

PRIVATE & CONFIDENTIAL

BASIC Bank limited

Audit Report and Audited Financial Statements

For the year ended 31st December 2022

Khan Wahab Shafique Rahman & Co.

CHARTERED ACCOUNTANTS

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**Independent Auditors' Report
To the Shareholders
of
BASIC Bank Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BASIC Bank Limited (the Bank), which comprise the balance sheet as at 31 December 2022 and profit and loss account, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Bank as at 31 December 2022, and of its financial performance and its cash flows for the year then ended as per International Financial Reporting Standards (IFRSs) as explained in note 2.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to the following matters disclosed in the financial statements. Our opinion, however, is not modified in respect of those matters.



- Note 14.3 to the financial statements which describe the risk-weighted assets and capital ratios as defined in Basel Capital Accord which shows that the Bank has failed to maintain required capital.
- Notes 7, 7.7, 13.1 and 34 to the financial statements which describe the total loans and advances and provision thereon.
- Total required provision as per Bangladesh Bank is Tk. 5,757.19 crore. The Bank has maintained provision of Tk. 971.95 crore during the year. The difference is Tk. 4,785.24 crore. The difference will be adjusted by next nine (09) succeeding years (2023 to 2031) as per Letter No. DOS(CAMS)1157/1(II)-C/2023-2209, Dated 30 April 2023 and Letter No. DBI-8/51(1)/2023-261, Dated 27 April 2023 of Bangladesh Bank which is disclosed in Note 7.7 and 13.1 of the financial statement. The justification behind not maintaining the required provision was the insufficiency of the bank's capital/equity to maintain required provision.
- The Bank provided us a list of 60 (Sixty) loan clients/accounts files of the Bank of its Gulshan, Shantinagar, Dilkusha, Babubazar, Main Branch of Dhaka and Agrabad branch of Chittagong, loans for which were sanctioned and disbursed/renewed during the period from 2010-2014 without complying with relevant policies, procedures of the Bank, the rules and regulations of the Bangladesh Bank, etc. Investigation on all of those loan clients/accounts files is still being carried out by Anti-Corruption Commission, Bangladesh. In the interest of said investigation, the Bank has informed us that all those files containing original documents, records, instruments, etc. were seized and taken by the Anti-Corruption Commission, Bangladesh. However, during our audit period we have obtained the recent updates on these clients and found that among these 60 parties, 42(Forty-Two) clients have loan outstanding amounting to BDT 3,951.92 Crore which are bad/loss and loans of the remaining 18 (Eighteen) parties have been written-off as per guidelines of Bangladesh Bank.
- Note 16 to the financial statements which describes the share money deposit of TK. 2,600 Crore is yet to converted into paid up share capital due to pending approval of increase in authorized capital by RJSC. However, this amount has been considered as share capital while calculating EPS in accordance with circular নং১৪৬/এফআরসি/প্রশাঃ/প্রজ্ঞাপন/২০২০/০১ dated 11 February 2020 from Financial Reporting Council (FRC).
- We draw attention to Note-2.9.9 of the financial statements where the management has described the possible effects of IFRS 16 "Leases". Our report is not qualified in this regard.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current Period. These matters were addressed in the context of our audit of the financial statements as a whole, and in

forming our opinion thereon, and we do not provide a separate opinion on these matters. Our assessed key audit matters and how we addressed those matters are outlined below:

Description of key audit matters	Our response to key audit matters
Measurement of provision for loans and advances	
<p>The process for estimating the provision for loan & advances portfolio associated with credit risk is judgmental and complex. While estimating such provision certain judgmental factors need to be considered including:</p> <ul style="list-style-type: none"> • Future business performance of the borrower; • Key assumptions relating to further business performance of the borrower; • Market value of the collateral; • Ability to repossess collateral; and • Recovery rates. <p>Furthermore, these provisions are processed manually using the voluminous data extracted from the IT system of the Bank and following the instructions of Bangladesh Bank (the central bank of Bangladesh) issued from time to time.</p> <p>Due to high level of judgment involved and using some manual process in estimating the provision for loans and advances, we considered this to be a key audit matter.</p> <p>For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows.</p> <p>Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.</p> <p>At the year end, the Bank reported total loans and advances of BDT 13,459.54 crore (2021: BDT 14,445.18 crore) and provision for loans and advances of BDT 971.95 crore</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Credit monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; and • Review of quarterly Classification of Loans (CL). • Follow Bangladesh Bank's circular and guidelines; • Furthermore, obtained the recent updates of the clients under investigation by Anti-Corruption Commission, Bangladesh. Among these 60 (Sixty) loans accounts, 42(Forty-Two) clients have loan outstanding amounting to BDT 3,951.92 Crore, classified as bad/loss and loans of the remaining 18 (Eight-teen) parties have been written-off as per guidelines of Bangladesh Bank. <p>Our substantive procedures in relation to the provision for loan and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> • Reviewed the adequacy of the Banks general and specific provisions; • Assessed the methodologies on which the provision amounts based, checked the calculations of the provisions and tested the completeness and accuracy of the underlying information. • Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guideline. • Finally, compared the amount of provision requirement as determined by Bangladesh Bank inspection team to the actual amount of provision maintained.

(2021: BDT 1,792.05 crore) respectively. We have focused on the following significant judgments and estimates which could give rise to material misstatement or management bias:

- Completeness and timing of recognition of loss events in accordance with criteria set out in BRPD circular no 14, dated 23 September 2012, BRPD circular no. 03 dated 21 April 2019, BRPD circular no. 17 dated 28 September 2020, BRPD circular no. 56 dated 10 December 2020 and BRPD Circular no. 51 dated 18 December 2022.

Later on, after 2020, Bangladesh Bank considered the negative impact of subsequent waves of Covid-19 and the macro-economic global crisis caused by the Russia-Ukraine war and from time to time issued several circulars including BRPD Circular no. 3 dated 31 January, 2021, no. 5 dated 24 March, 2021, BRPD Circular letter no, 51 dated 29 December 2021, no. 53 dated 30 December 2021 and BRPD Circular No. 14 dated 22 June 2022, letter no. 51 dated 18 December 2022. Through them Bangladesh Bank allowed banks to sustain a moratorium on downgrading the classification of loans and advances if they meet certain conditions, including receiving by 31 December 2021 at least 15% of the total installments due on 2021, and by 31 December 2022, at least 50%, 60% and 50% of the total installments due for the quarter April-June 2022, July-September 2022 and October-December 2022 respectively.

The Bank provided us a list of 60 (Sixty) loan clients/accounts files of the Bank loans for which were sanctioned and disbursed/renewed during the period from 2010-2014. Investigation on all of those loan clients/accounts files is still being carried out by Anti-Corruption Commission, Bangladesh.

See note no 7, 7.7, 13.1 and 34 to the financial statements.



Loans and advances	
<p>Loans and advances are the main element of financial statements of the Bank. Income of the Bank is mainly dependent on the portfolio of loans and advances. Management performance is highly dependent on the target achievement of loans and advances. Loan disbursement requires robust documentation followed by approval from appropriate level of authority. We have identified loans and advances as key audit matter because there is an inherent risk of fraud in disbursement of loans and advances by management to meet specific targets or expectations. In addition, the bank reported non-performing loan of BDT 7,786.66 crore, 9.85% lower than the previous year (2021: BDT 8,637.75 crore), which is 57.85% of the total loans and advances.</p>	<p>We tested the design and operating effectiveness of key controls focusing on credit appraisal, loan disbursement procedures and monitoring process as well as the percentage of non-performing loan of loans and advances. We have performed procedure to check whether the Bank has ensured appropriate documentation as per Bangladesh Bank regulations and the Bank's policy before disbursement of loans and advances. In addition, we have performed procedure to check whether the loans and advances is recorded completely and accurately and that are existed at the reporting date. Furthermore, we have assessed the appropriateness of disclosure against Bangladesh Bank guidelines.</p>
See note no 7, 7.7, 13.1 and 34 to the financial statements.	
Recognition of Interest Income	
<p>Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income has involvement of complex IT environment. We identify recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations.</p> <p>Moreover, as per Bangladesh Bank BRPD circular no 53 dated 30 December 2021, BRPD Circular No. 14 dated 22 June 2022, letter no. 51 dated 18 December 2022, considering future risk banks were allowed to recognize outstanding arrear interest income on loans where deferral facilities were given upon receiving certain percentage.</p> <p>Accordingly, this has been considered as key audit matter.</p>	<p>We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans and advances. We performed test of operating effectiveness on automated control in place to measure and recognize interest income. We have also performed substantive procedure to check whether interest income is recognized completely and accurately. We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p> <p>Finally, we also conducted substantive analytical procedures to asses reasonableness of interest recognized during the year with reference to the product wise outstanding loan balances.</p>
See note no 19 to the financial statements	

Measurement of deferred tax assets (DTA)	
At the year end of 31 December 2022 the Bank reported total deferred tax assets of BDT 88.97 crore (31 December 2021: BDT 82.14 crore) and deferred tax income during the year of BDT 6.83 crore (2021: 10.11 crore)	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of DTAs and the assumptions used in estimating the Bank's future taxable income. We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.
Significant judgment is required in relation to deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years.	The Bank has sufficient taxable profit to recover the deferred tax assets in foreseeable future. We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTA's. Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.
Accordingly, this has been considered as key audit matter.	
See note 9 and 36 to the financial statements.	
Increasing of authorized capital and measurement of share money deposit	
The bank has an amount of BDT 2,600 crore, kept as share money deposit in the financial statements, which was received from the Government of Bangladesh. Since the authorized capital of the bank is not enough to convert the said amount into paid up capital, the bank is carrying out the process of increasing the authorized capital to 5,500 crore from 2,500 crore.	We assessed the status of the processes and controls put in place by the Bank to increase the authorized capital and the conversion of the share money deposit.
Upon receiving of necessary certification by RJSC in relation to the increasing authorized capital, the bank will convert the money kept as share money deposit to paid up capital.	We checked necessary compliances and procedures relating the matter. Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards.
This has a wide influence on the financial statements and requires adequate compliance.	
Accordingly, this has been considered as key audit matter.	
See note 16 to the financial statements.	
Valuation of treasury bills and treasury bonds	
The classification and measurement of Treasury Bills and Treasury Bonds require judgment and complex estimates.	We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and bonds.
In the absence of a quoted price in an active market, the fair value of Treasury Bills and Treasury Bonds is determined using complex valuation techniques which	We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and bonds valuation processes,

may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.	including controls over market data inputs into valuation models, model governance, and valuation adjustments. Finally we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
See note no 6.1.1 and 6.1.2 to the financial statements	

Impairment assessment of unquoted investments	
In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques which may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.	We have assessed the processes and controls put in place by the Bank to ensure all major investment decisions are undertaken through a proper due diligence process We tested a sample of investments valuation as at 31 December 2022 and compared our results to the recorded value. Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
See note no 6.2 to the financial statements	

IT systems and controls	
Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls. Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.	We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.

Legal and regulatory matters	
<p>We focused on this area because the Bank operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Bank's best estimate for existing legal matters that have a probable and estimable impact on the Bank's financial position.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the legal provision and contingencies process.</p> <p>We enquired into those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired into the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p>

Reporting on Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is material misstatement therein, we are required to request management and those charged with governance to correct the material misstatement.



Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation for the financial statements of the Bank in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.1 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the financial statements, Management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances;



- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Bank audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Bank Company Act 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

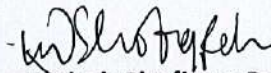
- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) to the extent noted during the course of our audit work performed on the basis stated under the 'Auditors' Responsibility' section in forming the above opinion on the financial statements of the Bank and considering the reports of the management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under 'Management's Responsibility' section for the financial statements and internal control:
 - (i) internal audit, internal control and risk management arrangements of the Bank, as disclosed in the financial statements appeared to be materially adequate;
 - (ii) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank other than matter disclosed in the financial statements.
- (c) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books;
- (d) the balance sheet and profit and loss account of the Bank together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (e) the financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and International Financial Reporting Standards (IFRSs) as explained in note 2.1 as well as with related guidelines issued by Bangladesh Bank.
- (f) Provision has been maintained by the Bank in accordance with Bangladesh Bank approval vide it's Letter No. DOS(CAMS)1157/1(II)-C/2023-2209, Dated 30 April 2023 and Letter No. DBI-8/51(1)/2023-261, Dated 27 April 2023.
- (g) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has not been maintained adequately during the year as stated in note 14.3 to the financial statements.
- (h) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;



- (i) the information and explanations required by us have been received and found satisfactory;
- (j) the expenditures incurred were for the purpose of the Bank's business for the year; and
- (k) we have reviewed over 80% of the risk weighted assets of the Bank and we have spent around 4,700 person hours for the audit of the books and account of the Bank.

Place: Dhaka

Dated: 30 APR 2023


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: Md. Tanjilur Rahman ACA
Partner

Enrolment No.: 1885

Firm Registration No.: 11970 E.P.

DVC: 2305031885AS637741



BASIC Bank Limited
Balance Sheet
As at 31 December 2022

	Note	Amount of Taka	
		31.12.2022	31.12.2021
<u>PROPERTY AND ASSETS</u>			
Cash:	3	8,992,566,384	9,069,939,430
Cash in hand (including foreign currencies)		1,039,895,641	984,826,707
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)		7,952,670,743	8,085,112,723
Balance with other banks & financial institutions:	4	1,965,987,728	1,639,410,607
In Bangladesh		580,314,206	545,821,469
Outside Bangladesh		1,385,673,522	1,093,589,138
Money at Call & Short Notice	5	5,300,000,000	3,100,000,000
Investments:	6	23,434,381,803	31,319,367,901
Government		22,085,580,255	30,069,733,183
Others		1,348,801,548	1,249,634,718
Loans & Advances:	7	134,595,362,994	144,451,774,009
Loans, Cash Credit & Overdraft etc.		133,802,373,813	143,693,087,750
Bills purchased & discounted		792,989,181	758,686,259
Fixed assets including premises, furniture and fixtures	8	365,461,550	375,013,262
Other assets	9	5,898,327,802	5,581,984,668
Non-banking Assets	10	23,858,490	23,858,490
Total Assets:		180,575,946,751	195,561,348,367
<u>LIABILITIES AND CAPITAL</u>			
Borrowings from other banks, financial Institutions and agents	11	2,900,123,732	4,627,159,738
Deposits and other accounts:	12	148,961,574,016	150,980,393,126
Current Accounts and other Accounts		6,837,352,079	7,284,149,930
Bills Payable		860,246,535	764,339,325
Savings Bank Deposits		9,968,005,618	8,989,545,636
Fixed Deposits		131,295,969,784	133,942,358,235
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
Other liabilities	13	30,821,521,468	40,528,705,001
Total Liabilities:		182,683,219,216	196,136,257,865
Capital/Shareholders' Equity			
Paid up Capital	14.2	10,846,982,500	10,846,982,500
Statutory Reserve	15	2,224,690,642	2,224,690,642
Other Reserve	16	27,079,724,454	27,366,050,948
Surplus in Profit and Loss A/C	17	(42,258,670,061)	(41,012,633,587)
Total Shareholders' Equity		(2,107,272,465)	(574,909,497)
Total Liabilities and Shareholders' Equity		180,575,946,751	195,561,348,367



OFF-BALANCE SHEET ITEMS

CONTINGENT LIABILITIES:

Acceptances and Endorsements
Letters of Guarantee
Irrevocable Letters of Credit
Bills for Collection
Other Contingent Liabilities
Total:

18

	31.12.2022	31.12.2021
	2,323,480,142	2,531,612,340
	2,816,785,446	2,695,423,506
	6,398,719,277	10,489,331,924
	127,721,607	201,012,477
	1,106,481,725	1,091,457,325
	12,773,188,197	17,008,837,572

OTHER COMMITMENTS:

Documentary credit 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:

-	-
-	-
-	-
-	-

Total Off-Balance Sheet items including contingent liabilities:

12,773,188,197	17,008,837,572
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These financial statements should be read in conjunction with the annexed notes.


Managing Director


Director



Director


Chairman

Signed as per our annexed report on same date.

Place: Dhaka

Dated: **30 APR 2023**


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: Md. Tanjilur Rahman ACA
Partner
Enrolment No.: 1885
Firm Registration No: 11970 E. P.
DVC:

2305031885AS637741



BASIC Bank Limited
Profit & Loss Account
For the year ended 31 December 2022

	Note	Amount of Taka	
		2022	2021
Interest income	19	6,226,290,184	4,888,166,886
Interest paid on deposits and borrowings etc.	20	(8,690,794,050)	(9,311,115,386)
Net interest income		(2,464,503,866)	(4,422,948,500)
Investment income	21	2,026,542,618	2,186,997,825
Commission, exchange and brokerage	22	1,282,009,653	684,507,606
Other operating income	23	471,477,167	234,244,253
		3,780,029,438	3,105,749,684
Total operating income		1,315,525,572	(1,317,198,816)
Salary and allowances	24	1,815,314,188	1,954,708,539
Rent, taxes, insurance, electricity etc.	25	297,273,285	305,996,198
Legal & professional expenses	26	18,884,431	12,101,553
Postage, stamp, telecommunication etc.	27	17,486,332	14,828,606
Stationery, Printings, Advertisements etc.	28	31,504,976	30,393,138
Managing Director's salary	29	5,228,600	4,482,033
Directors' fees	30	3,326,800	2,675,600
Auditors' fees		920,000	920,000
Charges on loan losses		-	-
Depreciation of bank's assets	31	77,039,036	76,413,139
Repair of bank's assets	32	34,068,414	35,959,524
Other expenses	33	290,585,709	267,283,892
Total operating expenses		2,591,631,771	2,705,762,222
Profit/(Loss) before provision		(1,276,106,199)	(4,022,961,038)
Provision (excess provision) for loan	34	-	169,797,292
Provision (excess provision) for Off Balance Sheet Exposures	34	-	26,202,921
Provision (excess provision) for other assets	34	(111,153,883)	(1,063,094)
Provision (excess provision) for Investment	34	83,652,661	(194,937,119)
Provision (excess provision) for Balance with other Banks and NBFIs	34	-	-
Total provision		(27,501,222)	-
Total Profit/(Loss) before taxes		(1,248,604,977)	(4,022,961,038)
Provision for Current Tax	35	121,340,113	47,963,499
Provision for Deferred Tax	36	(68,293,278)	(101,133,359)
Net Profit/(Loss) after Taxation		(1,301,651,812)	(3,969,791,178)
Appropriations:			
Statutory Reserve	37	-	-
General Reserve	37	-	-
Dividends etc.	37	-	-
Retained surplus		(1,301,651,812)	(3,969,791,178)
Earning Per Share (EPS)	39	(1.20)	(3.66)
Diluted Earning Per Share (Diluted EPS)	39	(0.35)	(1.08)

These financial statements should be read in conjunction with the annexed notes.


Managing Director


Director



Director


Chairman

Signed as per our annexed report on same date.

Place: Dhaka
Dated: 300 APR 2023




Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: Md. Tanjilur Rahman ACA
Partner
Enrolment No.: 1885
Firm Registration No: 11970 E. P.
DVC:

2305031885AS637741

BASIC Bank Limited
Statement of Cash Flows
For the year ended 31 December 2022

Cash flows from operating activities

Interest receipts in cash
Interest payments
Dividends receipts
Fee and commission receipts in cash
Recoveries of loans previously written off
Cash payments to employees
Cash payments to suppliers
Income taxes paid
Receipts from other operating activities (item-wise)
Payments for other operating activities (item-wise)
Operating profit before changes in operating assets and liabilities

Increase/Decrease in operating assets and liabilities

Statutory deposits
Purchase/sale of trading securities
Loans & advances to other banks
Loans & advances to customers
Other assets (item-wise)
Deposits from other banks
Deposits from customers
Other liabilities (item-wise)
Net cash from operating activities

Cash flows from investing activities

Proceeds from Sale of Securities
Payments for Purchase of Securities
Purchase of property, plant & equipment
Sales of property, plant & equipment
Net cash from investing activities

Cash flows from financing activities

Increase/(Decrease) of Long Term Borrowing
Receipt from Government
Conversion of borrowing into reserve
Payment of Dividend
Net cash from financing activities

Net increase/decreasing cash

Effects of Exchange Rate Changes on Cash and Cash Equivalent

Cash and cash equivalents at beginning period

Cash and cash equivalents at end of period

Analysis of cash and cash equivalents at end of period

Cash
Balance with other banks & financial institutions
Money at call on Short Notice

Amount of Taka	
2022	2021
8,553,392,094	7,851,419,458
(8,896,734,065)	(9,076,166,646)
52,969,997	45,810,193
1,282,009,653	684,507,606
292,472,976	90,300,765
(1,851,025,968)	(1,939,228,047)
(31,504,976)	(30,393,138)
(172,374,835)	(148,070,287)
163,781,672	132,266,862
(662,544,971)	(639,765,373)
(1,269,558,423)	(3,029,318,607)
5,498,063,309	6,171,738,153
-	-
7,598,659,604	(5,359,004,692)
-	-
9,856,411,015	4,674,170,173
(578,647,009)	100,472,779
2,644,172	42,824,522
(2,021,463,282)	11,222,617,972
(9,359,541,191)	(4,509,342,601)
4,228,504,886	3,142,419,546
-	-
-	-
(68,436,888)	(38,537,683)
16,172,083	13,712,984
(52,264,805)	(24,824,699)
(1,727,036,006)	(3,827,357,834)
-	-
-	-
(1,727,036,006)	(3,827,357,834)
2,449,204,075	(709,762,987)
-	-
13,809,350,037	14,519,113,024
16,258,554,112	13,809,350,037
8,992,566,384	9,069,939,430
1,965,987,728	1,639,410,607
5,300,000,000	3,100,000,000
16,258,554,112	13,809,350,037

Managing Director

Director

Director

Chairman

Signed as per our annexed report on same date.

Place: Dhaka

Dated:

30 APR 2023



Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: Md. Tanjilur Rahman ACA
Partner
Enrolment No.: 1885
Firm Registration No: 11970 E. P.
DVC:

2305031885AS637741

BASIC Bank Limited

Statement of Changes in Equity
For the year ended 31 December 2022

Particulars	Paid-up Capital	Statutory Reserve	Non-cumulative irredeemable preference share	Other Reserve				Sub-Total	Profit and Loss	Total
	Taka	Taka		General Reserve	Share Money deposit	Investment Revaluation Reserve	Taka			Taka
Balance as at 01 January 2022	10,846,982,500	2,224,690,642	1,205,000,000	40,000,000	26,000,000,000	121,050,948	27,366,050,948	(41,012,633,587)	(574,909,497)	
Add: Adjustment of wrongly assessed interest suspense of Main Branch for the year-2021	-	-	-	-	-	-	-	55,615,338	55,615,338	
Opening Balance after adjustment of intt.suspense	10,846,982,500	2,224,690,642	1,205,000,000	40,000,000	26,000,000,000	121,050,948	27,366,050,948	(40,957,018,249)	(519,294,159)	
Net Profit for the Year	-	-	-	-	-	-	-	(1,301,651,812)	(1,301,651,812)	
Increase/ (decrease) of Investment Revaluation Reserve during the year	-	-	-	-	-	(286,326,494)	(286,326,494)	-	(286,326,494)	
Transferred to Other Reserve	-	-	-	-	-	-	-	-	-	
Cash Dividend Paid during the year	-	-	-	-	-	-	-	-	-	
Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	
Issue of share capital	-	-	-	-	-	-	-	-	-	
Share Money received during the year	-	-	-	-	-	-	-	-	-	
Issuance of bonus share	-	-	-	-	-	-	-	-	-	
Transferred to Statutory Reserve	-	-	-	-	-	-	-	-	-	
Free Reserve	-	-	-	-	-	-	-	-	-	
Balance as at 31 December 2022	10,846,982,500	2,224,690,642	1,205,000,000	40,000,000	26,000,000,000	(165,275,546)	27,079,724,454	(42,258,670,061)	(2,107,272,465)	

These financial statements should be read in conjunction with the annexed notes.


Managing Director


Director


Director


Chairman



BASIC Bank Limited
Liquidity Statement
(Asset and Liability Maturity Analysis)
As at 31 December 2022

Particulars	Up to 01 month	1 - 3 months	3 - 12 months	1 - 5 years	More than 5 years	Total
Assets:						
Cash in hand	7,993,140,251	-	-	-	999,426,133	8,992,566,384
Balance with other banks and financial institutions	1,458,243,944	77,509,492	-	430,234,292	-	1,965,987,728
Money at call on short notice	5,300,000,000	-	-	-	-	5,300,000,000
Investment	355,693,822	926,892,311	2,889,641,912	6,441,984,322	12,820,169,436	23,434,381,803
Loans and Advances	7,372,712,262	11,017,712,368	23,357,812,178	59,337,013,162	33,510,113,024	134,595,362,994
Fixed assets including premises, furniture & fixtures	-	-	2,913,475	61,195,348	301,352,727	365,461,550
Other assets	-	119,391,201	23,284,260	1,218,556,218	4,537,096,123	5,898,327,802
Non-banking assets	-	-	-	-	23,858,490	23,858,490
Total Assets	22,479,790,279	12,141,505,372	26,273,651,825	67,488,983,342	52,192,015,933	180,575,946,751
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	503,039	1,001,104,105	5,205,278	27,206,109	1,866,105,201	2,900,123,732
Deposits & Other accounts	27,150,994,740	30,035,594,792	65,193,094,750	24,174,394,790	2,407,494,944	148,961,574,016
Provision and other liabilities	51,995,935	38,495,930	3,547,695,930	2,269,695,930.00	24,913,637,743	30,821,521,468
Total Liabilities	27,203,493,714	31,075,194,827	68,745,995,958	26,471,296,829	29,187,237,888	182,683,219,216
Net Liquidity Gap	(4,723,703,435)	(18,933,689,455)	(42,472,344,133)	41,017,686,513	23,004,778,045	(2,107,272,465)

(Signature)
Managing Director

(Signature)
Director



(Signature)
Director

(Signature)
Chairman

BASIC Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

1. The Bank and its activities

1.1 Corporate information

BASIC Bank Limited ("the Bank") was incorporated as a banking company in 1989 under the erstwhile Companies Act, 1913 and governed by the Bank Companies Act, 1991 (amended 2013). In 2001 the Bank changed its earlier name 'Bank of Small Industries and Commerce Bangladesh Limited' and registered the new name as "BASIC Bank Limited" with the Registrar of Joint Stock Companies and Firms. Initially the Bank started its operation as a joint venture organization of the then BCC foundation, a welfare trust in Bangladesh and the Government of the People's Republic of Bangladesh. On 4 June 1992 the Government of Bangladesh took over 100% shares and became the sole owner of the Bank. Thus, it is recognized as a state-owned Bank. It operates with 72 branches and 36 sub-branches in Bangladesh. The registered office of the Bank is located at 73 Motijheel C/A, Dhaka-1000.

1.2 Objectives

The Memorandum and Articles of Association of BASIC Bank Limited stipulate that at least fifty percent of its loanable fund shall be used for financing Small and Medium Scale Industries. The principal activities of the Bank is unique in blending development financing and commercial banking.

2. Basis of preparation and significant accounting policies

Basis of preparation

2.1 Statement of compliance

The financial statements of the Bank are prepared in accordance with the International Financial Reporting Standards (IFRS) and the requirements of the Bank Companies Act 1991 (amended 2013), the rules and regulations issued by Bangladesh Bank and the Companies Act 1994. In case any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of IFRS, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRS are as follows:

i) Investment in shares and securities

IFRS: As per requirements of IAS 39 investment in shares and securities generally falls either under "at fair value through profit and loss account" or under "available for sale" 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 revaluation reserve 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 the value of investment; otherwise investments are recognised at cost.

ii) Revaluation gains/losses on government securities

IFRS: As per requirement of IAS 39 where securities will fall under the category of Held for Trading (HFT), any change in the fair value of held for trading assets is recognised through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method and interest income is recognised through the profit and loss account.

Bangladesh Bank: Held for Trading (HFT) securities are revalued on the basis of marked to market at every week end and at year end. Any gains on revaluation of securities which have not matured as at the revaluation date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the revaluation date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. Held to Maturity (HTM) securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.



iii) **Provision on loans and advances/investments**

IFRS: As per IAS 39 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per BRPD Circular No. 14 dated 23 September 2012, BRPD Circular No. 15 dated 23 September 2012, BRPD Circular No. 06 dated 29 May 2013, BRPD Circular No. 05 dated 16 May 2019, BRPD Circular No. 03 dated 21 April 2019, BRPD Circular No. 16 dated 21 July 2020, BRPD Circular No. 17 dated 28 September 2020, BRPD Circular No. 56 dated 10 December 2020 BRPD Circulars no. 3 dated 31 January, 2021, no. 5 dated 24 March, 2021 and no. 51 dated 29 December 2021 and BRPD Circular letter No. 53 dated 30 December 2021; a general provision at 0.25% to 5% under different categories of unclassified loans has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad & loss loans has to be provided at 5%, 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IAS 39.

iv) **Recognition of interest in suspense**

IFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per IAS 39 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognised 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 recognised as income, rather the corresponding amount needs to be credited to an interest suspense account, which is presented as liability in the balance sheet.

v) **Other comprehensive income**

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

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements to be strictly 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 be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

vi) **Financial instruments – presentation and disclosure**

In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in BAS 39. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.

vii) **Repo Transactions**

IFRS: When an entity sells a financial asset and simultaneously entered 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 a deposit, and the underlying asset continues to be recognised in the entities financial statements. These transaction will be treated as loan and the difference between selling price and repurchase price will be treated as interest expenses.

Bangladesh Bank: As per DOS guidelines, when a bank sells a financial assets and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo and stock lending), the agreement is accounted for a normal sales transactions and the financial assets are derecognised in the seller's book and a recognised in the buyers book.

viii) **Financial guarantees**

IFRS: As per IAS 39, financial guarantees are contracts that require an entity 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 terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.



Bangladesh Bank: As per BRPD 14, financial guarantees such as letter of credit, letter of guarantee and acceptance will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin.

ix) 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 equivalents. Money at call and on short notice is presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

x) Non-banking asset

IFRS: No indication of non-banking asset is found in any IFRS.

Bangladesh Bank: As per BRPD 14, there must exist a face item named non-banking asset.

xi) Cash flow statement

IFRS: The cash flow statement can be prepared using either the direct method or the 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 14, cash flow is the mixture of direct and indirect methods.

xii) Balance with Bangladesh Bank (Cash Reserve Requirement)

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.

xiii) Presentation of intangible asset

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

Bangladesh Bank: There is no regulation for intangible assets in BRPD 14.

xiv) Off-balance sheet items

IFRS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD 14, off balance sheet items (e.g. Letter of Credit, Letter of Guarantee, Acceptance, etc.) must be disclosed separately on the face of the balance sheet.

xv) Loans and advances net of provision

IFRS: Loans and advances should be presented net of provision.

Bangladesh Bank: As per BRPD 14, provision on loans and advances are presented separately as liability and can not be netted off against loans and advances.

2.2 Use of estimates and judgments

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

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized and presented in the financial statements of the Bank are included in following notes/statements:

- a) Note 13.1, 13.2, 13.3, 13.4 & 13.5 Provision for loans and advances, off balance sheet exposure, other assets, investments and balance with other banks & NBFIs.
- b) Note 31 Depreciation
- c) Note 35 Current tax liabilities
- d) Note 36 Deferred tax asset
- e) Liquidity statement

2.3 Foreign currency transaction

a) Foreign currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Bank operates, i.e. the functional currency. The financial statements of the Bank are presented in Taka which is the Bank's functional and presentation currency.

b) Foreign currencies translation

Foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per IAS-21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at weighted average rate of inter bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are initially translated into equivalent US Dollar at buying rates taken from Ticker Plant and then retranslated from US Dollar into equivalent Taka in the same specified above.

c) Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities/commitments for letters of credit, letters of guarantee, acceptance etc. denominated in foreign currencies are expressed in Taka terms at the rate of exchange ruling on the date of giving commitment or taking liability.

d) Transaction gains and losses

Foreign exchange differences (rates at which transactions were initially recorded and the rate prevailing on the reporting date/date of settlements) of the monetary items are recognized in the profit and loss account.

2.4 Statement of Cash flows

Statements of Cash flows has been prepared in accordance with International Accounting Standard (IAS) 7 "Statement of Cash Flows" and under the guideline of Bangladesh Bank BRPD Circular no.14 dated 25 June 2003. The Statement shows the structure of changes in cash and cash equivalents during the financial year.

2.5 Liquidity Statement

The Liquidity Statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following basis:

- i) Balance with other Banks and financial institutions, money at call on short notice, etc. are on the basis of their maturity term;
- ii) Investments are on the basis of their respective maturity;
- iii) Loans and advances are on the basis of their repayment schedule;
- iv) Fixed assets are on the basis of their useful lives;
- v) Other assets are on the basis of their realization/amortization;
- vi) Borrowing from other banks, financial institutions & agents, etc. are as per their maturity/repayment terms;
- vii) Deposits & other accounts are on the basis of their maturity term & past trend of withdrawal by the depositors; and
- viii) Provisions and other liabilities are on the basis of their payment/adjustments schedule.

2.6 Statement of Changes in Equity

Statement of Changes in Equity has been prepared in accordance with IAS 1 "Presentation of Financial Statements" and following the guidelines of Bangladesh Bank BRPD circular no.14 dated 25th June 2003.



2.7 Reporting period

These financial statements cover one calendar year from 01 January 2022 to 31 December 2022.

2.8 Offsetting

Financial assets and financial liabilities are offsetted and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.9 Assets and basis of their valuation

2.9.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the Bank management for its short term commitments.

2.9.2 Loans, advances and provisions

Loans and advances are stated in the balance sheet on gross basis. General provisions on unclassified loans and contingent assets, specific provisions for classified loans and interest suspense account thereon are shown under other liabilities. Provision against classified loans and advances is made on the basis of quarter end review by the management and instructions contained in BRPD Circular No. 14 dated 23 September 2012, BRPD Circular No. 15 dated 23 September 2012, BRPD Circular No. 06 dated 29 May 2013, BRPD Circular No. 05 dated 16 May 2019, BRPD Circular No. 03 dated 21 April 2019, BRPD Circular No. 16 dated 21 July 2020, BRPD Circular No. 17 dated 28 September 2020, BRPD Circular No. 56 dated 10 December 2020, BRPD Circulars no. 3 dated 31 January, 2021, no. 5 dated 24 March, 2021 and no. 51 dated 29 December 2021 and BRPD Circular letter No. 53 dated 30 December 2021. The rates for provisions are stated below:

Particulars		Provision Rate
General provision on		
a.	Consumer Financing (House Financing)	1%
b.	Consumer Financing (Loans to Professional)	2%
c.	Consumer Financing (Other than house finance and loans to professional)	2%
d.	Small and Medium Enterprise Financing (SMEF)	0.25%
e.	Short Term Agriculture & Micro Credit	1%
f.	Loans to BHS/ MBs/ Sds against Shares etc	2%
g.	All other Credit	1%
h.	Special Mention Account	0.25%, 1%
Specific provision on		
a.	Substandard Loans and Advances	
	i. Short Term Agri Credit & Micro Credit	5%
	ii. Other than Short Term Agri Credit & Micro Credit	5%, 20%
b.	Doubtful Loans and Advances	
	i. Short Term Agri Credit & Micro Credit	5%
	ii. Other than Short Term Agri Credit & Micro Credit	5%, 20%, 50%
c.	Bad & Loss Loans and Advances	100%

2.9.3 Investments

Investments have been initially recognised at cost, including acquisition charges associated with the investment. Premiums have been amortised and discount accredited, using the effective or historical yield method. The investment in government securities (Treasury bills & bonds) are classified into Held to Maturity (HTM) & Held for Trading (HFT) as per Bangladesh Bank's guidelines contained in DOS Circular Letter No. 05 dated 26 May 2008 as amended vide DOS Circular Letter No. 05 dated 28 January 2009, DOS Circular No. 06 dated 15 July 2010 & DOS Circular Letter No.01 dated 19 January 2014. Same procedures are followed for investment in Bangladesh Bank Bills. Reclassification of HTM securities into HFT securities are also done in compliance with Bangladesh Bank's guidelines.



Held to Maturity (HTM)

Held-to-maturity investments are non-derivative assets with fixed or determinable payments and fixed maturity that the entity has the positive intent and ability to hold to maturity, and which are not designated at fair value through profit or loss or as available for sale. These are measured at amortized value at each year end by taking into account any premium or discount on acquisition. Any increase/decrease in value for amortization of such investments is transferred to revaluation reserve account and shown in the statement of changes of equity. The gains on such security at the time of maturity of the security are credited to income account.

Held for Trading (HFT)

The securities under this category are the securities acquired by the Bank with the intention to trade by taking advantages of short term price/interest movement. The government securities (Treasury Bills/Bangladesh Bank Bills) under "Held for Trading" category are amortized and measured at present value on the basis of marking to market method weekly. The resulting gains & losses are transferred to profit and loss account and then gains arising from marking to market are instantly transferred to other reserve account from profit and loss account. The government securities (Treasury Bond) under "Held for Trading" category are measured at present value on the basis of marking to market method weekly. The resulting gains are transferred to other reserve account & losses are transferred to profit and loss account. The gains/(losses) arising on maturity or sale of such securities are credited/(debited) to profit and loss account.

Value of investments has been enumerated as follows:

Investment class	Initial recognition	Measurement after initial recognition	Recording of changes
Bangladesh Bank Bill/ Treasury Bill /Bond (HTM)	Cost	Amortised value	Both increase and decrease in value are transferred to revaluation reserve account.
Bangladesh Bank Bill/ Treasury Bill (HFT)	Cost	Market value	Both gains & losses are transferred to profit and loss account: gains arising from marking to market are instantly transferred to other reserve account from profit and loss account.
Treasury Bond (HFT)	Cost	Market value	Increase in value to equity and decrease in value to Profit & Loss account.
Prize Bond	Face	None	None
Subordinated Bond	Cost	None	None
Shares	Cost	Lower of cost and market value	Any loss is charged to Profit & Loss account. Realized gain is recognized in Profit & Loss accounts. Unrealized gain is not recognized in accounts.

Investment in listed (quoted) securities

These securities are bought and held primarily for the purpose of selling them in future or hold for dividend income. These are reported at cost. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment has been made properly.

Investment in unlisted (unquoted) securities

Subordinated Bond is reported at cost and shares are reported at lower of cost and market value.

Other Investments

Other investments like prize bond is also eligible for SLR, which is shown at face value.

Investment and related income

- Income on investments other than shares is accounted for on accrual basis concept; and
- Dividend income on investment in shares is accounted for in the year when right has been established.

2.9.4 Fixed assets

Recognition and measurement

Items of fixed assets are measured at cost less accumulated depreciation as per BAS 16 "Property, Plant and Equipment". Cost includes expenditures that are directly attributable to the acquisition of assets. Subsequent cost is capitalized only when it is probable that the future economic benefits associated with the costs will flow to the entity. Ongoing repairs and maintenance is expensed as incurred.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.



Depreciation

Items of fixed assets are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use. Depreciation on the fixed assets has been charged for the year at the following rates:

Category of fixed assets	Rate	Method of Depreciation
Furniture and Fixtures	10%	Reducing balance method
Interior Decoration	10%	Reducing balance method
Machinery and Equipment	20%	Reducing balance method
Computer Hardware	20%	Straight line method
Software	20%	Straight line method
Motor Vehicles	25%	Straight line method
Leasehold Assets	1%	Straight line method over the lease hold period

For additions during the year, depreciation is charged for the remaining days of the year and for disposal depreciation is charged up to the date of disposal.

On disposal of fixed assets, the cost and accumulated depreciation are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the profit and loss account, which is determined with reference to the net book value of the assets and net sale proceeds.

2.9.5 Intangible assets

- a) An intangible asset is recognised if it is probable that the future economic benefits that are attributable to the assets will flow to the entity and the cost of the asset can be measured reliably in accordance with IAS 38: "Intangible Assets".

Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditure that are incurred in customizing the software for its intended use. Subsequent expenditure on intangible asset is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

- b) Software represents the value of computer application software licensed for use of the Bank, other than software applied to the operation software system of computers. Intangible assets are carried at its cost, less accumulated amortization and any impairment losses.
- c) Software is amortized using the straight line method over the estimated useful life of 5 (five) years commencing from the date of the application software is available for use over the best estimate of its useful economic life.

2.9.6 Other assets

Other assets include all balance sheet accounts not covered specifically in other areas of the supervisory activity and such accounts may be quite insignificant in the overall financial condition of the Bank.

2.9.7 Receivables

Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

2.9.8 Inventories

Inventories measured at the lower of cost and net realizable value.

2.9.9 Leasing

The Bank currently has lease/rent agreements at 72 (Seventy two) of its branch and 36 (Thirty six) Sub-branch offices and incurred Tk.22.34 crore as expense on the lease/rent payment. The leases/rents are short term leases/rent with different tenure and cancellable contract. As such, the leases/rent are not treated as Right of Use Assets (ROU). However, the effect of IFRS 16 is very immaterial compared to the volume of whole financial statements. All contracts are cancellable contract and the effect of lease is not material.



2.9.10 Non-banking assets

The Bank has not acquired any non-banking assets in exchange for loan during the period of this financial statements. But the Bank acquired non-banking assets of land valuing at Tk. 82,19,490 and building valuing at Tk. 1,56,39,000 Total Tk. 2,38,58,490 in exchange for loan in 2019.

2.9.11 Reconciliation of inter-bank and inter-branch account

Accounts with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may affect the financial statements significantly.

Un-reconciled entries/balances in the case of inter-branch transactions as on the reporting date are not material.

2.10 Share capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

2.11 Statutory reserve

Bank Companies Act, 1991 requires the Bank to transfer 20% of its current year's profit before tax to reserve until such reserve equals to its paid up capital and share premium account.

2.12 Deposits and other accounts

Deposits by customers & banks are recognized when the Bank enters into contractual provisions of arrangements with the counterparties, which is generally on trade/contract date, & initially measured at the consideration received.

2.13 Borrowings from other banks, financial institutions and agents

Borrowed funds include call money deposits, borrowings, re-finance borrowings and other term borrowings from banks, Bangladesh Bank, Financial Institutions & other Organizations. They are stated in the balance sheet at amounts payable. Interest paid / payable on these borrowings is charged to the income statements.

2.14 Basis for valuation of liabilities and provisions

2.14.1 Provision for current taxation

Provision for current income tax has been made as per prescribed rate in the Finance Ordinance, 2022 on the gross receipts/accounting profit made by the Bank after considering some of the add backs to income and disallowances of expenditure as per income tax laws in compliance with IAS-12 "Income Taxes".

2.14.2 Provision for deferred taxation

Deferred tax is recognized in compliance with IAS 12 "Income Taxes" and BRPD Circular no. 11 dated 12 December 2011, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the date of balance sheet. Deferred tax assets and liabilities are offset as there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each date of balance sheet and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.14.3 Benefits to the employees

The retirement benefits accrued for the employees of the Bank as on reporting date have been accounted for in accordance with the provisions of International Accounting Standard-19, "Employee Benefit". Bases of enumerating the retirement benefit schemes operated by the Bank are outlined below:

a) Provident Fund

Provident fund benefits are given to the permanent employees of the Bank in accordance with Bank's service rules. Accordingly approved trust deed and provident fund rules were in place. The Commissioner of Income Tax, Taxes Zone - 8, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of section 2(52), read with the provisions of part - B of the First Schedule of Income Tax Ordinance 1984. The recognition took effect from 30 September 1995. The Fund is operated by a Board of Trustees consisting of seven members. Usually all



confirmed employees of the Bank are contributing 10% of their basic salary as subscription to the Fund. The Bank also contributes 8.33% of basic salary of each member. Interest on the provident fund balance is credited to the members' account on yearly basis.

b) Gratuity Fund

The Bank made provision for gratuity fund at discretion of the management (with the approved of BoD) to provide an employee with financial benefit on his ceasing the Bank's service or in the event of his death to his legal heirs/nominees or successors, in respect of which provision is made annually covering all its permanent eligible employees who have completed required years of service.

c) Benevolent Fund

The benevolent fund is subscribed by monthly contribution of the employees. The Bank also contributes to the fund @ 0.5% of profit or a lump sum at the end of the year. The fund is established to sanction grant in the event of death on duty or permanent disabilities of the employees & to provide financial assistance to the employees & dependants.

d) Superannuation Fund

The Bank operates a contributory superannuation fund to give benefit to employees at the time of retirement and also cover group term life insurance. Employees are contributing to the fund monthly and the Bank also contributes a lump sum amount from the profit at the end of each year.

e) Welfare Fund

The Bank has been maintaining a welfare fund created from profit. This fund is for the utilization of various social activities as part of corporate social responsibility of the Bank.

2.14.4 Provision for liabilities

A provision is recognized in the balance sheet when the Bank has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

2.14.5 Provision for Off-balance sheet exposures

Off-balance sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank guidelines. In accordance with BRPD circular no. 14 dated 23 September 2012, general provision @ 1% has been made on the outstanding balances of Off-Balance Sheet exposure of the Bank as at 31 December 2021. Provision is made on the total exposure and amount of cash margin where value of eligible collateral is not deducted while computing Off-Balance sheet exposure.

2.14.6 Provision for nostro accounts

As per instructions contained in the circular letter no. FEPD (FEMO)/01/2005-677 dated 13 Sep 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank, Banks are required to make provision regarding the un-reconciled debit balance of nostro account for more than 3 months as on the reporting date in these financials. Since there is no unreconciled entries which are outstanding more than 3 months then Bank's are not required to make provision.

2.15 Revenue recognition

2.15.1 Interest income

In terms of the provisions of the IAS-18 "Revenue", the interest income is recognized on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified. It is then kept in interest suspense. After the loans is classified as bad and loss, interest ceases to apply in the respective loan account and recorded in the system as unapplied interest. Interest on classified advances is accounted for on a cash receipt basis as per Bangladesh Bank guidelines.

2.15.2 Investment income

Interest income on investments is recognized on accrual basis. Capital gain is recognized when it is realized.

2.15.3 Fees and commission income

Fees, Commission and Exchange Income on services provided by the Bank are recognized as and when the related services are performed. Commission charged to customers on letter of credit, letter of guarantee etc. are credited to Income at the time of effecting the transactions.



2.15.4 Dividend income on shares

Dividend income from investment in shares is recognized when the Bank's right to receive dividend is established as per IAS 18 "Revenue".

2.15.5 Interest paid and other expenses

In terms of the provisions of IAS-1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

2.16 Risk management

The risk of BASIC Bank Limited is defined as the possibility of losses, financial or otherwise. The risk management of the Bank covers core risk areas of banking viz. credit risk, liquidity risk, market risk that includes foreign exchange risk, interest rate risk, equity risk, ICT risk, operational risk & reputation risk arising from money laundering incidences. The prime objective of the risk management is that the Bank evaluates & takes well calculative business risks & thereby safeguards the Bank's capital, its financial resources & profitability from various business risks through its own measures & through implementing Bangladesh Bank's guidelines & following some best practices as under:

a) Credit risk

It arises mainly from lending, trade finance, leasing and treasury businesses. It can be described as the potential loss arising from the failure of a counter party to perform as per contractual agreement with the Bank. The failure may result from unwillingness of the counterparty or deterioration in their financial condition.

The Bank has 04 (four) Circle Offices (Circle Office-1, 2, 3 & 4) and several credit divisions focused on different areas/sectors of the economy and entrusted with the duties of Credit Appraisal to assess the merit of loan proposals. The Bank ensures strict management of credit quality by analyzing/assessing borrower risk on historical repayment performance of the borrower, historical and projected financial statements, industry outlook, collateral coverage of the proposed credit facility, market reputation of the borrower and any other relevant aspects. To manage its credit risk at a tolerable level, the Bank prepares an Annual Credit Budget where the amount of loan to each sector is allocated on yearly basis. Budgeted allocation to each sector is monitored or adjusted periodically on the basis of national economic trends, business or sector viability, the Bank's credit position and profitability, the central bank's regulations and guidelines, availability of investable fund and so on. Moreover, total aggregate loans and advances of branches are allocated and controlled on the basis of the credit budget. The Bank also has a Credit Pre-Audit Cell (CPAC) that oversees and ensures proper documentation before approval pertaining to the credit facilities above a threshold amount.

The Bank takes its lending decision based on the credit risk assessment report by the appraisal team. In determining Single borrower/Large loan limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted at periodical intervals to ensure compliance of Bank's & Regulatory policies. Loans are classified as per Bangladesh Bank guidelines. Concentration of single borrower/large loan limit is shown in the notes to the financial statements.

b) Liquidity risk

The object of liquidity risk management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due. To this end, the Bank is maintaining a diversified and stable funding base comprising of core retail and corporate deposits and institutional balance. Management of liquidity and funding is carried out by Treasury and Capital Market Services Division under approved policy guidelines. Treasury Front Office is supported by a very structured Back Office. A Mid Office Division has also been created as per requirement of Bangladesh Bank. The Liquidity management is monitored by Asset Liability Management Committee (ALCO) on a regular basis. A written contingency plan is in place to manage extreme situation.

c) Market risk

The exposure of market risk of the Bank is restricted to foreign exchange risk, interest rate risk & equity risk.

Foreign exchange risk

Foreign exchange risk is defined as the potential change in earnings due to change in market prices. The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance requirements. No foreign exchange dealing on Bank's account was conducted during the year.

Treasury Division independently conducts the transactions, Back Office of Treasury is responsible for verification of the deals & passing of their entries in the books of account and Mid Office of Treasury monitors dealer's adherence to various internal, regulatory and counter party limits. All foreign exchange transactions are revalued at Mark-to-Market rate as determined by the bank as mid rate at the month end & the mid rate is being published by the Treasury Division



of the Bank as per approved policy. All Nostro accounts are reconciled on a monthly basis & outstanding entry beyond 30 days is reviewed by the management for its settlement. The position maintained by the Bank at the end of day was within the stipulated limit prescribed by Bangladesh Bank.

Interest rate risk

Interest rate risk may arise either from trading portfolio or non-trading portfolio. The short-term movement in interest rate is negligible or nil. Interest rate risk of non-trading business arises from mismatches between future yield of an asset & its funding cost. Asset Liability Management Committee monitors interest rate movement on a regular basis.

Equity risk

Equity risk arises from fall in market price of shares which are regularly monitored by the management. The management keep required provision as per Bangladesh Bank guidelines when the cost price exist under the market price.

d) Reputation risk arising from money laundering incidences

Money Laundering has significant economic and social consequences, especially for developing countries and emerging markets. The adverse consequences of money laundering are reputational, operational, legal and concentration risks and include loss of profitable business, liquidity problems through withdrawals of funds, termination of correspondent banking facilities, loan losses etc.

An anti-money laundering/countering terrorist financing (AML/CFT) program is an essential component of a bank's compliance regime. The primary goal of an AML/CFT program is to protect the bank against money laundering, terrorist financing and other financial crimes and to ensure that the bank is in full compliance with relevant laws and regulations. The management of BASIC Bank Limited has taken prevention of money laundering and terrorist financing as part of the Bank's risk management strategies. 'Anti Money Laundering (AML) and Combating Financing of Terrorism (CFT) Policy' of the Bank has been revised and subsequently approved by the Board of Directors of the Bank in its 494th meeting held on 05 March 2020.

The Bank established a separate division namely Anti-Money Laundering Division (AML/D) for mitigating Money Laundering and Terrorist Financing related risks. One of the General Managers is acting as the Chief Anti-Money Laundering Compliance Officer (CAMLCO) of the Bank. In addition, Central Compliance Committee (CCC) is working to develop and review institutional strategy and program for preventing money laundering and terrorist financing. AML/D is performing as the secretariat of Central Compliance Committee. AML/D is continuously monitoring and reviewing overall Bank's compliance to mitigate ML/TF risks. Besides, a senior level executive from each Branch is working as a Branch Anti-Money Laundering Compliance Officer (BAMLCO). Audit and Inspection Division conducts audit for an effective Anti Money Laundering System Check throughout the year. Moreover, members of CCC and employees of AML/D pay visit to Branches to supervise the AML procedures and functions at branch level as and when required.

Sound Know Your Customer (KYC) and Transaction Profile (TP) are in place to recognize the risk associated with accounts. Cross-border transactions (both incoming and outgoing messages) are screened against UN, OFAC, EU and other Sanction lists through SWIFT Screening Software. Moreover, the Bank has its own AML Screening System for screening customer against UN Sanction List, Domestic Sanction List and Private List before opening an account and making payment of foreign remittance (through Bank or Exchange Houses).

The Bank is providing CTR/STR data through goAML web portal of Bangladesh Financial Intelligence Unit (BFIU) on regular basis. It is the requirement of BFIU to report cash transaction of BDT 10 Lac and above in a single day in a single account and suspicious transaction as and when detected. BASIC Bank Training Institute arranges training programs on AML & CFT throughout the year to develop awareness and skill for mitigating money laundering and terrorist financing risks.

e) Operational risk

Operational risk may arise from error and fraud due to lack of internal control and compliance. Management through Compliance Division controls operational procedure of the Bank. Audit and Inspection Division undertakes periodical and special audit of the branches and divisions at the Head Office for review of the operation and compliance of statutory requirements. The Audit Committee of the Board subsequently reviews the reports of the Audit and Inspection Division and Compliance Division.

f) Asset Liability Management Risk

Asset Liability Management (ALM) is a risk management technique designed to earn an adequate return while maintaining a comfortable surplus of assets beyond liabilities. The scope of ALM function can be described as liquidity risk management, management of market risks, trading risk management, funding and capital planning, profit planning, growth projection, etc.



The ALM committee usually makes decisions on financial direction of the Bank. The ALCO's goal is to manage the sources and uses of funds, identify balance sheet management issues like balance sheet gap, interest rate gap etc. ALCO also reviews liquidity contingency plan and implements asset and liability pricing strategy for the Bank. The bank revised its asset liability management policy in line with Bangladesh Bank guideline. The Board of Directors of the Bank approved the revised policy in September 2017, which is followed meticulously.

g) ICT Risk Management

ICT risk refers to the potential of ensuing harmful effects that an organization may suffer from intentional or unintentional threats to information and information technology systems. Managing ICT risk is part of running regular operation of the Bank now a days. Failure to manage ICT risk may lead to serious security breaches, financial losses & even business discontinuity. Hence, it is imperative that there should be a mechanism to identify, assess and mitigate ICT risk. BASIC Bank Limited, with the approval of the Board, has adopted an ICT policy in compliance with ICT security guidelines of Bangladesh Bank covering various aspects of ICT risk management. Based on the policy the Bank has taken necessary measures for mitigating ICT risk and impending hazards through implementing proper strategies and processes of identifying, appreciating, analyzing and assessing the same. The Bank has also taken necessary initiatives which would make a positive impact on improving ICT segment of core risks management. All observations by Bangladesh Bank, related to ICT segment of core risks management are being complied in time. Necessary measures are also being taken to minimize manual intervention, as much as possible, by implementing automatic handling of network level and server level failure. Moreover, necessary initiatives are also being taken to comply with the ICT related issues mentioned in the circular of Bangladesh Bank regarding Self-Assessment of Anti Fraud Internal Controls. Internal ICT audit by Audit and Inspection Division of Head Office in different branches of the Bank are being carried out regularly. The Bank has been carrying out the job of Vulnerability Assessment (VA), Penetration Test (PT) by the external experts having sufficient expertise on ICT securities. The Bank has taken necessary steps to enhance the securities of the network, database and e-mail systems of the Bank. An independent ICT Security Unit comprising some ICT security experts has already been established within the Bank for monitoring, identifying and overseeing all kinds of potential ICT risks and threats. Moreover, the Bank has taken necessary initiatives to protect its ICT System from unauthorized Network Access, Denial of Service Attack, Zero-Day Virus Attack, Advanced Persistent Threat (APT) Attack, Malware Attack, Spyware Attack etc. The Bank is also carrying out training programs on importance and awareness of ICT security for its employees to prevent from different malicious activities.

h) Internal Control and Compliance

The primary objectives of Internal Control and Compliance are to help the Bank perform better through the effective use of its resources, identify its weaknesses, take appropriate measures to overcome the same and ensure compliance with regulatory framework including applicable laws and regulations. Internal Control and Compliance of the Bank includes three fold functions viz. Internal Audit & Inspection of Branches and Divisions of Head Office, Monitoring of operational activity of the Bank to assess the risk of individual Branches/Divisions and Compliance of Internal Audit & Inspection Reports of Branches & Divisions and Bangladesh Bank Audit Reports including Bangladesh Bank Special Audit Reports on Core Risks & Cash Incentive and Government Commercial Audit Reports. These functions are being carried out by 03 (three) divisions namely Audit & Inspection Division, Audit Findings Monitoring Division and Compliance Division. The Audit Committee of the Board subsequently reviews the major lapses identified by Audit and Inspection Division as well as compliance of these lapses. The Audit Committee also reviews periodic financial statements of the Bank, Bangladesh Bank Inspection Reports, Commercial Audit Reports and other issues indicated in the Bangladesh Bank Guidelines. Necessary steps/measures are taken on the basis of observation & suggestion of the Committee.

i) Fraud & Forgeries

The term 'Fraud' commonly includes activities such as theft, corruption, conspiracy, embezzlement, money laundering, bribery & extortion. Fraud risk is one of the components of Operational risk. Operational risk focuses on the risks associated with errors or events in transaction processing or other operations. Bank is absolutely committed to maintain an honest, open & well intentioned atmosphere within the organization. Bank is also committed to prevent fraud and detection of fraud. Fraud & Forgery has emerged as one of the major threats in banking sector with regular development of avenues by the fraudsters.

In the year 2017, the bank has started to further develop the Risk & Fraud awareness culture among the employees & reduce the likelihood of fraud occurring in the Bank. In 2022, Audit & Inspection Division (AID) of the Bank has conducted 72 Branches including 16 Authorized Dealer (AD) Branches of Foreign Exchange & 10 Special inspections at different Branches and 25 regular Inspections at different Divisions of Head Office, where allout efforts were taken by the officials of AID to detect fraud & forgeries and to find out potential risk factors.

In connection with dealing the situation and ensuring safety checking measures against fraud & forgery related issues, Monitoring Division of the Bank quarterly prepare Self Assessment of Anti-Fraud Internal Controls report and submit the same to Bangladesh Bank with joint signature of the Managing Director & the Chairman of Audit Committee of the Board of Directors of the Bank.



2.17 Earnings per share (EPS)

The Bank presents basic and diluted (when dilution is applicable) earnings per share (EPS) for its ordinary shares in accordance with BAS 33 "Earnings per Share". Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank with the weighted average number of ordinary shares outstanding during the period, adjusted for the effect of change in number of shares for bonus issue, share split and reverse split. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. Hence Diluted EPS has been calculated.

2.18 Events after the reporting period

All material events after the reporting period that provide additional information about the Bank's position at the balance sheet date are reflected in the financial statements as per IAS 10 "Events after the Reporting Period". Events after the reporting period that are not adjusting events are disclosed in the notes when material.

2.19 Directors' responsibility on statement

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

Memorandum items

Memorandum items are maintained to have control over all items of importance and for such transactions where the Bank has only a business responsibility and no legal commitment. Stock of travelers cheques, savings certificates, wage earners bonds and other fall under the memorandum items.

Capital Expenditure Commitment

There was no capital expenditure contracted but incurred or provided for at 31 December 2022. Besides, there was no material capital expenditure authorized by the Board but not contracted for at 31 December 2022.

2.20 Related party disclosures

As per IAS 24 "Related Party Disclosures", a related party is a person or entity that is related to the entity (i.e. BASIC Bank Limited) that is preparing its financial statements. Related party transaction is a transfer of resources, services, or obligations between a reporting entity and a related party, regardless of whether a price is charged as per IAS 24.

Related Parties include the Bank's Directors, key management personnel, associates, companies under common directorship etc. as per IAS 24 "Related Party Disclosures". All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes as admissible.

2.21 Board of Directors as on 31 December 2022:

Name	Status	Other Position
Professor Dr. Abul Hashem	Chairman	Vice Chancellor, Anwer Khan Modern University, Ex-Chairman, Dhaka Stock Exchange Limited, Ex-Member, University Grants Commission of Bangladesh, Ex-Treasurer, University of Dhaka, Ex-Dean, Faculty of Business Studies, University of Dhaka, Ex-Chairman, Department of Accounting, University of Dhaka, Ex-Director, Bangladesh Shilpa Bank, and Ex-Director, Dhaka Stock Exchange Limited.
Mr. Md. Razib Pervez	Director	Founder & Chairperson – Governance Policy Explore Center. Independent Director, Monno Ceramic Industries Ltd.
Dr. Nahid Hossain	Director	Joint Secretary, Government of the People's Republic of Bangladesh
Dr. Md. Abdul Khaleque Khan (Freedom Fighter)	Director	Managing Director & CEO (Retired) Bangladesh Commerce Bank Limited



Mr. Shamim Ahammed	Director	Joint Secretary, Government of the People's Republic of Bangladesh
Mr. Md. Anisur Rahman	Director	Managing Director & CEO BASIC Bank Limited

The Board of Directors conducted 40 (forty) meetings during the year.

2.22 Audit Committee as on 31 December 2022:

Members of the Audit Committee of the Board of Directors:

Name	Status with the Committee	Educational Qualification
Dr. Nahid Hossain	Chairman	B.Com (Hons.), M.Com (Finance & Banking), Master of Economics (Japan), Doctor of Engineering (Environment & Life Engineering, Japan)
Mr. Md. Razib Pervez	Member	B.Sc. Engineering (CSE), MA (Public Affairs), MPhil (Public Administration)

Audit Committee conducted 11 (eleven) meetings during the year.

2.23 Risk Management Committee as on 31 December 2022:

Name	Status	Educational Qualification
Mr. Md. Razib Pervez	Chairman	B.Sc. Engineering (CSE), MA (Public Affairs), MPhil (Public Administration)
Dr. Nahid Hossain	Member	B.Com (Hons.), M.Com (Finance & Banking), Master of Economics (Japan), Doctor of Engineering (Environment & Life Engineering, Japan)
Dr. Md. Abdul Khaleque Khan	Member	BSS (Hons.), MSS (Economics), Ph.D
Mr. Shamim Ahammed	Member	Master of Business Administration, University of West London, UK; Bachelor of Urban and Rural Planning, Khulna University, Bangladesh.

Risk Management Committee conducted 26 (twenty six) meetings during the year.

2.24 Executive Committee as on 31 December 2022:

Name	Status	Educational Qualification
Professor Dr. Abul Hashem	Chairman	B.Com (Hons.), M.Com (Accounting), Ph.D (Russia), Post-doctoral Fellowship (USA)
Dr. Md. Abdul Khaleque Khan (Freedom Fighter)	Member	BSS (Hons.), MSS (Economics), Ph.D
Mr. Shamim Ahammed	Member	Master of Business Administration, University of West London, UK; Bachelor of Urban and Rural Planning, Khulna University, Bangladesh.

Executive Committee conducted 04 (four) meetings during the year.

2.25 Head Office Management Committee (MANCOM) as on 31 December 2022:

Sl #	Name	Designation	Status with the Committee
1	Mr. Md. Abdur Rahim	Deputy Managing Director-I	Chairman
2	Mr. Abu Md. Mofazzal	Deputy Managing Director-II	Member
3	Mr. Md. Abul Kalam Azad	Deputy Managing Director-III	Member
4	Mr. Ahmad Hossain	General Manager	Member
5	Mr. Hasan Tanvir	General Manager	Member
6	Mr. Abu Sayed Md. Rowshanul Haque	General Manager	Member
7	Mr. Md. Ismail	General Manager	Member
8	Mr. Md. Momenul Hoque	General Manager	Member
9	Mr. Mohammed Ali	Deputy General Manager, Human Resources Division	Member Secretary

The Head Office Management Committee conducted 06 (Six) meetings during the year.



2.26 Compliance report on International Accounting Standards (IAS) & International Financial Reporting Standards (IFRS)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). While preparing the financial statements, BASIC Bank applied all the applicable IAS and IFRS as adopted by ICAB. Details are given below:

Name of the IAS	IAS no.	Status
Presentation of Financial Statements	1	Applied*
Inventories	2	N/A
Statement of Cash Flows	7	Applied*
Accounting Policies, Changes in Accounting Estimates & Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	Applied
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Govt. Grants & Disclosure of Govt. Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	Applied
Consolidated and Separate Financial Statements	27	N/A
Investments in Associates	28	N/A
Interests in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied*
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Name of the IAS	IAS no.	Status
Provisions, Contingent Liabilities and Contingent Assets	37	Applied*
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied*
Investment Property	40	N/A
Agriculture	41	N/A
Name of the IFRS	IFRS no.	Status
First Time Adoption of Bangladesh Financial Reporting Standard	1	N/A
Share Based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosure	7	Applied*
Operating Segments	8	Applied
Consolidated Financial Statements	10	N/A
Joint Arrangements	11	N/A
Disclosure of interests in other Entities	12	N/A
Fair Value Measurement	13	N/A

* Subject to departure described in note 2.1

2.27 Corporate Social Responsibilities (CSR)

Bank authority is very much concerned about responsibility to the society people. With industrialization, the impacts of business on society and the environment assumed an entirely new dimension. For this, Corporate Social Responsibility has become a criterion of socially lawful business endeavour and the acceptance of it is growing day by day. Countries of developed economy have taken the idea of "Social Responsibility". BASIC Bank Limited has also realized its responsibilities to the society and very much willing to contribute to the improvement of the society within the framework of Bangladesh Bank guidelines.



2.28 Regulatory and legal compliance

The Bank complied with the requirement of the following regulatory and legal acts and rules:

- i. The Bank Company Act, 1991 (amended 2018)
- ii. The Companies Act 1994
- iii. Rules, regulations and circulars issued by the Bangladesh Bank from time to time
- iv. The Income Tax Ordinance 1984 and Rules
- v. The Value Added Tax and Supplementary Duty Act, 2012
- vi. The Value Added Tax and Supplementary Duty Act, 2016
- vii. The Stamp Act-1899
- viii. The Customs Act-1969
- ix. The Money Laundering Prevention Act, 2012
- x. The Anti Terrorism (Amendment) Act, 2012
- xi. Labor Act, 2006 (amended in 2013) and Labor Rule, 2015

2.29 Approval of financial statements

The financial statements were approved by the Board of Directors on 30 April 2023.

2.30 General

- a) 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.
- b) The expenses, irrespective of capital or revenue nature, accrued/due but not paid have been provided for in the books of the Bank.
- c) Figures of previous year have been rearranged whenever necessary to conform to current years presentation.



			Amount of Taka	
			31.12.2022	31.12.2021
3. Cash				
Cash in hand (including foreign currencies)	Note 3.1		1,039,895,641	984,826,707
Balance with Bangladesh Bank & its agent bank(s)	Note 3.2		7,952,670,743	8,085,112,723
Total			8,992,566,384	9,069,939,430
3.1 Cash in Hand (including foreign currencies)				
In Local Currency (3.1.1)			1,039,323,333	981,650,677
In Foreign Currencies			572,308	3,176,030
Total			1,039,895,641	984,826,707
3.1.1 In Local Currency				
In Hand			988,444,033	938,340,277
In ATM			50,879,300	43,310,400
			1,039,323,333	981,650,677
3.2 Balance with Bangladesh Bank & its agent bank(s)				
In Local Currency	Note 3.2.1		7,043,569,738	7,415,375,124
In Foreign Currencies	Note 3.2.2		909,101,005	669,737,599
			7,952,670,743	8,085,112,723
3.2.1 In Local Currency				
Bangladesh Bank			6,953,244,610	7,234,894,922
Sonali Bank (acting as agent of Bangladesh Bank)			90,325,128	180,480,202
			7,043,569,738	7,415,375,124
3.2.2 In Foreign Currencies				
Bangladesh Bank - EURO			6,684,490	5,289,276
Bangladesh Bank - GBP			4,892,124	4,617,596
Bangladesh Bank - YEN			297,792	22
Bangladesh Bank - US\$			897,226,599	659,830,705
			909,101,005	669,737,599
3.2.2.1 Balance with Bangladesh Bank as per DB -5			7,091,371,783	6,873,540,630

Reason of Difference between balance with Bangladesh Bank and DB-5:

The reason of difference between balance with Bangladesh Bank and DB-5 is that the balance of foreign currency clearing account is not shown in DB-5 statement and Tk. 57.00 Lac deducted from actual Bangladesh Bank (BDT) A/C balance which is lien amount against TT discounting facilities. Moreover, there were some entries passed by Bangladesh Bank on year ending date but we passed corresponding entries on later date after receiving advice from Bangladesh Bank.

3.3 Statutory Deposits

Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained as per Section 33 of the Bank Companies Act 1991 and BRPD Circular No. 11 and 12 both dated August 25, 2005, MPD Circular No. 2 dated December 10, 2013 and MPD Circular No. 03 dated April 09, 2020.

The Cash Reserve Requirement (CRR) on the Bank's time and demand liabilities at the rate of 4.00% has been calculated and maintained with Bangladesh Bank in current account and 13.00% Statutory Liquidity Ratio (SLR) has been calculated and maintained with excess CRR balance, all kinds of approved govt. securities, cash in hand including FC balance with Bangladesh Bank and Sonali Bank (as agent of Bangladesh Bank). Both the reserves maintained by the Bank are in excess of the statutory requirements, as shown below:

3.3.1 Cash Reserve Ratio (CRR)

Required Reserve (4.00% of Average Demand & Time Liabilities)
Actual reserve maintained
Surplus/(Deficit)
Required (%)
Maintained (%)

6,410,111,654	5,986,392,765
8,863,318,077	6,154,342,089
2,453,206,423	167,949,324
4.00%	4.00%
5.53%	4.11%

3.3.2 Statutory Liquidity Reserve (SLR)

Required Reserve (13.00% of Average Demand & Time Liabilities)
Actual reserve maintained
Surplus/(Deficit)
Required (%)
Maintained (%)

20,832,862,875	19,455,776,485
23,897,060,808	32,112,800,822
3,064,197,933	12,657,024,337
13.00%	13.00%
14.91%	21.46%



4. Balance with other banks & financial institutions
In Bangladesh- local currency
Outside Bangladesh- NOSTRO & FC Term Placement

Note 4.1
Note 4.2

Amount of Taka	
31.12.2022	31.12.2021
580,314,206	545,821,469
1,385,673,522	1,093,589,138
1,965,987,728	1,639,410,607

4.1 In Bangladesh

4.1.1 Current Accounts

Sonali Bank Ltd.
Agrani Bank Ltd.
Janata Bank Ltd.
Rupali Bank Ltd.
Bangladesh Krishi Bank
Agrani Bank Ltd. (Agrani Exchange, Singapore)
NCC Bank Ltd.

7,851,956	1,420,418
16,537,032	3,519,659
25,655,738	11,882,380
9,926,602	5,305,835
54,713	3,570,323
3,872	
12,540,509	3,989,973
72,570,422	29,688,588

4.1.2 Short Notice Deposit Accounts

Sonali Bank Ltd.
Agrani Bank Ltd.
Janata Bank
Rupali Bank Ltd.
Bangladesh Krishi Bank
Trust Bank Ltd.
The Premier Bank Ltd.

16,448	10,018,069
6,373,588	11,883,817
24,697,084	25,855
42,962,737	50,021,214
-	
3,454,631	13,872,212
5,004	6,732
77,509,492	85,827,899

4.1.3 Other Deposit

Receivable from ICB Islami Bank

130,234,292	130,304,982
-------------	-------------

4.1.4 Fixed Deposit Accounts

- i) FDR/Placement with Banks
ii) FDR/Placement with Non-Bank Financial Institutions (NBFIs):
Bangladesh Industrial Finance Company (BIFC) Limited

-	-
300,000,000	300,000,000
300,000,000	300,000,000
580,314,206	545,821,469

Total

4.2 Outside Bangladesh (Nostro & FC Term Placement)

Interest bearing accounts
Term Placements

Note 4.2.1
Note 4.2.2

173,673,522	321,389,138
1,212,000,000	772,200,000
1,385,673,522	1,093,589,138

4.2.1 Interest-bearing Accounts

Sonali Bank Kolkata-EURO
Sonali Bank London (EUR)
Sonali Bank London (UKP)-GBP
Bank of Tokyo Mitsubishi Japan-JPY
Arif Habib Bank, Karachi-USD
Mashreq Bank India-USD
Mashreq Bank New York-USD
Sonali Bank Kolkata-USD
Bank of Ceylon-USD
CITI Bank NA, New York (Export)-USD
Sonali Bank London-USD
AB Bank Ltd, Mumbai (USD)
Habib Metropolitan Bank Ltd.-USD
HDFC Bank Ltd.-USD
Sonali Bank London-USD
United Bank of India-USD
United Bank of India, Mumbai-ACU
AKTIF YATIRIM BANKASI A.S., ISTANBUL-EUR
Habib American Bank New York-USD
Kookmin Bank, Seoul-USD
Total

512,928	455,762
-	5,833,313
241,234	1,157,502
874,864	899,703
111,428	94,659
65,360	55,524
465,105	395,109
34,926,154	18,088,764
1,054,806	781,520
21,514,234	201,329,957
7,252,840	9,374,544
19,360,976	13,060,695
560,631	843,797
28,008,572	7,582,983
536,667	-
13,031,333	-
-	20,335,324
4,122,314	-
29,395,016	7,868,583
11,639,060	33,231,399
173,673,522	321,389,138

(Annexure - A may kindly be seen for details)



		Amount of Taka	
		31.12.2022	31.12.2021
4.2.2 Term Placement			
AB Bank Limited (USD)		101,000,000	343,200,000
Mercantile Bank Limited-USD		606,000,000	-
Meghna Bank Limited-USD		303,000,000	-
Midland Bank Limited (USD)		202,000,000	429,000,000
Total		1,212,000,000	772,200,000
Grand total (Nostro and Term Placement)		1,385,673,522	1,093,589,138
4.3 Maturity grouping of balances with other banks & financial institutions:			
On demand		211,509,239	29,688,587
Upto 1 month		1,246,734,705	1,175,418,814
Over 1 month but not more than 3 months		77,509,492	-
Over 3 months but not more than 1 year		-	-
Over 1 year but not more than 5 years		430,234,292	434,303,206
Over 5 years		-	-
Total		1,965,987,728	1,639,410,607
5 Money at Call & Short Notice			
Commercial Banks	Note 5.1	5,300,000,000	3,100,000,000
Financial Institutions (Public & Private)		-	-
		5,300,000,000	3,100,000,000
5.1 Commercial Banks			
AB Bank Ltd		1,200,000,000	1,200,000,000
Agrani Bank Ltd.		2,000,000,000	-
Community Bank Ltd		500,000,000	600,000,000
Modhumoti Bank Ltd		-	100,000,000
Midland Bank Ltd		-	1,200,000,000
NRB Bank Ltd.		600,000,000	-
ONE Bank Limited		1,000,000,000	-
		5,300,000,000	3,100,000,000
6. Investments			
Government Securities	Note 6.1	22,085,580,255	30,069,733,183
Other Investments	Note 6.2	1,348,801,548	1,249,634,718
		23,434,381,803	31,319,367,901
6.1 Government Securities			
Treasury Bills and Reserve Repo	Note 6.1.1	-	-
Treasury Bonds	Note 6.1.2	22,082,755,555	30,066,046,283
Prize Bond		2,824,700	3,686,900
		22,085,580,255	30,069,733,183
6.1.1 Treasury Bills (at revalued Amount) (A)			
364 Days Government Treasury Bills		-	-
364 Days Reverse Repo		-	-
182 Days Government Treasury Bills		-	-
91 Days Government Treasury Bills		-	-
28 Days Government Treasury Bills		-	-
01 Day Reverse Repo-Bangladesh Bank		-	-
		-	-
Reverse Repo (B)			
Reverse Repo-Banks and NBFIs		-	-
Reverse Repo-Bangladesh Bank		-	-
Total		-	-
Grand Total (A+B)		-	-
6.1.2 Treasury Bonds (at revalued Amount)			
02 Years Government Treasury Bond		796,157,416	547,534,321
05 Years Government Treasury Bond		4,140,338,068	7,177,362,343
10 Years Government Treasury Bond		13,125,300,622	17,635,494,593
15 Years Government Treasury Bond		2,077,599,687	2,534,018,371
20 Years Government Treasury Bond		1,943,359,762	2,171,636,655
		22,082,755,555	30,066,046,283



6.2 Other Investments

Shares
Others (Memorial Coin)

Note 6.2.1

Amount of Taka	
31.12.2022	31.12.2021
1,348,742,048	1,249,575,218
59,500	59,500
1,348,801,548	1,249,634,718

6.2.1 Shares

a. Quoted companies

Shares in listed companies

1,285,307,208	1,185,944,392
---------------	---------------

b. Unquoted companies

Share of Karmasangsthan Bank
ICB AMCL 2nd NRB Mutual Fund
Preference Share of BDCL
Equity Of Grameen I. T. Park
Share of CDB Ltd.

15,000,000	15,000,000
33,644,190	33,840,176
7,450,000	7,450,000
4,201,760	4,201,760
3,138,890	3,138,890

Sub-total

63,434,840	63,630,826
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Grand Total (a+b)

1,348,742,048	1,249,575,218
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(Details of Investment in shares may kindly be seen in Annexure - B)

6.3 Investment in Securities are classified as per Bangladesh Bank Circular

Held To Maturity (HTM)

Note 6.3.2

Held For Trading (HFT)

Note 6.3.1

Other Bond (Sukuk Bond)

17,421,638,812	21,920,063,135
4,423,536,743	7,908,403,148
237,580,000	237,580,000
22,082,755,555	30,066,046,283

6.3.1 Held For Trading (HFT):

Treasury Bond

Treasury Bill and reverse repo

4,423,536,743	7,908,403,148
-	-
4,423,536,743	7,908,403,148

6.3.2 Held For Trading (HTM):

Treasury Bond

Treasury Bill and reverse repo

17,421,638,812	21,920,063,135
-	-
17,421,638,812	21,920,063,135

6.4 Assets pledged as security

Assets in the amounts shown below were pledged as security
for the following liabilities

Liabilities to bank

Liabilities to customers

-	-
-	-
-	-

There is no assets pledged, mortgaged or hypothecated against bank's borrowings.

6.5 Maturity Grouping of Investments

On demand

Upto 1 month

Over 1 month but not more than 3 months

Over 3 months but not more than 1 year

Over 1 year but not more than 5 years

Over 5 years

2,824,700	3,686,900
352,869,122	1,848,128,375
926,892,311	-
2,889,641,912	4,817,615,355
6,441,984,322	12,677,120,237
12,820,169,436	11,972,817,034
23,434,381,803	31,319,367,901

7. Loans & Advances

Loans, Cash Credit & Overdraft etc.

Note 7.2

Bills purchased & discounted

Note 7.10

133,802,373,813	143,693,087,750
792,989,181	758,686,259
134,595,362,994	144,451,774,009

7.1 Residual maturity grouping of loans including bills purchased and discounted

Payable on demand

Not more than 3 months

Above 3 months but not more than 1 year

Above 1 year but not more than 5 years

Above 5 years

983,100,000	3,600,900,000
17,407,324,630	33,814,987,045
23,357,812,178	19,809,200,000
59,337,013,162	41,293,900,000
33,510,113,024	45,932,786,964
134,595,362,994	144,451,774,009

7.2 Loans, Cash Credit & Overdraft etc.

In Bangladesh

Loans

Cash credits

Overdrafts

Others

Note 7.2.1

Note 7.2.2

Note 7.2.3

Outside Bangladesh

7.2.1 Loans

Loan General

Term Loan

7.2.2 Overdrafts

SOD agst Bank's Own FDR

SOD agst Other Bank's FDR

SOD agst govt. bonds and securities

SOD agst Bank's Own Deposit Scheme

SOD for issuance of CDR/SDR/PO

Temporary Overdraft

Overdraft Secured Mortgage

Overdraft Secured (Other Securities)

Overdraft (Clean)

Overdraft Industrial Special CMSME COVID 19

Overdraft Service Special CMSME COVID 19

Overdraft Commercial Special CMSME COVID 19

7.2.3 Others

Export Credit/Packing Credit

Payment Against Documents

Loan Against Trust Receipt

Other short term advance

Tender Bidding & Work order financing

Loan against Govt. Fund and other scheme

Credit to NBFI

Real Estate Loan

Transport Loan

Consumer Credit

Micro Credit Financing

Agricultural Credit

Sundry/Misc. Loan

Staff Loan

7.3 Loans on the basis of significant concentration including bills purchased & discounted

a. Advances to Directors

b. Advances to MD and other Senior Executives

c. Advances to Customers group

d. Advances to Industrial sector

Note 7.3.1

7.3.1 Advances to Industrial sector

Food and Allied Ind.

ERGM

Textile

Accessories

Jute Prod. and Allied Ind.

Forest Prod. and Allied Ind.

Paper, Board, Printing, Pub. and Packaging

Tannery Leather and Rubber Prod.

Chem. Pharm. and Allied Ind.

Plastic Ind.

Glass, Crmc. and Other non Metal. Pr.

Engineering

Electrical and Electronics Ind.

Real Estate & Housing

Transport and Communication

Ship, Shipbuilding and Breaking

Power, Gas and Water

Hotel and Restaurant

Amount of Taka	
31.12.2022	31.12.2021

72,115,043,937	76,701,430,693
21,803,579,931	26,202,008,888
11,432,750,163	11,815,051,960
28,450,999,782	28,974,596,209
133,802,373,813	143,693,087,750
-	-
133,802,373,813	143,693,087,750

2,547,955,366	2,809,884,871
69,567,088,571	73,891,545,822
72,115,043,937	76,701,430,693

329,678,991	256,952,910
302,262,819	296,762,607
-	45,954,113
553,726,430	519,749,361
17,061,058	17,161,058
220,356,269	354,887,704
6,755,662,219	8,564,056,570
1,498,552,986	767,611,785
326,132,893	267,797,380
745,494,386	410,437,717
124,299,959	61,265,868
559,522,153	252,414,887
11,432,750,163	11,815,051,960

413,632,733	414,895,794
244,481,648	837,101,562
1,985,936,106	3,411,557,361
120,490,962	171,840,054
235,230,341	289,085,163
239,787,402	149,580,050
2,468,855,575	2,488,937,725
7,999,805,752	7,924,669,046
4,449,813,734	4,533,062,726
1,383,481,838	1,374,784,415
900,370,279	473,704,178
87,973,969	169,317,577
5,464,351,254	4,593,729,741
2,456,788,189	2,142,330,817
28,450,999,782	28,974,596,209

-	-
2,488,201,740	2,176,647,637
41,213,982,608	59,969,736,003
90,893,178,646	82,305,390,369
134,595,362,994	144,451,774,009

15,626,609,948	13,271,918,003
9,116,611,495	10,587,633,079
8,462,579,851	9,558,258,428
1,917,360,463	1,074,877,344
4,529,040,441	4,514,227,243
121,652,378	43,312,183
3,824,289,777	5,410,085,892
5,720,878,838	2,286,417,803
2,236,495,072	1,585,293,052
421,839,940	1,377,345,393
811,559,073	598,427,171
4,017,594,014	2,555,146,357
630,642,295	385,360,771
14,991,005,691	10,488,376,508
6,033,978,552	6,116,232,971
11,467,221	473,711,943
184,789,898	503,706,705
792,806,620	1,044,993,647



Hospital and Clinic
Brick Kiln
Telecommunication & IT
Other Service Ind.
Ind. Not Elsewhere Classified

Total

Amount of Taka	
31.12.2022	31.12.2021
880,734,973	840,559,505
3,559,916,753	3,469,154,122
415,647,652	369,588,778
3,859,556,286	3,160,557,421
2,726,121,415	2,590,206,050
90,893,178,646	82,305,390,369

7.4 Loans & advances allowed to each customer exceeding 10% of Bank's paid up capital

Number of Customers	25	31
Amount of outstanding advances	43,907,000,000	53,982,500,000
Amount of classified advances thereon	39,042,400,000	42,292,200,000
Amount of recovery	1,234,554,747	3,464,834,670
Measures taken for recovery	Persuasion and negotiation for recovery is going on	Persuasion and negotiation for recovery is going on

*In 2021 and 2022, capital of the Bank was negative. As such, loans and advances allowed to customers' group exceeding 10% of the Banks' paid-up capital are reported here as per Bangladesh Bank approval.
(Details are given in Annexure - C)

7.5 Geographical Location - wise Loans and Advances

Inside Bangladesh

Dhaka Division
Chattogram Division
Rajshahi Division
Khulna Division
Barishal Division
Sylhet Division
Rangpur Division
Mymensingh Division

Total Inside Bangladesh

Outside Bangladesh

Total

79,276,007,673	89,324,341,468
21,980,418,110	21,760,963,301
7,629,274,519	7,705,462,022
6,578,305,982	6,487,640,154
750,217,387	635,397,512
1,328,290,433	1,322,601,891
8,524,680,680	8,413,066,783
8,528,168,210	8,802,300,878
134,595,362,994	144,451,774,009
-	-
134,595,362,994	144,451,774,009

7.6 Distribution of Loans and advances according to BRPD Circular by Bangladesh Bank

A. Unclassified loan:

Standard
SMA

Sub-Total

B. Classified loan:

Sub-standard
Doubtful
Bad and loss

Sub-Total

Total loans and advances (A+B)

44,515,811,173	43,534,867,825
12,213,005,637	14,539,438,061
56,728,816,810	58,074,305,886
246,532,668	381,828,917
305,757,619	322,725,194
77,314,255,897	85,672,914,012
77,866,546,184	86,377,468,123
134,595,362,994	144,451,774,009

7.7 Provision required for loans and advances

Status

Unclassified-General provision

STAC & Micro Credit
SMA
Others (excluding staff loan)
Staff loan

Sub-Total

Classified-specific provision

Sub-standard
Doubtful
Bad/Loss

Sub-Total

Total Required provision as per Bangladesh Bank's approval

Total provision maintained

Excess/(short) provision

287,445	12,918,082
146,205,582	899,239,921
17,446,464	744,001,346
837,765	23,477,610
164,777,256	1,679,636,959
1,174,242	15,900,355
1,283,851	12,988,114
9,552,259,744	16,211,978,932
9,554,717,837	16,240,867,401
9,719,495,093	17,920,504,360
9,719,495,093	17,920,504,360
-	-



Amount of Taka	
31.12.2022	31.12.2021

Note: Provision has been maintained by the Bank in accordance with Bangladesh Bank's approval vide its Letter No. DOS(CAMS)1157/I(II)-C/2023-2209 dated 30 April 2023 and DOS(CAMS)1157-I(II)-C/2022-2297 dated 28 April 2022. Bangladesh Bank has allowed the Bank to provide provision shortfall of Tk. 4,785.24 crore against loans and advances in next 9 years starting from 2023. As such, there is no un-approved provision shortfall of the Bank as on 31 December 2022 and as on 31 December 2021. Details of provision may kindly be seen in Note 13.1 and 13.2

7.8 Listing of Assets Pledged as Security/Collaterals

Nature of the secured assets

Fixed Assets
Cash and quasi-cash
Others

116,166,275,217	114,612,821,412
3,770,420,284	5,830,596,015
4,726,916,608	6,429,954,829
124,663,612,109	126,873,372,256

7.9 Particulars of Loans and Advances:

- (i) Loans considered good in respect of which the banking company is fully secured;
(ii) Loans considered good for which the banking company holds no other security other than debtor's personal guarantee;
(iii) Loans considered good secured by personal undertaking of one or more parties in addition to the personal guarantee of the debtor;
(iv) Loans adversely classified ; provision not maintained thereagainst

46,226,282,948	51,788,584,169
2,555,834,224	2,493,852,623
7,315,636,366	9,510,351,496
-	-
56,097,753,538	63,792,788,288

- (v) Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons
(vi) Loans due from companies or firms in which the directors of the banking company have interests as directors, partners or managing agents or in case of private companies as members;
(vii) Maximum total amount of advance including temporary advance made at any time during the year to directors or managers or officers of the banking companies or any of them either separately or jointly with any other person;
(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company have interests as directors, partners or managing agents or in the case of private companies as members;
(ix) Due from banking companies.
(x) Amount of classified loans on which interest has not been charged
(a) (Decrease)/ Increase in provision
Amount of loan written off
Amount realized against loan previously written off
(b) Amount of provision kept against loan classified as bad/loss
(c) Interest credited to the interest suspense account
xi) Amount of the written off loan:
(a) Cumulative amount of Written off loan
(b) Amount written off during the current year
(c) Amount of written off loan for which law suit has been filed

2,456,788,189	2,170,016,759
-	-
2,493,541,779	2,442,331,929
-	-
-	-
77,314,255,897	85,672,914,012
(6,686,149,564)	(5,883,927,926)
9,009,989,490	6,736,125,072
292,472,976	90,300,765
9,552,259,744	16,211,978,932
11,007,623,947	8,574,968,624
20,460,505,643	11,450,516,153
9,009,989,490	6,736,125,072
20,087,576,234	11,144,529,391

7.10 Bills Purchased and Discounted

Payable in Bangladesh
Payable outside Bangladesh

733,837,188	682,696,880
59,151,993	75,989,379
792,989,181	758,686,259

7.11 Maturity grouping of bills purchased & discounted

Not more than 01 months
Above 01 months but not more than 03 months
Above 03 months but not more than 06 months
Above 06 months

556,792,404	467,440,463
204,697,207	219,687,340
31,499,570	71,558,456
-	-
792,989,181	758,686,259

8. Fixed assets including premises, furniture & fixtures

Own Assets

Furniture and Fixtures
Interior Decoration



132,674,394	126,760,529
383,955,000	355,950,155

Machinery and Equipment
Computer Hardware
Software
Motor Vehicles

Less: Accumulated depreciation

Sub-total (A)

Leased Assets

Leasehold Assets

Less: Accumulated depreciation

Sub-total (B)

Total (A+B)

A Schedule of Fixed Assets is given in Annexure-D.

9. Other Assets

i) Income generating

ii) Non-Income generating

- a) Stationery, stamps, printing materials etc.
- b) Security deposits Note 9.2
- c) Advance rent
- d) Advance for space of BASIC Zaman Tower
- e) Advance for space of Banani
- f) Other prepayments Note 9.1
- g) Advance income tax
- h) Income receivable Note 9.3
- i) Deferred Tax Assets Note 36
- j) Suspense account Note 9.4
- k) Advances/expenditures incurred against proposed branches
- l) Balance with Fakrul Islam securities
- m) ICB Securities Trading Co. Ltd.
- n) Rupali Bank Securities Ltd.
- o) Dhaka Bank Securities Ltd.
- p) Branch adjustment account
- n) Sundry debtors Note 9.5
- r) Position Clearing (Net)
- s) Position General Ledger (Net)

Amount of Taka	
31.12.2022	31.12.2021
379,568,068	378,294,598
471,993,507	449,826,780
150,288,583	150,093,583
292,848,450	338,697,587
1,811,328,002	1,799,623,232
1,448,779,927	1,427,563,445
362,548,075	372,059,787

4,000,000	4,000,000
1,086,525	1,046,525
2,913,475	2,953,475
365,461,550	375,013,262

-	-
---	---

23,284,260	22,605,426
12,905,636	11,381,598
61,976,351	76,535,864
759,999,993	759,999,993
161,315,950	161,315,950
15,508,987	5,226,022
204,134,902	181,202,766
1,961,445,445	2,314,974,734
889,645,255	821,351,977
119,391,201	152,737,249
2,714,400	2,714,400
20	20
3,802	93,035,788
158,753	29,999,967
(900)	-
666,031,493	230,593,253
289,905,133	243,204,263
729,907,121	475,105,398
-	-
5,898,327,802	5,581,984,668

9.1 Other prepayments:

Total Other Prepayments
Less Advance against proposed branch
Less: Provision for Loss on Investment in Share
Less Loss on amortization of HTM
Less Advance prepayment HO and Banani Br.

1,206,457,127	1,188,485,762
(2,714,400)	(2,714,400)
(65,055,254)	-
(201,862,543)	(259,229,397)
(921,315,943)	(921,315,943)
15,508,987	5,226,022

9.2 Security deposits

Security deposits, rent and other prepayments made to statutory authorities, other institutions and individuals are considered good.

9.3 Income receivable

Income receivable consists of interest income receivable from various investments and Loans have been verified and considered good.

9.4 Suspense account

Suspense account consists of Excise Duty and petty cash etc.

9.5 Sundry Debtors

1) Protested Bill:

a) BCCI:

- i) Protested bill, Main branch
- ii) Protested bill, Khatungonj branch
- iii) Protested bill, Khulna branch
- iv) BCCI-Bombay
- v) BCCI-London

Sub total

- b) Protested bill for SWIFT
- c) Protested Bill -Lawyers' Fee
- d) Protested Bill -Bangshal Branch- Shahadat Hossain
- Total Protested Bill (A)**

- 2) Other Sundry Debtors
- 3) Advance Cash Incentives-Remittance
- 4) Encashment of Sanchaya Patra

6,535,880	6,535,880
244,800	244,800
416,367	416,367
1,399,580	1,399,580
691	645
8,597,318	8,597,272
20,244,921	20,244,921
1,340,000	3,940,000
11,198,036	11,198,036
41,380,275	43,980,229

627,415	3,106,395
291,895	5,340
247,585,548	196,092,299



5) Cash Shortage
Total (B)
Grand Total (A+B)

Amount of Taka	
31.12.2022	31.12.2021
20,000	20,000
248,524,858	199,224,034
289,905,133	243,204,263

Note: Full provision has been made in the account for the protested bill.
10. Non-banking Assets

Income generating non-banking assets
Non-income generating non-banking assets (Note 10.01)

-	-
23,858,490	23,858,490
23,858,490	23,858,490

10.01 Non-income generating non-banking assets

Land
Building

8,219,490	8,219,490
15,639,000	15,639,000
23,858,490	23,858,490

The Bank has got the possession and ownership of the mortgage properties according to the judgement of the Honorable Court in accordance with the section 33(7) of "Artha Rin Adalat-2003". The Bank has been holding the non-banking assets since July 23, 2019.

11 Borrowings from other banks, financial institutions and agents

In Bangladesh Note 11.1
Outside Bangladesh Note 11.2

1,997,223,268	3,499,190,507
902,900,464	1,127,969,231
2,900,123,732	4,627,159,738

11.1 In Bangladesh(a+b+c)

a) Money at call and on short notice

Rupali Bank Ltd
Sonali Bank Ltd

Sub total (a)

-	-
-	-
-	-

b) Term borrowing:

Rupali Bank Ltd.
Agrani Bank Ltd.
Sonali Bank

Sub-total (b)

-	-
1,000,000,000	2,000,000,000
-	-
1,000,000,000	2,000,000,000

c) Term Borrowing

Bangladesh Bank Refinance Loan for House building
Bangladesh Bank Refinance Loan for Solar,Bio-gas,ETP,BANECO
Refinance scheme of Bangladesh Bank for Tk. 10 Account
Refinance scheme of Bangladesh Bank for Jute Sector
Milk Production and Artificial Insemination
Financing Brick Kiln Efficiency Improvement Project
Fund Export Industry-Salary Payment under COVID-19 BB Refinance
Refinance under BRPD # 10/2020
Special Stimulus Refinance Scheme for agriculture sector (ACD Circular # 01, Date - 13/04/2020 for Covid-19)
Refinance Scheme -2020 for Low- income Professionals, Farmers & holders of Small/Marginal Business
Refinance Scheme for "CMSME Working Capital Loan/ Investment under Covid-19"
Refinance scheme for agriculture sector (Covid-19) 2nd phase
10/50/100 Taka Account Holders under refinance scheme Tk.5.00 Crore (FID Circular No.01/21)
COVID RS-3000 FID-02/2021 (FID Circular No.02)
Ghorey Fera refinance scheme Tk.500 Crore (ACD Circular No.01/2022)
Refinance Scheme of Joyeeta Foundation
Refinance Scheme of SME Foundation

46,813,695	50,145,259
1,388,180	1,263,636
-	2,540,000
30,000,000	30,000,000
-	2,100,000
85,557,544	95,063,938
39,236,148	183,101,707
89,988,951	526,300,965
37,900,000	143,630,000
-	21,500,002
544,102,500	424,595,000
33,540,000	-
7,496,250	-
14,000,000	-
3,300,000	-
50,000,000	-
13,900,000	18,950,000

Sub-total ©

Total (a+b+c)

997,223,268	1,499,190,507
1,997,223,268	3,499,190,507

11.2 Outside Bangladesh

a) Demand Borrowing

Demand Borrowing- Foreign Currency
Sub-Total (a)

-	-
-	-

b)Term Borrowing

Loan for Micro Credit and Small Scale Industries (KfW, Germany)
Second Crop Diversification Project
Agro Business Development Project of ADB

153,379,147	153,379,147
560,652,950	662,589,850
188,868,367	312,000,234
-	-

Sub-Total (b)

Total (a+b)

902,900,464	1,127,969,231
902,900,464	1,127,969,231



Amount of Taka	
31.12.2022	31.12.2021

11.3 Overall transaction of Reverse Repo:

	2022		2021	
	Minimum outstanding during the year	Maximum outstanding during the year	Minimum outstanding during the year	Minimum outstanding during the year
Securities bought under repo:				
i) with Bangladesh Bank	Nil	Nil	Nil	Nil
ii) with other banks & NBFIs	Nil	Nil	Nil	627,142,021

11.4 Overall transaction of Repo:

	2022		2021	
	Minimum outstanding during the year	Maximum outstanding during the year	Minimum outstanding during the year	Minimum outstanding during the year
Securities sold under repo:				
i) with Bangladesh Bank	Nil	17,177,922,480	Nil	Nil
ii) with other banks & NBFIs	Nil	3,114,765,672	Nil	2,518,977,000

12. Deposits & Other Accounts

Non-Interest bearing Deposits
Interest bearing Deposits

Note 12.1
Note 12.2

7,540,970,452	7,910,066,361
141,420,603,564	143,070,326,765
148,961,574,016	150,980,393,126

12.1 Non-Interest bearing Depositss

Current, Savings and Other Deposits
Bills Payable

Note 12.1.1
Note 12.1.2

6,680,723,917	7,145,727,036
860,246,535	764,339,325
7,540,970,452	7,910,066,361

12.1.1 Current, Savings and Other Deposits

Current Deposit
Savings Deposit
Margin Deposit
Sundry/Other Deposit

3,250,308,396	4,536,556,430
153,717,428	92,501,925
2,626,671,690	1,987,711,537
650,026,403	528,957,144
6,680,723,917	7,145,727,036

12.1.2 Bills Payable

Payment Order
Demand Draft

857,006,964	761,056,233
3,239,571	3,283,092
860,246,535	764,339,325

12.2 Interest bearing Deposits

Savings Bank Deposits
Fixed Deposits, SND, Other Deposit Scheme
Current Deposit

Note 12.2.1
Note 12.2.2

9,968,005,618	8,989,545,636
131,295,969,784	133,942,358,235
156,628,162	138,422,894
141,420,603,564	143,070,326,765

12.2.1 Savings Bank Deposits

Savings Account

9,968,005,618	8,989,545,636
9,968,005,618	8,989,545,636

12.2.2 Fixed Deposits

Short Notice Deposits
Term Deposits
Other Deposit Scheme

19,464,136,106	17,731,114,205
105,626,383,018	109,892,053,198
6,205,450,660	6,319,190,832
131,295,969,784	133,942,358,235



12.3 Maturity Grouping of other deposits & inter-bank deposits

Deposit from Bank

Repayable on demand
Repayable within 1 month
Above 01 Month but not more than 6 Months
Above 6 Month but not more than 1 Year
Above 01 Year but not more than 05 Years
Above 05 Years but not more than 10 Years
Above 10 Years

Amount of Taka	
31.12.2022	31.12.2021

7,425,839	452,140
15,507,767	36,310,376
229,559,231	213,086,149
-	-
-	-
-	-
252,492,837	249,848,665

Other Deposits

Payable on Demand
Less than 01 Month
Above 01 Months but not more than 6 Months
Above 06 Months but not more than 01 Year
Above 01 year but not more than 05 Years
Above 05 years not more than 10 years
Above 10 years

5,332,574,161	1,185,647,860
21,795,486,973	25,110,408,249
57,970,440,769	52,483,313,851
37,028,689,542	40,914,032,826
24,174,394,790	28,644,520,575
2,407,494,944	2,392,621,100
-	-
148,709,081,179	150,730,544,461
148,961,574,016	150,980,393,126

13. Other liabilities

Provision for Loans and Advances	Note 13.1
Provision for Off Balance Sheet Exposures	Note 13.2
Provision for other assets	Note 13.3
Provision for Investment	Note 13.4
Provision for Balance with other Banks and NBFIs	Note 13.5
Interest Suspense Account	Note 13.6
Provision for Ex-gratia/Incentive Bonus	Note 13.7
Provision for Gratuity	Note 13.8
Provision for Welfare Fund	
Provision for Benevolent Fund	
Provision for Superannuation Fund	
Provision for Current Taxes	Note 35
Provision for Card Related Contingency	
Provision for Expenses Payable	Note 13.9
Provision for stationary	
Interest Accrued and Payable on Deposits	
Interest Payable on Borrowing	
Privileged Creditors	
Deposit Insurance Premium Payable	
Branch Adjustment Account	
Position Clearing (Net)*	
Position General Ledger (Net)*	
Sundry Creditors	
Miscellaneous Creditors	Note 13.10

9,719,495,093	17,920,504,360
115,389,848	157,163,678
1,574,438,748	1,688,725,747
193,196,695	109,544,034
300,000,000	300,000,000
14,582,321,069	16,111,394,886
7,688,066	7,688,066
63,081,301	93,564,481
14,253,367	14,253,367
5,000,000	5,000,000
10,000,000	10,000,000
526,018,803	554,121,389
2,784,579	2,165,028
46,641,916	37,383,203
152,758	156,152
2,233,479,697	2,414,659,410
138,993,839	163,754,141
490,447,208	391,844,097
12,343,416	15,772,890
-	-
-	-
730,721,816	475,920,095
36,078,941	37,956,191
18,994,308	17,133,785
30,821,521,468	40,528,705,001

*Under multi currency concept an organization maintains different statement of affairs for each currency it deals including base (BDT) currency and one consolidated statement of affairs of all currencies converted into base currency. In the consolidated affairs all the assets and liabilities in foreign currencies are converted in base currency and presented with other assets and liabilities in base currency. This consolidated affairs reflects the overall position of the bank expressed in base currency. Two GL are maintained in the bank to account any foreign currency transaction. These GLs are Position GL for foreign currency position and Position Clearing GL. Position GL, accounts for original currency units other than base currency and Position Clearing GL accounts for corresponding value of foreign currency converted into base currency. Position, from the treasury point of view, means the available funds in different currencies with which the bank can trade. As value of any currency undergo change, Position in that currency need to be evaluated from time to time and necessary adjustments are made through these GLs.

13.1 Provision for Loans and Advances

Classified Loan
Unclassified Loan
Special General Provision-COVID-19
Provision held at the end of the year



Note 13.1.1
Note 13.1.2
Note 13.1.3

9,554,717,837	16,240,867,401
159,010,052	538,676,166
5,767,204	1,140,960,793
9,719,495,093	17,920,504,360

13.1.1 Provision for Classified Loan

Provision held at beginning of the year	
Fully Provided Debt Written off/Interest Waived	
Recovery from Earlier Written off Loan	
Transferred to provision for unclassified loans	
Transferred from provision for unclassified loans	
Transferred from provision for Off Balance Sheet Items	
Transferred from provision for Special General Provision COVID-19	
Transferred from provision for investment	
Transferred from provision for other assets	
Provision made during the year	
Provision held at the end of the year	

Amount of Taka	
31.12.2022	31.12.2021
16,240,867,401	22,124,795,327
(8,242,783,097)	(5,883,927,926)
-	-
-	-
379,666,114	-
41,773,830	-
1,135,193,589	-
-	-
-	-
9,554,717,837	16,240,867,401

Note: Provision has been maintained by the Bank in accordance with Bangladesh Bank's approval vide its Letter No. DOS(CAMS)1157/1(II)-C/2023-2209 dated 30 April 2023 and Letter No. DOS(CAMS)1157-1(II)-C/2022-2297 dated 28 April 2022. Bangladesh Bank has allowed the Bank to provide provision shortfall of Tk. 4,785.24 crore against loans and advances in next 09 years starting from 2023.

13.1.2 Provision for Unclassified Loan

Provision held at beginning of the year	
Provisions no longer required/adjusted	
Transferred to provision for classified loans	
Transferred to special general provision-COVID 19	
Transferred to provision for Off Balance Sheet Items	
Transferred from provision for investment	
Transferred from provision for other assets	
Provision made during the year	
Provision held at the end of the year	

538,676,166	768,739,081
-	-
(379,666,114)	-
-	(399,860,207)
-	(26,202,921)
-	194,937,119
-	1,063,094
-	-
159,010,052	538,676,166

13.1.3 Special General Provision-COVID-19

Provision held at beginning of the year	
Transferred from provision for un-classified loans	
Transferred to provision for classified loans	
Provision made during the year	
Provision held at the end of the year	

1,140,960,793	741,100,586
-	399,860,207
(1,135,193,589)	-
-	-
5,767,204	1,140,960,793

13.2 Provision for off Balance Sheet Items

Provision held at beginning of the year	
Transferred to provision for classified loans	
Transferred from provision for unclassified loans	
Provision made during the year	
Provision held at the end of the year	

157,163,678	130,960,757
(41,773,830)	-
-	26,202,921
-	-
115,389,848	157,163,678

A provision of Taka 115,389,848 has been made @1.00% on total off-balance sheet exposures of the Bank which will be treated as supplementary capital of the Bank.

13.3 Provision for other assets:

Advance against space for Head Office- BASIC Zaman Tower	
Advance against space for Banani Branch	
Unadjusted Suspense Account-Head Office- Tech One Global (Pvt.) Ltd.	
Unadjusted Suspense Account-Head Office-A2Z International	
Unadjusted suspense account-Gulshan Branch	
Unadjusted suspense account-BSP	
Unadjusted suspense account-Excise Duty-Different Branches	
Unadjusted Suspense Account (Head Office)-Medical Bill	
Provision for Unadjusted Branch Adjustment Accounts_Shantinagar Br.	
Income Receivable	
Other Miscellaneous Income Receivable	
Provision for protested bill-Legal Fee	
Provision for protested bill-SWIFT	
Provision for protested bill-BCCI	
Provision for protested bill-Shahadat Hossain_Bangshal	
Total required provision	

759,999,993	759,999,993
161,315,950	161,315,950
5,100,965	5,100,965
-	550,000
2,504,242	2,504,242
2,411,971	206,912
2,006,422	4,785,511
1,149,263	1,149,263
8,267,500	-
590,299,637	709,132,683
2,577	-
1,340,000	3,940,000
20,244,921	20,244,921
8,597,272	8,597,272
11,198,035	11,198,035
1,574,438,748	1,688,725,747



Provision held at the beginning of the year
Add: Unadjusted suspense account-BSP is required during the year
Add: Provision made during the year against Unadjusted Branch Adjustment Accounts, Shantinagar Br.
Other Miscellaneous Income Receivable
Less: Adjustment of Provision for Income Receivable for Loan Written-off
Less: Adjustment of Provision for protested bill-Legal Fee
Less: Unadjusted Suspense Account-Head Office-A2Z International
Less: Excess provision for Income Receivable not required
Less: Excess amount of Unadjusted suspense account-Excise Duty not required
Provision held at the end of the year
Total Provision excess/(shortfall)

Amount of Taka	
31.12.2022	31.12.2021
1,688,725,747	1,689,788,841
2,205,059	-
8,267,500	-
2,577	-
(533,116)	-
(2,600,000)	(1,063,094)
(550,000)	-
(118,299,930)	-
(2,779,089)	-
1,574,438,748	1,688,725,747
-	-

13.4 Provision for Investment
Provision Required:

Provision for Investment in Shares of Listed Companies
Provision for Investment in Equity of Grameen IT Park Limited
Total Provision Required

188,994,935	105,342,274
4,201,760	4,201,760
193,196,695	109,544,034

Provision Maintained:

Opening Balance
Add: Provision made during the year
Less: Transferred to provision for unclassified loans
Less: Transferred to provision for classified loans
Closing Balance

109,544,034	304,481,153
83,652,661	-
-	(194,937,119)
-	-
193,196,695	109,544,034

Excess Provision/Provision Shortfall

-	-
---	---

13.5 Provision for Balance with other Banks and NBFIs
Provision for FDR with BIFC Limited

Total Required Provision

Opening Balance of Maintained Provision
Provision made during this year

Closing Balance of Maintained Provision

Excess Provision/Provision Shortfall

300,000,000	300,000,000
300,000,000	300,000,000
300,000,000	300,000,000
-	-
300,000,000	300,000,000
-	-

13.6 Interest Suspense Account

Balance at the beginning of the year
Less: Adjustment of wrongly assessed as interest suspense in 2021
Opening Balance after adjustment of interest suspense

Amount transferred to Interest Suspense account during the Year
Amount recovered from Interest Suspense account during the Year
Suspense Written off/Waived During the Year

Total

Add: Transferred from Int. Inc.as per BB Inspec.Team's/External auditor's advice

Balance at the end of the year

16,111,394,886	15,059,898,134
55,615,338	-
16,055,779,548	
10,897,705,947	8,516,945,614
(11,714,609,148)	(6,671,274,726)
(766,473,278)	(852,197,146)
14,472,403,069	16,053,371,876
109,918,000	58,023,010
14,582,321,069	16,111,394,886

13.7 Provision for Ex-gratia/Incentive Bonus

Opening Balance
Less: Arrear payment to Mr. Syed Mosahed (ID#1078), Ex-DGM
Closing Balance

7,688,066	7,688,066
-	-
7,688,066	7,688,066

13.8 Provision for Gratuity

Opening Balance
Less: Transferred to Gratuity Fund Savings Account

Add: Provision made for the current year

Closing Balance

93,564,481	68,601,956
(93,564,481)	(68,601,956)
-	-
63,081,301	93,564,481
63,081,301	93,564,481

Required Balance of the fund as on 31 December

Balance as on 31 December

Incremental requirement for the year

Excess/(Short) Provision for Gratuity

2,527,288,796	2,228,949,706
2,464,207,495	2,135,385,225
63,081,301	93,564,481



Amount of Taka	
31.12.2022	31.12.2021

13.9 Provision for Expenses Payable:

Provision for telephone-office and residence
Provision for electricity expenses
Provision for water, gas and sewerage
Provision for postage expenses
Provision for rent
Provision for repairs, improvement and maintenance
Provision for on-line Banking expenses
Provision for various audit fees
Provision for vehicle expenses
Provision Loan installment payable
Provision for entertainment expenses
Provision for other expenses

520,117	541,694
820,159	787,907
76,209	120,933
11,400	5,300
17,908,343	10,948,083
170,183	287,490
95,748	95,748
1,104,250	1,161,750
66,900	57,400
420,107	407,358
-	-
25,448,500	22,969,540
46,641,916	37,383,203

13.10 Miscellaneous creditors:

Misc. Creditors as per affairs (GL#59930000)
Less: Special Reserve-BCCI
Less: Provision for investment
Less: Audited Loan Loss Provision
Less: Unaudited Loan Loss Provision
Less: Provision for investment
Less: Misc. creditors-Provision for loss on investment-Unaudited

10,036,260,796	18,211,065,022
(7,782,258)	(7,782,258)
-	(4,201,760)
(9,834,884,942)	(17,881,667,826)
-	(300,279,393)
(109,544,034)	-
(65,055,254)	-
18,994,308	17,133,785

13.11 Branch adjustments account represents outstanding inter branch and head office transaction (Net) originated. The un - responded

Particulars	No. of Un-responded entries		Amount of Un-responded entries	
	Dr.	Cr.	Dr.	Dr.
Up to 03 Months	2356	215	723,058,385	121,485,434
Over 03 Month but within 06 Months	124	1	335,884	438
Over 06 Month but within 01 Year	7	1	114,202	7,700
Over 01 Year but within 05 Years	1	-	16,535,000	-

14. Capital

14.1 Authorized

5,500,000,000 ordinary shares of Tk 10.00 each

55,000,000,000	55,000,000,000
-----------------------	-----------------------

14.2 Issued, Subscribed and Paid up Capital

The Issued, Subscribed and Paid up Capital of the Bank as follows:

1,084,698,250 Ordinary Shares of Tk. 10.00 each

10,846,982,500	10,846,982,500
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The Government of People's Republic of Bangladesh is the Sole Owner-Shareholder of the Bank and all the Ordinary Shares are Vested with the Ministry of Finance.

14.3 Risk-weighted Assets and Capital Ratios as Defined by the Basel Capital Accord

In terms of section 13(1) of Bank Company Act 1991 (amendment 2013) and Bangladesh Bank BRPD Circular No. 18 dated 21 December 2014 required capital, available Tier-I and Tier-II capital of the Bank for the period ended as on 31 December 2022 is shown below:



Tier-1 capital:**Common Equity Tier-1**

Paid up Capital
Statutory Reserve
General Reserve
Retained Earnings
Share Money Deposit

Less :Regulatory adjustments:

Provision Shortfall against classified loans and advance
Deferred tax assets
Total adjustments

Additional Tier- 1 Capital

Non-qumulative irredeemable preference share
Total Tier-1 capital

Tier-2 capital

General Provision Maintained against Unclassified Loan
Provision for Off -Balance Sheet Items
Exchange Equalization
Revaluation Reserve of HTM and HFT Securities

Total regulatory capital (Tier-1 + Tier-2)

A. Total regulatory Capital (Tier-1 + Tier-2)

Total Capital (Tier-1)*

Total Capital (Tier-2)**

Total Eligible Capital (Tier-1 + Tier-2)

B. Risk Weighted Assets

Balance Sheet Business
Off- Balance Sheet Business
Total Risk-weighted Assets

C. Required Capital on Risk Weighted Assets

(10% on Total Risk Weighted Assets)

D. Capital Surplus /(Shortfall) under MCR [A-C]

E. Capital Coservation Buffer (CCB) Requirement (2.50% of RWA)

F. Capital Surplus /(Shortfall) under MCR including CCB [D-E]

Capital to Risk Weighted Asset Ratio (CRAR)

* Regulatory capital has been calculated by the Bank in accordance with Bangladesh Bank's approval vide its Letter No. DOS(CAMS)1157/I(II)-C/2023-2209 dated 30 April 2023 and Letter No. DOS(CAMS)1157-I(II)-C/2022-2297 dated 28 April 2022. Bangladesh Bank has allowed the Bank to provide provision shortfall of Tk. 4,785.24 crore against loans and advances in next 09 years starting from 2023.

**As per Basel III Guidelines, revaluation reserve as on December 2014 (i.e., Tk. 13,86,35,011) have to be gradually adjusted in five years @20% each year and after five years i.e., from 2020 revaluation reserve will not be considered as part of Tier-2 capital.

15. Statutory Reserve

Opening Balance at the Beginning of the Year
Add: Addition During the Year (20% of pre-tax Profit)
Closing Balance at the End of the Year

As per section 24 of Bank Companies Act 1991, no amount was transferred to statutory reserve in 2020 and 2021 as there was no pre-tax profit.

16 Other Reserve

General Reserve (Note: 16.1)
Investment Revaluation Reserve (Note: 16.2)
Share Money deposit
5% Non-cumulative preference share/Other Free Reserve

16.1 General Reserve

Opening Balance at the Beginning of the Year
Add: Addition During the Year
Closing Balance at the End of the Year

The Bank has been maintaining this reserve as venture capital fund since 1999 for equity support to innovative but risky project.

Amount of Taka	
31.12.2022	31.12.2021

10,846,982,500	10,846,982,500
2,224,690,642	2,224,690,642
40,000,000	40,000,000
(42,258,670,061)	(41,012,633,587)
26,000,000,000	26,000,000,000
(3,146,996,919)	(1,900,960,445)

(889,645,255)	(821,351,977)
(889,645,255)	(821,351,977)
(4,036,642,174)	(2,722,312,423)

1,205,000,000	1,205,000,000
(2,831,642,174)	(1,517,312,423)

164,777,256	1,679,636,959
115,389,848	157,163,678
-	-
-	-
280,167,104	1,836,800,637
(2,551,475,070)	319,488,214

(2,831,642,174)	(1,517,312,423)
280,167,104	1,836,800,637
(2,551,475,070)	319,488,214

183,650,345,473	169,677,804,039
3,998,952,737	4,988,932,296
187,649,298,210	174,666,736,335

18,764,929,821	17,466,673,634
----------------	----------------

(21,316,404,891)	(17,147,185,419)
-------------------------	-------------------------

4,691,232,455	4,366,668,408
---------------	---------------

(26,007,637,347)	(21,513,853,828)
-------------------------	-------------------------

-1.36%	0.18%
---------------	--------------

2,224,690,642	2,224,690,642
-	-
2,224,690,642	2,224,690,642

40,000,000	40,000,000
(165,275,546)	121,050,948
26,000,000,000	26,000,000,000
1,205,000,000	1,205,000,000
27,079,724,454	27,366,050,948

40,000,000	40,000,000
-	-
40,000,000	40,000,000



16.2 Investment Revaluation Reserve

Opening Balance at the Beginning of the Year
Increase/(decrease) during the Year
Closing Balance at the End of the Year

Amount of Taka	
31.12.2022	31.12.2021
121,050,948	419,294,236
(286,326,494)	(298,243,288)
(165,275,546)	121,050,948

17. Surplus in Profit and Loss Account

Opening Balance
Add: Adjustment of wrongly assessed as interest suspense in 2021
Profit during the Year
Cash Dividend Paid During the Year
Issuance of Bonus Share
Surplus in Profit and Loss Account during the year

(41,012,633,587)	(37,042,842,409)
55,615,338	-
(1,301,651,812)	(3,969,791,178)
-	-
-	-
(42,258,670,061)	(41,012,633,587)

17.1 Item-Wise Profit and Loss Account

Income:

Interest, Discount and Similar Income
Dividend Income
Fees, Commission and Brokerage
Gains less Losses Arising from Dealing in Foreign Currencies
Income from Non-Banking Assets
Other Operating Income

Total Income

8,199,862,805	7,029,354,518
52,969,997	45,810,193
1,282,009,653	684,507,606
-	-
-	-
471,477,167	234,244,253
10,006,319,622	7,993,916,570

Expenses:

Interest, Fee and Commission
Losses on Loans and Advances
Administrative Expenses
Other Operating Expenses
Depreciation on Banking Assets

Total Expenses

8,690,794,050	9,311,115,386
-	-
1,820,542,788	1,959,190,572
694,049,947	670,158,511
77,039,036	76,413,139
11,282,425,821	12,016,877,608
(1,276,106,199)	(4,022,961,038)

Profit Before Tax and Provision

18. Contingent Liabilities

Local Bills for Collection
Foreign Bills for Collection
Letters of Guarantee
Irrevocable Letters of Credit
Back to Back L/C
Acceptances and Endorsements
Travellers Cheques Stock
Value of Wage Earners Bond in Hand and others
Miscellaneous

Note 18.1

134,222	134,222
127,587,386	200,878,255
2,816,785,446	2,695,423,506
4,340,626,304	8,431,238,951
2,058,092,972	2,058,092,973
2,323,480,142	2,531,612,340
-	-
68,390,000	58,358,000
1,038,091,725	1,033,099,325
12,773,188,197	17,008,837,572

18.1 Letters of guarantee

A. Claim against the Bank which is not recognized as Loan
B. Money for which the Bank is contingently liable in respect of guarantees favouring:

Directors
Government
Bank and Other Financial Institutions
Others

-	-
2,135,697,607	2,160,571,888
1,076,500	576,500
680,011,339	534,275,118
2,816,785,446	2,695,423,506



19. Interest income

Interest on Loans and advances
Less: Intt. Inc.reversed as per BB Inspection team's /external auditor's advice
Interest on money at call and short notice
Interest on placement with Banks
Interest on foreign currency balance
Other interest Income (On Advance Rent of our Savar Br.)

Amount of Taka	
31.12.2022	31.12.2021
6,075,179,933	4,900,728,716
(109,918,000)	(58,023,010)
179,857,653	40,640,931
78,535,978	4,818,244
2,631,920	2,005
2,700	-
6,226,290,184	4,888,166,886

20. Interest paid on deposits and borrowings etc.

On Savings Bank Deposit (note 20.1)
On Short Notice Deposit
On Fixed Deposit (note 20.2)
On Current Deposit
Interest paid on Staff Provident Fund
Other Deposits and deposit schemes (note 20.3)
On Borrowing from Bangladesh Bank and other financial institutions (note 20.4)

283,965,320	244,823,816
829,376,945	672,094,278
6,617,621,895	7,415,836,110
1,941,581	1,826,275
75,000,000	-
588,391,691	555,363,225
294,496,618	421,171,682
8,690,794,050	9,311,115,386

20.1 On Savings bank deposit:

On Savings Deposit (Conventional)
On School Banking Scheme
On Krishok Savings Account
On RMG Worker Account
On Leather Industry Worker
On Pothopushpo Savings Account
On Muktiyoddhashpo Savings Account
On BASIC Chalanika
On Trinomul Savings Account

272,978,715	236,026,049
7,922,160	6,956,907
1,072,068	763,841
305,490	300,213
1,083	1,130
662	1,935
256,207	123,430
128,551	105,791
1,300,384	544,520
283,965,320	244,823,816

20.2 On Fixed deposit:

Interest paid on Fixed Deposit (Conventional)
Interest paid on Century Deposit scheme
Interest paid on double benefit scheme
Interest paid on Super double benefit scheme
Interest paid on Monthly Benefit Scheme
Interest paid on Rapid Grow Deposit Scheme
Interest paid on BASIC twofold winner scheme
Interest paid on monthly gainer scheme
Interest paid on monthly income scheme
Interest paid on double deposit scheme
Total

5,963,906,827	6,672,788,135
370,853,239	435,547,036
39,195,486	93,896,722
-	-
53,300	258,560
-	-
90,865,041	88,265,064
82,932,416	116,610,266
65,301,302	7,827,107
4,514,284	643,220
6,617,621,895	7,415,836,110

20.3 Other Deposits and deposit schemes

Interest paid on BASIC Fortune
Interest paid on BASIC Fortune Plus
Interest paid on BASIC Swapono purn
Interest paid on BASIC DPS Plus
Interest paid on Sata Barsha Sanchoy Prokalpo
Interest paid on BASIC Monthly Saving Scheme
Interest paid on BASIC Nari Monthly Saving Scheme
Interest paid on BASIC Probin Monthly Saving Scheme
Less: Penal Interest recovered on Deposit Scheme

(71,906)	2,338,459
344,519,041	340,267,478
326,157	1,042,686
194,546,121	200,305,699
27,106,034	10,404,382
11,569,744	926,844
10,491,333	820,638
452,364	46,412
(547,197)	(789,373)
588,391,691	555,363,225

20.4 Interest on Borrowings

Interest on Refinance under BRPD Circular No. 10/2020
Interest on Refinance under SMESPD Circular No. 02/2020
Interest on Refinance under FID Circular No. 01/2020
Interest on Refinance under ACD Circular No. 01/2020
Interest on Refinance Under ACD Circular No. 02/2021
Interest on 'Ghorey Fery' REF. SCHEME FID-01/21
Int. on COVID RS-3000-REF. SCHEME FID-02/2021
Interest on Bangladesh Bank refinance-Brick Kiln
Interest on Bangladesh Bank refinance-Jute sector
Interest on 10/50/100 TK. A/C HOLDERS-REF. SCHEME FID-01/2021
Interest on Bangladesh Bank refinance-Milk Production
Interest on Bangladesh Bank refinance- HBL

13,991,154	15,461,796
12,240,584	16,802,967
72,362	1,166,230
1,072,708	894,204
140,390	-
4,282	-
18,819	-
4,753,200	4,753,200
1,504,167	250,000
26,922	-
43,750	640,442
2,432,800	2,662,930



		Amount of Taka	
		31.12.2022	31.12.2021
Interest on borrowing on B. B. refinance for funding Solar, Bio-Gas and ETP Scheme		50,310	10,849
Interest on borrowing on B.B refinance for Tk. 10 account holders		57,065	150,968
Interest on Repo-Bangladesh Bank		112,439,836	938,628
Interest on Term Borrowing		98,333,334	335,034,722
Interest on Short Term Borrowing		-	-
INTEREST FROM BORROWING - BANKS		-	-
Interest on Borrowing-Call Money		14,999,028	2,565,556
Interest on Term Loan KFW		5,368,260	5,368,260
Interest on Borrowing-ADB Loan		8,766,775	13,191,602
Interest on Second Crop Diversified Project-ADB		18,180,872	21,279,328
Interest on borrowing outside Bangladesh		-	-
		294,496,618	421,171,682
21. Investment income			
On GT Bill, Bangladesh Bank Bill and GT Bond, Reverse (Note 21.1)		2,758,182,186	2,389,475,840
Dividend on Shares		52,969,997	45,810,193
On Other Investment		11,142,502	10,213,960
Profit on sale of investment (note 21.2)		812,215,351	442,313,439
		3,634,510,036	2,887,813,432
Less: Interest Paid for Purchase of Treasury Bond		86,960,481	29,832,761
Less: Loss on sale of investment		195,116,066	427
Less: Loss on investment		-	-
Less: Loss on Revaluation of HFT (MTM) T-Bond		965,493,541	670,982,419
Less: Loss on Revaluation of HTM (MTM) T-Bond		360,397,330	-
		1,607,967,418	700,815,607
Total		2,026,542,618	2,186,997,825
21.1 On Government Treasury Bill and Bond			
Interest on GT bond		2,750,830,183	2,389,456,940
Amortization of Discount on Treasury Bill		-	-
Interest on Reverse repo		7,352,003	18,900
Amortization of discount-Bill		-	-
Total		2,758,182,186	2,389,475,840
21.2 Profit on sale of investment			
Profit on sale of HFT Securities		81,930,473	19,724,454
Profit on sale of Share		9,843,794	46,770,601
Profit on Repo trading		720,441,084	375,818,384
Total		812,215,351	442,313,439
22. Commission, exchange and brokerage			
Foreign bill purchased		5,500	374,398
Local Bill Purchased		3,231,236	2,233,408
Remittance		3,024,767	2,652,448
Letter of Guarantee		33,435,915	37,132,712
Letter of Credit		148,170,769	133,212,746
Bills for Collection		13,946,965	6,905,733
Acceptances and endorsement		61,863,728	43,814,533
Export Bill		18,553,141	13,850,230
Exchange gain net of exchange loss (22.1)		948,402,280	401,015,301
Commission on sale of instruments		11,771,435	11,233,349
Commission on online banking services		591,654	706,669
Other Commission		39,012,263	31,376,079
Miscellaneous (includes commission on sale of PSP,TC)		-	-
		1,282,009,653	684,507,606
22.1 Exchange gain net of exchange loss			
Exchange Earning		1,035,401,910	451,680,023
Less: Exchange Loss		86,999,630	50,664,722
		948,402,280	401,015,301
Note: Exchange gain/ profit(loss) on exchange trading has been net of which was shown seperately in earlier years.			
23. Other operating income			
Various Fees		15,239,598	7,225,212
Income on locker		1,414,400	1,155,000
Recoveries from client and staffs		42,380,677	44,652,584
Service and other Charges		59,542,972	49,114,171



Income from ICT services
Income from on-line client services
Recoveries of Loan Previously Write Off
Recoveries and miscellaneous earnings
Income from ATM/Card services
Export L/C advising, handling, transfer charges etc.
Income from non banking asset
Miscellaneous income (note 23.1)
Profit on Sale of Fixed Assets

Amount of Taka	
31.12.2022	31.12.2021
16,483,560	10,436,381
205,177	2,367,118
292,472,976	90,300,765
-	-
7,105,987	2,804,828
5,716,015	5,536,901
-	-
15,693,286	8,974,667
15,222,519	11,676,626
471,477,167	234,244,253

23.1 Miscellaneous Income:

Discount received
Project Examination and Appraisal Fee
Other Operating Income
Income on Real Estate
Other Non-operating Income

173,980	10,443
200,000	125,000
15,319,006	8,839,224
300	-
-	-
15,693,286	8,974,667

23.2 Profit on sale of fixed assets:

Cost of assets sold
Less: Accumulated depreciation of assets sold
Book value of assets sold
Sale value of fixed assets sold
Profit on sale of fixed assets

56,732,119	57,478,975
55,782,555	55,442,617
949,564	2,036,358
16,172,083	13,712,984
15,222,519	11,676,626

24. Salary and Allowances

Salaries (note 24.1)
Allowances (note 24.2)
Provident Fund
Benevolent Fund
Gratuity Fund
Pension Fund
Bonus
Superannuation Fund

887,028,206	884,952,377
472,112,107	479,039,033
70,824,888	85,622,792
5,000,000	5,000,000
213,081,301	333,564,481
-	65,276
157,267,686	156,464,580
10,000,000	10,000,000
1,815,314,188	1,954,708,539

Note 24.1: Salaries:

Salary-Basic salary
Wages sub-staff
Casual wages menial staff
Total

863,691,469	862,555,337
1,119,388	956,881
22,217,349	21,440,159
887,028,206	884,952,377

Note 24.2: Allowances:

Allowances
Leave Fare Assistance
Total

472,112,107	479,039,033
-	-
472,112,107	479,039,033

25. Rent, Taxes, Insurance, Electricity Etc.

Rent
Rates, Taxes and VAT
Utilities/Electricity and Heating
Insurance

223,452,288	228,382,739
4,480,796	4,421,619
44,387,934	43,748,326
24,952,267	29,443,514
297,273,285	305,996,198

26. Legal & Professional Expenses

Legal Expense (note 26.1)
Professional Fees (note 26.2)

17,710,981	11,203,015
1,173,450	898,538
18,884,431	12,101,553

26.1 Legal Expenses:

Lawyers fees
Law Charges
Stamp Charges and Court Fees
Other Legal expenses
Other Professional expenses

2,403,692	400,588
2,018,808	1,126,806
33,510	43,120
13,254,971	9,613,801
-	18,700
17,710,981	11,203,015



26.2 Professional Expenses:	
Consultancy Fee	
Management fees	
Other Professional Fee	
27. Postage, Stamps, Telecommunication Etc.	
Postage	
Courier Services	
Telephone	
Fax	
Swift Subscription and cable Charges and web hosting charge	
Stamp	
Internet and E-mail	
28. Stationery, Printing, Advertisement Etc.	
Printing Stationery	
Security Stationery	
Publicity, Advertisement and publication	
Other Stationery (note 28.1)	
28.1 Other Stationery	
Office Stationery	
Petty Stationery	
Photograph and Photocopy	
Crockery and utensils	
Other Stationery	
Calendar	
Annual Report	
Greeting cards	
Other greeting items	
Invitation Card	
Other printing expenses	
Total	
29. Managing Director's Salary	
Basic Salary	
Allowances and Bonus (note: 29.1)	
29.1 Managing Director's Allowances and Bonus	
House Rent	
Medical	
Entertainment	
Food Subsidy	
Others	
Total Allowances	
Bonus	
Total	
30. Directors' Fees	
Directors Honorarium*	
VAT on Directors Honorarium	
Chairman's Remuneration**	

Amount of Taka	
31.12.2022	31.12.2021
888,950	538,583
-	-
284,500	359,955
1,173,450	898,538
55,517	65,572
6,589,125	6,679,595
3,064,035	3,351,106
11,791	8,825
7,557,978	4,535,337
16,420	16,538
191,466	171,633
17,486,332	14,828,606
4,586,352	4,272,545
3,883,856	2,494,255
1,785,321	1,672,136
21,249,447	21,954,202
31,504,976	30,393,138
6,023,934	5,880,698
85,717	76,356
323,329	298,305
747,792	750,028
11,512,009	10,962,527
2,539,562	3,777,659
-	186,840
-	-
9,134	4,688
1,310	990
6,660	16,111
21,249,447	21,954,202
3,660,000	3,035,000
1,568,600	1,447,033
5,228,600	4,482,033
600,000	501,786
300,000	250,893
1,600	25,893
45,000	39,000
12,000	19,461
958,600	837,033
610,000	610,000
1,568,600	1,447,033
2,648,000	2,056,000
318,800	259,600
360,000	360,000
3,326,800	2,675,600

*Each member of the board of directors of the Bank was paid honorarium of Tk. 8,000/- per meeting.

**Remuneration was paid to the honorable chairman of the board of directors of the Bank @ Tk. 30,000/- per month.

31. Depreciation of Bank's Assets
Depreciation on own Assets

Furniture and Fixture
Interior Decoration
Computer Hardware and Pheriperals
Computer Software



4,766,003	4,979,700
16,385,931	15,113,607
31,174,661	29,701,982
10,974,613	11,137,867

		Amount of Taka	
		31.12.2022	31.12.2021
Machinery and Equipment		13,697,828	15,439,983
Vehicles		-	-
		76,999,036	76,373,139
Depreciation on Leased Assets		40,000	40,000
Lease Equipment/ Assets			
Total		77,039,036	76,413,139
32. Repair of Bank's Assets			
Furniture and Fixture	2,633,621	2,590,324	
Interior Decoration	755,043	431,268	
Machinery and Equipment	13,521,027	12,805,006	
Vehicles	6,922,697	9,918,031	
Rented Premises	1,900,583	2,502,713	
Electric Fittings	5,937,460	5,064,397	
Others	2,397,983	2,647,785	
	34,068,414	35,959,524	
33. Other Expenses			
Entertainment	27,821,663	19,197,749	
Compensation agst. Death due to COVID-19	2,500,000		
Lunch subsidy allowance	88,136,620	85,548,490	
Executive car allowance	41,000,097	1,788,000	
Information and Communication Technology (ICT) expenses (note 33.1)	51,297,962	47,215,498	
Other Audit Fee (note 33.2)	11,500	115,000	
Car Expenses (note 33.3)	13,403,787	16,231,666	
Fuel and Lubricant Expenses-Generator (note 33.4)	3,895,785	3,062,252	
Travelling	15,296,863	10,704,071	
Computer consumables and Accessories	8,357,541	6,517,649	
Staff Training and HR development Expenses	2,613,017	1,029,735	
Card Related Expenses	20,603,611	16,680,265	
Uniform and Liveries	-	884,335	
Subscription	3,671,140	3,555,612	
Service charge paid to clearing house, banks and others	1,959,500	2,093,476	
Corporate Social Responsibility Expenses	1,244,463	1,657,116	
Commission paid to banks	4,125	10,925	
Donation	102,160	324,190	
Capital related fees and charges	-	34,502,530	
Miscellaneous (note 33.5)	8,665,875	16,165,333	
Total	290,585,709	267,283,892	
33.1 Information and Communication Technology (ICT) expenses			
Set-up charge	4,403	-	
Yearly Rent	-	-	
License fee	271,179	123,373	
Internet charge	20,051,983	18,159,030	
SMS alert charge	3,022,823	2,322,985	
Mobile phone banking expenses	55,650	299,775	
Software Maintenance Expenses	27,846,215	24,636,817	
Hardware maintenance	9,699	585,268	
ICT Auditing, Penetration Testing & Risk Management Services	-	884,500	
Other	36,010	203,750	
Total	51,297,962	47,215,498	
33.2 Other Audit Fee			
PF audit	11,500	28,750	
Various fund audit	(46,000)	40,250	
Nostro account audit	46,000	46,000	
Total	11,500	115,000	
33.3 Car expenses:			
Fuel and lubricant	6,078,516	5,655,987	
CNG/POL-Vehicle	5,196,427	8,320,637	
Vehicle expenses	2,128,844	2,255,042	
Total	13,403,787	16,231,666	
33.4 Fuel and Lubricant-Generator:			
Fuel and Lubricant -Generator	3,886,157	3,053,397	
Fuel and Lubricant-Others	9,628	8,855	
Total	3,895,785	3,062,252	



Amount of Taka	
31.12.2022	31.12.2021

33.5 Miscellaneous:

Expenses- Furniture & Fixtures	
Expenses Equipment	
Business promotion and development	
Books, Journals and periodicals	
Conveyance expenses	
Expenses for multimedia	
Transport expenses	
Carrying Charges	
Commitment and other fees	
Remittance charges	
Cartage and freight	
Issue expenses	
Interior decoration expenses	
Head Office and Branch Renovation/Development Expenses	
AGM expenses	
Nostro account related expenses	
Financial assistance expenses	
Security Service Expense	
Loss on sale of fixed assets	
Entertainment (Directors)	
Other expenses	
Misc. expenses	
Total	

-	43,613
99,122	121,561
255,081	51,770
1,637,907	941,237
15,835	5,480
21,050	6,600
76,841	86,800
118,600	220,450
315,608	268,684
89,004	130,080
136,704	109,216
74,930	238,706
844,345	1,055,241
736,875	
-	75,292
1,955,045	2,574,867
115,974	107,285
199,180	9,067,735
-	-
780,884	
-	28,099
1,192,890	1,032,617
8,665,875	16,165,333

34. Provision made during the year:

a. For Loans & Advances:

On Classified Loans & Advances	Note 13.1.1
On Unclassified Loans & Advances	Note 13.1.2
Special General Provision-COVID 19	Note 13.1.3

Sub-Total

b. For Off Balance Sheet items:

c. For Other Assets:

i) Unadjusted suspense account-BSP	Note 13.3
ii) Provision made during the year against Unadjusted Branch Adjustment Accounts, Shantinagar Br.	Note 13.3
iii) Other Miscellaneous Income Receivable	
iv) Provision not required against unadjusted Sus-A2Z	Note 13.3
v) Excess provision for Income Receivable not required	Note 13.3
vi) Excess amount of Unadjusted suspense account-Excise Duty not required	

Total provision made for Other Assets

e. For Investment

f. For Balance with other Banks and Financial Institutions

Total

-	-
-	(230,062,915)
-	399,860,207
-	169,797,292
-	26,202,921
2,205,059	
8,267,500	
2,577	
(550,000)	
(118,299,930)	(1,063,094)
(2,779,089)	
(111,153,883)	
83,652,661	(194,937,119)
-	-
(27,501,222)	-

Provision maintained by the Bank in accordance with Bangladesh Bank's approval vide its Letter No. DOS(CAMS)1157/1(II)-C/2023-2209 dated 30 April 2023 and Letter No. DOS(CAMS)1157-1(II)-C/2022-2297 dated 28 April 2022.

35. Provision for Current Tax

Opening balance	
Add: Provision made for current years' tax	
Less: Adjustment made during the year	
Closing balance	

554,121,389	586,575,956
121,340,113	47,963,499
675,461,502	634,539,455
149,442,699	80,418,066
526,018,803	554,121,389

36. Deferred Tax

a) Computation of Deferred Tax

Tax Base of Depreciable Fixed Assets	
Less: Carrying Amount	
Deductible Temporary Difference (A)	

313,906,998	354,330,184
362,548,075	372,059,787
(48,641,077)	(17,729,603)



		Amount of Taka	
		31.12.2022	31.12.2021
Carrying Amount of Provision for Gratuity/Benevolent/Superannuation Fund:			
Provision for Gratuity (Cumulative Provision-Actual Payment)		2,166,535,929	1,978,102,460
Provision for Benevolent Fund (Cumulative Provision -actual payment)		53,854,122	49,812,922
Provision for Superannuation Fund (Cumulative Provision -actual payment)		52,364,165	43,194,165
		2,272,754,216	2,071,109,547
Less: Tax Base			
Deductable Temporary Difference (B)		2,272,754,216	2,071,109,547
Total Deductable Temporary Difference (A+B)		2,224,113,139	2,053,379,944
Effective Tax Rate		40.00%	40.00%
Deferred Tax Assets		889,645,255	821,351,978
b) Deferred Tax (Expenses)/Income			
Closing Deferred Tax Assets (C)		889,645,255	821,351,978
Opening Deferred Tax Assets (D)		821,351,978	720,218,618
Deferred Tax (Expenses)/Income (C-D)		68,293,278	101,133,359
37. Appropriations			
Statutory Reserve		-	-
General Reserve		-	-
Dividends etc.		-	-
38. Analysis of Closing Cash and Cash Equivalent			
Cash in hand and balance with Bangladesh Bank and Sonali Bank		8,992,566,384	9,069,939,430
Balance with other banks & financial institutions		1,965,987,728	1,639,410,607
Money at Call on Short Notice		5,300,000,000	3,100,000,000
		16,258,554,112	13,809,350,037
39. Earning Per Share (EPS)			
a) Earning Per Share (EPS)			
Net Profit after Tax (Numerator)		(1,301,651,812)	(3,969,791,178)
Number of Ordinary Share Outstanding (Denominator)		1,084,698,250	1,084,698,250
Earning Per Share (EPS)		(1.20)	(3.66)
b) Diluted Earning Per Share (Diluted EPS)			
Net Profit after Tax (Numerator)		(1,301,651,812)	(3,969,791,178)
Number of Ordinary Share Outstanding (Denominator)		3,684,698,250	3,684,698,250
Diluted Earning Per Share (Diluted EPS)*		(0.35)	(1.08)

*Earning Per Share (EPS) has been calculated considering Share Money Deposit of BDT 26,000,000,000 as Paid Up Capital of the Bank; i.e. total Paid Up Capital of the Bank has been considered as BDT 36,846,982,500 and total number of share has been considered as 3,684,698,250 of BDT 10.00 each.

40. Coverage of External Audit


The external auditor has covered over 80% of the risk-weighted assets and have spent around 4,700 person hours to complete the audit as per requirement of Bangladesh Bank. The external auditor has audited 35 branches and Head Office of the Bank.

41. COVID-19 Pandemic

On 11 March 2020, World Health Organization (WHO) declared a global pandemic due to Corona Virus related respiratory disease commonly called as COVID-19. To contain the spread of this disease, along with many other countries of the world, Government of Bangladesh has also taken a number of measures such as declaration of general holiday, enforcement of lock down, social distancing etc. As a result of these measures, all business and economic activities are adversely affected which also impacted the Bank. To overcome the situation, various measures have been taken by the government like ensuring vaccination and introducing multiple stimulus packages to boost up business and economic activities of the country. Besides, Bangladesh Bank has allowed deferral on repayment of principal and interest of loan in view of COVID-19 impact on business, which has affected adversely the income and profitability of the Bank. Repayment deferral also has a bearing on the Bank's classification and liquidity position. All the regulatory instructions has been taken duly care of in recognising revenue and preparing Financial Statements of the Bank for the year 2021. Although the business operation and profitability of the Bank are impacted due to COVID-19, but as the situation is constantly changing and still there is no certainty as to how long the situation will prevail, the potential impact of COVID-19 related matters on the Bank's future operation and financial results cannot be reasonably assessed."


Managing Director


Director


Director


Chairman

NOSTRO Accounts - Outside Bangladesh

Name of the Bank		A/C Type	Currency name	2022		2021			
				Amount in FC	Conv. Rate per unit FC	Amount in BDT	Amount in FC	Conv. Rate per unit FC	Amount in BDT
1	Bank Of Tokyo Mitsubishi, London	CD	GBP		124.0551	-	-	-	-
2	AB Bank Mumbai	CD	ACUS	191,692.83	101.0000	19,360,976	152,222.55	85.8000	13,060,695
3	Arif Habib Bank- Karachi	CD	ACUS	1,103.25	101.0000	111,428	1,103.25	85.8000	94,659
4	Habib Metropolitan Bank Ltd., Pk	CD	ACUS	5,550.80	101.0000	560,631	9,834.47	85.8000	843,797
5	Bank Of Tokyo Mitsubishi, Japan, JPY	CD	JPY	1,159,220.77	0.7547	874,864	1,206,359.78	0.7458	899,703
6	Mashreq Bank, NY	CD	USD	4,605.00	101.0000	465,105	4,605.00	85.8000	395,109
7	Sonali Bank, Kolkata, USD	CD	ACUS	345,803.51	101.0000	34,926,154	210,824.76	85.8000	18,088,764
8	Bank of Ceylon	CD	ACUS	10,443.62	101.0000	1,054,806	9,108.62	85.8000	781,519
9	Citi Bank NA, NY(Exp)	CD	USD	213,012.22	101.0000	21,514,234	2,346,502.99	85.8000	201,329,957
10	Sonali Bank Kolkata ACUEUR.	CD	ACUEUR	4,683.24	109.5241	512,928	4,683.24	97.3178	455,763
11	Mashreq Bank, Mumbai	CD	ACUS	647.13	101.0000	65,360	647.13	85.8000	55,524
12	Sonali Bank London, EUR	CD	EURO	4,899.99	109.5241	536,667	59,940.86	97.3178	5,833,313
13	Sonali Bank London, GBP	CD	GBP	1,944.57	124.0551	241,234	10,000.00	115.7502	1,157,502
14	Sonali Bank London, USD	CD	USD	71,810.30	101.0000	7,252,840	109,260.42	85.8000	9,374,544
15	Aktif Yatrim Bankasi, Istanbul	CD	EURO	37,638.42	109.5241	4,122,314	-	-	-
16	HDFC Bank Ltd	CD	USD	277,312.59	101.0000	28,008,572	88,379.76	85.8000	7,582,983
17	United Bank of India, Mumbai	CD	ACUS	129,023.10	101.0000	13,031,333	237,008.44	85.8000	20,335,324
18	Habib American Bank New York	CD	USD	291,039.76	101.0000	29,395,016	91,708.43	85.8000	7,868,583
19	Kookmin Bank, Seoul	CD	USD	115,238.22	101.0000	11,639,060	387,312.34	85.8000	33,231,399
Sub-total						173,673,522			321,389,138

As per Bangladesh Bank Circular No. FEPD(FEMO)/01/2005-677 dated 13th September 2005, the books of accounts of Nostro account are reconciled and there exist no un-reconciled entries that may affect financial statements significantly.



Details of Investment in Shares as at December 31, 2022

Annexure-B

A. Listed Securities:

Sl. No	Name of the company	Date of Purchase	No of shares	Face Value Taka	Cost Price Taka	Market Value as on 31-12-2022 Taka	Market Value as on 31-12-2021 Taka	Unrealized Gain/(Loss) Taka	Dividend Received in 2022 Taka
1.	ACME LABORATORIES LTD	26-Feb-17	557569	5,575,690	62,650,655	47,393,365	48,229,719	(15,257,290)	1,393,923
2.	AGRICULTURAL MARKETING CO.LTD	16-Jan-19	-	-	-	-	-	-	63,290
3.	APPOLO ISPAT COMPLEX LTD.	20-Aug-14	1988098	19,880,980	36,441,836	16,302,404	16,700,023	(20,139,433)	-
4.	BATA SHOES (BD) LTD.	17-Feb-19	5688	56,880	4,665,972	5,416,682	5,499,727	750,711	72,945
5.	BERGER PAINTS BANGLADESH LTD.	14-Feb-17	11567	115,670	20,588,047	19,925,314	14,148,391	(662,733)	437,140
6.	BRAC BANK LTD.	3-Jan-19	850000	8,500,000	35,201,540	32,725,000	-	(2,476,540)	164,912
7.	BRITISH AMERICAN TOBACCO BD. LTD.	14-Feb-19	113080	1,130,800	69,015,167	58,654,596	18,020,531	(10,360,571)	1,988,100
8.	BSRM STEELS LTD.	10-Dec-13	699359	6,993,590	59,135,367	44,689,040	49,724,425	(14,446,327)	2,098,077
9.	THE CITY BANK LTD.	19-Jan-21	675000	6,750,000	16,673,340	14,715,000	16,380,000	(1,958,340)	1,167,618
10.	DHAKA ELECTRIC SUPPLY CO. LTD.	8-Dec-10	504658	5,046,580	29,481,985	18,470,483	17,915,359	(11,011,502)	504,658
11.	DUTCH BANGLA BANK LIMITED	15-Sep-20	-	-	-	-	-	-	42,106
12.	EASTERN BANK LTD.	8-Dec-10	5684065	56,840,650	25,447,136	180,753,267	194,521,366	155,306,131	6,315,629
13.	Export Import (Exim) Bank of Bangladesh Ltd.	-	-	-	-	-	-	-	378,747
14.	FEDERAL INSURANCE COMPANY LTD.	17-Jun-21	30000	300,000	1,158,633	744,000	1,074,000	(414,633)	30,000
15.	GRAMEEN PHONE LTD.	11-Jul-18	128152	1,281,520	47,008,305	36,728,363	22,208,628	(10,279,942)	3,088,513
16.	HEIDELBERG CEMENT BD. LTD.	8-Dec-10	169206	1,692,060	89,579,397	30,304,795	46,091,714	(59,274,602)	439,936
17.	I.D.L.C FINANCE LTD.	26-May-15	497558	4,975,580	37,042,040	23,136,447	28,574,060	(13,905,593)	710,810
18.	IFAD AUTOS LTD.	7-Jan-19	315533	3,155,330	21,434,200	13,915,005	14,214,028	(7,519,195)	330,559
19.	ICB ISLAMI BANK LTD.	23-May-08	2684000	26,840,000	26,840,000	14,493,600	13,956,800	(12,346,400)	-
20.	IFIL ISLAMIC MUTUAL FUND-1	2-Dec-15	7534390	75,343,900	66,634,688	48,220,096	48,220,096	(18,414,592)	3,013,756
21.	IPDC FINANCE LIMITED	19-Jan-21	-	-	-	-	-	-	430,865
22.	JAMUNA OIL COMPANY LTD.	21-Sep-11	254352	2,543,520	52,902,154	42,553,090	43,519,627	(10,349,065)	3,052,224
23.	JMI SYRINGES & MEDICAL DEVICES LTD.	-	-	-	-	-	-	-	6,300
24.	LAFARGEHOLCIM BANGLADESH LTD.	10-Dec-13	141000	1,410,000	11,011,677	9,136,800	10,025,100	(1,874,877)	564,000
25.	LANKA BANGLA FINANCE LTD	-	386114	3,861,140	13,932,408	10,038,964	-	(3,893,444)	386,114
26.	LINDE BANGLADESH LIMITED	3-Feb-16	20300	203,000	29,955,938	28,373,310	-	(1,582,628)	984,180
27.	MARICO BANGLADESH LIMITED	18-Feb-19	-	-	-	-	-	-	211,400
28.	MEGHNA PETROLEUM LTD.	23-Nov-10	188157	1,881,570	38,458,375	37,367,980	37,029,298	(1,090,395)	2,822,355
29.	MERCENTILE BANK LIMITED	6-Nov-16	998369	9,983,690	17,647,326	13,577,818	16,259,159	(4,069,507)	1,188,541
30.	MJL BANGLADESH LTD.	31-May-15	325191	3,251,910	35,688,341	28,194,060	28,714,365	(7,494,282)	1,788,551
31.	N C C BANK LTD.	26-Dec-10	813595	8,135,950	12,709,772	11,227,611	11,969,236	(1,482,161)	938,765
32.	NAVANA CNG LTD.	31-Oct-01	285500	2,855,000	20,501,520	6,909,100	8,021,198	(13,592,420)	129,507
33.	OLYMPIC INDUSTRIES LTD.	19-Oct-15	197457	1,974,570	57,244,898	24,484,668	31,711,594	(32,760,230)	1,066,268
34.	ONE BANK LTD.	28-Jul-11	1692432	16,924,320	31,574,817	17,262,806	22,243,392	(14,312,011)	-



Sl. No	Name of the company	Date of Purchase	No of shares	Face Value Taka	Cost Price Taka	Market Value as on 31-12-2022 Taka	Market Value as on 31-12-2021 Taka	Unrealized Gain/(Loss) Taka	Dividend Received in 2022 Taka
35.	PADMA OIL COMPANY.	2-Oct-14	192180	1,921,800	48,359,155	40,204,056	40,838,250	(8,155,099)	2,402,250
36.	PRIME BANK LTD.	14-Jun-17	1047796	10,477,960	26,285,744	20,117,683	22,527,614	(6,168,061)	1,833,643
37.	PRIME FINANCE & INVESTMENT LTD.	9-Nov-10	-	-	-	-	-	-	281,660
38.	RENATA (BD) LTD.	10-Feb-19	25363	253,630	31,156,969	30,889,598	27,301,408	(267,371)	275,352
39.	ROBI AXIATA LIMITED	26-Nov-20	240000	2,400,000	2,400,000	7,200,000	9,078,244	4,800,000	126,713
40.	SOUTHEAST BANK LTD.	18-Apr-12	1200111	12,001,110	19,399,565	16,561,532	17,886,272	(2,838,034)	923,164
41.	SQUARE PHARMACEUTICALS LTD.	11-Jul-18	255651	2,556,510	59,712,248	53,635,580	54,786,009	(6,076,669)	1,533,906
42.	TITAS GAS TRANSMISSION & D.C.L	26-Dec-10	1385908	13,859,080	81,813,385	56,683,637	50,308,460	(25,129,748)	3,048,998
43.	UNILIVER CONSUMER CARE LIMITED	16-Sep-20	9080	90,800	25,880,566	25,868,920	9,080,155	(11,646)	177,760
44.	UTTARA FINANCE & INVEST. LTD	24-Mar-15	279219	2,792,190	19,674,038	9,437,602	11,420,057	(10,236,436)	-
	Sub-Total		32,385,698	323,856,980	1,285,307,208	1,096,312,272	1,008,198,305	(188,994,935)	46,413,234

B. Non-Listed, De-Listed & Preference Shares:

Sl. No	Name of the company	Date of Purchase	No of shares	Face Value	Total Cost/ Book Value	Market Value as on 31-12-2022 Taka	Market Value as on 31-12-2021 Taka	Unrealized Gain/(Loss)	Dividend Received in 2022 Taka
1.	BANGLADESH DEVELOPMENT CO.LTD.	19-Jul-11	74,500	7,450,000	7,450,000	7,450,000	7,450,000	-	-
2.	CENTRAL DEPOSITORY BANGLADESH LTD.	23-Jun-02	1,142,361	11,423,610	3,138,890	3,138,890	3,138,890	-	2,855,903
3.	EQUITY OF GRAMEEN IT PARK	1-Feb-01	42,018	4,201,800	4,201,760	4,201,760	4,201,760	-	-
4.	KARMA SANGSTHAN BANK	15-Mar-99	150,000	15,000,000	15,000,000	15,000,000	15,000,000	-	-
5.	ICB AMCL 2ND MUTUAL FUND	11-Apr-16	3364419	33,644,190	33,644,190	35,326,400	38,354,377	1,682,210	3,700,861
B. Sub-Total			4,773,298	71,719,600	63,434,840	65,117,050	68,145,027	1,682,210	6,556,763
	Grand Total (A+B)		37,158,996	395,576,580	1,348,742,048	1,161,429,322	1,076,343,331	(187,312,726)	52,969,997



Detail of information on advances exceeding 10% of bank's paid-up capital (funded & non-funded):

(Taka in Lac)

Sl. No.	Name of the Client	Outstanding as on 31.12.2022			Outstanding as on 31.12.2021	CL status as on 31.12.2022
		Funded	Non funded	Total		
1	AMADER BARI LIMITED GROUP	60,966	-	60,966	61,125	BL
2	NEW DHAKA CITY DEVELOPMENT LTD	24,255	-	24,255	23,207	BL
3	EMERALD AUTO BRICKS & ALLIED	23,633	-	23,633	23,633	BL
4	ALI GROUP	22,910	-	22,910	22,910	BL
5	BANGLADESH DEVELOPMENT COMPANY LTD.	22,137	-	22,137	21,183	BL
6	MAX SWEATER (BD) LTD.	13,312	7,063	20,375	16,981	UC
7	NILSAGOR AGRO & ALLIED	18,722	75	18,797	18,831	BL
8	FEAZ GROUP	17,177	-	17,177	19,332	BL
9	ARISTOCRAT GROUP	16,949	-	16,949	16,949	BL
10	MYMCO CARBON LTD AND ALLIED	16,595	-	16,595	16,595	BL
11	VASAVI FASHIONS & ALLIED	15,377	24	15,401	15,537	BL
12	WELL TEX GROUP	14,631	50	14,681	14,659	BL
13	AJBIHA, YOUTH	14,349	-	14,349	14,349	BL
14	AB GROUP	12,301	1,983	14,284	14,974	UC
15	PD, SPDSP, WZPDCL, KHULNA	-	13,987	13,987	35,428	UC
16	RISING GROUP	13,459	18	13,477	13,543	BL
17	CRYSTAL STEELS & SHIP BREAKING LIMITED	13,165	-	13,165	13,165	BL
18	BASHER GROUP	13,139	-	13,139	13,156	BL
19	ZEIL WEARS LIMITED	12,700	-	12,700	12,139	BL
20	MAP & MULLER GROUP	12,133	-	12,133	12,000	BL
21	EMERALD OIL & ALLIED	12,015	18	12,033	12,033	BL
22	REGENT WEAVING LTD	11,707	1	11,708	12,105	BL
23	IG NAVIGATION LIMITED	11,689	-	11,689	11,689	BL
24	BAY NAVIGATION LTD	11,406	-	11,406	11,445	BL
25	PROFUSION TEXTILES LIMITED	11,124	-	11,124	11,124	BL
26	IBRAHIM KNIT GARMENTS (PVT.) LTD.	-	-	-	20,673	-
27	R. I. ENTERPRISE	-	-	-	13,174	-
28	DELTA SYSTEMS LIMITED	-	-	-	12,871	-
29	SEA BLUE TEXTILE LIMITED	-	-	-	11,995	-
30	BD CHEMICAL INDUSTRIES CORP. (BCIC)	-	-	-	11,898	-
31	MA TEX	-	-	-	11,122	-
	TOTAL	415,851	23,219	439,070	539,825	

Note 1: In 2022, capital of the Bank was negative. As such, loans allowed to customers/customers group exceeding 10% of paid-up capital of the Bank has been reported here in line with Bangladesh Bank's approval.



BASIC Bank Limited
Schedule of Fixed Assets
As of 31 December 2022

Particulars	Cost Price				Depreciation				Written Down Value as at 31.12.2022
	Balance as at 01.01.2022	Addition during the year	Disposal during the year	Balance as at 31.12.2022	Rate of Dep.	Balance as at 01.01.2022	Addition during the year	Disposal/ Adjustment during the year	Balance as at 31.12.2022
Furniture and Fixtures	126,760,529	6,034,636	120,771	132,674,394	10%	81,073,188	4,766,002	91,944	85,747,246
Interior Decoration	355,950,155	28,707,403	702,558	383,955,000	10%	203,429,314	16,385,931	510,944	219,304,301
Machinery and Equipment	378,294,598	10,954,673	9,681,203	379,568,068	20%	313,639,072	13,697,828	8,964,089	318,372,811
Computer Hardware	449,826,780	22,545,177	378,450	471,993,507	20%	370,235,867	31,174,661	366,460	401,044,068
Software	150,093,583	195,000	-	150,288,583	20%	120,488,529	10,974,613	-	131,463,142
Motor Vehicles	338,697,587	-	45,849,137	292,848,450	25%	338,697,476	-	45,849,117	292,848,359
Leasehold Assets	4,000,000	-	-	4,000,000	1%	1,046,525	40,000	-	1,086,525
Total 2022	1,803,623,232	68,436,889	56,732,119	1,815,328,002		1,428,609,971	77,039,035	55,782,554	1,449,866,452
Total 2021	1,822,564,524	38,537,683	57,478,975	1,803,623,232		1,407,639,448	76,413,139	55,442,617	1,428,609,970
									375,013,262



Highlights on the overall activities of the Bank

Sl #	Particulars	2022	2021
1	Paid up Capital	10,846,982,500	10,846,982,500
2	Total Capital	(2,551,475,070)	319,488,214
3	Capital Surplus/(Deficit)	(21,316,404,891)	(17,147,185,419)
4	Total Assets	180,575,946,751	195,561,348,367
5	Total Deposits	148,961,574,016	150,980,393,126
6	Total Loans and Advances	134,595,362,994	144,451,774,009
7	Total Contingent Liabilities and Commitments	12,773,188,197	17,008,837,572
8	Credit - Deposit Ratio	88.40%	92.92%
9	Percentage of Classified Loans against total Loans & Advances	57.85%	59.80%
10	Profit (Loss) after Tax and Provision	(1,301,651,812)	(3,969,791,178)
11	Amount of Classified Loans and Advances	77,866,546,184	86,377,468,123
12	Provision Kept against Classified Loan	9,554,717,837	16,240,867,401
13	Provision Surplus/(deficit)*	-	-
14	Cost of Fund	7.05%	7.66%
15	Interest Earning Assets	87,832,598,432	94,339,082,023
16	Non-interest Bearing Assets	92,743,348,319	101,222,266,344
17	Return on Investment (ROI)***	-53.73%	-49.01%
18	Return on Assets (ROA)	-0.69%	-2.02%
19	Incomes on Investment	2,026,542,618	2,186,997,825
20	Earnings Per Share (EPS)	(1.20)	(3.66)
21	Diluted Earnings Per Share (Diluted EPS)	(0.35)	(1.08)
22	Net Income Per Share	(1.20)	(3.66)
23	Price Earning Ratio**	N/A	N/A

*** ROI has been calculated by dividing profit after tax by average shareholders equity plus average long term debt.

** N/A: Not Applicable

