

DUTCH - BANGLA BANK LIMITED

FINANCIAL STATEMENTS

For the half year ended 30 June 2022


Dutch-Bangla Bank Limited
Balance Sheet
As at 30 June 2022

PROPERTY AND ASSETS	Notes	30-Jun-22 Taka (Un-audited)	31-Dec-21 Taka (Audited)	30-Jun-21 Taka (Audited)
Cash				
In hand (including foreign currencies)	4	29,169,094,656	17,853,114,090	34,096,190,263
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	5	20,809,460,389	17,863,639,768	17,240,859,108
		49,978,555,045	35,716,753,858	51,337,049,371
Balance with other banks and financial institutions	6			
In Bangladesh		8,319,847,748	12,404,257,887	12,955,057,006
Outside Bangladesh		2,380,963,535	956,190,048	922,870,448
		10,700,811,283	13,360,447,935	13,877,927,454
Money at call on short notice	7	-	-	860,000,000
Investments	8			
Government		105,357,911,290	107,955,029,777	97,517,741,606
Others		8,586,283,434	8,726,283,434	6,871,283,434
		113,944,194,724	116,681,313,211	104,389,025,040
Loans and advances	9			
Loans, cash credits, overdrafts, etc.		321,549,327,682	299,879,503,769	277,414,583,282
Bills purchased and discounted		23,751,055,264	19,568,567,985	18,863,165,918
		345,300,382,946	319,448,071,754	296,277,749,200
Fixed assets including land, building, furniture and fixtures	10	7,978,968,382	7,806,988,757	7,716,629,517
Other assets	11	23,499,776,168	21,386,202,543	25,270,740,978
Non-banking assets		-	-	-
TOTAL ASSETS		551,402,688,548	514,399,778,058	499,729,121,560
LIABILITIES AND CAPITAL				
Liabilities				
Borrowings from other banks, financial institutions and agents	12	34,988,388,486	28,974,520,236	33,838,421,833
Deposits and other accounts	13			
Current deposits and other accounts		116,656,036,244	104,093,219,774	96,431,597,987
Bills payable		6,499,196,304	4,219,947,608	5,746,614,455
Savings bank deposits		209,666,853,304	191,210,176,186	179,996,128,777
Term deposits		97,548,350,896	101,977,001,852	98,995,681,777
		430,370,436,748	401,500,345,420	381,170,022,996
Other liabilities	14	36,713,303,291	34,958,550,601	38,102,223,564
Subordinated debt	15	11,000,000,000	12,000,000,000	13,000,000,000
TOTAL LIABILITIES		513,072,128,524	477,433,416,257	466,110,668,394
Shareholders' equity				
Paid up share capital	16.2	6,957,500,000	6,325,000,000	6,325,000,000
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	164,415,768	181,135,270	79,391,829
Proposed dividend		-	-	-
Retained earnings	24	19,387,287,610	18,638,869,885	15,392,704,691
TOTAL SHAREHOLDERS' EQUITY		38,330,560,024	36,966,361,801	33,618,453,166
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		551,402,688,548	514,399,778,058	499,729,121,560


	Notes	30-Jun-22 Taka (Un-audited)	31-Dec-21 Taka (Audited)	30-Jun-21 Taka (Audited)
OFF-BALANCE SHEET ITEMS				
Contingent liabilities	23			
Acceptances and endorsements		74,579,645,940	56,280,687,848	46,938,780,398
Letters of guarantee		7,374,931,266	5,336,987,314	5,838,079,668
Irrevocable letters of credit		53,619,272,834	44,519,600,967	37,402,200,359
Bills for collection		-	-	-
Other contingent liabilities		10,753,184,985	3,194,100,077	2,571,406,517
Total contingent liabilities		146,327,035,025	109,331,376,206	92,750,466,942
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		146,327,035,025	109,331,376,206	92,750,466,942
Net Asset Value (NAV) Per Share		55.09	53.13	48.32

The annexed notes 1 to 49 form an integral part of these financial statements.


Director


Director


Managing Director & CEO


Chief Financial Officer


Company Secretary

Dhaka, 26 July 2022

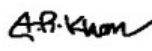
Dutch-Bangla Bank Limited

Profit and Loss Account

For the half year ended 30 June 2022

	Notes	For the period ended 30 June (from January to June)		For the quarter ended 30 June (from April to June)	
		2022	2021	2022	2021
		Taka	Taka	Taka	Taka
Interest income	26	11,449,505,761	11,022,026,176	5,916,150,395	5,740,981,445
Interest paid on deposits and borrowings etc.	27	3,699,741,486	3,247,112,673	1,941,378,260	1,589,898,888
Net interest income		7,749,764,275	7,774,913,503	3,974,772,135	4,151,082,557
Investment income	28	3,551,565,899	3,591,306,969	1,690,651,938	1,802,981,954
Commission, exchange and brokerage	29	1,969,731,871	809,234,197	1,125,128,208	472,067,808
Other operating income	30	1,895,335,521	1,759,606,158	1,046,061,183	829,251,968
Total operating income		15,166,397,566	13,935,060,827	7,836,613,464	7,255,384,286
Salary and allowances	32	3,228,596,971	2,873,602,955	1,723,618,828	1,493,008,202
Rent, taxes, insurance, electricity, etc.	34	1,167,128,366	1,045,202,470	621,568,137	553,068,422
Legal expenses	35	2,074,356	1,212,644	692,059	664,974
Postage, stamp, telecommunications, etc.	36	197,250,988	197,452,735	100,253,676	109,736,521
Stationery, printings, advertisements, etc.	37	311,960,537	339,044,918	147,721,422	162,807,904
Managing Director & CEO's salary and allowances	38	9,040,000	8,660,000	5,470,000	5,255,000
Directors' fees	39	29,350	68,451	4,050	24,835
Auditors' fees	40	200,000	262,778	100,000	162,778
Depreciation and repair of bank's assets	41	1,460,312,624	1,356,944,061	735,521,023	687,683,477
Other expenses	42	3,526,758,338	3,358,223,466	1,931,128,686	1,580,525,023
Total operating expenses		9,903,351,530	9,180,674,478	5,266,077,881	4,592,937,136
Profit before provision		5,263,046,036	4,754,386,349	2,570,535,583	2,662,447,150
Provision for loans and off-balance sheet exposures					
Specific provision for loans	14.1.4.1.A	169,259,518	731,790,961	(163,400,576)	326,548,400
General provision for loans	14.1.4.1.B.iv	292,204,059	55,700,905	240,164,721	20,779,195
General provision for off-balance sheet exposures	14.1.4.1.B.iii	369,708,237	99,110,958	230,298,394	18,167,109
		831,171,814	886,602,824	307,062,539	365,494,704
Other provision	14.1.2	90,000,000	10,000,000	(40,000,000)	10,000,000
Total provision		921,171,814	896,602,824	267,062,539	375,494,704
Profit before taxes		4,341,874,222	3,857,783,525	2,303,473,044	2,286,952,446
Provision for taxation					
Current tax	14.1.3	1,949,382,903	1,875,901,924	929,613,749	1,093,841,879
Deferred tax	11.2.2	(95,301,406)	(277,420,339)	6,335,156	(161,179,131)
		1,854,081,497	1,598,481,585	935,948,905	932,662,748
Net profit after taxation		2,487,792,725	2,259,301,940	1,367,524,139	1,354,289,699
Appropriations					
Statutory reserve	18	-	-	-	-
Retained surplus to retained earnings		2,487,792,725	2,259,301,940	1,367,524,139	1,354,289,699
Earnings per share (EPS)	24.2	3.58	3.25	1.97	1.95

The annexed notes 1 to 49 form an integral part of these financial statements.



Director



Director



Managing Director & CEO



Chief Financial Officer



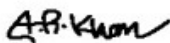
Company Secretary

Dhaka, 26 July 2022

Dutch-Bangla Bank Limited

Cash Flow Statement For the half year ended 30 June 2022

	Notes	30-Jun-22 Taka	30-Jun-21 Taka
A) Cash flows from operating activities			
Interest receipts in cash		15,816,993,829	18,134,642,155
Interest payments		(3,553,579,125)	(3,358,043,486)
Dividend receipts in cash		5,711,803	3,427,082
Gain on sale of shares		-	-
Gain on sale of securities		798,533,825	182,868
Recoveries of loan previously written-off		44,479,640	1,673,592
Fee and commission receipts in cash		510,697,947	516,863,915
Cash payments to employees		(3,348,284,099)	(3,035,143,158)
Cash payments to suppliers		(2,191,838,206)	(1,877,414,963)
Income taxes paid		(2,864,091,322)	(2,706,278,304)
Receipts from other operating activities	43	3,353,981,155	2,033,076,891
Payments for other operating activities	44	(3,526,062,838)	(2,790,196,465)
Operating profit before changes in operating assets and liabilities		5,046,542,609	6,922,790,127
Increase/(decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase /sale of trading securities		3,022,778,355	11,326,464,050
Loans and advances to other banks		-	-
Loans and advances to customers		(27,393,086,985)	(26,446,580,978)
Other assets	45	(2,338,774,121)	(545,703,462)
Deposits from other banks		(6,353,628)	18,130,162
Deposits from customers		28,771,236,942	18,632,549,213
Other liabilities account of customers		5,791,660,983	5,612,769,744
Other liabilities	46	1,979,552,758	(382,044,146)
Net cash from operating activities		14,873,556,913	15,138,374,711
B) Cash flows from investing activities			
Payments for purchase of securities		(84,482,060,461)	(55,552,437,826)
Proceeds from sale of securities		84,194,319,693	52,432,799,015
Purchase of property, plant and equipment		(1,109,288,783)	(716,643,110)
Sale proceeds of property, plant and equipment		5,076,096	29,427,127
Net cash used in investing activities		(1,391,953,455)	(3,806,854,793)
C) Cash flows from financing activities			
Receipts from issue of loan capital and debt securities		-	-
Payment for redemption of loan capital and debt securities		(1,000,000,000)	(1,000,000,000)
Dividends paid		(1,105,756,481)	(825,529,810)
Net cash from financing activities		(2,105,756,481)	(1,825,529,810)
D) Net increase / (decrease) in cash (A+B+C)		11,375,846,978	9,505,990,107
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	65,996,982,821	70,820,389,051
Net Operating Cash Flow Per Share (NOCFPS)	24.4	21.38	21.76



Director



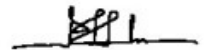
Director



Managing Director & CEO



Chief Financial Officer



Company Secretary

Dutch-Bangla Bank Limited
Statement of Changes in Equity
For the half year ended 30 June 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	-	-	-	-	-	(16,719,502)	-	(16,719,502)
Currency translation differences	-	-	-	-	-	-	-	-
Net gains and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Payment of cash dividend during the period for the previous year	-	-	-	-	-	-	(1,106,875,000)	(1,106,875,000)
Transfer of stock dividend during the period for the previous year	632,500,000	-	-	-	-	-	(632,500,000)	-
Net profit for the six months ended 30 June 2022	-	-	-	-	-	-	2,487,792,725	2,487,792,725
Transfer to Start up Fund	-	-	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-
Appropriations during the period	-	-	-	-	-	-	-	-
Balance at 30 June 2022	6,957,500,000	11,067,500	9,193,048,174	1,766,827,195	850,413,777	164,415,768	19,387,287,610	38,330,560,024
Balance at 30 June 2021	6,325,000,000	11,067,500	9,193,048,174	1,766,827,195	850,413,777	79,391,829	15,392,704,691	33,618,453,166


Director


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Managing Director & CEO


Chief Financial Officer


Company Secretary

Dhaka, 26 July 2022

Dutch-Bangla Bank Limited

Notes to the Financial Statements As of and for the period ended 30 June 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 and Sub-branches was 99 as at 30 June 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 30 June 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 2022.

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 and BRPD Circular Letter No. 14 dated June 22, 2022 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	10.00%
Furniture and fixtures	10.00%
ATM Booth	10.00%
ATM/Fast Track	12.50%
Computer equipment	20.00%
Computer software	20.00%
Other machinery and equipment	15.00%
Motor vehicles	20.00%
Books	10.00%
Right of use of asset - IFRS 16: lease	Over the lease term

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

2.8 Off-balance sheet exposures

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

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

2.9 Bases for valuation of liabilities and provisions

2.9.1 Retirement benefits to the employees

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

a) Provident fund

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

b) Gratuity fund

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

c) Superannuation fund

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

2.9.2 Workers' Profit Participation Fund (WPPF)

Consistent with the Industry practice and in accordance with the Bank Company Act, 1991, no provision has been made for WPPF.

2.10 Revenue recognition

The revenues of the Bank during the year have been recognized in terms of the provisions of International Financial Reporting Standards 15, 'Revenue from contracts with customers' and International Financial Reporting Standards 9 "Financial Instruments" as outlined below:

2.10.1 Interest income

a) Interest income from loans and advances and lease finance

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

b) Other interest income

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

2.10.2 Fees and commission income

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

2.10.3 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.10.4 Interest paid on deposits and borrowings

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

2.10.5 Other operating expenses

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

2.11 Earnings per share

Earnings per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as at 30 June 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.

2.15 Reconciliation of books of account

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

2.16 Reporting period

The reporting period of these financial statements cover six months of the calendar year from 1 January 2022 to 30 June 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 30 June 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 254th meeting held on 26 July 2022 approved the financial statements of the Bank for the period ended 30 June 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.

	30-Jun-22 Taka	31-Dec-21 Taka
4. Cash in hand (including foreign currencies)		
Local currency	29,148,318,896	17,823,419,696
Foreign currencies	20,775,760	29,694,394
	29,169,094,656	17,853,114,090
5. Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		
Bangladesh Bank		
Local currency	17,981,184,242	16,993,708,064
Foreign currencies	2,500,086,398	442,609,553
	20,481,270,640	17,436,317,617
Sonali Bank Limited (as an agent of Bangladesh Bank) - Local currency	328,189,749	427,322,151
	20,809,460,389	17,863,639,768

	30-Jun-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	17,252,626,000	16,246,605,000
Actual reserve maintained		
Balance with Bangladesh Bank-Local currency [Note 5]	17,981,184,242	16,993,708,064
Balance with Bangladesh Bank - Foreign currencies used from FC clg. A/C (for OBO)	-	-
	17,981,184,242	16,993,708,064
Surplus/(deficit)*	728,558,242	747,103,064
Cash Reserve Maintained: average at least 4.0% with minimum 3.5% throughout the accounting period and 4.17% on the Balance Sheet date	4.17%	4.18%
5.1.2 Statutory Liquidity Ratio (SLR): 13% of average demand and time liabilities		
Required reserve	57,064,969,000	53,568,524,000
Available for maintenance:		
Cash in hand (including foreign currencies)	29,169,094,656	17,853,114,090
Balance with Sonali Bank Limited (as an agent of Bangladesh Bank)	328,189,749	427,322,151
Balance with Bangladesh Bank in excess of CRR	728,558,242	747,103,064
Unencumbered approved securities (treasury bills and bonds, debentures etc.)	105,352,100,690	107,947,138,277
Foreign currencies used in BDT from FC clg. A/C and Nostro A/C	-	-
	135,577,943,337	126,974,677,582
Surplus	78,512,974,337	73,406,153,582
Statutory Liquidity Ratio (SLR) Maintained (%)	30.89%	30.81%
6. Balance with other banks and financial institutions		
In Bangladesh		
Main Operation [Note 6.1]	13,580,169,026	17,910,691,156
Off-shore Banking Unit	51,484,615	29,609,281
Less: Inter Bank transactions [Note 12]	(5,311,805,893)	(5,536,042,550)
	8,319,847,748	12,404,257,887
Outside Bangladesh		
Main Operation [Note 6.1]	2,380,963,535	956,190,048
Off-shore Banking Unit	-	-
	2,380,963,535	956,190,048
Total Balance with other banks and financial institutions	10,700,811,283	13,360,447,935

6.1 Balance with other banks and financial institutions - Main Operation

(a) In Bangladesh

In current deposit accounts with

Janata Bank Limited
Sonali Bank Limited
Standard Chartered Bank, Dhaka
Islami Bank Bangladesh Limited
Agrani Bank Limited
Al Arafah Islami Bank Limited
The City Bank Limited
National Bank Limited

In special notice deposit accounts with

Sonali Bank Limited
National Bank Limited
The City Bank Limited
Rupali Bank Limited
Agrani Bank Limited
Janata Bank Limited
Dhaka Bank Limited
Islami Bank Limited
Mutual Trust Bank Limited

In fixed deposit accounts with

Jamuna Bank Limited
IFIC Bank Limited
One Bank Limited
Dhaka Bank Limited
Exim Bank Limited
Modhumoti Bank Limited

In fixed deposit accounts (in foreign currency) with

Islami Bank Bangladesh Limited
Pubali Bank Limited
Off-shore Banking Unit, Dutch-Bangla Bank Limited

Other financial institutions

In fixed deposit accounts with

Investment Corporation of Bangladesh
International Leasing & Financial Services Limited
Bangladesh Industrial Finance Company Limited (BIFC)
IDLC Finance Limited

Total (a) In Bangladesh

	30-Jun-22 Taka	31-Dec-21 Taka
	16,970	27,316,054
	1,652,466,469	296,607,388
	141,025,287	143,791,801
	3,567,853	77,071,163
	229,668	284,062
	-	-
	43,718	43,989
	-	27,448
	1,797,349,965	545,141,905
	10,583,679	2,168,638,425
	-	157,375
	4,359	4,359
	15,511,855	33,311,430
	49,518,745	50,092,220
	7,004,967	59,420,542
	-	2,149,136
	331,746,184	371,265,152
	49,210	987,510
	414,418,999	2,686,026,149
	-	1,500,000,000
	-	1,000,000,000
	-	1,000,000,000
	-	500,000,000
	1,000,000,000	1,000,000,000
	-	100,000,000
	1,000,000,000	5,100,000,000
	1,185,359,783	423,625,000
	911,815,217	-
	5,311,225,062	5,535,898,102
	7,408,400,062	5,959,523,102
	2,520,000,000	2,680,000,000
	90,000,000	90,000,000
	350,000,000	350,000,000
	-	500,000,000
	2,960,000,000	3,620,000,000
	13,580,169,026	17,910,691,156

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

Name of the correspondent Bank	Currency	30-Jun-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	388,554	92.9750	36,125,832	544,200	85.8000	46,692,332
Commerzbank AG, Frankfurt, Germany	EURO	54,987	97.3276	5,351,772	92,955	97.3658	9,050,596
AB Bank Ltd., Mumbai, India	ACU	216,029	92.9750	20,085,266	160,232	85.8000	13,747,922
Citibank N.A., New York, USA	USD	3,684,312	92.9750	342,548,884	1,923,937	85.8000	165,073,787
ICICI Bank Limited, Mumbai, India	ACU	159,311	92.9750	14,811,955	169,449	85.8000	14,538,753
				418,923,709	249,103,390		

In demand deposit account (non-interest bearing) with

Name of the correspondent Bank	Currency	30-Jun-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	179,191	112.2335	20,111,269	162,668	115.7099	18,822,273
Standard Chartered Bank, New York, USA	USD	17,655,389	92.9750	1,641,509,760	5,580,347	85.8000	478,793,734
Standard Chartered Bank, AG, Germany	EUR	12,983	97.3276	1,263,617	64,599	97.3658	6,289,701
ICICI Bank Ltd., Hong Kong	USD	47,722	92.9750	4,436,972	130,143	85.8000	11,166,303
JP Morgan Chase Bank N.A., New York, USA	USD	728,686	92.9750	67,749,566	816,794	85.8000	70,080,889
Standard Chartered Bank, Colombo, Sri Lanka	ACU	9,420	92.9750	875,820	11,987	85.8000	1,028,467
Commerzbank AG, Frankfurt, Germany	CHF	47,163	97.3480	4,591,177	19,833	93.8012	1,860,321
The Bank of Tokyo-Mitsubishi UFJ Ltd., Tokyo, Japan	JPY	1,744,966	0.6844	1,194,255	12,103,716	0.7463	9,033,003
Bank of Montreal Canada	CAD	48,222	71.8630	3,465,352	64,721	67.0732	4,341,028
Axis Bank, India	ACU	107,155	92.9750	9,962,732	94,294	85.8000	8,090,450
Commerzbank AG, Frankfurt, Germany	AUD	17,209	64.0940	1,103,018	78,407	62.1878	4,875,975
Mashreqbank PSC, Mumbai, India	ACU	535,582	92.9750	49,795,717	392,749	85.8000	33,697,880
Mashreqbank PSC, Mumbai, India	EUR	683	97.3276	66,517	683	97.3658	66,543
Mashreq Bank PSC, Dubai, UAE	AED	4,639,174	25.1124	116,500,802	709,918	23.3565	16,581,198
Standard Chartered Bank, Mumbai, India	ACU	203,144	92.9750	18,887,286	97,933	85.8000	8,402,648
HDFC Bank Limited	ACU	77,389	92.9750	7,195,205	194,768	85.8000	16,711,116
Meezan Bank, Karachi, Pakistan	ACU	14,340	92.9750	1,333,301	8,012	85.8000	687,398
Bank of Ceylon, Colombo, Sri Lanka	ACU	21,050	92.9750	1,957,094	4,173	85.8000	358,016
Kookmin Bank, Seoul, Korea	USD	33,069	92.9750	3,074,607	158,917	85.8000	13,635,085
Al Rajhi Bank in Riyadh, Saudi Arabia	SAR	92,195	24.5795	2,266,118	98,842	22.8465	2,258,188
Habib Metropolitan Bank, Karachi, Pakistan	ACU	50,547	92.9750	4,699,641	3,572	85.8000	306,442
				1,962,039,826	707,086,658		
Total (b) Outside Bangladesh				2,380,963,535	956,190,048		
Total (a+b)				15,961,132,561	18,866,881,204		

	30-Jun-22 Taka	31-Dec-21 Taka
7. Money at call on short notice		
a) With banks		
	-	-
	-	-
b) With non bank financial institutions		
	-	-
	-	-
Total (a+b)	-	-
8. Investments		
In Government securities		
Treasury bills		
7-day treasury bills	-	-
14-day treasury bills	-	-
91-day treasury bills	1,485,868,499	-
182-day treasury bills	2,924,113,000	-
364-day treasury bills	3,152,517,257	2,687,778,250
	7,562,498,756	2,687,778,250
Treasury bonds		
2-year treasury bonds	37,844,059,966	45,741,558,829
5-year treasury bonds	15,088,139,823	15,088,139,824
10-year treasury bonds	32,837,677,462	32,757,012,498
15-year treasury bonds	8,112,481,304	7,839,861,345
20-year treasury bonds	3,907,243,379	3,832,787,531
	97,789,601,934	105,259,360,027
Total treasury bills and bonds	105,352,100,690	107,947,138,277
Prize bonds	5,810,600	7,891,500
	105,357,911,290	107,955,029,777
Other investments		
Subordinated bonds [Note 8.2]	7,580,000,000	7,720,000,000
Shares [Note 8.3]	1,006,283,434	1,006,283,434
	8,586,283,434	8,726,283,434
	113,944,194,724	116,681,313,211
8.1 Classification of investments		
Government treasury bills and bonds		
Held for trading (HFT)	41,173,817,027	44,196,595,382
Held to maturity (HTM)	64,178,283,663	63,750,542,895
Total investments in government securities	105,352,100,690	107,947,138,277
Prize bonds	5,810,600	7,891,500
Other investments	8,586,283,434	8,726,283,434
	113,944,194,724	116,681,313,211

		30-Jun-22	31-Dec-21		
		Taka	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	900,000,000	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		
		7,580,000,000	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				
	Quoted shares and bonds	Number of share/bond	Cost Value	Market Value	Value Decreased
	Share: RAK Ceramics (Bangladesh) Limited	214	5,664	10,550	-
	Bond: Beximco Green-Sukuk al Istisna'a	10,000,000	1,000,000,000	920,000,000	80,000,000
	Total Value Decreased [Provision kept agaist value decreased in Note 14.1.1.2]				80,000,000
	* 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.	320,791,851,522	299,139,586,778		
	Bills purchased and discounted	1,852,339,517	1,789,290,459		
		322,644,191,039	300,928,877,237		
	Off-shore Banking Unit				
	Loans, cash credits, overdrafts, etc.	757,476,160	739,916,991		
	Bills purchased and discounted	21,898,715,747	17,779,277,526		
		22,656,191,907	18,519,194,517		
	Total loans and advances	345,300,382,946	319,448,071,754		
9.1	Loans, cash credits, overdrafts etc. - Main operation				
	In Bangladesh				
	Overdraft	28,975,236,719	28,063,798,778		
	Cash credit	39,357,080,634	38,381,644,088		
	Export cash credit	16,253,100,989	17,498,215,560		
	Transport loan	1,512,367,137	1,714,766,854		
	House building loan	5,304,767,115	5,426,269,095		
	Loan against trust receipt	4,370,144,580	2,140,626,933		
	Term loan - industrial	90,605,305,888	98,691,081,230		
	Term loan - other	82,401,019,380	63,885,258,334		
	Payment against document - cash	156,238,815	173,072,018		
	Payment against document - EDF	1,921,031,125	2,362,073,635		
	Consumer finance	49,337,200,984	40,194,189,537		
	Staff loan	598,358,156	608,590,716		
		320,791,851,522	299,139,586,778		
	Outside Bangladesh	-	-		
		320,791,851,522	299,139,586,778		
	Bills purchased and discounted				
	Payable in Bangladesh				
	Inland bills purchased	1,852,087,757	1,747,651,238		
	Payable outside Bangladesh				
	Foreign bills purchased and discounted	251,760	41,639,221		
		1,852,339,517	1,789,290,459		
	Total loans and advances	322,644,191,039	300,928,877,237		

	30-Jun-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]	322,644,191,039	300,928,877,237
Less : Provision against loans and advances (specific and general) [Note 9.4(b)]	11,243,123,920	10,777,993,403
Less : Cumulative balance of interest suspense account [Note 14.1.4]	5,622,393,383	5,312,506,060
	305,778,673,736	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

252,459,534,169	232,694,143,912
39,357,080,634	38,381,644,088
28,975,236,719	28,063,798,778
320,791,851,522	299,139,586,778
-	-
320,791,851,522	299,139,586,778

Outside Bangladesh

b) Bills purchased and discounted

Payable in Bangladesh

Payable outside Bangladesh

1,852,087,757	1,747,651,238
251,760	41,639,221
1,852,339,517	1,789,290,459
322,644,191,039	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					
	30-Jun-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)	305,502,071,746	22,656,191,907	328,158,263,653	95.04%	300,321,467,637	94.01%
Special mention account	4,021,210,320	-	4,021,210,320	1.16%	7,161,455,941	2.24%
Total unclassified loans and advances	309,523,282,066	22,656,191,907	332,179,473,973	96.20%	307,482,923,578	96.25%
Classified loans and advances						
Substandard	1,212,088,979	-	1,212,088,979	0.35%	1,168,486,935	0.37%
Doubtful	345,485,137	-	345,485,137	0.10%	403,178,517	0.13%
Bad/loss	11,563,334,857	-	11,563,334,857	3.35%	10,393,482,723	3.25%
Total classified loans and advances	13,120,908,973	-	13,120,908,973	3.80%	11,965,148,176	3.75%
Total loans and advances	322,644,191,039	22,656,191,907	345,300,382,946	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 30 June 2022 (Taka)	Base for provision (Taka)	Percentage (%) of provision required as per Bangladesh Bank's directives	Amount of provision required as at 30 June 2022 (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)	200,009,407,072	200,009,407,072	1%	2,000,094,070	1,956,795,941
Small and medium enterprise financing	42,160,397,001	42,160,397,001	0.25%	105,400,993	97,318,609
Consumer financing (other than housing finance under consumer financing scheme)	34,325,330,463	34,325,330,463	2%	686,506,609	531,820,069
Consumer Financing(Credit Card)	2,881,617,054	2,881,617,054	2%	57,632,341	60,885,152
Consumer financing (for housing finance)	18,011,949,458	18,011,949,458	1%	180,119,495	148,128,562
Loans to BHs/MBs/SDs	666,472,657	666,472,657	2%	13,329,453	8,755,907
Short term agricultural credit	6,470,750,355	6,470,750,355	1%	64,707,504	17,972,562
Micro credit	976,147,686	976,147,686	1%	9,761,477	5,120,667
	305,502,071,746	305,502,071,746		3,117,551,942	2,826,797,469
Special mention account					
All unclassified loans (other than loans under small enterprise and consumer financing)	2,995,582,210	2,995,582,210	1%	29,955,822	58,937,986
Small & Medium enterprise financing	858,081,538	858,081,538	0.25%	2,145,204	2,516,838
Consumer financing (other than housing finance under consumer financing scheme)	63,023,622	63,023,622	2%	1,260,472	1,199,796
Consumer Financing (Credit Card)	41,573,379	41,573,379	2%	831,468	1,484,440
Consumer financing (for housing finance)	62,949,571	62,949,571	1%	629,496	1,267,104
	4,021,210,320	4,021,210,320		34,822,462	65,406,164
Sub-total General Provision [A]	309,523,282,066	309,523,282,065		3,152,374,404	2,892,203,633
Classified loans and advances					
Substandard Small	543,228,513	193,590,700	5%	9,679,535	10,268,926
Substandard Other	660,472,919	519,395,500	20%	103,879,100	66,495,067
Substandard AG/MC	8,387,547	7,046,385	5%	352,319	193,435
Doubtful Small	188,339,279	46,940,231	20%	9,388,046	4,287,457
Doubtful Other	152,960,926	64,681,483	50%	32,340,742	95,536,686
Doubtful AG/MC	4,184,932	3,334,188	5%	166,709	75,015
Bad /loss	11,563,334,857	5,538,598,025	100%	5,538,598,025	5,192,378,403
Sub-total [B]	13,120,908,973	6,373,586,512		5,694,404,476	5,369,234,988
Total provision required [A+B]	322,644,191,039	315,896,868,577		8,846,778,880	8,261,438,621
b.1.1) Main Operation					
Provision required				8,846,778,880	8,261,438,621
Provision maintained				11,243,123,920	10,777,993,403
Provision surplus (i)				2,396,345,040	2,516,554,782
b.2) Off-shore Banking Unit					
Provision required				226,561,919	185,191,945
Provision maintained				226,561,919	185,191,945
Provision surplus (ii)				-	-
Provision surplus					
Main Operation (i)				2,396,345,040	2,516,554,782
Off-shore Banking Unit (ii)				-	-
Total provision surplus (i+ii)				2,396,345,040	2,516,554,782

		30-Jun-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	21,619,575,163	20,575,970,867
	Less: Accumulated depreciation	13,640,606,863	12,768,982,192
		7,978,968,300	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	7,978,968,382	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	1,620,496,469	1,465,386,681
	Furniture and fixtures	522,886,810	463,311,175
	Other machinery and equipment	2,975,694,386	2,861,414,699
	Computer equipment	6,824,390,107	6,289,756,388
	Computer software	643,265,179	643,265,179
	Motor vehicles	597,536,344	634,742,220
	ATM Booth	1,432,306,060	1,398,966,717
	ATM and Fast Track (ATM & Deposit Machine)	3,089,937,255	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
		21,619,575,163	20,575,970,867
	Less: Accumulated depreciation	13,640,606,863	12,768,982,192
		7,978,968,300	7,806,988,675
11.	Other assets		
	Main Operation [Note 11.1]	23,519,409,452	21,398,168,624
	Off-shore Banking Unit	249,812	230,533
	Less: Inter Bank transactions [Note 14]	(19,883,096)	(12,196,614)
		23,499,776,168	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)	23,519,409,452	21,398,168,624
		23,519,409,452	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	338,612,625	280,893,091
	ii) Advance rent and advertisement	918,370,544	832,142,193
	iii) Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable	1,829,380,404	1,908,234,413
	iv) Security deposits	23,801,294	23,218,575
	v) Preliminary, formation and organization expenses, renovation/development expenses and prepaid expenses	431,557,102	423,434,453
	vi) Branch adjustment (net)	-	-
	vii) Suspense account	246,927,071	145,839,025
	viii) Silver	-	-
	ix) Others [Note 11.2]	19,730,760,412	17,784,406,874
		23,519,409,452	21,398,168,624
11.2	Break-up of others		
	Encashment of Sanchaya Patra (awaiting realization)	830,150,479	436,458,825
	Advance tax [Note 11.2.1]	8,916,573,847	9,302,605,792
	Deferred tax [Note 11.2.2]	3,011,848,950	2,916,547,544
	Sundry assets [Note 11.2.3]	6,972,187,136	5,128,794,713
		19,730,760,412	17,784,406,874

	30-Jun-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, 2019 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]	95,301,406	644,457,516
Closing balance	3,011,848,950	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 International		
i) Temporary timing difference in written down value (WDV) of Fixed Assets		
Accounting written down value [carrying amount] of fixed assets (excluding value of land) [A]	4,939,018,911	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]	6,193,597,592	5,695,986,526
Temporary timing difference in Accounting WDV and Tax WDV (excluding value of land) [B - A]	1,254,578,681	1,094,738,028
ii) Temporary timing difference in provision for other classified assets	700,949,000	610,949,000
iii) Temporary timing difference in specific provision for loans and advances	5,826,069,520	5,611,773,088
iv) Temporary timing difference in provision for Gratuity	250,000,000	460,000,000
Total amount of temporary timing differences in assets / (liabilities) [i+ii+iii] [C]	8,031,597,201	7,777,460,116
Effective tax rate [D]	37.50%	37.50%
Deferred tax asset / (liability) [C X D]	3,011,848,950	2,916,547,544
Increase/(decrease) of Deferred tax asset for the period [Note 11.2.2]	95,301,406	644,457,516
11.2.3 Sundry assets		
Sundry debtors	150,795,688	110,002,962
Cash remittance	389,614,225	316,929,215
Others	6,431,777,223	4,701,862,536
	6,972,187,136	5,128,794,713
12. Borrowings from other banks, financial institutions and agents		
Main Operation [Note 12.1]	19,268,623,190	17,431,389,584
Off-shore Banking Unit	21,031,571,189	17,079,173,202
Less: Inter Bank transactions [Note 6]	(5,311,805,893)	(5,536,042,550)
	34,988,388,486	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	702,746,278	1,346,960,821
Export Development Fund (EDF)	13,798,484,130	15,274,493,852
Small and Medium Enterprise (SME) [Note 12.2, 12.3]	39,520,833	62,652,917
Financial Sector Support Project (FSSP)	750,080,418	750,175,060
	15,290,992,359	17,434,470,136
Unsecured		
Call Money Borrowing		
From other Banks, Financial Institutions and Agents		
Sonali Bank Limited	3,000,000,000	-
Eastern Bank Limited	1,000,000,000	-
Credit lines		
From Other Bank	(22,950,000)	(3,225,000)
From Off-shore Banking Unit, Dutch-Bangla Bank Limited	580,831	144,448
	3,977,630,831	(3,080,552)
	19,268,623,190	17,431,389,584
b) Outside Bangladesh		
Secured	-	-
Unsecured	-	-
	-	-
Total (a+b)	19,268,623,190	17,431,389,584

		30-Jun-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]	13,707,500	25,192,917
	SMEDP-2 Fund	25,813,333	37,460,000
		39,520,833	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 12.11]		
13.	Deposits and other accounts		
	Main Operation [Note 13.1]		
	Current deposits and other accounts	116,636,290,447	104,037,941,646
	Bills payable	6,499,196,304	4,219,947,608
	Savings bank deposits	209,666,853,304	191,210,176,186
	Term deposits	97,548,350,896	101,977,001,852
		430,350,690,951	401,445,067,292
	Off-shore Banking Unit		
	Current deposits and other accounts	19,745,797	55,278,128
	Bills payable	-	-
		19,745,797	55,278,128
	Total Deposits and other accounts	430,370,436,748	401,500,345,420
13.1	Deposits and other accounts - Main Operation		
	Current deposits and other accounts		
	Current deposits	103,914,172,321	92,587,103,006
	Foreign currency deposits	2,972,847,537	2,036,836,430
	Sundry deposits	9,749,270,589	9,414,002,210
		116,636,290,447	104,037,941,646
	Bills payable		
	Payment order	6,481,925,565	4,202,676,269
	Demand draft	17,270,739	17,271,339
		6,499,196,304	4,219,947,608
	Savings bank deposits	209,666,853,304	191,210,176,186
	Term deposits		
	Fixed deposits	62,542,556,847	61,809,150,286
	Special notice deposits	34,896,620,711	40,068,746,081
	Non resident foreign currency deposits	1,964,816	1,813,188
	Resident foreign currency deposits	80,068,685	67,579,422
	Monthly term deposits	27,139,837	29,712,875
		97,548,350,896	101,977,001,852
		430,350,690,951	401,445,067,292
13.1.2	Segregation of deposits and other accounts		
	Other than inter-bank deposits	430,323,435,541	401,411,458,254
	Inter-bank deposits [Note 13.3]	27,255,410	33,609,038
		430,350,690,951	401,445,067,292

		30-Jun-22	31-Dec-21	
		Taka	Taka	
13.1.3	Details of inter-bank deposits			
In current deposits account				
	Al-Arafah Islami Bank Limited	231,078	231,423	
	Bangladesh Development Bank Limited	1,236,150	237,185	
	Bangladesh Commerce Bank Limited	6,031,919	33,183	
	Rajshahi Krishi Unnayan Bank	872,799	873,144	
	Brac Bank Limited	3,275,641	1,556,542	
	Southeast Bank Limited	890	1,925	
		11,648,477	2,933,402	
In special notice deposits account				
	Janata Bank Limited	50,214	51,484	
	Dhaka Bank Limited	14,248,938	29,310,473	
	National Credit and Commerce Bank Limited	151,324	151,902	
	Prime Bank Limited	1,032,500	1,033,061	
	ICB Islami Bank Limited	123,957	121,041	
	The City Bank Limited	-	7,675	
		15,606,933	30,675,636	
		27,255,410	33,609,038	
14.	Other liabilities			
	Main Operation [Note 14.1]	36,378,778,914	34,724,894,125	
	Off-shore Banking Unit	354,407,473	245,853,090	
	Less: Inter Bank transactions [Note 11]	(19,883,096)	(12,196,614)	
		36,713,303,291	34,958,550,601	
14.1	Other liabilities- Main operation	Notes		
	Unclaimed Dividend Account	14.1.1	2,808,772	1,690,253
	Provision for expenses		941,458,631	624,843,062
	Contribution to Dutch-Bangla Bank Limited Employees' Superannuation Fund		30,000,000	80,000,000
	Contribution to Dutch-Bangla Bank Limited Employees' Gratuity Fund		250,000,000	460,000,000
	Provision for interest on credit lines, refinance scheme and subordinated debt		71,714,687	95,934,637
	Branch adjustment (net)		1,783,294,119	266,331,106
	Provision for classified assets	14.1.2	700,949,000	610,949,000
	Provision for taxation	14.1.3	11,529,569,198	12,830,309,562
	Accumulated provision for loans and advances including off-balance sheet exposures	14.1.4.1	12,680,549,069	11,845,710,315
	Cumulative balance of interest suspense account	14.1.5	5,622,393,383	5,312,506,060
	Start up Fund	14.1.6	110,598,225	110,598,225
	Risk Fund for fixed assets		36,112,740	20,558,911
	lease liability - IFRS-16		1,958,980,760	2,016,120,379
	Others		660,350,329	449,342,615
			36,378,778,914	34,724,894,125
14.1.1	Unclaimed Dividend Account			
	Opening balance		1,690,253	12,580,929
	Add: Dividend transferred by the Bank to the account during the period		944,279,643	702,888,174
	Less: Amount withdrawn by the Shareholders of the Bank from the account during the period		943,161,124	713,778,850
	Balance at the end of the period		2,808,772	1,690,253

		30-Jun-22 Taka	31-Dec-21 Taka
14.1.2 Provision for classified assets			
Provision for other classified assets [Note 14.1.2.1]		700,949,000	610,949,000
Provision for nostro accounts [Note 14.1.2.3]		-	-
		700,949,000	610,949,000
14.1.2.1 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		90,000,000	-
Closing balance [Note 14.1.2.2]		700,949,000	610,949,000
14.1.2.2 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]		80,000,000	-
Legal expenses receivable		47,224,235	41,442,094
Protested bills receivable		44,872,735	38,514,503
Others		71,185,363	73,325,736
		700,949,000	610,949,000
14.1.2.3 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		-	-
14.1.3 Provision for taxation			
Current tax			
Opening balance		12,830,309,562	18,351,135,454
Add: Provision made for the period [Note 14.1.3.1]		1,949,382,903	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		3,250,123,267	8,736,920,372
Closing balance [Note 14.1.3.2]		11,529,569,198	12,830,309,562
14.1.3.1 Current tax - Provision for the period			
	On Taka	Tax rate	
Banking business income (calculated) *	4,875,894,582	37.50%	1,828,460,468
Add: Capital gain on share *	798,533,825	15.00%	119,780,074
Add: Dividend income *	5,711,803	20.00%	1,142,361
Less: Rebate on allowable CSR (calculated)	-	10.00%	-
Less: Provision kept			(549,550,000)
			1,949,382,903
			3,216,094,480
* Taxable Income [Banking business income (calculated), Capital gain and Dividend income]			4,881,606,385
			10,052,525,276

14.1.3.2 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, 2019 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.

	30-Jun-22 Taka	31-Dec-21 Taka
14.1.4 Accumulated provision for loans and advances and Off-balance sheet exposures		
Main Operation [Note 14.1.3.1]	12,680,549,069	11,845,710,315
Off-shore Banking Unit	226,561,919	185,191,945
	12,907,110,988	12,030,902,260
14.1.4.1 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	(557,274)	179,093,801
Add: Recoveries of amounts previously written-off	44,479,640	133,926,562
Add: Specific provision for the period	169,259,518	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)]	5,826,069,520	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 *	250,834,085	394,819,345
Provision held at the end of the period [Note 9.4(b)]	3,275,507,915	3,024,673,830
Special General Provision-Covid-19 against deferred loans [ii]		
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	369,708,237	265,208,844
Provision held at the end of the period	1,437,425,149	1,067,716,912
Accumulated general provision for loans and advances including deferred loans & off-balance sheet exposures - Main Operation [B]	6,854,479,549	6,233,937,227
Accumulated provision (Specific & General) for loans and advances including deferred loans & off-balance sheet exposures -Main Operation [A+B]	12,680,549,069	11,845,710,315
* General provision made for the period against unclassified loans and advances [iv]		
Main Operation [B.i]	250,834,085	394,819,345
Off-shore Banking Unit	41,369,974	33,651,894
	292,204,059	428,471,239
14.1.4.2 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]	5,826,069,520	5,611,773,088
General provision against unclassified loans and advances-Main Operation [Note 14.1.3.1.B.i]	3,275,507,915	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]	1,437,425,149	1,067,716,912
General provision against unclassified loans and advances-Off-Shore Banking Unit [C]	226,561,919	185,191,945
	12,907,110,988	12,030,902,260
14.1.4.3 General provision maintained against unclassified loans and off-balance sheet exposures [14.1.3.1.B+14.1.3.2.C]	7,081,041,468	6,419,129,172

	30-Jun-22 Taka	31-Dec-21 Taka
14.1.5 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	1,732,967,323	6,860,375,573
Less: Amount transferred from interest suspense account during the period	1,385,540,823	6,115,737,361
Less: Amount written-off/waived during the period	37,539,177	273,862,639
Balance at the end of the period	5,622,393,383	5,312,506,060
14.1.6 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.

2,000,000,000 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

11,000,000,000 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.

		30-Jun-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	6,957,500,000	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
	Bonus shares @ 0.10 against 1 existing share of Taka 10 each for the year 2021 *	632,500,000	-
		6,957,500,000	6,325,000,000

*** Note:**

The Board of Directors of the Bank in its 248th meeting held on 06 March 2022 recommend 17.5% cash dividend and 10% stock dividend for the year 2021. The recommendation of dividend was approved by the shareholders of the Bank in the 26th AGM held on 24 April 2022.

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

As per Section 13 of the Bank Company (Amended) Act, 2018 and instructions contained in BRPD Circular No. 18 dated 21 December 2014, [Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)], the eligible regulatory capital of the Bank as of 30 June 2022 stood at Taka 51,225,499,345 against the risk based capital requirement of Taka 41,690,669,718. As a result, there was a capital surplus of Taka 9,534,829,627 in risk based capital adequacy ratio as on 30 June 2022.

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

	30-Jun-22 Taka	31-Dec-21 Taka
Total assets (excluding off-balance sheet assets)	551,402,688,548	514,399,778,058
Total off-balance sheet assets	146,327,035,025	109,331,376,206
Total Risk weighted assets [RWA] against		
i. Credit Risk		
On-balance sheet	235,521,722,263	223,026,032,453
Off-balance sheet	46,981,402,285	34,741,388,159
	282,503,124,548	257,767,420,612
ii. Market Risk	3,346,515,167	4,953,750,961
iii. Operational Risk	47,675,718,031	43,396,211,348
A) Total Risk weighted assets (RWA) [i+ii+iii]	333,525,357,746	306,117,382,921
B) Minimum Capital Requirement (MCR) with Capital Conservation Buffer (CCB) [12.5% of RWA]	41,690,669,718	38,264,672,865
C) Common Equity Tire 1 (CET1) capital		
Paid-up share capital	6,957,500,000	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)	19,387,287,610	18,638,869,885
	37,315,730,479	35,934,812,754
Less : Other Intangible Assets (computer software)	95,735,335	120,023,186
Less : Deferred tax asset (95%)	2,075,537,267	1,999,194,163
	35,144,457,877	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	-	-
	35,144,457,877	33,815,595,405
E) Tier 1 Capital [C+D]	35,144,457,877	33,815,595,405
F) Tier 2 Capital		
General provision maintained against unclassified loans and off-balance sheet exposures [Note 14.1.3.2]	7,081,041,468	6,419,129,172
Subordinated debt capital [Total S. debt, Taka 11,000,000,000 less due within 1 Year, Taka 2,000,000,000]	9,000,000,000	10,000,000,000
Assets revaluation reserves	-	-
Revaluation reserves of HTM securities	-	-
	16,081,041,468	16,419,129,172
Less: Revaluation Reserves for Fixed Assets and Securities	-	-
	16,081,041,468	16,419,129,172
G) Total Eligible Regulatory Capital (Tier 1 and 2) [E+F]	51,225,499,345	50,234,724,577
Total capital surplus [G - B]	9,534,829,627	11,970,051,712
Capital to Risk Weighted Assets Ratio (CRAR):		
Common Equity Tier-1 to RWA (C/A)*100	10.54%	11.05%
Tier-1 Capital to RWA (E/A)*100	10.54%	11.05%
Tier-2 Capital to RWA (F/A)*100	4.82%	5.36%
Capital to Risk Weighted Assets Ratio (CRAR) (G/A)*100	15.36%	16.41%

		30-Jun-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		(16,719,502)	84,229,439
Closing balance		164,415,768	181,135,270
23. Contingent liabilities			
Main Operation [Note 23.1]		146,327,035,025	109,331,376,206
Off-shore Banking Unit		-	-
		146,327,035,025	109,331,376,206

	30-Jun-22 Taka	31-Dec-21 Taka
23.1 Contingent liabilities - Main Operation		
a) Acceptances and endorsements	74,579,645,940	56,280,687,848
b) Letters of guarantee		
Local	6,748,255,720	5,283,252,595
Foreign	626,675,546	53,734,719
	7,374,931,266	5,336,987,314
c) Irrevocable letters of credit		
Local		
Cash	751,977,676	466,719,336
Usance	5,875,000	9,027,116
Back to back	12,735,691,531	10,532,887,841
	13,493,544,207	11,008,634,293
Foreign		
Cash	19,113,832,858	14,523,335,470
Usance	16,138,427,642	12,051,475,326
Back to back	4,873,468,127	6,936,155,878
	40,125,728,627	33,510,966,674
	53,619,272,834	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	8,193,499,985	634,415,077
	10,753,184,985	3,194,100,077
Total (a+b+c+d+e)	146,327,035,025	109,331,376,206
24. Retained Earnings		
Main Operation [Note 24.1]	18,085,085,653	17,470,139,892
Off-shore Banking Unit	1,302,201,957	1,168,729,993
	19,387,287,610	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	(1,106,875,000)	(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	(632,500,000)	(825,000,000)
Transfer to Start up Fund [Note 14.1.5]	-	(110,598,225)
Retained surplus for the current year	2,354,320,761	5,279,221,035
Closing balance	18,085,085,653	17,470,139,892
	30-Jun-22 Taka	30-Jun-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]	2,487,792,725	2,259,301,940
Number of ordinary shares outstanding [denominator] *	695,750,000	695,750,000
Earnings Per Share	3.58	3.25
24.3 Calculation of Net Asset Value (NAV) Per Share		
Total Shareholders Equity [numerator]	38,330,560,024	33,618,453,166
Number of ordinary shares outstanding [denominator]*	695,750,000	695,750,000
Net Asset Value (NAV) Per Share	55.09	48.32
24.4 Net Operating Cash Flow Per Share (NOCFPS) [Note 47.1, 47.2]		
Net cash from operating activities [numerator]	14,873,556,913	15,138,374,711
Number of ordinary shares outstanding [denominator]*	695,750,000	695,750,000
Net operating cash flow per share (NOCFPS) for the period	21.38	21.76
Net operating cash flow per share (NOCFPS) for the quarter	19.72	27.50

* As per requirement of IAS 33 - "Earning Per Share (EPS)", previous year's EPS was restated for the increase of number of ordinary shares outstanding through issue of bonus share during the first half of 2020. [Note 16.2.1]

		30-Jun-22 Taka	30-Jun-21 Taka
25.	Particulars of profit and loss account		
	Income	Notes	
	Interest, discount and other similar income	26	11,449,505,761
	Dividend income	28	5,711,803
	Fees, commission and brokerage	29.1	510,697,947
	Gains less losses arising from dealing securities		-
	Gains less losses arising from investment securities	28	3,545,854,096
	Gains less losses arising from dealing in foreign currencies	29.2	1,459,033,924
	Income from non-banking assets		-
	Other operating income	30	1,895,335,521
	Profit less losses on interest rate changes		-
			18,866,139,052
	Expenses		
	Interest, fee and commission	27	3,699,741,486
	Directors' fees	39	29,350
	Administrative expenses	31	5,443,942,490
	Other operating expenses	42	3,526,758,338
	Depreciation on banking assets	41	932,621,352
			13,603,093,016
	Profit before provision		5,263,046,036
26.	Interest income		
	Main Operation [Note 26.1]		11,084,792,592
	Off-Shore Banking Unit		435,492,537
	Less: Inter Bank transactions [Note 27]		(70,779,368)
			11,449,505,761
26.1	Interest income - Main Operation		
	Interest on loans and advances		
	House building loan		150,197,130
	Transport loan		62,397,817
	Term loan - industrial		3,339,590,530
	Term loan - others		1,233,367,034
	Secured overdraft		997,839,791
	Cash credit		909,609,253
	Payment against document - cash		1,539,396
	Payment against document EDF- others		103,234,078
	Loan against trust receipts		67,113,876
	Export cash credit		63,197,828
	Loan against accepted bills		80,323,151
	Staff loan		12,659,708
	SME and consumer finance		3,787,085,018
			10,808,154,610
	Interest on balance with other banks and financial institutions		
	Fixed deposits		144,056,875
	Special notice deposits		2,530,541
	Nostro accounts		152,276
	Money at call on short notice		129,898,290
			276,637,982
			11,084,792,592
			10,773,688,473

	30-Jun-22 Taka	30-Jun-21 Taka
27. Interest paid on deposits and borrowings etc.		
Main Operation [Note 27.1]	3,502,120,553	3,138,452,863
Off-shore Banking Unit	268,400,301	161,553,258
Less: Inter Bank transactions [Note 26]	(70,779,368)	(52,893,448)
	3,699,741,486	3,247,112,673
27.1 Interest paid on deposits and borrowings - Main Operation		
Interest paid on deposits [Note 27.2]	3,015,721,389	2,545,543,174
Interest paid on borrowings [Note 27.3]	486,399,164	592,909,689
	3,502,120,553	3,138,452,863
27.2 Interest paid on deposits		
Savings deposits	897,739,893	771,596,395
Special notice deposits	318,444,617	371,769,477
Fixed deposits	1,775,452,701	1,391,739,958
Non-resident foreign currency deposits	23,639,896	10,170,049
Resident foreign currency deposits	241,028	38,632
Monthly term deposits	203,254	228,663
	3,015,721,389	2,545,543,174
27.3 Interest paid on borrowings		
Interest on borrowing - call loan and term loan	21,145,111	1,129,167
Interest on credit lines	-	-
Interest paid on subordinated debt	431,265,475	518,202,524
Interest on borrowing under REPO and Re-financing facilities with Bangladesh Bank	21,531,970	70,459,285
Interest on borrowing under REPO with other banks	12,456,608	3,118,713.00
	486,399,164	592,909,689
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	2,395,757,812	3,363,459,074
Capital gain on sales of government securities	798,533,825	182,868
Interest on reverse REPO with other banks	411,171	224,237,945
Interest on subordinated bonds	351,151,288	-
	3,545,854,096	3,587,879,887
Gain on sale of shares	-	-
	3,551,565,899	3,591,306,969
29. Commission, exchange and brokerage		
Commission [Note 29.1]	510,697,947	516,863,915
Exchange earnings (net) [Note 29.2]	1,459,033,924	292,370,282
	1,969,731,871	809,234,197

		30-Jun-22	30-Jun-21
		Taka	Taka
29.1	Commission		
	Commission on Remittances-Local	3,894,698	5,194,965
	Commission on Remittances-Foreign	15,091,227	14,056,891
	Commission on Letter of Credit-Import	49,064,738	54,036,766
	Commission on Letter of Credit-Export	380,327,689	382,922,018
	Commission on Export Bills	4,679,826	4,766,485
	Commission on Letter of Guarantee	16,302,618	17,436,666
	Commission on Sale of Government Saving Instruments	41,269,151	38,450,124
	Commission on Banker to the issue & underwriting	-	-
	Other Commission	68,000	-
		510,697,947	516,863,915
29.2	Exchange earnings (net)		
	General activities and Treasury dealings	1,459,033,924	292,370,282
		1,459,033,924	292,370,282
30.	Other operating income		
	Main Operation [Note 30.1]	1,887,315,125	1,753,370,849
	Off-shore Banking Unit	8,020,396	6,235,309
		1,895,335,521	1,759,606,158
30.1	Other operating income - Main Operation		
	Charges for service	73,664,657	68,731,710
	Income from IT service	1,339,145,041	1,361,458,750
	Recoveries from client	95,593,237	73,864,106
	Service charges on deposit accounts	214,890,024	53,879,421
	Income from Export-Import	37,722,193	61,188,846
	Examination and appraisal fees	665,000	-
	Document handling charges-Export	2,855,756	371,610
	Locker Rent	5,159,550	3,518,000
	Gain on sale of fixed assets [Note 30.2]	388,290	18,899,549
	Income from Mobile and Agent Banking Services	51,035,698	45,180,367
	Other earning	66,195,679	66,278,490
		1,887,315,125	1,753,370,849
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	18,899,549
		388,290	18,899,549
30.3	Calculation of income from sale of fixed assets		
	Sale proceeds [A]	5,076,096	29,427,127
	Cost price of the sold items	65,684,487	73,354,865
	Less: Accumulated depreciation	60,996,681	62,827,287
	Written down value [B]	4,687,806	10,527,578
	Net gain [A - B]	388,290	18,899,549

31. Administrative expenses	Notes	30-Jun-22	30-Jun-21
		Taka	Taka
Salary and allowances	32	3,228,596,971	2,873,602,955
Rent, taxes, insurance, electricity, etc.	34	1,167,128,366	1,045,202,470
Legal expenses	35	2,074,356	1,212,644
Postage, stamp, telecommunications, etc.	36	197,250,988	197,452,735
Stationery, printings, advertisements etc.	37	311,960,537	339,044,918
Managing Director & CEO's salary and allowances	38	9,040,000	8,660,000
Auditors' fees	40	200,000	262,778
Repair and maintenance	41	527,691,272	484,615,752
		5,443,942,490	4,950,054,252
32. Salary and allowances			
Main Operation [Note 32.1]		3,228,596,971	2,873,368,468
Off-shore Banking Unit		-	234,487
		3,228,596,971	2,873,602,955
32.1 Salary and allowances-Main Operation			
Basic salary		1,272,612,264	1,153,335,521
House rent allowance		645,206,017	577,683,906
Conveyance allowance		137,583,504	120,874,655
Other allowances		170,078,171	163,124,741
Bank's contribution to provident fund		135,576,501	111,699,249
Medical expenses		131,973,177	119,996,795
Bonus		455,567,337	346,653,601
Gratuity		250,000,000	250,000,000
Superannuation		30,000,000	30,000,000
		3,228,596,971	2,873,368,468
33. Number of employees and remuneration thereof			
As per the Schedule XI of the Companies Act, 1994, the number of employees (including contractual employees) engaged for the whole year or part thereof who received a total remuneration of Taka 36,000 per annum or Taka 3,000 per month were 17,499 as at 30 June 2022 compared to 16,992 as at 30 June 2021.			
34. Rent, taxes, insurance, electricity, etc.			
Rent			
Office premises		580,660,603	516,284,578
ATM Booths and other installations		349,941,335	317,109,891
Less: Rent expenses adjusted for IFRS-16		(179,705,490)	(195,934,560)
		750,896,448	637,459,909
Rates and taxes			
Rates		1,263,000	1,482,655
Taxes		2,746,792	15,413,363
		4,009,792	16,896,018
Insurance			
Cash		23,397,814	22,637,278
Vehicles		1,280,909	1,674,971
Deposits		126,371,490	106,663,216
Staff		-	-
Other properties		10,658,952	17,486,690
		161,709,165	148,462,155
Electricity and sanitation			
Light and power		245,098,521	236,604,534
Water and sewerage		5,043,690	5,457,334
Utilities		370,750	322,520
		250,512,961	242,384,388
		1,167,128,366	1,045,202,470
35. Legal expenses			
Legal expenses		2,074,356	1,212,644
		2,074,356	1,212,644

		30-Jun-22 Taka	30-Jun-21 Taka
36.	Postage, stamp, telecommunications, etc.		
	Main Operation [Note 36.1]	197,250,988	197,452,164
	Off-shore Banking Unit	-	571
		197,250,988	197,452,735
36.1	Postage, stamp, telecommunications, etc.-Main Operation		
	Postage	16,304,252	25,020,368
	Telephone	9,444,934	12,028,939
	Radio link	159,380,554	147,682,871
	Swift, Reuters, internet, etc.	12,121,248	12,719,986
		197,250,988	197,452,164
37.	Stationery, printings, advertisements etc.		
	Printing and stationery:		
	Printed stationery	29,674,200	43,386,746
	Security stationery	22,644,784	18,337,041
	Petty stationery	45,262,505	30,619,123
		97,581,489	92,342,910
	Publicity and advertisement	214,379,048	246,702,008
		311,960,537	339,044,918
38.	Managing Director & CEO's salary and allowances		
	Basic salary	5,400,000	5,100,000
	House rent allowance	480,000	480,000
	House maintenance	240,000	240,000
	Bank's contribution to provident fund	540,000	510,000
	Other allowances	180,000	180,000
	Leave fare assistance	300,000	300,000
	Bonus	1,900,000	1,850,000
		9,040,000	8,660,000
39.	Directors' fees		
	Honorarium for attending meeting	25,190	65,475
	Incidental expenses for attending meeting	4,160	2,976
		29,350	68,451
40.	Auditors' fees		
	Statutory annual audit fees	200,000	200,000
	Special audit fees	-	62,778
	Fees for various certification	-	-
		200,000	262,778
41.	Depreciation and repair of bank's assets		
	Depreciation on fixed assets including building, furniture and fixtures		
	Main Operation [Note 41.1]	932,621,352	872,328,309
	Off-shore Banking Unit	-	-
		932,621,352	872,328,309
	Repair and maintenance		
	Main Operation [Note 41.2]	527,691,272	484,615,752
	Off-shore Banking Unit	-	-
		527,691,272	484,615,752
		1,460,312,624	1,356,944,061

		30-Jun-22 Taka	30-Jun-21 Taka
41.1	Depreciation on fixed assets including land, building, furniture and fixtures - Main Operation		
	Land	-	-
	Building (including lease hold property)	4,994,301	4,994,298
	Interior decoration	57,864,120	45,745,187
	Furniture and fixtures	15,738,759	15,112,233
	Other machinery and equipment	138,666,342	133,021,130
	Computer equipment	357,179,499	306,221,030
	Computer software	24,287,851	23,272,204
	Motor vehicles	48,498,576	39,937,792
	ATM Booth	46,630,412	50,084,354
	ATM and Fast Track (ATM & Deposit Machine)	80,755,871	81,805,190
	Right of use of assets IFRS-16: lease	158,005,621	172,129,035.00
	Books	-	5,856
		932,621,352	872,328,309
41.2	Repair and maintenance - Main Operation		
	Premises	103,196,592	140,492,214
	Vehicles	36,550,204	20,969,484
	Computers	387,944,476	323,154,054
		527,691,272	484,615,752
42.	Other expenses		
	Main Operation [Note 43.1]	3,526,487,644	3,358,040,239
	Off-shore Banking Unit	270,694	183,227
		3,526,758,338	3,358,223,466
42.1	Other expenses- Main Operation		
	Entertainment expenses	28,241,334	14,920,955
	Fuel and lubricant	29,467,083	24,073,536
	Subscription and donations	21,377,802	33,849,044
	Casual wages and allowances	819,281,473	572,152,906
	Travelling expenses and allowances	301,801,676	343,431,350
	Petty conveyance	22,628,872	20,647,429
	News papers, periodicals, learning materials etc.	879,445	399,489
	Crockeries	342,697	169,971
	Debit and Credit Card expenses	270,131,961	361,040,203
	Tele Banking Expenses	49,372,960	46,741,592
	Cash carrying charges	25,837,141	23,331,881
	ATM cash replenishment charges	299,800,000	299,750,060
	Recruitment, training, seminar and workshop	11,644,977	2,358,725
	Service charge on nostro account and others	33,228,069	27,001,259
	Consultancy fees	9,692,167	7,322,360
	Business promotion and development	417,007,189	783,181,675
	Other Operational Expenses	318,604,500	-
	Finance cost for right of use of asset - IFRS-16: lease	34,861,498	37,050,553
	Laundry and cleaning	57,373	75,681
	Other expenses for Mobile Banking Services	221,304,894	104,979,531
	Other expenses for Agent Banking Services	579,253,821	640,550,638
	Fixed Assts written-off	-	-
	Miscellaneous	13,667,817	15,011,401
		3,526,487,644	3,358,040,239

	30-Jun-22 Taka	30-Jun-21 Taka
43. Receipts from other operating activities		
Other operating income [Note 30]	1,895,335,521	1,759,606,158
Less: Income from sale of fixed assets (net)	388,290	18,899,549
	1,894,947,231	1,740,706,609
Exchange earnings (net) [Note 29.2]	1,459,033,924	292,370,282
	3,353,981,155	2,033,076,891
44. Payments for other operating activities		
Expenses for the year	3,867,097,184	3,568,268,330
Add: Opening accrued expenses	624,494,048	1,350,862,285
Add: Closing advance expenses	918,370,544	713,013,476
Less: Closing accrued expenses	1,051,756,745	2,153,518,432
Less: Opening advance expenses	832,142,193	688,429,194
	3,526,062,838	2,790,196,465
45. Increase/(decrease) of other assets		
Closing other assets		
Security deposits	23,801,294	21,585,151
Suspense account	246,927,071	112,028,623
Branch adjustment (net)	-	-
Encashment of Sanchaya Patra (awaiting realization)	830,150,479	1,002,097,864
Sundry debtors	150,795,688	82,630,734
Cash remittance	389,614,225	305,785,841
Others	6,431,796,502	3,576,214,165
	8,073,085,259	5,100,342,378
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
	2,338,774,121	545,703,462
46. Increase/(decrease) of other liabilities		
Closing other liabilities		
Branch adjustment (net)	1,783,294,119	623,000,535
Cumulative balance of interest suspense account	5,622,393,383	4,856,490,011
Revaluation reserve for HTM securities	164,415,768	79,391,829
Revaluation reserve for HFT securities	-	-
Risk Fund for fixed assets	36,112,740	-
Liability for lease hold property	1,958,980,760	2,080,297,196
Others	660,350,329	349,217,779
	10,225,547,099	7,988,397,350
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	2,143,362,295
Others	449,342,615	957,370,237
	8,245,994,341	8,370,441,496
	1,979,552,758	(382,044,146)

			30-Jun-22	30-Jun-21
			Taka	Taka
47.1	Reconciliation between Operating profit of the Bank and Cash flows from operating activities			
	Profit before provision		5,263,046,036	4,754,386,349
	Depreciation on fixed assets		932,621,352	872,328,309
	Gain/loss on sale of fixed assets		(388,290)	(18,899,549)
	Adjustment of provision for loans and advances		44,479,640	1,673,592
	Increase of interest receivable		1,620,167,797	3,524,918,960
	Increase of interest payable		146,162,361	(110,930,813)
	Increase of accrued expenses		56,615,569	589,775,944
	Increase of advance expenses		(152,070,534)	15,815,639
	Advance tax paid		(2,864,091,322)	(2,706,278,304)
	Operating profit before changes in operating assets and liabilities		5,046,542,609	6,922,790,128
	Increase/(decrease) in operating assets and liabilities			
	Statutory deposits		-	-
	Purchase /sale of trading securities		3,022,778,355	11,326,464,050
	Loans and advances to other banks		-	-
	Loans and advances to customers		(27,393,086,985)	(26,446,580,978)
	Other assets		(2,338,774,121)	(545,703,462)
	Deposits from other banks		(6,353,628)	18,130,162
	Deposits from customers		28,771,236,942	18,632,549,213
	Other liabilities account of customers		5,791,660,983	5,612,769,744
	Other liabilities		1,979,552,758	(382,044,146)
	Net cash from operating activities		14,873,556,913	15,138,374,711
47.2	Net operating cash flow per share (NOCFPS) [Note 24.4]		21.38	21.76
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	(1,904,751,163)	1,620,167,797	3,524,918,960
	Purchase /sale of trading securities	(8,303,685,695)	3,022,778,355	11,326,464,050
	Loans and advances to customers	(946,506,007)	(27,393,086,985)	(26,446,580,978)
	Other assets	(1,793,070,659)	(2,338,774,121)	(545,703,462)
	Deposits from customers	10,138,687,728	28,771,236,942	18,632,549,213
	Other liabilities	2,361,596,905	1,979,552,758	(382,044,146)
	Total	(447,728,891)	5,661,874,746	6,109,603,637
			30-Jun-22	31-Dec-21
			Taka	Taka
48.	Cash and cash-equivalents			
	Main Operation [Note 48.1]		65,945,498,206	54,591,526,562
	Off-shore Banking Unit		51,484,615	29,609,281
			65,996,982,821	54,621,135,843
48.1	Cash and cash-equivalents - Main Operation			
	Cash in hand (including foreign currencies)		29,169,094,656	17,853,114,090
	Balance with Bangladesh Bank and its agent bank (including foreign currencies)		20,809,460,389	17,863,639,768
	Balance with other banks and financial institutions		15,961,132,561	18,866,881,204
	Prize bonds		5,810,600	7,891,500
	Money at call on short notice		-	-
			65,945,498,206	54,591,526,562

49. Disclosure of Related Party Transaction

49.1 Significant contracts in which the Bank, its subsidiary or any fellow subsidiary company was a party and wherein the Directors have interest subsisted at any time during the period or at the end of the period:

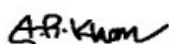
a) As approved by Bangladesh Bank, Ref no: BRPD (P-3)/745(25)2019-4143, dated 10 June 2019, the Bank has entered into an agreement to rent 162,329 sft. of floor space for its head office and Corporate branch, located at 47, Motijheel Commercial Area, Dhaka-1000, from Mrs. Amina Ahmed, mother of Mr. Sayem Ahmed, a Sponsor Director & Chairman of the board of directors of the Bank. The agreement has been effective from October 01, 2019 for 10 years. Out of 162,329 sft spaces, monthly rent @ Taka 130 per sft is payable on 151,014 sft plus monthly car parking rent @ Tk.5,000 for 37 car parking space, totaling monthly rent of Taka 19,816,820. An advance of Taka 471,163,680 has been paid against the agreement which will be equally adjusted @ 50% of monthly rent in first 48 months.

b) As approved by Bangladesh Bank, Ref no: BRPD (P-3)/745(25)/2016-110, dated 06 January 2016, the Bank has entered into an agreement to rent 38,718 sft. of floor space for its Data Center-2 at Dumni, Dhaka, from Mrs. Amina Ahmed, mother of Mr. Sayem Ahmed, a Sponsor Director & Chairman of the board of directors of the Bank. The agreement has been effective from January 16, 2016 for 06 years. Out of 38,718 sft spaces, monthly rent @ Tk. 80.00 per sft for 35,784 sft and @Tk.30.00 for 2,934 sft, totaling monthly rent of Taka 2,950,740.00. An advance of Tk.70,817,760.00 has been paid against the agreement which will be equally adjusted @ 50% of monthly rent in first 48 months

c) As approved by Bangladesh Bank, Ref no: BRPD (P-3)/745(25)/2013-2334, dated 19 December 2013, the Bank has entered into an agreement to rent 3,315 sft. floor space for its Dumni Branch at Dumni, Dhaka, from Mrs. Amina Ahmed, mother of Mr. Sayem Ahmed, a Sponsor Director & Chairman of the board of directors of the Bank. The agreement has been effective from November 01, 2013 for 9 years at a monthly rent @ Tk.30.00 per sft. An advance of Tk.3,580,200.00 has been paid against the agreement which is fully adjusted.

d) As approved by Bangladesh Bank, Ref no: BRPD (P-3)/745(25)/2017-2686, dated 03 May 2017, the Bank has entered into an agreement to rent 8,730 sft. floor space for its Narayanganj Branch at Holding No. 45 (old), S.M. Maleh Road, Tanbazar, Narayanganj, from Mrs. Amina Ahmed, mother of Mr. Sayem Ahmed, a Sponsor Director & Chairman of the board of directors of the Bank. The agreement has been effective from January 01, 2017 for 06 years at a initial monthly rent @ Tk.55.00 per sft. and development & maintenance charge @ Tk25.00 per sft and present (after increment) Rent @Tk.63.25 per sft and development & maintenance charge @ Tk.28.75 per sft. An advance rent of Tk.19,878,210.00 has been paid against the agreement which is being adjusted @ 100% of monthly rent.

49.2	Shares issued to Directors and Executives to acquire shares at 'Nil' consideration or restricted shares plan exercisable at discount	Nil
49.3	Nature, type and elements of transactions with the related party:	As Note 49.1
49.4	Lending policies in respect of related party	
	a) Amount of transactions regarding loans and advances, deposits, guarantees and commitment	Nil
	b) Amount of transactions regarding principal items of deposits, expenses and commission	Nil
	c) Amount of provision against loans and advances given to related party	Not applicable
	d) Amount of guarantees and commitments arising out of the statement of affairs	Nil
49.5	Business other than the banking business with the related concerns of the Directors as per Section	Nil
49.6	Investments in securities of the Directors and their related concerns	Nil
49.7	The Managing Director & CEO is considered as key management personnel and related remuneration are disclosed in Note 38 .	



Director



Director



Managing Director & CEO



Chief Financial Officer



Company Secretary