | | | | | | | |
| | Payment against document - cash | 37,074,882 | 173,072,018 | | | | | | | | | | | | | | | | | | | | |
| | Payment against document - EDF | 1,921,560,303 | 2,362,073,635 | | | | | | | | | | | | | | | | | | | | |
| | Consumer finance | 45,295,983,039 | 40,194,189,537 | | | | | | | | | | | | | | | | | | | | |
| | Staff loan | 605,405,298 | 608,590,716 | | | | | | | | | | | | | | | | | | | | |
| | | 298,998,236,621 | 299,139,586,778 | | | | | | | | | | | | | | | | | | | | |
| | Outside Bangladesh | - | - | | | | | | | | | | | | | | | | | | | | |
| | | 298,998,236,621 | 299,139,586,778 | | | | | | | | | | | | | | | | | | | | |
| | Bills purchased and discounted | | | | | | | | | | | | | | | | | | | | | | |
| | Payable in Bangladesh | | | | | | | | | | | | | | | | | | | | | | |
| | Inland bills purchased | 1,707,381,715 | 1,747,651,238 | | | | | | | | | | | | | | | | | | | | |
| | Payable outside Bangladesh | | | | | | | | | | | | | | | | | | | | | | |
| | Foreign bills purchased and discounted | 1,064,515 | 41,639,221 | | | | | | | | | | | | | | | | | | | | |
| | | 1,708,446,230 | 1,789,290,459 | | | | | | | | | | | | | | | | | | | | |
| | Total loans and advances | 300,706,682,851 | 300,928,877,237 | | | | | | | | | | | | | | | | | | | | |

| | 31-Mar-22 Taka | 31-Dec-21 Taka |
|---|------------------------|------------------------|
| 9.2 Net loans and advances including bills purchased and discounted - Main operation | | |
| Total loans, advances and lease receivables [Note 9.1] | 300,706,682,851 | 300,928,877,237 |
| Less : Provision against loans and advances (specific and general) [Note 9.4(b)] | 11,178,857,208 | 10,777,993,403 |
| Less : Cumulative balance of interest suspense account [Note 14.1.4] | 5,377,548,634 | 5,312,506,060 |
| | 284,150,277,009 | 284,838,377,774 |

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

| | |
|------------------------|------------------------|
| 234,098,832,542 | 232,694,143,912 |
| 37,742,539,168 | 38,381,644,088 |
| 27,156,864,911 | 28,063,798,778 |
| 298,998,236,621 | 299,139,586,778 |
| - | - |
| 298,998,236,621 | 299,139,586,778 |

Outside Bangladesh

b) Bills purchased and discounted

Payable in Bangladesh
Payable outside Bangladesh

| | |
|------------------------|------------------------|
| 1,707,381,715 | 1,747,651,238 |
| 1,064,515 | 41,639,221 |
| 1,708,446,230 | 1,789,290,459 |
| 300,706,682,851 | 300,928,877,237 |

Total (a+b)

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

| Status of loans and advances | Year | | | | | |
|--|-----------------------------|------------------------|------------------------|----------------|---------------------------------|----------------|
| | 31-Mar-22 | | | | 31-Dec-21 | |
| | 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) | 284,187,160,443 | 21,125,236,414 | 305,312,396,857 | 94.87% | 300,321,467,637 | 94.01% |
| Special mention account | 3,436,735,516 | - | 3,436,735,516 | 1.07% | 7,161,455,941 | 2.24% |
| Total unclassified loans and advances | 287,623,895,959 | 21,125,236,414 | 308,749,132,373 | 95.93% | 307,482,923,578 | 96.25% |
| Classified loans and advances | | | | | | |
| Substandard | 1,456,468,336 | - | 1,456,468,336 | 0.45% | 1,168,486,935 | 0.37% |
| Doubtful | 256,530,353 | - | 256,530,353 | 0.08% | 403,178,517 | 0.13% |
| Bad/loss | 11,369,788,203 | - | 11,369,788,203 | 3.53% | 10,393,482,723 | 3.25% |
| Total classified loans and advances | 13,082,786,893 | - | 13,082,786,893 | 4.07% | 11,965,148,176 | 3.75% |
| Total loans and advances | 300,706,682,852 | 21,125,236,414 | 321,831,919,266 | 100.00% | 319,448,071,754 | 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 31 March 2021 (Taka) | Base for provision (Taka) | Percentage (%) of provision required as per Bangladesh Bank's directives | Amount of provision required as at 31 March 2021 (Taka) | Amount of provision required as at 31 December 2021 (Taka) |
|--|--|------------------------------|--|--|---|
| Unclassified loans and advances | | | | | |
| All unclassified loans (other than loans under small and medium enterprise, consumer financing and short term agricultural credit) | 190,539,252,104 | 190,539,252,104 | 1% | 1,905,392,520 | 1,956,795,941 |
| Small and medium enterprise financing | 39,882,704,806 | 39,882,704,806 | 0.25% | 99,706,762 | 97,318,609 |
| Consumer financing (other than housing finance under consumer financing scheme) | 31,281,389,628 | 31,281,389,628 | 2% | 625,627,793 | 531,820,069 |
| Consumer Financing (Credit Card) | 3,214,539,290 | 3,214,539,290 | 2% | 64,290,786 | 60,885,152 |
| Consumer financing (for housing finance) | 16,278,901,468 | 16,278,901,468 | 1% | 162,789,015 | 148,128,562 |
| Loans to BHs/MBs/SDs | 441,421,279 | 441,421,279 | 2% | 8,828,426 | 8,755,907 |
| Short term agricultural credit | 2,177,477,685 | 2,177,477,685 | 1% | 21,774,777 | 17,972,562 |
| Micro credit | 371,474,184 | 371,474,184 | 1% | 3,714,742 | 5,120,667 |
| | 284,187,160,443 | 284,187,160,443 | | 2,892,124,821 | 2,826,797,469 |
| Special mention account | | | | | |
| All unclassified loans (other than loans under small enterprise and consumer financing) | 2,682,802,787 | 2,682,802,787 | 1% | 26,828,028 | 58,937,986 |
| Small & Medium enterprise financing | 605,847,656 | 605,847,656 | 0.25% | 1,514,619 | 2,516,838 |
| Consumer financing (other than housing finance under consumer financing scheme) | 19,151,272 | 19,151,272 | 2% | 383,025 | 1,199,796 |
| Consumer Financing (Credit Card) | 74,222,010 | 74,222,010 | 2% | 1,484,440 | 1,484,440 |
| Consumer financing (for housing finance) | 54,711,792 | 54,711,792 | 1% | 547,118 | 1,267,104 |
| | 3,436,735,516 | 3,436,735,516 | | 30,757,230 | 65,406,164 |
| Sub-total General Provision [A] | 287,623,895,959 | 287,623,895,958 | | 2,922,882,051 | 2,892,203,633 |
| Classified loans and advances | | | | | |
| Substandard Small | 771,339,879 | 236,949,337 | 5% | 11,847,467 | 10,268,926 |
| Substandard Other | 678,022,545 | 497,547,470 | 20% | 99,509,494 | 66,495,067 |
| Substandard AG/MC | 7,105,913 | 6,174,138 | 5% | 308,707 | 193,435 |
| Doubtful Small | 58,532,894 | 15,715,157 | 20% | 3,143,031 | 4,287,457 |
| Doubtful Other | 194,586,343 | 160,436,809 | 50% | 80,218,405 | 95,536,686 |
| Doubtful AG/MC | 3,411,116 | 2,833,906 | 5% | 141,695 | 75,015 |
| Bad /loss | 11,369,788,203 | 5,528,911,359 | 100% | 5,528,911,359 | 5,192,378,403 |
| Sub-total [B] | 13,082,786,893 | 6,448,568,177 | | 5,724,080,158 | 5,369,234,988 |
| Total provision required [A+B] | 300,706,682,852 | 294,072,464,135 | | 8,646,962,209 | 8,261,438,621 |
| b.1.1) Main Operation | | | | | |
| Provision required | | | | 8,646,962,209 | 8,261,438,621 |
| Provision maintained | | | | 11,178,857,208 | 10,777,993,403 |
| Provision surplus (i) | | | | 2,531,894,999 | 2,516,554,782 |
| b.2) Off-shore Banking Unit | | | | | |
| Provision required | | | | 211,252,364 | 185,191,945 |
| Provision maintained | | | | 211,252,364 | 185,191,945 |
| Provision surplus (ii) | | | | - | - |
| Provision surplus | | | | | |
| Main Operation (i) | | | | 2,531,894,999 | 2,516,554,782 |
| Off-shore Banking Unit (ii) | | | | - | - |
| Total provision surplus (i+ii) | | | | 2,531,894,999 | 2,516,554,782 |

| | | 31-Mar-22 Taka | 31-Dec-21 Taka |
|---------------|---|-----------------------|-----------------------|
| 10. | Fixed assets at cost or revalued amount including land, building, furniture and fixtures | | |
| | Main Operation [Note 10.1] | | |
| | Total cost | 20,822,947,459 | 20,575,970,867 |
| | Less: Accumulated depreciation | 13,177,453,904 | 12,768,982,192 |
| | | 7,645,493,555 | 7,806,988,675 |
| | 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 | 7,645,493,637 | 7,806,988,757 |
| 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 | 424,858,909 | 424,858,909 |
| | Interior decoration | 1,546,268,857 | 1,465,386,681 |
| | Furniture and fixtures | 478,413,859 | 463,311,175 |
| | Other machinery and equipment | 2,940,619,963 | 2,861,414,699 |
| | Computer equipment | 6,372,322,446 | 6,289,756,388 |
| | Computer software | 643,265,179 | 643,265,179 |
| | Motor vehicles | 602,958,187 | 634,742,220 |
| | ATM Booth | 1,414,849,160 | 1,398,966,717 |
| | ATM and Fast Track (ATM & Deposit Machine) | 2,911,187,255 | 2,906,065,255 |
| | Right of use of asset - IFRS 16: lease | 2,739,649,053 | 2,739,649,053 |
| | Books | 194,591 | 194,591 |
| | | 20,822,947,459 | 20,575,970,867 |
| | Less: Accumulated depreciation | 13,177,453,904 | 12,768,982,192 |
| | | 7,645,493,555 | 7,806,988,675 |
| 11. | Other assets | | |
| | Main Operation [Note 11.1] | 23,497,641,847 | 21,398,168,624 |
| | Off-shore Banking Unit | 230,332 | 230,533 |
| | Less: Inter Bank transactions [Note 14] | (20,300,672) | (12,196,614) |
| | | 23,477,571,507 | 21,386,202,543 |
| 11.1 | Other assets - Main operation | | |
| | Income generating other assets (Note 11.1.a) | - | - |
| | Non-income generating other assets (Note 11.1.b) | 23,497,641,847 | 21,398,168,624 |
| | | 23,497,641,847 | 21,398,168,624 |
| 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 | 368,909,407 | 280,893,091 |
| | ii) Advance rent and advertisement | 918,609,981 | 832,142,193 |
| | iii) Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable | 2,193,495,464 | 1,908,234,413 |
| | iv) Security deposits | 23,797,650 | 23,218,575 |
| | v) Preliminary, formation and organization expenses, renovation/ development expenses and prepaid expenses | 550,347,629 | 423,434,453 |
| | vi) Branch adjustment (net) | 409,158,779 | - |
| | vii) Suspense account | 382,043,793 | 145,839,025 |
| | viii) Silver | - | - |
| | ix) Others [Note 11.2] | 18,651,279,144 | 17,784,406,874 |
| | | 23,497,641,847 | 21,398,168,624 |
| 11.2 | Break-up of others | | |
| | Encashment of Sanchaya Patra (awaiting realization) | 894,759,250 | 436,458,825 |
| | Advance tax [Note 11.2.1] | 10,204,162,765 | 9,302,605,792 |
| | Deferred tax [Note 11.2.2] | 3,018,184,106 | 2,916,547,544 |
| | Sundry assets [Note 11.2.3] | 4,534,173,023 | 5,128,794,713 |
| | | 18,651,279,144 | 17,784,406,874 |

| | 31-Mar-22 Taka | 31-Dec-21 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, 2015, 2016, 2017, 2018 and 2020. [Note 14.1.2 and 14.1.2.2] | | |
| 11.2.2 Deferred tax | | |
| Opening balance | 2,916,547,544 | 2,272,090,028 |
| Increase/(decrease) of Deferred tax assets for the period [Note 11.2.2.1] | 101,636,562 | 644,457,516 |
| Closing balance | 3,018,184,106 | 2,916,547,544 |
| 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] | 4,521,466,057 | 4,601,248,498 |
| Written down value of fixed assets as per Tax (Tax base) as of the balance sheet date (excluding value of land) [B] | 5,712,350,033 | 5,695,986,526 |
| Temporary timing difference in Accounting WDV and Tax WDV (excluding value of land) [B - A] | 1,190,883,976 | 1,094,738,028 |
| ii) Temporary timing difference in provision for other classified assets | 740,949,000 | 610,949,000 |
| iii) Temporary timing difference in specific provision for loans and advances | 5,986,657,974 | 5,611,773,088 |
| iv) Temporary timing difference in provision for Gratuity | 130,000,000 | 460,000,000 |
| Total amount of temporary timing differences in assets / (liabilities) [i+ii+iii] [C] | 8,048,490,950 | 7,777,460,116 |
| Effective tax rate [D] | 37.50% | 37.50% |
| Deferred tax asset / (liability) [C X D] | 3,018,184,106 | 2,916,547,544 |
| Increase/(decrease) of Deferred tax asset for the period [Note 11.2.2] | 101,636,562 | 644,457,516 |
| 11.2.3 Sundry assets | | |
| Sundry debtors | 115,861,454 | 110,002,962 |
| Cash remittance | 395,703,485 | 316,929,215 |
| Others | 4,022,608,084 | 4,701,862,536 |
| | 4,534,173,023 | 5,128,794,713 |
| 12. Borrowings from other banks, financial institutions and agents | | |
| Main Operation [Note 12.1] | 15,849,452,824 | 17,431,389,584 |
| Off-shore Banking Unit | 19,591,609,404 | 17,079,173,202 |
| Less: Inter Bank transactions [Note 6] | (5,181,013,935) | (5,536,042,550) |
| | 30,260,048,293 | 28,974,520,236 |
| 12.1 Borrowings from other banks, financial institutions and agents- Main operation | | |
| a) In Bangladesh | | |
| Secured | | |
| Refinance from Bangladesh Bank | | |
| Housing [Note 12.3] | 160,700 | 187,486 |
| Financial Stimulus Fund | 942,608,204 | 1,346,960,821 |
| Export Development Fund (EDF) | 13,882,680,748 | 15,274,493,852 |
| Small and Medium Enterprise (SME) [Note 12.2, 12.3] | 47,242,084 | 62,652,917 |
| Financial Sector Support Project (FSSP) | 720,646,202 | 750,175,060 |
| | 15,593,337,938 | 17,434,470,136 |
| Unsecured | | |
| Credit lines | | |
| From Other Bank | 255,975,000 | (3,225,000) |
| From Off-shore Banking Unit, Dutch-Bangla Bank Limited | 139,886 | 144,448 |
| | 256,114,886 | (3,080,552) |
| | 15,849,452,824 | 17,431,389,584 |
| b) Outside Bangladesh | | |
| Secured | - | - |
| Unsecured | - | - |
| | - | - |
| | - | - |
| Total (a+b) | 15,849,452,824 | 17,431,389,584 |

| | | 31-Mar-22 Taka | 31-Dec-21 Taka |
|---------------|---|------------------------|------------------------|
| 12.2 | Small and Medium Enterprise (SME) | | |
| | Refinance facility (ies) availed from Bangladesh Bank under the following schemes for Small and Medium Enterprises : | | |
| | Women Entrepreneur Fund [Note 12.3] | 16,605,417 | 25,192,917 |
| | SMEDP-2 Fund | 30,636,667 | 37,460,000 |
| | | 47,242,084 | 62,652,917 |
| 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 | 106,486,444,249 | 104,037,941,646 |
| | Bills payable | 4,730,816,450 | 4,219,947,608 |
| | Savings bank deposits | 196,208,786,690 | 191,210,176,186 |
| | Term deposits | 98,686,136,528 | 101,977,001,852 |
| | | 406,112,183,917 | 401,445,067,292 |
| | Off-shore Banking Unit | | |
| | Current deposits and other accounts | 27,928,286 | 55,278,128 |
| | Bills payable | - | - |
| | | 27,928,286 | 55,278,128 |
| | Total Deposits and other accounts | 406,140,112,203 | 401,500,345,420 |
| 13.1 | Deposits and other accounts - Main Operation | | |
| | Current deposits and other accounts | | |
| | Current deposits | 95,544,085,453 | 92,587,103,006 |
| | Foreign currency deposits | 2,481,646,062 | 2,036,836,430 |
| | Sundry deposits [Note 13.1.1] | 8,460,712,734 | 9,414,002,210 |
| | | 106,486,444,249 | 104,037,941,646 |
| | Bills payable | | |
| | Payment order | 4,713,545,111 | 4,202,676,269 |
| | Demand draft | 17,271,339 | 17,271,339 |
| | | 4,730,816,450 | 4,219,947,608 |
| | Savings bank deposits | 196,208,786,690 | 191,210,176,186 |
| | Term deposits | | |
| | Fixed deposits | 62,217,820,388 | 61,809,150,286 |
| | Special notice deposits | 36,369,798,862 | 40,068,746,081 |
| | Non resident foreign currency deposits | 1,811,603 | 1,813,188 |
| | Resident foreign currency deposits | 69,655,327 | 67,579,422 |
| | Monthly term deposits | 27,050,348 | 29,712,875 |
| | | 98,686,136,528 | 101,977,001,852 |
| | | 406,112,183,917 | 401,445,067,292 |
| 13.1.1 | Details of sundry deposits | | |
| | Margin on irrevocable letters of credit | 805,212,251 | 792,730,735 |
| | Margin on letters of guarantee | 484,535,781 | 469,561,338 |
| | Margin on inward foreign documentary bills for collection (IFDBC) | 326,975,411 | 326,243,086 |
| | Sundry deposit on foreign bills purchased awaiting for realization (FBPAR) | 3,959,292,229 | 4,247,457,419 |
| | Sundry deposit - withholding tax -IT | 265,146,742 | 380,637,070 |
| | Sundry deposit - excise duty | 14,821,274 | 610,921,394 |
| | Sundry deposit - withholding tax -VAT | 165,585,993 | 191,045,946 |
| | Sundry deposits-sale proceeds of Sanchay Patra | 189,865,000 | 250,895,000 |
| | Interest payable on deposit accounts | 1,167,950,729 | 589,657,393 |
| | Deposits on lease finance | - | - |
| | Others sundry deposits | 1,081,327,324 | 1,554,852,829 |
| | | 8,460,712,734 | 9,414,002,210 |

| | 31-Mar-22 Taka | 31-Dec-21 Taka |
|--|------------------------|------------------------|
| 13.1.2 Segregation of deposits and other accounts | | |
| Other than inter-bank deposits | 406,094,505,289 | 401,411,458,254 |
| Inter-bank deposits [Note 13.3] | 17,678,628 | 33,609,038 |
| | 406,112,183,917 | 401,445,067,292 |
| 13.1.3 Details of inter-bank deposits | | |
| In current deposits account | | |
| Al-Arafah Islami Bank Limited | 231,423 | 231,423 |
| Bangladesh Development Bank Limited | 5,136,840 | 237,185 |
| Bangladesh Commerce Bank Limited | 1,532,264 | 33,183 |
| Rajshahi Krishi Unnayan Bank | 873,144 | 873,144 |
| Brac Bank Limited | 3,068,173 | 1,556,542 |
| Southeast Bank Limited | 1,235 | 1,925 |
| | 10,843,079 | 2,933,402 |
| In special notice deposits account | | |
| Janata Bank Limited | 51,247 | 51,484 |
| Dhaka Bank Limited | 5,490,719 | 29,310,473 |
| National Credit and Commerce Bank Limited | 148,905 | 151,902 |
| Prime Bank Limited | 1,014,709 | 1,033,061 |
| ICB Islami Bank Limited | 122,331 | 121,041 |
| The City Bank Limited | 7,638 | 7,675 |
| | 6,835,549 | 30,675,636 |
| | 17,678,628 | 33,609,038 |
| 14. Other liabilities | | |
| Main Operation [Note 14.1] | 36,297,488,507 | 34,724,894,125 |
| Off-shore Banking Unit | 299,519,995 | 245,853,090 |
| Less: Inter Bank transactions [Note 11] | (20,300,672) | (12,196,614) |
| | 36,576,707,830 | 34,958,550,601 |
| 14.1 Other liabilities- Main operation | | |
| | Notes | |
| Unclaimed dividends | | 1,682,251 |
| Provision for expenses | | 1,022,093,251 |
| Contribution to Dutch-Bangla Bank Limited Employees' Superannuation Fund | | 20,000,000 |
| Contribution to Dutch-Bangla Bank Limited Employees' Gratuity Fund | | 130,000,000 |
| Provision for interest on credit lines, refinance scheme and subordinated debt | | 309,902,341 |
| Branch adjustment (net) | | - |
| Provision for classified assets | 14.1.1 | 740,949,000 |
| Provision for taxation | 14.1.2 | 13,850,078,716 |
| Accumulated provision for loans and advances including off-balance sheet exposures | 14.1.3.1 | 12,385,983,963 |
| Cumulative balance of interest suspense account | 14.1.4 | 5,377,548,634 |
| Start up Fund | 14.1.5 | 110,598,225 |
| Risk Fund for fixed assets | | 26,604,927 |
| lease liability - IFRS-16 | | 1,987,306,003 |
| Others | | 334,741,196 |
| | | 36,297,488,507 |
| | | 34,724,894,125 |

| | 31-Mar-22 Taka | 31-Dec-21 Taka |
|---|--------------------|--------------------|
| 14.1.1 Provision for classified assets | | |
| Provision for other classified assets [Note 14.1.1.1] | 740,949,000 | 610,949,000 |
| Provision for nostro accounts [Note 14.1.1.2] | - | - |
| | 740,949,000 | 610,949,000 |

14.1.1.1 Provision for other classified assets

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

| | | |
|------------------------------------|--------------------|--------------------|
| Opening balance | 610,949,000 | 610,949,000 |
| Add: Provision made for the period | 130,000,000 | - |
| Closing balance [Note 14.1.1.2] | 740,949,000 | 610,949,000 |

14.1.1.2 Break up of provision for other classified assets

| | | |
|---|--------------------|--------------------|
| BIFC (Provision against placement of FDRs classified as Bad) | 367,666,667 | 367,666,667 |
| International Leasing (Provision against placement of FDRs classified as Bad) | 90,000,000 | 90,000,000 |
| Beximco Green-Sukuk al Istisna'a (Provision against investment in bonds for value decreased) [Note 8.4] | 120,000,000 | - |
| Legal expenses receivable | 44,059,416 | 41,442,094 |
| Protested bills receivable | 38,989,998 | 38,514,503 |
| Others | 80,232,919 | 73,325,736 |
| | 740,949,000 | 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 | 12,830,309,562 | 18,351,135,454 |
| Add: Provision made for the period [Note 14.1.2.1] | 1,019,769,154 | 3,216,094,480 |
| Less: Adjustment made against Advance Tax/Adjustment made against final assessment orders by the Deputy Commissioner of Taxes or the Appellate Authority | - | 8,736,920,372 |
| Closing balance [Note 14.1.2.2] | 13,850,078,716 | 12,830,309,562 |

14.1.2.1 Current tax - Provision for the period

| | On Taka | Tax rate | | |
|--|---------------|----------|----------------------|-----------------------|
| Banking business income (calculated) * | 2,513,378,113 | 37.50% | 942,516,792 | 3,767,403,054 |
| Add: Dividend income * | 5,711,803 | 20.00% | 1,142,361 | 1,223,426 |
| Less: Rebate on allowable CSR (calculated) | - | 10.00% | - | (2,982,000) |
| Less: Provision kept | | | 76,110,001 | (549,550,000) |
| | | | 1,019,769,154 | 3,216,094,480 |
| | | | 2,519,089,916 | 10,052,525,276 |

* **Taxable Income** [Banking business income (calculated) and Dividend income]

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, 2016, 2017, 2018 and 2020. [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.

| | 31-Mar-22 Taka | 31-Dec-21 Taka |
|---|-----------------------|-----------------------|
| 14.1.3 Accumulated provision for loans and advances and Off-balance sheet exposures | | |
| Main Operation [Note 14.1.3.1] | 12,385,983,963 | 11,845,710,315 |
| Off-shore Banking Unit | 211,252,364 | 185,191,945 |
| | 12,597,236,327 | 12,030,902,260 |
| 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 | 5,611,773,088 | 4,200,100,253 |
| Less: Fully provided debt written-off | (41,260) | 179,093,801 |
| Add: Recoveries of amounts previously written-off | 42,183,532 | 133,926,562 |
| Add: Specific provision for the period | 332,660,094 | 1,456,840,074 |
| 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)] | 5,986,657,974 | 5,611,773,088 |
| B. General provision | | |
| General provision against unclassified loans and advances [i] | | |
| Opening balance | 3,024,673,830 | 2,629,854,485 |
| General provision for the period * | 25,978,919 | 394,819,345 |
| Provision held at the end of the period [Note 9.4(b)] | 3,050,652,749 | 3,024,673,830 |
| Special General Provision-Covid-19 against deferred loans [iii] | | |
| As per the instructions contained in BRPD Circular No. 50 dated 14 December 2021 and BRPD Circular No. 52 dated 29 December 2021, following provision has been made against the Special General Provision-Covid-19 of the Bank: | | |
| Opening balance | 2,141,546,485 | 817,531,599 |
| Special general provision - Covid 19 for the year | - | 1,324,014,886 |
| Provision held at the end of the year [Note 9.9(b)] | 2,141,546,485 | 2,141,546,485 |
| General provision against Off-balance sheet exposures [iii] | | |
| 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 | 1,067,716,912 | 802,508,068 |
| Add: Provision made for the period | 139,409,843 | 265,208,844 |
| Provision held at the end of the period | 1,207,126,755 | 1,067,716,912 |
| Accumulated general provision for loans and advances including deferred loans & off-balance sheet exposures - Main Operation [B] | 6,399,325,989 | 6,233,937,227 |
| Accumulated provision (Specific & General) for loans and advances including deferred loans & off-balance sheet exposures -Main Operation [A+B] | 12,385,983,963 | 11,845,710,315 |
| * General provision made for the period against unclassified loans and advances [iv] | | |
| Main Operation [B.i] | 25,978,919 | 394,819,345 |
| Off-shore Banking Unit | 26,060,419 | 33,651,894 |
| | 52,039,338 | 428,471,239 |
| 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] | 5,986,657,974 | 5,611,773,088 |
| General provision against unclassified loans and advances-Main Operation [Note 14.1.3.1.B.i] | 3,050,652,749 | 3,024,673,830 |
| Special General Provision-Covid-19 against deferred loans [Note 14.1.3.1.B.ii] | 2,141,546,485 | 2,141,546,485 |
| General provision against Off-balance sheet exposures [Note 14.1.3.1.B.iii] | 1,207,126,755 | 1,067,716,912 |
| General provision against unclassified loans and advances-Off-Shore Banking Unit [C] | 211,252,364 | 185,191,945 |
| | 12,597,236,327 | 12,030,902,260 |
| 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] | 6,610,578,353 | 6,419,129,172 |

| | 31-Mar-22 Taka | 31-Dec-21 Taka |
|---|-----------------------|-----------------------|
| 14.1.4 Cumulative balance of interest suspense account | | |
| Opening balance | 5,312,506,060 | 4,841,730,487 |
| Add: Amount transferred to interest suspense account during the period | 1,055,222,574 | 6,860,375,573 |
| Less: Amount transferred from interest suspense account during the period | 953,273,854 | 6,115,737,361 |
| Less: Amount written-off/waived during the period | 36,906,146 | 273,862,639 |
| Balance at the end of the period | 5,377,548,634 | 5,312,506,060 |
| 14.1.5 Cumulative balance of Start up Fund | | |
| Opening balance | 110,598,225 | - |
| Add: Fund made during the period/year | - | 110,598,225 |
| Balance at the end of the period | 110,598,225 | 110,598,225 |
| 15. Subordinated debt | | |
| Subordinated debt - Taka 5,000,000,000 | | |
| The Bank arranged a subordinated debt from six scheduled local banks for Taka 5,000,000,000 for a term of seven years to strengthen the Tier-2 capital as well as total capital of the Bank during June 2017 with the approval of Bangladesh Bank. The principal amount is repayable in five (5) equal installments with two years moratorium, last installment of which is payable on 14 June 2024. | 3,000,000,000 | 3,000,000,000 |
| 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. | 4,000,000,000 | 4,000,000,000 |
| 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 | 12,000,000,000 | 12,000,000,000 |

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

| | | 31-Mar-22 | 31-Dec-21 |
|---|--|----------------------|----------------------|
| | | 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 | 6,325,000,000 |
| 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 | 825,000,000.0 |
| | | 6,325,000,000 | 6,325,000,000 |

*** 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 31 March 2022 stood at Taka 51,425,081,794 against the risk based capital requirement of Taka 39,710,753,547. As a result, there was a capital surplus of Taka 11,714,328,247 in risk based capital adequacy ratio as on 31 March 2022.

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

| | 31-Mar-22 Taka | 31-Dec-21 Taka |
|---|------------------------|------------------------|
| Total assets (excluding off-balance sheet assets) | 523,063,498,714 | 514,399,778,058 |
| Total off-balance sheet assets | 123,427,296,332 | 109,331,376,206 |
| Total Risk weighted assets [RWA] against | | |
| i. Credit Risk | | |
| On-balance sheet | 223,311,633,105 | 223,026,032,453 |
| Off-balance sheet | 41,115,291,658 | 34,741,388,159 |
| | 264,426,924,764 | 257,767,420,612 |
| ii. Market Risk | 5,583,385,580 | 4,953,750,961 |
| iii. Operational Risk | 47,675,718,031 | 43,396,211,348 |
| A) Total Risk weighted assets (RWA) [i+ii+iii] | 317,686,028,375 | 306,117,382,921 |
| B) Minimum Capital Requirement (MCR) with Capital Conservation Buffer (CCB) [12.5% of RWA] | 39,710,753,547 | 38,264,672,865 |
| C) Common Equity Tire 1 (CET1) capital | | |
| Paid-up share capital | 6,325,000,000 | 6,325,000,000 |
| 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) | 19,759,138,471 | 18,638,869,885 |
| | 37,055,081,340 | 35,934,812,754 |
| Less : Other Intangible Assets (computer software) | 107,830,996 | 120,023,186 |
| Less : Deferred tax asset (95%) | 2,132,746,903 | 1,999,194,163 |
| | 34,814,503,441 | 33,815,595,405 |
| 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 | - | - |
| | - | - |
| E) Tier 1 Capital [C+D] | 34,814,503,441 | 33,815,595,405 |
| F) Tier 2 Capital | | |
| General provision maintained against unclassified loans and off-balance sheet exposures [Note 14.1.3.2] | 6,610,578,353 | 6,419,129,172 |
| Subordinated debt capital [Total S. debt, Taka 12,000,000,000 less due within 1 Year, Taka 2,000,000,000] | 10,000,000,000 | 10,000,000,000 |
| Assets revaluation reserves | - | - |
| Revaluation reserves of HTM securities | - | - |
| | 16,610,578,353 | 16,419,129,172 |
| Less: Revaluation Reserves for Fixed Assets and Securities | - | - |
| | 16,610,578,353 | 16,419,129,172 |
| G) Total Eligible Regulatory Capital (Tier 1 and 2) [E+F] | 51,425,081,794 | 50,234,724,577 |
| Total capital surplus [G - B] | 11,714,328,247 | 11,970,051,712 |
| Capital to Risk Weighted Assets Ratio (CRAR): | | |
| Common Equity Tier-1 to RWA (C/A)*100 | 10.96% | 11.05% |
| Tier-1 Capital to RWA (E/A)*100 | 10.96% | 11.05% |
| Tier-2 Capital to RWA (F/A)*100 | 5.23% | 5.36% |
| Capital to Risk Weighted Assets Ratio (CRAR) (G/A)*100 | 16.19% | 16.41% |

| | | 31-Mar-22 Taka | 31-Dec-21 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 | | 181,135,270 | 96,905,831 |
| Add: Reserve transferred to Income Account during the period | | - | 84,229,439 |
| Closing balance | | 181,135,270 | 181,135,270 |
| 23. Contingent liabilities | | | |
| Main Operation [Note 23.1] | | 123,427,296,332 | 109,331,376,206 |
| Off-shore Banking Unit | | - | - |
| | | 123,427,296,332 | 109,331,376,206 |

| | 31-Mar-22 Taka | 31-Dec-21 Taka |
|--|---------------------------|---------------------------|
| 23.1 Contingent liabilities - Main Operation | | |
| a) Acceptances and endorsements | 61,484,040,582 | 56,280,687,848 |
| b) Letters of guarantee | | |
| Local | 6,967,415,427 | 5,283,252,595 |
| Foreign | 588,752,924 | 53,734,719 |
| | 7,556,168,351 | 5,336,987,314 |
| c) Irrevocable letters of credit | | |
| Local | | |
| Cash | 688,715,610 | 466,719,336 |
| Usance | 4,736,258 | 9,027,116 |
| Back to back | 9,991,157,016 | 10,532,887,841 |
| | 10,684,608,884 | 11,008,634,293 |
| Foreign | | |
| Cash | 14,938,411,375 | 14,523,335,470 |
| Usance | 13,562,088,263 | 12,051,475,326 |
| Back to back | 8,138,915,708 | 6,936,155,878 |
| | 36,639,415,346 | 33,510,966,674 |
| | 47,324,024,230 | 44,519,600,967 |
| d) Bills for collection | | |
| Inward | - | - |
| Outward | - | - |
| | - | - |
| e) Other contingent liabilities | | |
| Travelers' cheques | - | - |
| Export Development Fund | - | - |
| Bangladesh Shanchaya Patra | 2,559,685,000 | 2,559,685,000 |
| Others | 4,503,378,169 | 634,415,077 |
| | 7,063,063,169 | 3,194,100,077 |
| Total (a+b+c+d+e) | 123,427,296,332 | 109,331,376,206 |
| 24. Retained Earnings | | |
| Main Operation [Note 24.1] | 18,535,206,915 | 17,470,139,892 |
| Off-shore Banking Unit | 1,223,931,556 | 1,168,729,993 |
| | 19,759,138,471 | 18,638,869,885 |
| 24.1 Retained Earnings-Main Operation | | |
| Balance at 1 January | 17,470,139,892 | 13,951,517,082 |
| Dividend paid for previous year's | - | (825,000,000) |
| 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) |
| Transfer to Start up Fund [Note 14.1.5] | - | (110,598,225) |
| Retained surplus for the current year | 1,065,067,023 | 5,279,221,035 |
| Closing balance | 18,535,206,915 | 17,470,139,892 |
| | 31-Mar-22 Taka | 31-Mar-21 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] | 1,120,268,586 | 905,012,241 |
| Number of ordinary shares outstanding [denominator] * | 632,500,000 | 632,500,000 |
| Earnings Per Share | 1.77 | 1.43 |
| 24.3 Calculation of Net Asset Value (NAV) Per Share | | |
| Total Shareholders Equity [numerator] | 38,086,630,387 | 33,161,664,915 |
| Number of ordinary shares outstanding [denominator]* | 632,500,000 | 632,500,000 |
| Net Asset Value (NAV) Per Share | 60.22 | 52.43 |
| 24.4 Net Operating Cash Flow Per Share (NOCFPS) [Note 47.1, 47.2] | | |
| Net cash from operating activities [numerator] | 1,150,431,911 | (3,995,484,343) |
| Number of ordinary shares outstanding [denominator]* | 632,500,000 | 632,500,000 |
| Net operating cash flow per share (NOCFS) | 1.82 | (6.32) |

* 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]

| | | 31-Mar-22 Taka | 31-Mar-21 Taka | |
|------|---|-------------------|-------------------|---------------|
| 25. | Particulars of profit and loss account | | | |
| | Income | Notes | | |
| | Interest, discount and other similar income | 26 | 5,533,355,366 | 5,281,044,731 |
| | Dividend income | 28 | 5,711,803 | 3,427,082 |
| | Fees, commission and brokerage | 29.1 | 228,090,327 | 252,113,017 |
| | Gains less losses arising from dealing securities | | - | - |
| | Gains less losses arising from investment securities | 28 | 1,855,202,158 | 1,784,897,933 |
| | Gains less losses arising from dealing in foreign currencies | 29.2 | 616,513,336 | 85,053,372 |
| | Income from non-banking assets | | - | - |
| | Other operating income | 30 | 849,274,338 | 930,354,190 |
| | Profit less losses on interest rate changes | | - | - |
| | | | 9,088,147,328 | 8,336,890,325 |
| | Expenses | | | |
| | Interest, fee and commission | 27 | 1,758,363,226 | 1,657,213,785 |
| | Directors' fees | 39 | 25,300 | 43,616 |
| | Administrative expenses | 31 | 2,581,853,544 | 2,379,443,222 |
| | Other operating expenses | 42 | 1,595,629,652 | 1,777,698,443 |
| | Depreciation on banking assets | 41 | 459,765,153 | 430,552,061 |
| | | | 6,395,636,875 | 6,244,951,127 |
| | Profit before provision | | 2,692,510,453 | 2,091,939,198 |
| 26. | Interest income | | | |
| | Main Operation [Note 26.1] | | 5,385,520,392.0 | 5,167,363,007 |
| | Off-Shore Banking Unit | | 178,510,343 | 141,991,775 |
| | Less: Inter Bank transactions [Note 27] | | (30,675,369) | (28,310,051) |
| | | | 5,533,355,366 | 5,281,044,731 |
| 26.1 | Interest income - Main Operation | | | |
| | Interest on loans and advances | | | |
| | House building loan | | 83,273,546 | 81,571,228 |
| | Transport loan | | 32,343,400 | 40,651,156 |
| | Term loan - industrial | | 1,701,489,767 | 1,678,451,040 |
| | Term loan - others | | 549,954,925 | 563,245,022 |
| | Secured overdraft | | 550,708,922 | 582,081,158 |
| | Cash credit | | 413,814,080 | 448,326,211 |
| | Payment against document - cash | | 695,636 | 96,312 |
| | Payment against document EDF- others | | 56,932,217 | 35,514,202 |
| | Loan against trust receipts | | 26,206,766 | 61,224,225 |
| | Export cash credit | | 31,879,343 | 26,002,979 |
| | Loan against accepted bills | | 39,063,228 | 42,003,972 |
| | Staff loan | | 6,331,419 | 6,641,461 |
| | SME and consumer finance | | 1,767,876,980 | 1,459,675,445 |
| | | | 5,260,570,229 | 5,025,484,411 |
| | Interest on balance with other banks and financial institutions | | | |
| | Fixed deposits | | 78,337,570 | 109,140,139 |
| | Special notice deposits | | 312,058 | 68,094 |
| | Nostro accounts | | 16,865 | 43,089 |
| | Money at call on short notice | | 46,283,670 | 32,627,274 |
| | | | 124,950,163 | 141,878,596 |
| | | | 5,385,520,392 | 5,167,363,007 |

| | 31-Mar-22 Taka | 31-Mar-21 Taka |
|---|----------------------|----------------------|
| 27. Interest paid on deposits and borrowings etc. | | |
| Main Operation [Note 27.1] | 1,688,098,526 | 1,609,185,111 |
| Off-shore Banking Unit | 100,940,069 | 76,338,725 |
| Less: Inter Bank transactions [Note 26] | (30,675,369) | (28,310,051) |
| | 1,758,363,226 | 1,657,213,785 |
| 27.1 Interest paid on deposits and borrowings - Main Operation | | |
| Interest paid on deposits [Note 27.2] | 1,438,358,546 | 1,291,968,497 |
| Interest paid on borrowings [Note 27.3] | 249,739,980 | 317,216,614 |
| | 1,688,098,526 | 1,609,185,111 |
| 27.2 Interest paid on deposits | | |
| Savings deposits | 424,963,267 | 401,027,098 |
| Special notice deposits | 143,474,352 | 188,305,974 |
| Fixed deposits | 858,142,174 | 697,308,933 |
| Non-resident foreign currency deposits | 11,635,465 | 5,192,811 |
| Resident foreign currency deposits | 36,481 | 19,498 |
| Monthly term deposits | 106,807 | 114,183 |
| | 1,438,358,546 | 1,291,968,497 |
| 27.3 Interest paid on borrowings | | |
| Interest on borrowing - call loan and term loan | 7,951,778 | 37,500 |
| Interest on credit lines | - | - |
| Interest paid on subordinated debt | 215,926,022 | 276,287,671 |
| Interest on borrowing under REPO and Re-financing facilities with Bangladesh Bank | 21,038,984 | 40,358,861 |
| Interest on borrowing under REPO with other banks | 4,823,196 | 532,582,00 |
| | 249,739,980 | 317,216,614 |
| 28. Investment income | | |
| Dividend on shares | 5,711,803 | 3,427,082 |
| Interest on treasury bills, bonds and debentures | | |
| Interest on treasury bills and bonds | 1,452,942,081 | 1,351,970,053 |
| Capital gain on sales of government securities | 235,883,229 | 323,569,944 |
| Interest on reverse REPO with other banks | 214,821 | 182,868 |
| Interest on subordinated bonds | 166,162,027 | 109,175,068 |
| | 1,855,202,158 | 1,784,897,933 |
| Gain on sale of shares | - | - |
| | 1,860,913,961 | 1,788,325,015 |
| 29. Commission, exchange and brokerage | | |
| Commission [Note 29.1] | 228,090,327 | 252,113,017 |
| Exchange earnings (net) [Note 29.2] | 616,513,336 | 85,053,372 |
| | 844,603,663 | 337,166,389 |

| | | 31-Mar-22 | 31-Mar-21 |
|-------------|---|--------------------|--------------------|
| | | Taka | Taka |
| 29.1 | Commission | | |
| | Commission on Remittances-Local | 1,965,101 | 2,649,685 |
| | Commission on Remittances-Foreign | 6,307,950 | 6,054,122 |
| | Commission on Letter of Credit-Import | 23,666,352 | 28,515,487 |
| | Commission on Letter of Credit-Export | 183,794,611 | 202,804,308 |
| | Commission on Export Bills | 2,350,605 | 2,229,502 |
| | Commission on Letter of Guarantee | 9,933,089 | 9,853,519 |
| | Commission on Sale of Government Saving Instruments | 4,619 | 6,394 |
| | Commission on Banker to the issue & underwriting | - | - |
| | Other Commission | 68,000 | - |
| | | 228,090,327 | 252,113,017 |
| 29.2 | Exchange earnings (net) | | |
| | General activities and Treasury dealings | 616,513,336 | 85,053,372 |
| | | 616,513,336 | 85,053,372 |
| 30. | Other operating income | | |
| | Main Operation [Note 30.1] | 845,477,635 | 927,421,806 |
| | Off-shore Banking Unit | 3,796,703 | 2,932,384 |
| | | 849,274,338 | 930,354,190 |
| 30.1 | Other operating income - Main Operation | | |
| | Charges for service | 36,321,159 | 36,273,594 |
| | Income from IT service | 702,063,219 | 744,614,378 |
| | Recoveries from client | 50,063,249 | 38,978,792 |
| | Service charges on deposit accounts | 270,049 | 457,839 |
| | Income from Export-Import | 17,880,901 | 31,874,804 |
| | Examination and appraisal fees | 345,000 | - |
| | Document handling charges-Export | 730,716 | 154,000 |
| | Locker Rent | 2,806,250 | 1,475,500 |
| | Gain on sale of fixed assets [Note 30.2] | 388,290 | 18,892,067 |
| | Income from Mobile and Agent Banking Services | 5,876,045 | 18,981,634 |
| | Other earning | 28,732,757 | 35,719,198 |
| | | 845,477,635 | 927,421,806 |
| 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] | 388,290 | 18,892,067 |
| | | 388,290 | 18,892,067 |
| 30.3 | Calculation of income from sale of fixed assets | | |
| | Sale proceeds [A] | 2,801,453 | 28,244,889 |
| | Cost price of the sold items | 53,706,604 | 56,179,301 |
| | Less: Accumulated depreciation | 51,293,441 | 46,826,479 |
| | Written down value [B] | 2,413,163 | 9,352,822 |
| | Net gain [A - B] | 388,290 | 18,892,067 |

| 31. Administrative expenses | | 31-Mar-22 Taka | 31-Mar-21 Taka |
|--|-------|----------------------|----------------------|
| | Notes | | |
| Salary and allowances | 32 | 1,504,978,143 | 1,380,594,753 |
| Rent, taxes, insurance, electricity, etc. | 34 | 545,560,229 | 492,134,048 |
| Legal expenses | 35 | 1,382,297 | 547,670 |
| Postage, stamp, telecommunications, etc. | 36 | 96,997,312 | 87,716,214 |
| Stationery, printings, advertisements etc. | 37 | 164,239,115 | 176,237,014 |
| Managing Director & CEO's salary and allowances | 38 | 3,570,000 | 3,405,000 |
| Auditors' fees | 40 | 100,000 | 100,000 |
| Repair and maintenance | 41 | 265,026,448 | 238,708,523 |
| | | 2,581,853,544 | 2,379,443,222 |
| 32. Salary and allowances | | | |
| Main Operation [Note 32.1] | | 1,504,978,143 | 1,380,360,266 |
| Off-shore Banking Unit | | - | 234,487 |
| | | 1,504,978,143 | 1,380,594,753 |
| 32.1 Salary and allowances-Main Operation | | | |
| Basic salary | | 582,637,963 | 548,019,850 |
| House rent allowance | | 290,546,541 | 274,563,182 |
| Conveyance allowance | | 62,079,142 | 57,985,286 |
| Other allowances | | 102,885,251 | 78,639,271 |
| Bank's contribution to provident fund | | 54,664,479 | 51,963,467 |
| Medical expenses | | 56,146,967 | 56,680,705 |
| Bonus | | 206,017,800 | 192,508,505 |
| Gratuity | | 130,000,000 | 100,000,000 |
| Superannuation | | 20,000,000 | 20,000,000 |
| | | 1,504,978,143 | 1,380,360,266 |
| 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 18,221 as at 31 March 2022 compared to 17,411 as at 31 March 2021. | | | |
| 34. Rent, taxes, insurance, electricity, etc. | | | |
| Rent | | | |
| Office premises | | 287,364,482 | 252,069,996 |
| ATM Booths and other installations | | 173,252,811 | 157,422,751 |
| Less: Rent expenses adjusted for IFRS-16 | | (90,590,430) | (94,634,580) |
| | | 370,026,863 | 314,858,167 |
| Rates and taxes | | | |
| Rates | | 1,128,000 | 1,228,850 |
| Taxes | | 852,793 | 5,270,429 |
| | | 1,980,793 | 6,499,279 |
| Insurance | | | |
| Cash | | 12,205,799 | 12,195,436 |
| Vehicles | | 667,901 | 651,533 |
| Deposits | | 60,300,000 | 52,500,099 |
| Staff | | - | - |
| Other properties | | 2,096,367 | 9,372,538 |
| | | 75,270,067 | 74,719,606 |
| Electricity and sanitation | | | |
| Light and power | | 95,690,014 | 93,152,342 |
| Water and sewerage | | 2,422,627 | 2,754,754 |
| Utilities | | 169,865 | 149,900 |
| | | 98,282,506 | 96,056,996 |
| | | 545,560,229 | 492,134,048 |
| 35. Legal expenses | | | |
| Legal expenses | | 1,382,297 | 547,670 |
| | | 1,382,297 | 547,670 |

| | | 31-Mar-22 Taka | 31-Mar-21 Taka |
|-------------|--|--------------------|--------------------|
| 36. | Postage, stamp, telecommunications, etc. | | |
| | Main Operation [Note 36.1] | 96,997,312 | 87,716,214 |
| | Off-shore Banking Unit | - | - |
| | | 96,997,312 | 87,716,214 |
| 36.1 | Postage, stamp, telecommunications, etc.-Main Operation | | |
| | Postage | 7,242,245 | 7,418,304 |
| | Telephone | 4,919,351 | 6,978,371 |
| | Radio link | 77,209,219 | 65,678,951 |
| | Swift, Reuters, internet, etc. | 7,626,497 | 7,640,588 |
| | | 96,997,312 | 87,716,214 |
| 37. | Stationery, printings, advertisements etc. | | |
| | Printing and stationery: | | |
| | Printed stationery | 13,498,716 | 21,434,208 |
| | Security stationery | 11,653,388 | 10,433,084 |
| | Petty stationery | 28,867,859 | 14,780,185 |
| | | 54,019,963 | 46,647,477 |
| | Publicity and advertisement | 110,219,152 | 129,589,537 |
| | | 164,239,115 | 176,237,014 |
| 38. | Managing Director & CEO's salary and allowances | | |
| | Basic salary | 2,700,000 | 2,550,000 |
| | House rent allowance | 240,000 | 240,000 |
| | House maintenance | 120,000 | 120,000 |
| | Bank's contribution to provident fund | 270,000 | 255,000 |
| | Other allowances | 90,000 | 90,000 |
| | Leave fare assistance | 150,000 | 150,000 |
| | Bonus | - | - |
| | | 3,570,000 | 3,405,000 |
| 39. | Directors' fees | | |
| | Honorarium for attending meeting | 24,950 | 42,110 |
| | Incidental expenses for attending meeting | 350 | 1,506 |
| | | 25,300 | 43,616 |
| 40. | Auditors' fees | | |
| | Statutory annual audit fees | 100,000 | 100,000 |
| | Special audit fees | - | - |
| | Fees for various certification | - | - |
| | | 100,000 | 100,000 |
| 41. | Depreciation and repair of bank's assets | | |
| | Depreciation on fixed assets including building, furniture and fixtures | | |
| | Main Operation [Note 41.1] | 459,765,153 | 430,552,061 |
| | Off-shore Banking Unit | - | - |
| | | 459,765,153 | 430,552,061 |
| | Repair and maintenance | | |
| | Main Operation [Note 41.2] | 265,026,448 | 238,708,523 |
| | Off-shore Banking Unit | - | - |
| | | 265,026,448 | 238,708,523 |
| | | 724,791,601 | 669,260,584 |

| | 31-Mar-22 Taka | 31-Mar-21 Taka |
|--|----------------------|----------------------|
| 41.1 Depreciation on fixed assets including land, building, furniture and fixtures - Main Operation | | |
| Land | - | - |
| Building (including lease hold property) | 2,497,150 | 2,497,151 |
| Interior decoration | 28,254,891 | 22,879,959 |
| Furniture and fixtures | 8,087,796 | 7,574,101 |
| Other machinery and equipment | 69,167,659 | 65,514,406 |
| Computer equipment | 171,289,573 | 147,443,857 |
| Computer software | 12,192,190 | 11,665,085 |
| Motor vehicles | 25,242,245 | 21,039,482 |
| ATM Booth | 23,448,791 | 25,143,794 |
| ATM and Fast Track (ATM & Deposit Machine) | 39,169,706 | 40,725,259 |
| Right of use of assets IFRS-16: lease | 80,415,152 | 86,064,518.00 |
| Books | - | 4,449 |
| | 459,765,153 | 430,552,061 |
| 41.2 Repair and maintenance - Main Operation | | |
| Premises | 56,722,859 | 62,823,514 |
| Vehicles | 18,802,558 | 10,752,548 |
| Computers | 189,501,031 | 165,132,461 |
| | 265,026,448 | 238,708,523 |
| 42. Other expenses | | |
| Main Operation [Note 43.1] | 1,595,524,657 | 1,777,610,728 |
| Off-shore Banking Unit | 104,995 | 87,715 |
| | 1,595,629,652 | 1,777,698,443 |
| 42.1 Other expenses- Main Operation | | |
| Entertainment expenses | 14,247,988 | 8,470,572 |
| Fuel and lubricant | 14,395,819 | 11,160,587 |
| Subscription and donations | 13,362,249 | 28,343,016 |
| Casual wages and allowances | 307,334,238 | 282,304,054 |
| Travelling expenses and allowances | 124,334,581 | 201,601,819 |
| Petty conveyance | 11,747,617 | 10,184,134 |
| News papers, periodicals, learning materials etc. | 331,191 | 165,541 |
| Crockeries | 155,449 | 107,564 |
| Debit and Credit Card expenses | 136,105,246 | 197,630,008 |
| Tele Banking Expenses | 25,743,199 | 32,184,373 |
| Cash carrying charges | 11,959,902 | 9,660,383 |
| ATM cash replenishment charges | 149,900,000 | 149,900,000 |
| Recruitment, training, seminar and workshop | 9,730,229 | 1,017,981 |
| Service charge on nostro account and others | 11,824,670 | 4,103,250 |
| Consultancy fees | 5,756,553 | 4,694,003 |
| Business promotion and development | 193,321,062 | 174,512,350 |
| Other Operational Expenses | 159,300,000 | 198,999,999 |
| Finance cost for right of use of asset - IFRS-16: lease | 17,555,025 | 18,663,030 |
| Laundry and cleaning | 30,544 | 40,954 |
| Other expenses for Mobile Banking Services | 99,922,851 | 39,598,897 |
| Other expenses for Agent Banking Services | 282,790,369 | 397,350,961 |
| Miscellaneous | 5,675,875 | 6,917,252 |
| | 1,595,524,657 | 1,777,610,728 |

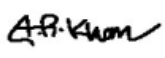
| | 31/Mar/22 Taka | 31/Mar/21 Taka |
|---|----------------------|----------------------|
| 43. Receipts from other operating activities | | |
| Other operating income [Note 30] | 849,274,338 | 930,354,190 |
| Less: Income from sale of fixed assets (net) | 388,290 | 18,892,067 |
| | 848,886,048 | 911,462,123 |
| Exchange earnings (net) [Note 29.2] | 616,513,336 | 85,053,372 |
| | 1,465,399,384 | 996,515,495 |
| 44. Payments for other operating activities | | |
| Expenses for the year | 1,759,160,164 | 1,767,012,669 |
| Add: Opening accrued expenses | 624,494,048 | 1,350,862,285 |
| Add: Closing advance expenses | 918,609,981 | 727,800,809 |
| Less: Closing accrued expenses | 840,576,545 | 1,760,212,565 |
| Less: Opening advance expenses | 832,142,193 | 688,429,194 |
| | 1,629,545,455 | 1,397,034,004 |
| 45. Increase/(decrease) of other assets | | |
| Closing other assets | | |
| Security deposits | 23,797,650 | 21,619,559 |
| Suspense account | 382,043,793 | 21,570,653 |
| Branch adjustment (net) | 409,158,779 | - |
| Encashment of Sanchaya Patra (awaiting realization) | 894,759,250 | 794,151,377 |
| Sundry debtors | 115,861,454 | 99,976,738 |
| Cash remittance | 395,703,485 | 205,510,356 |
| Others | 4,022,607,883 | 3,189,284,668 |
| | 6,243,932,294 | 4,332,113,351 |
| Opening other assets | | |
| Security deposits | 23,218,575 | 21,676,180 |
| Suspense account | 145,839,025 | 3,673,847 |
| Branch adjustment (net) | - | - |
| Encashment of Sanchaya Patra (awaiting realization) | 436,458,825 | 978,050,019 |
| Sundry debtors | 110,002,962 | 61,073,485 |
| Cash remittance | 316,929,215 | 91,558,511 |
| Others | 4,701,862,536 | 3,398,606,874 |
| | 5,734,311,138 | 4,554,638,916 |
| | 509,621,156 | (222,525,565) |
| 46. Increase/(decrease) of other liabilities | | |
| Closing other liabilities | | |
| Branch adjustment (net) | - | 255,461,768 |
| Cumulative balance of interest suspense account | 5,377,548,634 | 5,004,194,030 |
| Revaluation reserve for HTM securities | 181,135,270 | 96,905,831 |
| Revaluation reserve for HFT securities | - | - |
| Risk Fund for fixed assets | 26,604,927 | - |
| Liability for lease hold property | 1,987,306,003 | - |
| Others | 334,741,196 | 1,081,244,286 |
| | 7,907,336,030 | 6,437,805,915 |
| Opening other liabilities | | |
| Branch adjustment (net) | 266,331,106 | 331,072,646 |
| Cumulative balance of interest suspense account | 5,312,506,060 | 4,841,730,487 |
| Revaluation reserve for HTM securities | 181,135,270 | 96,905,831 |
| Revaluation reserve for HFT securities | - | - |
| Risk Fund for fixed assets | 20,558,911 | - |
| Liability for lease hold property | 2,016,120,379 | - |
| Others | 449,342,615 | 957,370,237 |
| | 8,245,994,341 | 6,227,079,201 |
| | (338,658,311) | 210,726,714 |


| | | 31/Mar/22 Taka | 31/Mar/21 Taka |
|--|--|----------------------|------------------------|
| 47.1 Reconciliation between Operating profit of the Bank and Cash flows from operating activities | | | |
| Profit before provision | | 2,692,510,453 | 2,091,939,198 |
| Depreciation on fixed assets | | 459,765,153 | 430,552,061 |
| Gain/loss on sale of fixed assets | | (388,290) | (18,892,067) |
| Adjustment of provision for loans and advances | | 42,183,532 | 1,287,697 |
| Increase of interest receivable | | 1,495,616,041 | 3,954,158,284 |
| Increase of interest payable | | 818,013,691 | 708,386,734 |
| Increase of accrued expenses | | 7,250,189 | 319,744,943 |
| Increase of advance expenses | | (301,397,280) | (93,169,754) |
| Advance tax paid | | (901,556,973) | (1,029,772,019) |
| Operating profit before changes in operating assets and liabilities | | 4,311,996,516 | 6,364,235,078 |
| Increase/(decrease) in operating assets and liabilities | | | |
| Statutory deposits | | - | - |
| Purchase /sale of trading securities | | (3,142,428,520) | 5,178,337,959 |
| Loans and advances to other banks | | - | - |
| Loans and advances to customers | | (4,164,683,140) | (8,071,337,313) |
| Other assets | | (509,621,156) | 222,525,565 |
| Deposits from other banks | | (15,930,410) | 13,282,770 |
| Deposits from customers | | 4,077,403,857 | (6,049,161,333) |
| Other liabilities account of customers | | 932,353,075 | (1,832,698,986) |
| Other liabilities | | (338,658,311) | 179,331,918 |
| Net cash from operating activities | | 1,150,431,911 | (3,995,484,343) |
| 47.2 Net operating cash flow per share (NOCFPS) [Note 24.4] | | 1.82 | (6.32) |
| 47.3 Net operating cash flow per share (NOCFPS) increase/(decrease) mainly due to | | | |
| Increase/(decrease) in operating cash flow | | | |
| | Difference from previous period | | |
| Interest receivable | (2,458,542,243) | 1,495,616,041 | 3,954,158,284 |
| Purchase /sale of trading securities | (8,320,766,479) | (3,142,428,520) | 5,178,337,959 |
| Loans and advances to customers | 3,906,654,172 | (4,164,683,140) | (8,071,337,313) |
| Deposits from customers | 10,126,565,191 | 4,077,403,857 | (6,049,161,333) |
| Other liabilities account of customers | 2,765,052,061 | 932,353,075 | (1,832,698,986) |
| Total | 6,018,962,702 | (801,738,688) | (6,820,701,389) |


| | 31/Mar/22 Taka | 31/Dec/21 Taka |
|--------------------------------------|-----------------------|-----------------------|
| 48. Cash and cash-equivalents | | |
| Main Operation [Note 48.1] | 55,496,155,598 | 54,591,526,562 |
| Off-shore Banking Unit | 17,522,414 | 29,609,281 |
| | 55,513,678,012 | 54,621,135,843 |

48.1 Cash and cash-equivalents - Main Operation

| | | |
|--|-----------------------|-----------------------|
| Cash in hand (including foreign currencies) | 21,228,677,207 | 17,853,114,090 |
| Balance with Bangladesh Bank and its agent bank (including foreign currencies) | 18,323,829,886 | 17,863,639,768 |
| Balance with other banks and financial institutions | 14,936,141,205 | 18,866,881,204 |
| Prize bonds | 7,507,300 | 7,891,500 |
| Money at call on short notice | 1,000,000,000 | - |
| | 55,496,155,598 | 54,591,526,562 |


Director


Director


Managing Director & CEO


Chief Financial Officer


Company Secretary

Dhaka, 26 April 2022