Dutch-Bangla Bank Limited

Balance Sheet

As at 30 September 2017

(Main Operation and Off-shore Banking Unit)

PROPERTY AND ASSETS	Notes	30-Sep-17 Taka (Un-audited)			31-Dec-16 Taka (Audited)	30-Sep-16 Taka (Un-audited)
		Main Operation	Off-shore	Total	Total	Total
Cash						
In hand (including foreign currencies)	4	13,529,861,916	-	13,529,861,916	11,051,999,011	11,720,553,528
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	5	16,320,495,296	-	16,320,495,296	17,660,677,577	20,904,599,894
		29,850,357,212	-	29,850,357,212	28,712,676,588	32,625,153,422
Balance with other banks and financial institutions	6					
In Bangladesh		30,875,117,570	4,033,449,542	34,908,567,112	21,177,878,875	23,325,688,363
Outside Bangladesh		1,089,159,963	-	1,089,159,963	2,399,011,762	4,080,764,007
		31,964,277,533	4,033,449,542	35,997,727,075	23,576,890,637	27,406,452,370
Money at call on short notice	7	-	-	-	116,000,000	2,090,000,000
Investments	8					
Government		24,906,337,997	-	24,906,337,997	31,291,256,232	17,795,540,098
Others		247,243,434	-	247,243,434	487,243,434	564,983,434
		25,153,581,431	-	25,153,581,431	31,778,499,666	18,360,523,532
Loans and advances	9					
Loans, cash credits, overdrafts, etc.		182,799,717,359	704,341,841	183,504,059,200	162,415,747,438	151,805,702,523
Bills purchased and discounted		6,329,353,501	6,942,241,947	13,271,595,448	10,982,050,193	7,075,109,708
		189,129,070,860	7,646,583,788	196,775,654,648	173,397,797,631	158,880,812,231
Fixed assets including land, building, furniture and fixtures	10	4,995,061,342	82	4,995,061,424	4,871,867,057	4,981,648,720
Other assets	11	16,779,612,874	25,172,690	16,804,785,564	14,390,629,645	12,800,538,814
Non-banking assets		-	-	-	-	-
TOTAL ASSETS		**297,871,961,252**	**11,705,206,102**	**309,577,167,354**	**276,844,361,224**	**257,145,129,090**
LIABILITIES AND CAPITAL						
Liabilities						
Borrowings from other banks, financial institutions and agents	12	17,703,729,972	11,316,288,200	29,020,018,172	27,331,548,937	17,724,842,596
Deposits and other accounts	13					
Current deposits and other accounts		49,316,172,062	10,846,641	49,327,018,703	43,084,875,616	39,700,643,254
Bills payable		3,233,867,912	-	3,233,867,912	3,790,478,406	2,386,580,950
Savings bank deposits		109,512,812,134	-	109,512,812,134	95,377,348,042	93,985,131,743
Term deposits		67,509,297,263	-	67,509,297,263	64,981,263,299	63,095,143,876
		229,572,149,371	10,846,641	229,582,996,012	207,233,965,363	199,167,499,824
Other liabilities	14	23,941,003,523	173,619,644	24,114,623,167	20,918,566,210	18,958,420,159
Subordinated debt	15	7,798,307,226	-	7,798,307,226	3,700,122,226	3,888,293,407
TOTAL LIABILITIES		**279,015,190,093**	**11,500,754,485**	**290,515,944,578**	**259,184,202,736**	**239,739,055,985**
Shareholders' equity						
Paid up share capital	16.2	2,000,000,000	-	2,000,000,000	2,000,000,000	2,000,000,000
Share premium	17	11,067,500	-	11,067,500	11,067,500	11,067,500
Statutory reserve	18	8,959,570,542	-	8,959,570,542	8,134,390,476	8,114,825,950
Other reserve	19	-	-	-	-	-
Dividend equalization account	20	1,566,827,195	-	1,566,827,195	1,566,827,195	1,366,827,195
Assets revaluation reserve	21	850,413,777	-	850,413,777	850,413,777	850,413,777
Revaluation reserve of HTM securities	22	9,143,935	-	9,143,935	59,754,912	41,059,079
Proposed dividend		-	-	-	600,000,000	-
Retained earnings		5,459,748,210	204,451,617	5,664,199,827	4,437,704,628	5,021,879,604
TOTAL SHAREHOLDERS' EQUITY		**18,856,771,159**	**204,451,617**	**19,061,222,776**	**17,660,158,488**	**17,406,073,105**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**297,871,961,252**	**11,705,206,102**	**309,577,167,354**	**276,844,361,224**	**257,145,129,090**

	Notes	30-Sep-17 Taka (Un-audited)			31-Dec-16 Taka (Audited)	30-Sep-16 Taka (Un-audited)
		Main Operation	Off-shore	Total	Total	Total
OFF-BALANCE SHEET ITEMS						
Contingent liabilities	23					
Acceptances and endorsements		-	-	-	-	-
Letters of guarantee		6,074,003,188	-	6,074,003,188	5,203,462,715	4,410,293,224
Irrevocable letters of credit		25,240,716,961	1,323,741	25,242,040,702	22,172,252,236	22,712,517,474
Bills for collection		33,941,412,649	-	33,941,412,649	29,178,346,804	25,228,033,436
Other contingent liabilities		2,700,152,643	-	2,700,152,643	3,497,620,000	13,128,842,500
Total contingent liabilities		**67,956,285,441**	**1,323,741**	**67,957,609,182**	**60,051,681,755**	**65,479,686,634**
Other commitments						
Documentary credits and short term trade-related transactions		-	-	-	-	-
Forward assets purchased and forward deposits placed		-	-	-	-	-
Undrawn note issuance and revolving underwriting facilities		-	-	-	-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-	-	-	-
Total other commitments		-	-	-	-	-
Total off-balance sheet items including contingent liabilities		**67,956,285,441**	**1,323,741**	**67,957,609,182**	**60,051,681,755**	**65,479,686,634**

Chairman	Director	Managing Director & CEO	Chief Financial Officer	Company Secretary

Dhaka, 29 October 2017

Dutch-Bangla Bank Limited

Profit and Loss Account

For the Third Quarter (Q3) ended 30 September 2017

(Main Operation and Off-shore Banking Unit)

	Notes	For the nine months ended 30 September (Jan - Sep)				For the quarter ended 30 September (Jul-Sep)	
		2017 Taka			2016 Taka	2017 Taka	2016 Taka
		Main Operation	Off-shore	Total	Total	Total	Total
Interest income	26	11,848,608,294	396,770,667	12,245,378,961	11,744,655,992	4,308,391,657	3,980,329,431
Interest paid on deposits and borrowings etc.	27	3,713,380,568	262,781,866	3,976,162,434	4,204,707,736	1,447,217,497	1,389,720,439
Net interest income		**8,135,227,726**	**133,988,801**	**8,269,216,527**	**7,539,948,256**	**2,861,174,160**	**2,590,608,992**
Investment income	28	1,586,346,301	-	1,586,346,301	1,516,096,942	514,368,579	580,236,763
Commission, exchange and brokerage	29	1,355,027,224	-	1,355,027,224	1,101,102,845	483,816,761	335,781,813
Other operating income	30	2,168,999,968	5,275,244	2,174,275,212	1,577,776,193	662,320,256	430,927,504
Total operating income		**13,245,601,219**	**139,264,045**	**13,384,865,264**	**11,734,924,236**	**4,521,679,756**	**3,937,555,071**
Salary and allowances	32	2,502,880,590	3,395,927	2,506,276,517	2,167,769,668	876,118,214	754,954,555
Rent, taxes, insurance, electricity, etc.	34	1,177,731,114	-	1,177,731,114	992,741,604	409,939,741	348,435,815
Legal expenses	35	2,562,581	-	2,562,581	2,234,711	886,217	625,063
Postage, stamp, telecommunications, etc.	36	216,986,826	3,580	216,990,406	207,959,324	74,100,698	71,132,919
Stationery, printings, advertisements, etc.	37	273,515,731	-	273,515,731	252,559,554	99,658,733	93,243,860
Managing Director & CEO's salary and allowances	38	7,887,000	-	7,887,000	7,982,000	2,639,000	2,854,000
Directors' fees	39	182,236	-	182,236	196,000	44,116	54,680
Auditors' fees	40	599,750	-	599,750	202,000	374,250	19,500
Charges on loan losses	41	750,246,513	-	750,246,513	357,439,118	-	-
Depreciation and repair of bank's assets	42	1,339,727,076	162,240	1,339,889,316	1,143,722,169	447,460,078	392,366,596
Other expenses	43	3,260,239,085	616,553	3,260,855,638	2,414,027,311	1,157,433,923	894,523,351
Total operating expenses		**9,532,558,502**	**4,178,300**	**9,536,736,802**	**7,546,833,460**	**3,068,654,970**	**2,558,210,338**
Profit before provision		**3,713,042,717**	**135,085,745**	**3,848,128,463**	**4,188,090,776**	**1,453,024,786**	**1,379,344,733**
Provision for loans and off-balance sheet exposures	14.1.3						
Specific provision for loans	14.1.3(A)	(629,831,139)	-	(629,831,139)	854,957,400	47,586,606	608,558,597
General provision for loans	14.1.3(B)	273,000,000	-	273,000,000	92,300,000	55,980,000	31,600,000
General provision for off-balance sheet exposures	14.1.3(C)	79,059,274	-	79,059,274	104,647,317	21,542,848	2,178,708
		(277,771,865)	-	(277,771,865)	1,051,904,717	125,109,454	642,337,305
Other provision	14.1.1	-	-	-	-	-	-
Total provision		**(277,771,865)**	**-**	**(277,771,865)**	**1,051,904,717**	**125,109,454**	**642,337,305**
Profit before taxes		**3,990,814,583**	**135,085,745**	**4,125,900,328**	**3,136,186,059**	**1,327,915,333**	**737,007,428**
Provision for taxation							
Current tax	14.1.2	2,122,692,123	-	2,122,692,123	1,798,883,026	933,208,191	568,745,833
Deferred tax	11.2.2	(48,467,060)	-	(48,467,060)	(189,920,368)	(237,619,365)	(235,853,239)
		2,074,225,063	-	2,074,225,063	1,608,962,658	695,588,826	332,892,594
Net profit after taxation		**1,916,589,520**	**135,085,745**	**2,051,675,265**	**1,527,223,401**	**632,326,507**	**404,114,834**
Retained earnings brought forward from previous years		4,368,338,756	69,365,872	4,437,704,628	4,121,893,415	-	-
		6,284,928,276	**204,451,617**	**6,489,379,893**	**5,649,116,816**	**632,326,507**	**404,114,834**
Appropriations							
Statutory reserve	18	825,180,066	-	825,180,066	627,237,212	265,583,067	147,401,486
Retained earnings carried forward		**5,459,748,210**	**204,451,617**	**5,664,199,827**	**5,021,879,604**	**366,743,440**	**256,713,348**
Earnings per share (EPS)	24			**10.26**	**7.64**	**3.16**	**2.02**

Chairman | Director | Managing Director & CEO | Chief Financial Officer | Company Secretary

Dhaka, 29 October 2017

Dutch-Bangla Bank Limited

Cash Flow Statement
For the Third Quarter (Q3) ended 30 September 2017
(Main Operation and Off-shore Banking Unit)

	Notes	30-Sep-17 Taka			30-Sep-16 Taka
A) Cash flows from operating activities		**Main Operation**	**Off-shore**	**Total**	**Total**
Interest receipts in cash		13,228,931,942	396,770,667	13,625,702,609	13,494,656,964
Interest payments		(3,203,415,606)	(262,781,866)	(3,466,197,472)	(3,877,553,437)
Dividend receipts in cash		4,569,442	-	4,569,442	5,712,228
Gain on sale of shares		-	-	-	-
Gain on sale of securities		-	-	-	-
Recoveries of loan previously written-off		766,552,503	-	766,552,503	494,480
Fee and commission receipts in cash		533,354,832	-	533,354,832	534,480,803
Cash payments to employees		(2,619,740,319)	(3,395,927)	(2,623,136,246)	(2,299,269,536)
Cash payments to suppliers		(2,593,160,601)	-	(2,593,160,601)	(2,414,933,378)
Income taxes paid		(1,937,410,587)	-	(1,937,410,587)	(2,307,471,276)
Receipts from other operating activities		2,990,600,750	5,275,244	2,995,875,994	2,143,776,473
Payments for other operating activities		(3,495,550,691)	(616,553)	(3,496,167,244)	(2,566,323,168)
Operating profit before changes in operating assets and liabilities		**3,674,731,665**	**135,251,565**	**3,809,983,231**	**2,713,570,154**
Increase/(decrease) in operating assets and liabilities					
Statutory deposits		5,072,097,000	-	5,072,097,000	4,549,686,000
Purchase /sale of trading securities		4,997,960,529	-	4,997,960,529	-
Loans and advances to other banks		-	-	-	-
Loans and advances to customers		(23,064,672,563)	(6,942,241,947)	(30,006,914,510)	(11,710,674,655)
Other assets		(625,203,660)	-	(625,203,660)	(80,026,319)
Deposits from other banks		22,166,531	-	22,166,531	15,596,168
Deposits from customers		16,877,213,846	10,846,641	16,888,060,487	7,532,455,429
Other liabilities account of customers		805,960,715	11,316,288,200	12,122,248,915	5,257,836,455
Other liabilities		310,352,998	(3,411,353,680)	(3,101,000,683)	(2,418,490,758)
Net cash from operating activities		**8,070,607,061**	**1,108,790,779**	**9,179,397,840**	**5,859,952,473**
B) Cash flows from investing activities					
Payments for purchase of securities		(150,461,588,714)	-	(150,461,588,714)	(12,689,028,099)
Proceeds from sale of securities		152,088,995,021	-	152,088,995,021	14,537,399,674
Purchase of property, plant and equipment		(957,276,081)	-	(957,276,081)	(1,268,613,834)
Sale proceeds of property, plant and equipment		5,637,769	-	5,637,769	6,113,295
Net cash used in investing activities		**675,767,995**	**-**	**675,767,995**	**585,871,037**
C) Cash flows from financing activities					
Receipts from issue of loan capital and debt securities		5,000,000,000	-	5,000,000,000	-
Payment for redemption of loan capital and debt securities		(901,815,000)	-	(901,815,000)	(513,608,750)
Dividends paid		(510,385,173)	-	(510,385,173)	(680,679,592)
Net cash from financing activities		**3,587,799,827**	-	**3,587,799,827**	**(1,194,288,342)**
D) Net increase / (decrease) in cash (A+B+C)		12,334,174,883	1,108,790,779	13,442,965,662	5,251,535,168
E) Cash and cash-equivalents at beginning of the period		49,486,466,962	2,924,658,763	52,411,125,725	54,797,722,602
F) Cash and cash-equivalents at end of the period (D+E)	44	**61,820,641,845**	**4,033,449,542**	**65,854,091,387**	**60,049,257,770**
Net Operating Cash Flow Per Share (NOCFPS)				**45.90**	**29.30**

Chairman **Director** **Managing Director & CEO** **Chief Financial Officer** **Company Secrtetary**

Dhaka, 29 October 2017

Dutch-Bangla Bank Limited

Statement of Changes in Equity

For the Third Quarter (Q3) ended 30 September 2017

(Main Operation and Off-shore Banking Unit)

Figures in Taka

Particulars	Paid up share capital	Share premium	Statutory reserve	Dividend equalization account	Proposed dividend		Assets revaluation reserve	Revaluation reserve of HTM securities	Retained earnings	Total
					Cash	Bonus share				
Balance at 1 January 2017	2,000,000,000	11,067,500	8,134,390,476	1,566,827,195	600,000,000	-	850,413,777	59,754,912	4,437,704,628	17,660,158,488
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	-	-	(50,610,977)	-	(50,610,977)
Cash dividend paid for the year 2016	-	-	-	-	(600,000,000)	-	-	-	-	(600,000,000)
Net profit for the nine months ended 30 September 2017	-	-	-	-	-	-	-	-	2,051,675,265	2,051,675,265
Appropriations during the period	-	-	825,180,066	-	-	-	-	-	(825,180,066)	-
Balance at 30 September 2017	**2,000,000,000**	**11,067,500**	**8,959,570,542**	**1,566,827,195**	**-**	**-**	**850,413,777**	**9,143,935**	**5,664,199,827**	**19,061,222,776**
Balance at 30 September 2016	**2,000,000,000**	**11,067,500**	**8,114,825,950**	**1,366,827,195**	**-**	**-**	**850,413,777**	**41,059,079**	**5,021,879,604**	**17,406,073,105**

Chairman | **Director** | **Managing Director & CEO** | **Chief Financial Officer** | **Company Secretary**

Dhaka, 29 October 2017

Dutch-Bangla Bank Limited

Notes to the Financial Statements as of and for the Third Quarter (Q3) ended 30 September 2017
(Main Operation and Off-shore Banking Unit)

1. Status of the Bank

1.1 Dutch-Bangla Bank Limited (the Bank) is a scheduled commercial bank set up as a joint venture between Bangladesh and The Netherlands. Incorporated as a public limited company under the Companies Act 1994, the Bank obtained license from Bangladesh Bank on 23 July 1995 and started its banking business with one branch on 3 June 1996. The number of branches was 168 as at 30 September 2017 all over Bangladesh. The Bank is listed with Dhaka Stock Exchange and Chittagong Stock Exchange as a publicly quoted company.

1.2 Nature of business

Main operation

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

Mobile Banking Services

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

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

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

Agent Banking Services

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

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

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

Off-shore Banking Unit (OBU)

The Off-shore Banking Unit (OBU) of the Bank is the separate business entity governed by the applicable rules & regulations and guidelines of Bangladesh Bank. The Bank obtained the permission for conducting the operations of OBU from Bangladesh Bank on 23 February 2010. The Bank started the operation of OBU on 12 July 2010. The number of OBUs were two as at 30 September 2017 located at Chittagong EPZ Branch-Chittagong and Dhaka EPZ Branch-Dhaka.

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

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

2.1 Basis of accounting

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

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

2.1.1 Investment in shares and Securities

BFRS & BAS:

As per requirements of BAS 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 BFRS 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 value of investment.

2.1.2 Revaluation gain/loss on Government securities

BFRS & BAS:

As per requirement of BAS 39, where securities treasury bills and treasury bonds fall under the category of "held for trading", any change in the fair value (as measured in accordance with BFRS 13) of held for trading assets is recognized through profit and loss account. T-bills and T-Bonds designated as "held to maturity" are measured at amortized cost method and interest income is recognized through the profit and loss account.

Bangladesh Bank:

HFT securities are revalued on the basis of marking to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognized in other reserve as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortization of discount are recognized in the profit and loss account.

2.1.3 Provision on loans and advances

BFRS & BAS:

As per BAS 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 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. 19 dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013 & BRPD circular no. 16 dated 18 November 2014, a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on time past due. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by BAS 39.

2.1.4 Recognition of interest in suspense

BFRS & BAS:

Loans and advances to customers are generally classified as 'loans and receivables' as per BAS 39 and interest income is recognized through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognized in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank:

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

2.1.5 Other comprehensive income

BFRS & BAS:

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

Bangladesh Bank:

Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income (OCI) Statement. As such the company does not prepare the other comprehensive income statement. However elements of OCI, if any, are shown in the statements of changes in equity.

2.1.6 Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in BAS 39. As such some disclosure and presentation requirements of BFRS 7 and BAS 32 cannot be made in the financial statements.

2.1.7 Repo and Reverse Repo transactions

BFRS & BAS:

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

Bangladesh Bank:

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

2.1.8 Financial guarantees

BFRS & BAS:

As per BAS 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 recognized initially at their fair value (as measured in accordance with BFRS 13), and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized 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 14,2003, financial guarantees such as letter of credit, letter of guarantee will be treated as Off- Balance Sheet items. No liability is recognized for the guarantee except the cash margin.

2.1.9 Cash and cash equivalent

BFRS & BAS:

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

Bangladesh Bank:

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

2.1.10 Cash flow statement

BFRS & BAS:

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

Bangladesh Bank:

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

2.1.11 Balance with Bangladesh Bank: (CRR)

BFRS & BAS:

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

Bangladesh Bank:

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

2.1.12 Presentation of intangible asset

BFRS & BAS:

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

Bangladesh Bank:

There is no requirement for regulation of intangible assets in BRPD 14.

2.1.13 Off-balance sheet items

BFRS & BAS:

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

Bangladesh Bank:

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

2.1.14 Disclosure of appropriation of profit

BFRS & BAS:

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

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

2.1.15 Loans and advance net of provision

BFRS & BAS:
Loans and advances should be presented net of provisions.

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

2.2 Consolidation of financial statements

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

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

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

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgments

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

2.5 Foreign currency transactions

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

2.6 Taxation

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

2.6.1 Current tax

Provision for current income tax has been made @ 40.00% on taxable profit as per Income Tax Ordinance 1984 and as per Finance Act 2017.

2.6.2 Deferred tax

Deferred tax is accounted for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purpose. Tax rate (@ 40.00%) prevailing at the balance sheet date is used to determine deferred tax.

2.7 Bases for valuation of assets

2.7.1 Loans and advances

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

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

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

AMAR STOCK

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

Category / status of loans and advances	Rates	
	Bangladesh Bank's requirement	Maintained by the Bank
General provisions for unclassified loans and advances :		
All unclassified loans (other than loans under small and medium enterprise financing, consumer financing, loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares, short term agricultural credit and staff loans)	1.00%	1.00%
Small and medium enterprise financing	0.25%	0.25%
Consumer financing (other than for housing finance, for Credit Card and for professionals under consumer financing scheme)	5.00%	5.00%
Consumer financing for housing finance, for Credit Card and for professionals and loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares etc.	2.00%	2.00%
Short term agricultural credit	2.50%	2.50%
Special mention account		
All loans (other than loans under small and medium enterprise financing, consumer financing, loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares, short term agricultural credit and staff loans)	1.00%	1.00%
Small & Medium enterprise financing	0.25%	0.25%
Consumer financing (other than housing finance, for Credit Card and for professionals under consumer financing scheme)	5.00%	5.00%
Consumer financing for housing finance, for Credit Card and for professionals and loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares etc.	2.00%	2.00%
Short term agricultural credit	2.50%	2.50%
Specific provision for classified loans and advances:		
Substandard	20.00%	20.00%
Substandard (under agricultural loan)	5.00%	5.00%
Doubtful	50.00%	50.00%
Bad/loss	100.00%	100.00%

General provision

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

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

General provision for all unclassified and SMA loans and advance under consumer financing for housing finance, loans to professionals and loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares, short term agricultural credit has been maintained @ 2% to 5%.

Specific provision

Specific provision for classified loans and advances has been maintained @ 20% to 100% as prescribed by Bangladesh Bank.

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

2.7.2 Investments

a) Investments have been accounted for as follows :

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

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

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

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

2.7.3 Fixed assets

a) All fixed assets are stated at cost or revalued amount less accumulated depreciation.

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

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

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

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

2.8 Off-balance sheet exposures

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

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

2.9 Bases for valuation of liabilities and provisions

2.9.1 Retirement benefits to the employees

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

a) Provident fund

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

b) Gratuity fund

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

c) Superannuation fund

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

2.9.2 Workers' Profit Participation Fund (WPPF)

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

2.10 Revenue recognition

The revenues of the Bank during the period have been recognized in terms of the provisions of **Bangladesh Accounting Standard (BAS) 18, 'Revenue'** as outlined below:

2.10.1 Interest income

a) Interest income from loans and advances and lease finance

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

b) Other interest income

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

2.10.2 Fees and commission income

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

2.10.3 Dividend income

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

2.10.4 Interest paid on deposits and borrowings

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

2.10.5 Other operating expenses

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

2.11 Earnings per share

Earnings per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as at 30 September 2017 as per Bangladesh Accounting Standard (BAS) 33, 'Earnings Per Share'.

2.12 Cash flow statement

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

AMAR STOCK

2.13 Statement of liquidity

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

a) Balance with other banks and financial institutions, Money at call on short notice etc. are on the basis of their maturity term.

b) Investments are on the basis of their maturity.

c) Loans and advances are on the basis of their repayment / maturity schedule.

d) Fixed assets are on the basis of their useful life.

e) Other assets are on the basis of their realization/adjustment.

f) Borrowing from other banks, financial institutions and agents are as per their maturity /repayment term.

g) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors.

h) Other long term liabilities are on the basis of their maturity term.

i) Provisions and other liabilities are on the basis of their payment /adjustment schedule.

2.14 Events after the reporting period

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

2.15 Reconciliation of books of account

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

2.16 Reporting period

The reporting period of these financial statements cover nine months of the calendar year from 1 January 2017 to 30 September 2017.

2.17 Offsetting

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

2.18 Compliance report on Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the official standard setting body in the country. ICAB has adopted most of the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs). The Bank has complied with all the applicable Bangladesh Accounting Standards and Bangladesh Financial Reporting Standards for preparation and presentation of the financial statements of the Bank as at 30 September 2017 as noted below:

Bangladesh Accounting Standards (BASs)	BAS Number	Status of compliance by DBBL
Presentation of Financial Statements	BAS -1	Complied
Inventories	BAS -2	Complied
Cash Flow Statements	BAS -7	Complied
Accounting Policies, Changes in Accounting Estimates and Errors	BAS -8	Complied
Events After the Reporting Period	BAS -10	Complied
Construction Contracts	BAS -11	Not applicable
Income Taxes	BAS -12	Complied
Property, Plant and Equipment	BAS -16	Complied
Leases	BAS -17	Complied
Revenue	BAS -18	Complied
Employee Benefits	BAS -19	Complied
Accounting for Government Grants and Disclosure of Government Assistance	BAS -20	Not applicable
The Effects of Changes in Foreign Exchange Rates	BAS -21	Complied
Borrowing Costs	BAS -23	Complied
Related Party Disclosures	BAS -24	Complied
Accounting and Reporting by Retirement Benefit Plans	BAS -26	Complied
Consolidated Financial Statements and Accounting for Investments in Subsidiaries	BAS -27	Not applicable
Accounting for Investments in Associates	BAS -28	Not applicable
Financial Reporting in Hyperinflationary Economics	BAS -29	Not applicable
Financial Reporting of Interests in Joint Ventures	BAS -31	Not applicable
Financial Instruments: Presentation	BAS -32	Complied
Earnings Per Share	BAS -33	Complied
Interim Financial Reporting	BAS -34	Complied
Impairment of Assets	BAS -36	Complied
Provisions, Contingent Liabilities and Contingent Assets	BAS -37	Complied
Intangible assets	BAS -38	Not applicable
Financial Instruments: Recognition and Measurement	BAS -39	Complied
Investment Property	BAS -40	Not applicable
Agriculture	BAS -41	Not applicable

Bangladesh Financial Reporting Standards (BFRSs)	BFRS Number	Status of compliance by DBBL
First-time Adoption of Bangladesh Financial Reporting Standards	BFRS - 1	Not applicable
Share-based Payment	BFRS - 2	Not applicable
Business Combinations	BFRS - 3	Not applicable
Insurance Contracts	BFRS - 4	Not applicable
Non-current Assets Held for Sale and Discontinued Operations	BFRS - 5	Not applicable
Exploration for and Evaluation of Mineral Resources	BFRS - 6	Not applicable
Financial Instruments : Disclosures	BFRS - 7	Complied
Operating Segments	BFRS - 8	Complied
Consolidated Financial Statements	BFRS - 10	Not applicable
Joint Arrangements	BFRS - 11	Not applicable
Disclosure of Interests in other Entities	BFRS - 12	Not applicable
Fair Value Measurement	BFRS - 13	Complied

2.19 Approval of the financial statements

The Board of Directors of the Bank in its 186th meeting held on 29 October 2017 approved the financial statements of the Bank for the third quarter ended 30 September 2017.

3. General

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

		30-Sep-17 Taka	31-Dec-16 Taka
4.	**Cash in hand (including foreign currencies)**		
	Local currency	13,492,391,522	11,035,206,461
	Foreign currencies	37,470,394	16,792,550
		13,529,861,916	**11,051,999,011**
5.	**Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)**		
	Bangladesh Bank		
	Local currency	15,082,916,428	15,702,327,016
	Foreign currencies	718,345,601	1,339,380,905
		15,801,262,029	**17,041,707,921**
	Sonali Bank Limited (as an agent of Bangladesh Bank) - Local currency	519,233,267	618,969,656
		16,320,495,296	**17,660,677,577**
5.1	**Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)**		
	Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 33 of the Bank Companies Act, 1991 and of instructions contained in MPD Circular No. 4 and 5 dated 1 December 2010, DOS Circular No. 1 dated 19 January 2014 and MPD Circular No. 1 and 2 dated 23 June 2014 issued by Bangladesh Bank.		
5.1.1	**Cash Reserve Requirement (CRR): average 6.5% of average demand and time liabilities with minimum 6% on any date**		
	Required reserve	15,049,244,000	13,358,545,000
	Actual reserve maintained		
	Balance with Bangladesh Bank-Local currency **[Note 5]**	15,082,916,428	15,702,327,016
	Surplus/(deficit)*	**33,672,428**	**2,343,782,016**
	Cash Reserve Maintained: more than 6% throughout the accounting year and 6.51% on the Balance Sheet date	**6.51%**	**7.64%**
5.1.2	**Statutory Liquidity Ratio (SLR): 13% of average demand and time liabilities**		
	Required reserve	30,098,488,000	26,717,090,000
	Available for maintenance:		
	Cash in hand (including foreign currencies)	13,529,861,916	11,051,999,011
	Balance with Bangladesh Bank - Foreign currencies	718,345,601	1,339,380,905
	Balance with Sonali Bank Limited (as an agent of Bangladesh Bank)	519,233,267	618,969,656
	Unencumbered approved securities (treasury bills and bonds, debentures etc.)	24,900,330,897	31,285,697,732
		39,667,771,681	**44,296,047,304**
	Surplus	**9,569,283,681**	**17,578,957,304**
	Total surplus (5.1.1+5.1.2)	**9,602,956,109**	**19,922,739,320**
	Statutory Liquidity Ratio (SLR) Maintained (%)	**17.13%**	**21.55%**
6.	**Balance with other banks and financial institutions**		
	Main Operation [Note 6.1]		
	In Bangladesh	30,875,117,570	18,253,220,112
	Outside Bangladesh	1,089,159,963	2,399,011,762
		31,964,277,533	20,652,231,874
	Off-shore Banking Unit		
	In Bangladesh	4,033,449,542	2,924,658,763
	Outside Bangladesh	-	-
		4,033,449,542	2,924,658,763
	Total Balance with other banks and financial institutions	**35,997,727,075**	**23,576,890,637**

		30-Sep-17 Taka	31-Dec-16 Taka
6.1	**Balance with other banks and financial institutions - Main Operation**		
(a)	**In Bangladesh**		
	In current deposit accounts with		
	Janata Bank Limited	49,066	93,051
	Sonali Bank Limited	71,470,827	105,577,405
	Standard Chartered Bank, Dhaka	46,442,823	59,366,925
	Islami Bank Bangladesh Limited	67,900,871	104,800,782
	Agrani Bank Limited	357,194	65,335
	Al Arafah Islami Bank Limited	2,850	5,500
	National Bank Limited	18,345	45,304
	The City Bank	44,216	-
		186,286,192	**269,954,302**
	In special notice deposit accounts with		
	Sonali Bank Limited	1,640,305,700	1,520,311,059
	National Bank Limited	29,240,973	32,307,819
	The City Bank Limited	4,359	4,668
	Rupali Bank Limited	5,083,058	8,101,283
	Agrani Bank Limited	378,687	15,767,411
	Janata Bank Limited	116,742,958	145,259,338
	Dhaka Bank Limited	1,614,019	1,614,019
	Islami Bank Limited	999,251,481	487,052,921
		2,792,621,235	**2,210,418,518**
	In fixed deposit accounts with		
	IFIC Bank Limited	980,000,000	-
	Arab Bangladesh Bank Limited	1,500,000,000	-
	Marcantile Bank Limited	1,000,000,000	-
	Midland Bank Limited	300,000,000	-
	Standard Bank Limited	500,000,000	
	The City Bank Limited	3,000,000,000	-
	South Bangla Agriculture Bank Limited	300,000,000	
	Meghna Bank Limited	300,000,000	
	Brac Bank Limited	1,000,000,000	-
		8,880,000,000	**-**
	In fixed deposit accounts (in foreign currency) with		
	Modhumoti Bank Limited.	-	118,053,300
	Arab Bangladesh Bank Limited	-	787,022,000
	Social Islami Bank Limited	-	157,404,400
	Eastern Bank Limited	203,312,500	787,022,000
	Off-shore Banking Unit, Dutch-Bangla Bank Limited	6,662,897,643	9,223,345,592
		6,866,210,143	**11,072,847,292**
	Other financial institutions		
	In fixed deposit accounts with		
	Investment Corporation of Bangladesh	7,000,000,000	1,000,000,000
	Industrial and Infrastructure Development Finance Company Ltd. (IIDFC)	300,000,000	150,000,000
	Uttara Finance and Investment Limited	-	-
	United Leasing Company Limited	600,000,000	-
	Phoenix Finance & Investments Limited	-	200,000,000
	International Leasing & Financial Services Limited	200,000,000	400,000,000
	Bangladesh Industrial Finance Company Limited (BIFC)	350,000,000	350,000,000
	Fareast Finance & Investment Limited	-	200,000,000
	Lanka Bangla Finance Limited	1,200,000,000	1,100,000,000
	IDLC Finance Limited	1,000,000,000	300,000,000
	Delta Brac Housing Finance Corporation Limited (DBH)	1,300,000,000	-
	Premier Leasing & Finance Limited	-	150,000,000
	Prime Finance and Investment Limited	-	600,000,000
	Bay Leasing Company Limited	-	-
	Union Capital Limited	100,000,000	150,000,000
	Industrial Promotion & Development Company Limited (IPDC)	100,000,000	-
	National Finance Limited	-	100,000,000
		12,150,000,000	**4,700,000,000**
Total (a)	**In Bangladesh**	**30,875,117,570**	**18,253,220,112**

(b) Outside Bangladesh

In demand deposit accounts (interest bearing) with

Name of the correspondent Bank	Currency	30-Sep-17			31-Dec-16		
		Amount in foreign currency	Exchange rate for per unit foreign currency	Amount in Taka	Amount in foreign currency	Exchange rate for per unit foreign currency	Amount in Taka
Mashreqbank PSC, New York, USA	USD	2,375,909	81.3250	193,220,820	6,925,510	78.7022	545,052,896
Commerzbank AG, Frankfurt, Germany	EURO	(58,674)	95.0687	(5,578,043)	79,210	81.8896	6,486,456
AB Bank Ltd., Mumbai, India	ACU	(11,023)	81.3250	(896,456)	440,078	78.7022	34,635,127
Citibank N.A., New York, USA	USD	(1,458,751)	81.3250	(118,632,910)	5,777,287	78.7022	454,685,181
Unicredit S.P.A., Milano, Italy	EURO	144,431	95.0687	13,730,865	419,041	81.8896	34,315,066
ICICI Bank Limited, Mumbai, India	ACU	174,992	81.3250	14,231,204	76,120	78.7022	5,990,804
				96,075,480			**1,081,165,530**

In demand deposit account (non-interest bearing) with

Name of the correspondent Bank	Currency	30-Sep-17			31-Dec-16		
		Amount in foreign currency	Exchange rate for per unit foreign currency	Amount in Taka	Amount in foreign currency	Exchange rate for per unit foreign currency	Amount in Taka
Standard Chartered Bank, London, UK	GBP	44,409	108.2467	4,807,077	14,049	96.1662	1,351,031
Standard Chartered Bank, New York, USA	USD	10,480,555	81.3250	852,331,176	12,593,404	78.7022	991,128,586
JP Morgan Chase Bank N.A., New York, USA	USD	978,859	81.3250	79,605,693	3,573,645	78.7022	281,253,727
Standard Chartered Bank, Colombo, Sri Lanka	ACU	11,777	81.3250	957,773	4,559	78.7022	358,802
Commerzbank AG, Frankfurt, Germany	CHF	22,436	83.4346	1,871,980	35,585	76.4470	2,720,374
The Bank of Tokyo-Mitsubishi UFJ Ltd., Tokyo, Japan	JPY	8,939,474	0.7231	6,464,134	3,856,859	0.6715	2,589,881
Bank of Montreal Canada	CAD	47,980	64.7772	3,107,981	19,264	58.0485	1,118,243
Mashreqbank PSC, Mumbai, India	ACU	16,059	81.3250	1,305,999	124,394	78.7022	9,790,081
Mashreqbank PSC, Mumbai, India	EUR	683	95.0687	64,973	683	81.8896	55,966
Standard Chartered Bank, Mumbai, India	ACU	(33,226)	81.3250	(2,702,104)	138,717	78.7022	10,917,326
HDFC Bank Limited	ACU	133,509	81.3250	10,857,596	167,079	78.7022	13,149,520
Bank of Ceylon, Colombo, Sri Lanka	ACU	14,131	81.3250	1,149,231	1,960	78.7022	154,217
Habib Metropolitan Bank, Karachi, Pakistan	ACU	13,867	81.3250	1,127,719	19,430	78.7022	1,529,192
Commerzbank AG, Frankfurt, Germany	AUD	181	63.5881	11,500	1,733	56.5239	97,937
Axis Bank, India	ACU	370,850	81.3250	30,159,383	-	-	-
Westpac Banking Corporation	AUD	30,892	63.5881	1,964,372	28,861	56.5239	1,631,349
				993,084,483			**1,317,846,232**
Total (b) Outside Bangladesh				**1,089,159,963**			**2,399,011,762**
Total (a+b)				**31,964,277,533**			**20,652,231,874**

		30-Sep-17 Taka	31-Dec-16 Taka
7.	**Money at call on short notice**		
a)	**With banks**		
	AB Bank Limited	-	-
	The City Bank Limited	-	-
	Mercantile Bank Limited	-	-
		-	-
b)	**With non bank financial institutions**		
	Industrial Promotion & Development Company Limited (IPDC)	-	-
	Union Capital Limited	-	-
	Fareast Finance & Investment Limited	-	50,000,000
	IDLC Finance Limited	-	-
	Lanka Bangla Finance Limited	-	-
	Premier Leasing & Finance Limited	-	30,000,000
	Bangladesh Industrial Finance Limited	-	36,000,000
	Phoenix Finance & Investment Limited	-	-
	Bangladesh Finance & Investment Co. Ltd.	-	-
		-	**116,000,000**
	Total (a+b)	**-**	**116,000,000**
8.	**Investments**		
	In Government securities		
	Treasury bills		
	91-day treasury bills	-	-
	182-day treasury bills	-	-
	364-day treasury bills	-	-
	7-day Bangladesh Bank bills	6,096,516,900	10,996,900,100
		6,096,516,900	10,996,900,100
	Treasury bonds		
	2-year treasury bonds	-	16,998,702
	5-year treasury bonds	5,452,361,125	5,782,861,125
	10-year treasury bonds	11,064,172,498	12,201,657,431
	15-year treasury bonds	1,993,088,882	1,993,088,882
	20-year treasury bonds	294,191,492	294,191,492
		18,803,813,997	20,288,797,632
	Total treasury bills and bonds	**24,900,330,897**	**31,285,697,732**
	Prize bonds	6,007,100	5,558,500
		24,906,337,997	**31,291,256,232**
	Other investments		
	Subordinated bonds **[Note 8.2]**	235,960,000	475,960,000
	Shares **[Note 8.3]**	11,283,434	11,283,434
		247,243,434	**487,243,434**
		25,153,581,431	**31,778,499,666**
8.1	**Classification of investments**		
	Government treasury bills and bonds		
	Held for trading (HFT)	-	4,997,960,529
	Held to maturity (HTM)	24,900,330,897	26,287,737,203
	Total investments in government securities	**24,900,330,897**	**31,285,697,732**
	Prize bonds	6,007,100	5,558,500
	Other investments	247,243,434	487,243,434
		25,153,581,431	**31,778,499,666**

		30-Sep-17 Taka	31-Dec-16 Taka
8.2	**Other investments -Subordinated Bonds**		
	Prime Bank 7 Years Bond	-	200,000,000
	Mutual Trust Bank Bond	75,000,000	75,000,000
	Dhaka Bank Bond	40,000,000	40,000,000
	National Bank Bond	40,960,000	40,960,000
	First Security Islami Bank Mudaraba Bond	80,000,000	120,000,000
		235,960,000	**475,960,000**
8.3	**Other investments - shares**		
	In shares (quoted and unquoted)		
	Quoted		
	RAK Ceramics (Bangladesh) Limited	5,664	5,664
		5,664	**5,664**
	Unquoted		
	Central Depository Bangladesh Limited	6,277,770	6,277,770
	Market Stabilization Fund (MSF) Asset Management Company Limited	5,000,000	5,000,000
		11,277,770	**11,277,770**
		11,283,434	**11,283,434**
9.	**Loans and advances**		
	Main Operation [Note 9.1]		
	Loans, cash credits, overdrafts, etc.	182,799,717,359	161,604,799,911
	Bills purchased and discounted	6,329,353,501	4,043,027,535
		189,129,070,860	**165,647,827,446**
	Off-shore Banking Unit		
	Loans, cash credits, overdrafts, etc.	704,341,841	810,947,527
	Bills purchased and discounted	6,942,241,947	6,939,022,658
		7,646,583,788	**7,749,970,185**
	Total loans and advances	**196,775,654,648**	**173,397,797,631**
9.1	**Loans, cash credits, overdrafts etc. - Main operation**		
	In Bangladesh		
	Overdraft	21,997,789,217	19,857,236,266
	Cash credit	40,856,182,629	46,031,393,256
	Export cash credit	15,515,330,903	15,516,564,255
	Transport loan	1,358,715,330	1,766,837,610
	House building loan	1,904,439,359	1,244,458,024
	Loan against trust receipt	4,357,505,269	6,300,107,014
	Term loan - industrial	58,489,747,831	44,876,698,889
	Term loan - other	26,436,880,442	20,099,619,806
	Payment against document - cash	39,095,003	231,466,581
	Payment against document - EDF	2,878,505,926	1,207,104,350
	Consumer finance	8,373,571,528	3,881,634,939
	Staff loan	591,953,922	591,678,921
		182,799,717,359	**161,604,799,911**
	Outside Bangladesh	-	-
		182,799,717,359	**161,604,799,911**
	Bills purchased and discounted		
	Payable in Bangladesh		
	Inland bills purchased	6,296,034,008	3,984,735,262
	Payable outside Bangladesh		
	Foreign bills purchased and discounted	33,319,493	58,292,273
		6,329,353,501	**4,043,027,535**
	Total loans and advances	**189,129,070,860**	**165,647,827,446**

AMAR STOCK

		30-Sep-17 Taka	31-Dec-16 Taka
9.2	**Net loans and advances including bills purchased and discounted**		
	Total loans, advances and lease receivables **[Note 9.1]**	189,129,070,860	165,647,827,446
	Less : Provision against loans and advances (specific and general) **[Note 9.4(b)]**	6,827,863,229	6,418,141,865
	Less : Cumulative balance of interest suspense account **[Note 14.1.4]**	2,505,392,402	2,148,422,267
		179,795,815,229	**157,081,263,314**

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

a) Loans and advances

In Bangladesh		
Loans	119,945,745,513	95,716,170,389
Cash credit	40,856,182,629	46,031,393,256
Overdraft	21,997,789,217	19,857,236,266
	182,799,717,359	**161,604,799,911**
Outside Bangladesh	-	-
	182,799,717,359	**161,604,799,911**

b) Bills purchased and discounted

Payable in Bangladesh	6,296,034,008	3,984,735,262
Payable outside Bangladesh	33,319,493	58,292,273
	6,329,353,501	**4,043,027,535**
Total (a+b)	**189,129,070,860**	**165,647,827,446**

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

Status of loans and advances	Year					
	30-Sep-17				31-Dec-16	
	Outstanding amount (Taka)			Mix (%)	Total Outstanding amount (Taka)	Mix (%)
	Main Operation [Note 9.4.b]	Off-shore Banking Unit	Total			
Unclassified loans and advances						
Standard (including staff loans	176,335,951,805	7,646,583,789	183,982,535,594	93.50%	159,305,264,601	91.87%
Special mention account	2,607,599,572	-	2,607,599,572	1.33%	5,093,502,835	2.94%
Total unclassified loans and adva	**178,943,551,378**	**7,646,583,789**	**186,590,135,166**	**94.82%**	**164,398,767,436**	**94.81%**
Classified loans and advances						
Substandard	744,406,120	-	744,406,120	0.38%	352,956,624	0.20%
Substandard (under agricultural loan)	17,397,323	-	17,397,323	0.01%	-	-
Doubtful	403,750,243	-	403,750,243	0.21%	340,001,334	0.20%
Bad/loss	9,019,965,797	-	9,019,965,797	4.58%	8,306,072,236	4.79%
Total classified loans and advance	**10,185,519,483**	**-**	**10,185,519,483**	**5.18%**	**8,999,030,195**	**5.19%**
Total loans and advances	**189,129,070,861**	**7,646,583,789**	**196,775,654,649**	**100.00%**	**173,397,797,631**	**100.00%**

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

b.1) Main Operation

Classification / Status of loans and advances	Amount of outstanding loans and advances as at 30 September 2017	Base for provision (Taka)	Percentage (%) of provision required as per Bangladesh Bank's directives	Amount of provision required as at 30 September 2017 (Taka)	Amount of provision required as at 31 December 2016 (Taka)
Unclassified loans and advances					
All unclassified loans (other than loans under small and medium enterprise, consumer financing and short term agricultural credit)	140,362,109,691	139,770,155,769	1%	1,417,222,189	1,233,052,636
Small and medium enterprise financing	21,133,723,760	21,133,723,760	0.25%	52,834,309	55,389,897
Consumer financing (other than housing finance under consumer financing scheme)	5,260,103,381	5,260,103,381	5%	263,005,169	195,052,930
Consumer Financing(Credit Card)	1,211,877,730	1,211,877,730	2%	24,237,555	-
Consumer financing (for housing finance)	4,291,521,215	4,291,521,215	2%	85,830,424	40,843,262
Loans to BHs/MBs/SDs	400,342,863	400,342,863	2%	8,006,857	4,819,935
Short term agricultural credit	3,676,273,165	3,676,273,165	1%	36,762,732	64,464,914
	176,335,951,805	**175,743,997,883**		**1,887,899,236**	**1,593,623,574**
Special mention account					
All unclassified loans (other than loans under small enterprise and consumer financing)	2,178,998,334	2,178,998,334	1%	21,789,983	47,234,698
Small & Medium enterprise financing	309,915,699	309,915,699	0.25%	774,789	591,682
Consumer financing (other than housing finance under consumer financing scheme)	69,313,288	69,313,288	5%	3,465,664	3,954,126
Consumer Financing(Credit Card)	17,037,819	17,037,819	2%	340,756	-
Consumer financing (for housing finance)	32,334,432	32,334,432	2%	646,689	1,085,558
	2,607,599,572	**2,607,599,572**		**27,017,881**	**52,866,064**
	178,943,551,377	**178,351,597,455**		**1,914,917,117**	**1,646,489,638**
Classified loans and advances					
Substandard	744,406,120	261,819,852	20%	52,363,970	48,387,667
Substandard (under agricultural loan)	17,397,323	2,609,598	5%	130,480	-
Doubtful	403,750,243	167,704,135	50%	83,852,067	28,433,697
Bad /loss	9,019,965,797	4,769,945,712	100%	4,769,945,712	4,684,578,840
	10,185,519,483	**5,202,079,297**		**4,906,292,229**	**4,761,400,204**
Total-Main Operation	**189,129,070,860**	**183,553,676,752**		**6,821,209,346**	**6,407,889,842**
b.1.1) Main Operation					
Provision required				6,821,209,346	6,407,889,842
Provision maintained				6,827,863,229	6,418,141,865
Provision surplus (i)				**6,653,883**	**10,252,023**
b.2) Off-shore Banking Unit					
Provision required				76,465,838	77,499,702
Provision maintained				77,499,755	77,499,755
Provision surplus (ii)				**1,033,917**	**53**
Provision surplus					
Main Operation (i)				6,653,883	10,252,023
Off-shore Banking Unit (ii)				1,033,917	53
Total provision surplus (i+ii)				**7,687,800**	**10,252,077**

		30-Sep-17 Taka	31-Dec-16 Taka
10.	**Fixed assets at cost or revalued amount including land, building, furniture and fixtures**		
	Main Operation [Note 10.1]		
	Total cost	12,146,215,029	11,215,668,937
	Less: Accumulated depreciation	7,151,153,687	6,343,801,962
		4,995,061,342	**4,871,866,975**
	Off-shore Banking Unit		
	Total cost	101,633	101,633
	Less: Accumulated depreciation	101,551	101,551
		82	**82**
	Total Fixed assets at cost or revalued	**4,995,061,424**	**4,871,867,057**
10.1	**Fixed assets at cost or revalued amount including land, building, furniture and fixtures - Main Operation**		
	Land	748,360,000	748,360,000
	Building	399,543,957	399,543,957
	Interior decoration	1,033,425,563	946,202,143
	Furniture and fixtures	341,299,740	315,212,029
	Other machinery and equipment	1,763,318,904	1,562,898,392
	Computer equipment and software	3,660,528,429	3,314,094,278
	Motor vehicles	520,585,216	399,368,525
	ATM Booth	1,032,264,949	979,321,342
	ATM and Fast Track (ATM & Deposit Machine)	2,646,693,680	2,550,473,680
	Books	194,591	194,591
		12,146,215,029	**11,215,668,937**
	Less: Accumulated depreciation	7,151,153,687	6,343,801,962
		4,995,061,342	**4,871,866,975**
11.	**Other assets**		
	Main Operation [Note 11.1]	16,779,612,874	14,374,242,044
	Off-shore Banking Unit	25,172,690	16,387,601
	Total Other assets	**16,804,785,564**	**14,390,629,645**
11.1	**Other assets**		
	Income generating other assets **(Note 11.1.a)**	-	-
	Non-income generating other assets **(Note 11.1.b)**	16,779,612,874	14,374,242,044
		16,779,612,874	**14,374,242,044**
11.1.a	**Income generating other assets**		
	i) Investment in shares of subsidiary companies:		
	In Bangladesh	-	-
	Outside Bangladesh	-	-
		-	-
11.1.b	**Non-income generating other assets**		
	i) Stationery, stamps, printing materials in stock	153,642,385	136,479,702
	ii) Advance rent and advertisement	608,549,676	641,272,498
	iii) Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable	633,149,007	848,266,647
	iv) Security deposits	17,768,655	13,018,436
	v) Preliminary, formation and organization expenses, renovation/ development expenses and prepaid expenses	1,713,552,922	1,688,585,620
	vi) Branch adjustment (net)	13,606,574	5,639,176
	vii) Suspense account	(7,486,745)	(8,800,498)
	viii) Silver	-	-
	ix) Others **[Note 11.2]**	13,646,830,400	11,049,780,463
		16,779,612,874	**14,374,242,044**
11.2	**Break-up of others**		
	Encashment of Sanchaya Patra (awaiting realization)	564,291,022	331,338,472
	Advance tax **[Note 11.2.1]**	9,710,270,001	7,772,859,414
	Deferred tax **[Note 11.2.2]**	1,882,254,737	1,833,787,677
	Sundry assets **[Note 11.2.3]**	1,490,014,640	1,111,794,900
		13,646,830,400	**11,049,780,463**

		30-Sep-17 Taka	31-Dec-16 Taka
11.2.1	**Advance tax**		
	The amount is stated after adjustment of advance income tax against final assessment orders for the accounting years 1996, 1997, 2001, 2002, 2003, 2004, 2005, 2006 and 2007. **[Note 14.1.2 and 14.1.2.2]**		
11.2.2	**Deferred tax**		
	Opening balance	1,833,787,677	1,155,454,898
	Add: Deferred tax assets / (liability) for the period	48,467,060	678,332,779
	Closing balance	**1,882,254,737**	**1,833,787,677**
11.2.3	**Sundry assets**		
	Sundry debtors	73,484,047	82,396,350
	Cash remittance	91,361,555	168,827,393
	Others	1,325,169,038	860,571,157
		1,490,014,640	**1,111,794,900**
12.	**Borrowings from other banks, financial institutions and agents**		
	Main Operation **[Note 12.1]**	17,703,729,972	16,897,769,257
	Off-shore Banking Unit	11,316,288,200	10,433,779,680
		29,020,018,172	**27,331,548,937**
12.1	**Borrowings from other banks, financial institutions and agents- Main operation**		
	a) In Bangladesh		
	Secured		
	Refinance from Bangladesh Bank		
	Housing **[Note 12.3]**	12,174,350	14,488,988
	Export Development Fund (EDF)	13,505,332,600	13,892,564,091
	Small and Medium Enterprise (SME) **[Note 12.2 , 12.3]**	67,693,988	45,580,893
	Financial Sector Support Project (FSSP)	117,407,146	-
		13,702,608,084	**13,952,633,972**
	Unsecured		
	Call Money Borrowing		
	From other Banks, Financial Institutions and Agents	-	-
	Credit lines		
	From Rupantarita Prakritik Gas Company Limited (RPGCL)	41,262,066	71,681,760
	From BASIC Bank Limited	115,888,125	112,150,635
	From Off-shore Banking Unit, Dutch-Bangla Bank Limited	3,843,971,697	2,761,302,890
		4,001,121,888	**2,945,135,285**
		17,703,729,972	**16,897,769,257**
	b) Outside Bangladesh		
	Secured	-	-
	Unsecured	-	-
		-	-
		-	-
	Total (a+b)	**17,703,729,972**	**16,897,769,257**
12.2	**Small and Medium Enterprise (SME)**		
	Refinance facility (ies) availed from Bangladesh Bank under the following schemes for Small and Medium Enterprises :		
	Asian Development Bank Fund **[Note 12.3]**	2,803,125	6,845,625
	International Development Agency (IDA) and Enterprise Growth and Bank Modernization Programme (EGBMP) Fund **[Note 12.3]**	-	57,143
	Women Entrepreneur Fund **[Note 12.3]**	60,373,363	33,678,125
	10 Taka Account Fund **[Note 12.3]**	4,517,500	5,000,000
		67,693,988	**45,580,893**

		30-Sep-17 Taka	31-Dec-16 Taka

12.3 Assets pledged as security for liability

As at the reporting date of these financial statements, the Bank had no assets pledged as security except the Balance with Bangladesh Bank (local currency) against liability of refinance facility availed from Bangladesh Bank under the Housing Loan, Small & Medium Enterprising Financing under Asian Development Bank Fund, International Development Agency (IDA) and Enterprise Growth and Bank Modernization Programme (EGBMP) Fund and Women Entrepreneur Fund by the Bank. **[Note 12.1]**

13. Deposits and other accounts

Main Operation [Note 13.1]		
Current deposits and other accounts	49,316,172,062	43,036,251,146
Bills payable	3,233,867,912	3,790,478,406
Savings bank deposits	109,512,812,134	95,377,348,042
Term deposits	67,509,297,263	64,981,263,299
	229,572,149,371	**207,185,340,893**
Off-shore Banking Unit		
Current deposits and other accounts	10,846,641	48,624,470
Bills payable	-	-
Savings bank deposits	-	-
Term deposits	-	-
	10,846,641	**48,624,470**
Total Deposits and other accounts	**229,582,996,012**	**207,233,965,363**

13.1 Deposits and other accounts - Main Operation

Current deposits and other accounts		
Current deposits	37,311,028,964	31,533,275,796
Foreign currency deposits	1,748,377,809	1,421,786,722
Sundry deposits **[Note 13.1.1]**	10,256,765,289	10,081,188,628
	49,316,172,062	**43,036,251,146**
Bills payable		
Payment order	3,216,280,393	3,770,600,641
Demand draft	17,587,519	19,877,765
	3,233,867,912	**3,790,478,406**
Savings bank deposits	109,512,812,134	95,377,348,042
Term deposits		
Fixed deposits	45,621,950,157	45,447,175,897
Special notice deposits	21,755,287,299	19,397,274,804
Non resident foreign currency deposits	2,682,771	2,702,945
Resident foreign currency deposits	73,446,657	57,399,841
Monthly term deposits	55,930,379	76,709,812
	67,509,297,263	**64,981,263,299**
	229,572,149,371	**207,185,340,893**

13.1.1 Details of sundry deposits

Margin on irrevocable letters of credit	744,157,683	634,791,690
Margin on letters of guarantee	275,689,850	266,030,112
Margin on inward foreign documentary bills for collection (IFDBC)	360,022,622	380,123,552
Sundry deposit on foreign bills purchased awaiting for realization (FBPAR)	6,525,010,683	5,860,881,903
Sundry deposit - withholding tax -IT	137,434,734	304,151,299
Sundry deposit - excise duty	3,211,249	484,991,502
Sundry deposit - withholding tax -VAT	98,571,435	137,134,869
Sundry deposits-sale proceeds of Sanchay Patra	67,875,000	64,962,484
Interest payable on deposit accounts	983,507,984	568,176,883
Deposits on lease finance	200,000	200,000
Others sundry deposits	1,061,084,049	1,379,744,334
	10,256,765,289	**10,081,188,628**

		30-Sep-17 Taka	31-Dec-16 Taka
13.1.2 Segregation of deposits and other accounts			
Other than inter-bank deposits		229,540,950,669	207,176,308,722
Inter-bank deposits [**Note 13.3]**		31,198,702	9,032,171
		229,572,149,371	**207,185,340,893**
13.1.3 Details of inter-bank deposits			
In current deposits account			
Al-Arafah Islami Bank Limited		2,634,628	740,893
Prime Bank Limited		483	-
Southeast Bank Limited		8,710	9,975
		2,643,821	**750,868**
In special notice deposits account			
Janata Bank Limited		55,050	56,061
Dhaka Bank Limited		27,286,992	6,867,770
Mutual Trust Bank Limited		66,132	64,831
National Credit and Commerce Bank Limited		156,009	154,115
Prime Bank Limited		868,727	862,673
ICB Islami Bank Limited		108,859	108,167
The City Bank Limited		11,986	82,649
First Security Islami Bank Limited		1,126	1,671
The Trust Bank Limited		-	83,366
		28,554,881	**8,281,303**
		31,198,702	**9,032,171**
14. Other liabilities			
Main Operation **[Note 14.1]**		23,941,003,523	20,779,319,601
Off-shore Banking Unit		173,619,644	139,246,609
		24,114,623,167	**20,918,566,210**
14.1 Other liabilities- Main operation	Notes		
Unclaimed dividends		336,958,832	247,344,005
Provision for expenses		282,081,260	183,082,761
Contribution to Dutch-Bangla Bank Limited Employees' Superannuation Fund		-	12,500,000
Contribution to Dutch-Bangla Bank Limited Employees' Gratuity Fund		153,300,000	234,800,000
Provision for interest on credit lines, refinance scheme and subordinated debt		290,337,185	195,703,324
Branch adjustment (net)		-	-
Provision for classified assets	14.1.1	104,893,000	104,893,000
Provision for taxation	14.1.2	12,512,555,165	10,389,863,042
Accumulated provision for loans and advances including off-balance sheet exposures	14.1.3	7,507,439,321	7,018,658,683
Cumulative balance of interest suspense account	14.1.4	2,505,392,402	2,148,422,267
Others		248,046,359	244,052,519
		23,941,003,523	**20,779,319,601**

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	30-Sep-17 Taka	31-Dec-16 Taka
14.1.1 Other provisions		
Provision for other classified assets **[Note 14.1.1.1]**	104,893,000	104,893,000
Provision for nostro accounts **[Note 14.1.1.2]**	-	-
	104,893,000	**104,893,000**
14.1.1.1 Provision for other classified assets		
As per BRPD Circular No. 14 dated 25 June 2001, the following amount has been provided in the financial statements of the Bank as provision for other classified assets (legal expenses recoverable from the defaulted borrowers):		
Opening balance	104,893,000	84,893,000
Add: Provision made for the period	-	20,000,000
Closing balance	**104,893,000**	**104,893,000**
14.1.1.2 Provision for nostro accounts		
As per instructions contained in the Circular Letter No. FEPD (FEMO)/01/2005-677 dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank, provision has to be made against the un-reconciled debit balance of nostro accounts for more than three months @ 10% to 100%. As on 30 September 2017, the bank has no outstanding debit balance in nostro accounts for more than three months. Hence, no provision is required.		
14.1.2 Provision for taxation		
Current tax		
Opening balance	10,389,863,042	8,240,134,526
Add: Provision made for the period **[Note 14.1.2.1]**	2,122,692,123	2,149,728,516
Less: Adjustment made against Advance Tax/Adjustment made against final assessment orders by the Deputy Commissioner of Taxes or the Appellate Authority	-	-
Closing balance **[Note 14.1.2.2]**	**12,512,555,165**	**10,389,863,042**
14.1.2.1 Current tax - Provision for the period		
Provision made for the current period on taxable income	2,122,692,123	2,149,728,516
Adjustment for the previous period	-	-
	2,122,692,123	**2,149,728,516**

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

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

	30-Sep-17 Taka	31-Dec-16 Taka

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

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

Opening balance	4,769,570,865	2,783,136,456
Less : Fully provided debt written-off	-	-
Add: Recoveries of amounts previously written-off	766,552,503	502,680
Add: Specific provision for the period	(629,831,139)	1,985,931,729
Less: Recoveries and Provision no longer required	-	-
Add: Net charge to profit and loss account	-	-
Provision held at the end of the period **[Note 9.4(b)]**	**4,906,292,229**	**4,769,570,865**

(B) General provision

General provision against unclassified loans and advances

Opening balance	1,648,571,000	1,435,371,000
General provision for the period	273,000,000	213,200,000
Provision held at the end of the period **[Note 9.4(b)]**	**1,921,571,000**	**1,648,571,000**

(C) General provision against Off-balance sheet exposures

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

Opening balance	600,516,818	550,149,549
Add: Provision made for the period	79,059,274	50,367,269
Provision held at the end of the period	**679,576,092**	**600,516,818**
	2,601,147,092	**2,249,087,818**
Total (A + B + C)	**7,507,439,321**	**7,018,658,683**

(D) General provision against unclassified loans and advances

Main Operation	1,921,571,000	1,648,571,000
Off-Shore Banking Unit	77,499,755	77,499,755
	1,999,070,755	**1,726,070,755**

14.1.4 Cumulative balance of interest suspense account

Opening balance	2,148,422,267	1,552,447,367
Add: Amount transferred to interest suspense account during the period	1,256,599,917	1,545,038,895
Less: Amount transferred from interest suspense account during the period	567,471,121	885,451,270
Less: Amount written-off/waived during the period	332,158,661	63,612,725
Balance at the end of the period	**2,505,392,402**	**2,148,422,267**

AMAR STOCK

		30-Sep-17	31-Dec-16
		Taka	Taka
15.	**Subordinated debt**		
	Subordinated debt - Taka 642,252,440		
	The Bank arranged a subordinated debt from FMO, the Netherlands totaling Taka 642,252,440 equivalent to EURO 6.6 million for a term of ten years to strengthen the capital base of the Bank. Principal amount of Taka 642,252,440 has been restructured in 2010 with the approval of Bangladesh Bank. The principal amount is repayable in five (5) equal yearly installments, last installment of which is payable on 15 December 2018.	256,900,976	256,900,976
	The interest rate for the Subordinated debt is fixed at 7% p.a.		
	Subordinated debt - Taka 1,934,375,000		
	The Bank arranged a subordinated debt from FMO, the Netherlands for USD 25 million equivalent to Taka 1,934,375,000 for a term of six years to strengthen the Tier-2 capital as well as total capital of the Bank during December 2013 with the approval of Bangladesh Bank. The principal amount is repayable in eight (8) equal half-yearly installments with two years moratorium, last installment of which is payable on 15 February 2020.	1,270,703,125	1,721,610,625
	The interest rate for the subordinated debt is six (6) month LIBOR plus 5% margin p.a.		
	Subordinated debt - Taka 1,934,375,000		
	The Bank arranged a subordinated debt from DEG, Germany for USD 25 million equivalent to Taka 1,934,375,000 for a term of six years to strengthen the Tier-2 capital as well as total capital of the Bank during June 2014 with the approval of Bangladesh Bank. The principal amount is repayable in eight (8) equal half-yearly installments with two years moratorium, last installment of which is payable on 15 August 2020.	1,270,703,125	1,721,610,625
	The interest rate for the subordinated debt is six (6) month LIBOR plus 5% margin p.a.		
	Subordinated debt - Taka 5,00,000,000		
	The Bank arranged a subordinated debt from six scheduled local banks for Taka 5,000,000,000 for a term of seven years to strengthen the Tier-2 capital as well as total capital of the Bank during June 2017 with the approval of Bangladesh Bank. The principal amount is repayable in five (5) equal installments with two years moratorium, last installment of which is payable on 14 June 2024.	5,000,000,000	-
	The interest rate for the subordinated debt is approximately @ 8.4% p.a.		
	Total	**7,798,307,226**	**3,700,122,226**

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

AMARSTOCK

		30-Sep-17	31-Dec-16
		Taka	Taka
16.	**Share capital**		
16.1	**Authorized share capital**		
	400,000,000 ordinary shares of Taka 10 each	4,000,000,000	4,000,000,000
16.2	**Issued, subscribed and fully paid up share capital**		
	200,000,000 ordinary shares of Taka 10 each	2,000,000,000	2,000,000,000
16.2.1	**Raising of capital**		
	The paid-up share capital of the Bank was raised in the following manner:		
	From the sponsor shareholders before IPO		
	By issuing of 1,800,000 ordinary shares of Taka 100 each	180,000,000	180,000,000
	Through Initial Public Offering (IPO)		
	The Bank raised Taka 22,135,000 through initial public offering in the year 2001 against issuance of 221,350 ordinary shares of Taka 100 each	22,135,000	22,135,000
	The premium of Taka 50 was also applied for 221,350 shares against face value of Taka 100 each **[Note 17]**		
	Bonus shares		
	Bonus shares @3.94719 against 1 existing share of Taka 100 each for the year 2007	797,865,000	797,865,000
	Bonus shares @0.50 against 1 existing share of Taka 100 each for the year 2008	500,000,000	500,000,000
	Bonus shares @0.333 against 1 existing share of Taka 100 each for the year 2009	500,000,000	500,000,000
		2,000,000,000	**2,000,000,000**

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	30-Sep-17 Taka	31-Dec-16 Taka

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

As per Section 13 of the Bank Company Act, 1991 (Amended upto 2013) and instructions contained in BRPD Circular No. 18 dated 21 December 2014, [Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)], the risk based capital (eligible regulatory capital) of the Bank as of 30 September 2017 stood at Taka 25,859,284,046 against the risk based capital requirement of Taka 19,904,418,387. As a result, there was a capital surplus of Taka 5,954,865,659 in risk based capital adequacy ratio as on 30 September 2017.

As per Section 13(2) of the Bank Company Act, 1991 (Amended upto 2013) and the instruction contained in BRPD Circular Letter No. 11 dated 14 August 2008, the paid-up share capital and statutory reserve should be at least Taka 4,000.00 million, in which, the paid-up share capital should be minimum Taka 2,000.00 million. Against that, the paid-up share capital and statutory reserve of the Bank was Taka 10,959.57 million (Paid-up share capital, Taka 2,000.00 million and statutory reserve, Taka 8,959.57 million) as on 30 September 2017.

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

Total assets (excluding off-balance sheet assets)	309,577,167,354	276,844,361,224
Total off-balance sheet assets	67,957,609,182	60,051,681,755
Total Risk weighted assets [RWA] against		
i. Credit Risk		
On-balance sheet	141,150,765,445	127,731,256,392
Off-balance sheet	10,633,259,160	9,264,682,514
	151,784,024,605	136,995,938,907
ii. Market Risk	58,298,868	2,364,907,868
iii. Operational Risk	25,085,839,968	22,804,436,975
A) Total Risk weighted assets (RWA) [i+ii+iii]	**176,928,163,441**	**162,165,283,749**
B) Minimum Capital Requirement (MCR) with CCB [11.25% of risk weighted assets]	**19,904,418,387**	**17,230,061,398**
C) Common Equity Tire 1 (CET1) capital		
Paid -up share capital	2,000,000,000	2,000,000,000
Share premium	11,067,500	11,067,500
Statutory reserve	8,959,570,542	8,134,390,476
Dividend equalization account	1,566,827,195	1,566,827,195
Proposed dividend	-	600,000,000
Retained earnings (Including OBU)	5,664,199,827	4,437,704,628
	18,201,665,064	**16,749,989,799**
Less : Deferred tax asset (95%)	1,864,391,047	1,812,436,929
	16,337,274,017	**14,937,552,870**
D) Additional Tier-1 Capital		
Non-cumulative irredeemable preference shares	-	-
Instruments issued by the banks that meet the qualifying criteria for AT1	-	-
Others (if any item approved by Bangladesh Bank)	-	-
	-	-
Less Regulatory Adjustments from AT-1 Capital	-	-
	-	-
E) Tier 1 Capital [C+D]	**16,337,274,017**	**14,937,552,870**
F) Tier 2 Capital		
General provision maintained against unclassified loans and off-balance sheet exposures	2,678,646,847	2,326,587,573
Subordinated debt capital	6,653,294,238	3,700,122,226
Assets revaluation reserves	425,206,889	425,206,889
Revaluation reserves of HTM securities	49,965,473	49,965,473
	9,807,113,446	**6,501,882,161**
Less : 60% Revaluation Reserves for Fixed Assets, Securities	285,103,417	190,068,945
	9,522,010,029	**6,311,813,216**
G) Total Eligible Regulatory Capital (Tier 1 and 2) [E+F]	**25,859,284,046**	**21,249,366,086**
Total capital surplus [G - B]	**5,954,865,659**	**4,019,304,688**
Capital to Risk Weighted Assets Ratio (CRAR):		
Common Equity Tier-1 to RWA (C/A)*100	9.23%	9.21%
Tier-1 Capital to RWA (E/A)*100	9.23%	9.21%
Tier-2 Capital to RWA (F/A)*100	5.38%	3.89%
Capital to Risk Weighted Assets Ratio (CRAR) (G/A)*100	**14.62%**	**13.10%**

		30-Sep-17 Taka	31-Dec-16 Taka
17.	**Share premium**		
	Taka 50 per share on 221,350 ordinary shares of Taka 100 each at the time of issuing shares through initial public	**11,067,500**	**11,067,500**

* In compliance with Securities and Exchange Commission (SEC) Order No. SEC /CMRRCD/2009-193/109 dated 15 September 2011 and with the approval of shareholders in the 3rd Extra-ordinary General Meeting (EGM) held on 13 November 2011, the denomination of shares (face value) has been changed from Taka 100 each to Taka 10 each with effect from 4 December 2011 and accordingly the number of shares have been restated.

18. Statutory reserve

As per Section 24 (1) of the Bank Companies Act, 1991, an amount equivalent to 20% of profit before taxes for the period has been transferred to the statutory reserve fund as under.:

Opening balance	8,134,390,476	7,487,588,738
Add: Transferred from profit during the period	825,180,066	646,801,738
Closing balance	**8,959,570,542**	**8,134,390,476**

19. Other reserve

Revaluation reserve of HFT securities **[Note 19.1]**	-	-
	-	-

19.1 Other reserve

In terms of First Schedule (Section 38) of the Bank Companies Act, 1991, and instructions contained in BRPD Circular No. 5 dated 26 May 2008 and Letter No. DOS (SR)1153/120-A/2011-746 dated 29 December 2011 the revaluation reserve for HFT securities has been made as under:

Opening balance	-	-
Add: Reserve made for the period	-	-
Less: Adjustment during the period	-	-
Closing balance	-	-

20. Dividend equalization account

As per BRPD Circular Letter No. 18 dated 20 October 2002 issued by Bangladesh Bank, ***'Dividend Equalization Account'*** has been created by transferring the amount from the profit that is equal to the cash dividend paid in excess of 20%.

Opening balance	1,566,827,195	1,366,827,195
Add: Transferred from profit for the period	-	200,000,000
Closing balance	**1,566,827,195**	**1,566,827,195**

21. Assets revaluation reserve

In terms of **Bangladesh Accounting Standard (BAS) 16, 'Property, Plant and Equipment',** and instructions contained in BRPD Circular No. 10 dated 25 November 2002 issued by Bangladesh Bank, all the immovable properties of the Bank has been revalued by a professionally qualified valuation firm of the country. The rationale of the valuation has also been certified by the Bank's external auditors, M/s. A. Qasem & Co., Chartered Accountants. Accordingly, revaluation surplus of Taka 850,413,777 has been included in equity.

Opening balance	850,413,777	850,413,777
Add : Addition during the period (net)	-	-
Closing balance	**850,413,777**	**850,413,777**

22. Revaluation reserve of HTM securities [Note 2.7.3(b)]

Opening balance	59,754,912	116,544,853
Add: Reserve transferred to Income Account during the period	(50,610,977)	(56,789,941)
Closing balance	**9,143,935**	**59,754,912**

		30-Sep-17 Taka	31-Dec-16 Taka
23.	**Contingent liabilities**		
	Main Operation **[Note 23.1]**	67,956,285,441	60,048,866,627
	Off-shore Banking Unit	1,323,741	2,815,128
		67,957,609,182	60,051,681,755
23.1	**Contingent liabilities - Main Operation**		
	a) Acceptances and endorsements	-	-
	b) Letters of guarantee		
	Local	5,837,253,478	5,018,034,143
	Foreign	236,749,710	185,428,572
		6,074,003,188	**5,203,462,715**
	c) Irrevocable letters of credit		
	Local		
	Cash	392,315,723	158,110,678
	Usance	39,719,186	197,374,317
	Back to back	5,540,066,164	4,099,293,488
		5,972,101,073	**4,454,778,483**
	Foreign		
	Cash	7,459,695,179	5,924,236,470
	Usance	8,970,563,404	10,172,958,232
	Back to back	2,838,357,305	1,617,463,923
		19,268,615,888	**17,714,658,625**
		25,240,716,961	**22,169,437,108**
	d) Bills for collection		
	Inward	33,941,251,629	29,178,231,849
	Outward	161,020	114,955
		33,941,412,649	**29,178,346,804**
	e) Other contingent liabilities		
	Travelers' cheques	-	-
	Export Development Fund	-	-
	Bangladesh Shanchaya Patra	2,157,880,000	1,962,620,000
	Others	542,272,643	1,535,000,000
		2,700,152,643	**3,497,620,000**
	Total (a+b+c+d+e)	**67,956,285,441**	**60,048,866,627**

		30-Sep-17 Taka	30-Sep-16 Taka
24.	**Calculation of Earnings Per Share (EPS)**		
	The earnings per share of the Bank has been calculated in accordance with the **Bangladesh Accounting Standard (BAS) 33, 'Earnings Per Share'** under Basic Earning Per Share method as follows:		
	Basic earnings (net profit after tax) [numerator]	2,051,675,265	1,527,223,401
	Number of ordinary shares outstanding (denominator)	200,000,000	200,000,000
	Earnings Per Share (Taka)	**10.26**	**7.64**

			30-Sep-17 Taka	30-Sep-16 Taka
25.	**Particulars of profit and loss account**			
	Income	Notes		
	Interest, discount and other similar income	26	12,245,378,961	11,744,655,992
	Dividend income	28	4,569,442	5,712,228
	Fees, commission and brokerage	29.1	533,354,832	534,480,803
	Gains less losses arising from dealing securities		-	-
	Gains less losses arising from investment securities	28	1,581,776,859	1,510,384,715
	Gains less losses arising from dealing in foreign currencies	29.2	821,672,392	566,622,042
	Income from non-banking assets		-	-
	Other operating income	30	2,174,275,212	1,577,776,193
	Profit less losses on interest rate changes		-	-
			17,361,027,698	**15,939,631,972**
	Expenses			
	Interest, fee and commission	27	3,976,162,434	4,204,707,736
	Charges on loan losses	41	750,246,512.55	357,439,118
	Directors' fees	39	182,236	196,000
	Administrative expenses	31	4,696,936,860	3,974,393,959
	Other operating expenses	43	3,260,855,638	2,414,027,311
	Depreciation on banking assets	42	828,515,555	800,777,071
			13,512,899,236	**11,751,541,196**
	Profit before provision		**3,848,128,463**	**4,188,090,776**
26.	**Interest income**			
	Interest income - Main Operation **[Note 26.1]**		11,848,608,294	11,539,822,809
	Interest income - Off-Shore Banking Unit		396,770,667	204,833,183
			12,245,378,961	**11,744,655,992**
26.1	**Interest income - Main Operation**			
	Interest on loans and advances			
	House building loan		66,942,589	65,376,199
	Transport loan		100,396,857	124,885,079
	Term loan - industrial		3,424,597,422	2,785,425,653
	Term loan - others		662,337,812	348,514,313
	Secured overdraft		1,307,017,876	1,452,568,430
	Cash credit		2,026,207,681	2,694,582,723
	Payment against document - cash		4,841,158	2,695,462
	Payment against document EDF- others		209,956,182	211,497,153
	Loan against trust receipts		177,881,511	184,595,243
	Export cash credit		81,245,224	72,541,307
	Loan against accepted bills		263,216,897	250,241,896
	Staff loan		21,636,026	22,736,013
	SME and consumer finance		2,587,281,228	2,391,642,963
			10,933,558,463	**10,607,302,434**
	Interest on balance with other banks and financial institutions			
	Fixed deposits		585,562,708	570,131,389
	Special notice deposits		4,961,047	2,322,371
	Nostro accounts		5,289,412	3,654,282
	Money at call on short notice		319,236,664	356,412,333
			915,049,831	**932,520,375**
			11,848,608,294	**11,539,822,809**

		30-Sep-17 Taka	30-Sep-16 Taka
27.	**Interest paid on deposits and borrowings etc.**		
	Main Operation **[Note 27.1]**	3,713,380,568	4,052,795,075
	Off-shore Banking Unit	262,781,866	151,912,661
		3,976,162,434	**4,204,707,736**
27.1	Interest paid on deposits- Main Operation **[Note 27.2]**	3,326,301,599	3,781,162,106
	Interest paid on borrowings- Main Operation **[Note 27.3]**	387,078,969	271,632,970
		3,713,380,568	**4,052,795,075**
27.2	**Interest paid on deposits- Main Operation**		
	Savings deposits	1,234,635,854	1,309,752,311
	Special notice deposits	316,805,221	458,134,541
	Fixed deposits	1,773,261,477	2,011,320,190
	Non-resident foreign currency deposits	25,522	11,988
	Resident foreign currency deposits	509,819	164,486
	Monthly term deposits	1,063,706	1,778,590
		3,326,301,599	**3,781,162,106**
27.3	**Interest paid on borrowings- Main Operation**		
	Interest on call loan borrowing	3,183,076	7,713,008
	Interest on credit lines	983,161	2,098,047
	Interest paid on subordinated debt	286,152,150	196,008,742
	Interest on borrowing under REPO and Re-financing facilities with Bangladesh Bank	96,760,582	65,813,172
	Interest on borrowing under REPO with other banks	-	-
		387,078,969	**271,632,970**
28.	**Investment income**		
	Dividend on shares	4,569,442	5,712,228
	Interest on treasury bills, bonds and debentures		
	Interest on treasury bills and bonds	1,556,919,018	1,456,646,908
	Interest on reverse REPO with other banks	-	-
	Interest on subordinated bonds	24,857,841	53,737,807
	Interest on debenture	-	-
		1,581,776,859	**1,510,384,715**
	Gain on sale of shares	-	-
		1,586,346,301	**1,516,096,942**
29.	**Commission, exchange and brokerage**		
	Commission **[Note 29.1]**	533,354,832	534,480,803
	Exchange earnings (net) **[Note 29.2]**	821,672,392	566,622,042
		1,355,027,224	**1,101,102,845**

		30-Sep-17 Taka	30-Sep-16 Taka
29.1	**Commission**		
	Commission on Remittances-Local	12,677,028	8,876,988
	Commission on Remittances-Foreign	41,119,044	34,724,967
	Commission on Letter of Credit-Import	79,235,263	78,270,434
	Commission on Letter of Credit-Export	349,408,682	356,371,992
	Commission on Export Bills	10,043,447	10,418,354
	Commission on Letter of Guarantee	38,627,498	38,567,580
	Commission on Sale of Government Saving Instruments	2,093,970	6,738,972
	Commission on Banker to the issue & underwriting	-	-
	Other Commission	149,900	511,514
		533,354,832	**534,480,803**
29.2	**Exchange earnings (net)**		
	From commercial bills	768,650,075	298,613,754
	From dealing operations	53,022,317	268,008,288
		821,672,392	**566,622,042**
30.	**Other operating income**		
	Main Operation **[Note 30.1]**	2,168,999,968	1,577,429,641
	Off-shore Banking Unit	5,275,244	346,553
		2,174,275,212	**1,577,776,193**
30.1	**Other operating income**		
	Charges for service	61,047,817	26,895,052
	Income from IT service	1,561,190,517	1,074,102,719
	Recoveries from client	104,904,682	82,089,651
	Service charges on deposit accounts	217,123,308	200,609,583
	Income from Export-Import	89,586,607	94,517,206
	Examination and appraisal fees	-	-
	Document handling charges-Export	186,075	649,168
	Locker Rent	6,271,470	7,452,733
	Gain on sale of fixed assets	71,610	621,762
	Income from Mobile Banking Services	41,368,151	29,658,227
	Other earning	87,249,731	60,833,540
		2,168,999,968	**1,577,429,641**
30.2	**Gain on sale of fixed assets**		
	Some impaired items of fixed assets were sold during the period as under:		
	Gain on sale of fixed assets **[Note 30.3]**	71,610	621,762
		71,610	**621,762**
30.3	**Calculation of income from sale of fixed assets**		
	Sale proceeds **[A]**	5,637,769	6,114,594
	Cost price of the sold items	26,729,989	37,085,600
	Less: Accumulated depreciation	21,163,830	31,592,768
	Written down value **[B]**	**5,566,159**	**5,492,832**
	Net gain **[A - B]**	**71,610**	**621,762**

31. Administrative expenses

	Notes	30-Sep-17 Taka	30-Sep-16 Taka
Salary and allowances	32	2,506,276,517	2,167,769,668
Rent, taxes, insurance, electricity, etc.	34	1,177,731,114	992,741,604
Legal expenses	35	2,562,581	2,234,711
Postage, stamp, telecommunications, etc.	36	216,990,406	207,959,324
Stationery, printings, advertisements etc.	37	273,515,731	252,559,554
Managing Director & CEO's salary and allowances	38	7,887,000	7,982,000
Auditors' fees	40	599,750	202,000
Repair and maintenance	42	511,373,761	342,945,098
		4,696,936,860	**3,974,393,959**

32. Salary and allowances

Main Operation **[Note 32.1]**	2,502,880,590	2,164,048,571
Off-shore Banking Unit	3,395,927	3,721,097
	2,506,276,517	**2,167,769,668**

32.1 Salary and allowances-Main Operation

Basic salary	1,088,510,020	989,953,437
House rent allowance	545,435,512	495,098,511
Conveyance allowance	109,972,244	110,881,702
Other allowances	104,334,116	20,860,438
Bank's contribution to provident fund	103,003,474	89,453,673
Medical expenses	114,595,574	104,693,536
Bonus	277,329,650	237,907,276
Gratuity	159,700,000	115,200,000
Superannuation	-	-
	2,502,880,590	**2,164,048,571**

33. Number of employees and remuneration thereof

As per the Schedule XI of the Companies Act, 1994, the number of employees (including contractual employees) engaged for the whole year or part thereof who received a total remuneration of Taka 36,000 per annum or Taka 3,000 per month were 6,374 as at 30 September 2017 compared to 5,929 as at 30 September 2016.

34. Rent, taxes, insurance, electricity, etc.

Rent		
Office premises	611,027,634	530,044,517
ATM Booths and other installations	133,731,065	79,607,708
	744,758,699	**609,652,225**
Rates and taxes		
Rates	1,462,250	1,078,360
Taxes	3,652,762	5,013,821
	5,115,012	**6,092,181**
Insurance		
Cash	21,120,049	22,709,444
Vehicles	3,631,198	2,173,016
Deposits	96,800,864	85,783,405
Other properties	6,826,725	8,017,076
	128,378,836	**118,682,941**
Electricity and sanitation		
Light and power	291,642,725	251,812,614
Water and sewerage	5,592,881	5,014,553
Utilities	2,242,961	1,487,090
	299,478,567	**258,314,258**
	1,177,731,114	**992,741,604**

35. Legal expenses

Legal expenses	2,562,581	2,234,711
	2,562,581	**2,234,711**

		30-Sep-17 Taka	30-Sep-16 Taka
36.	**Postage, stamp, telecommunications, etc.**		
	Main Operation **[Note 36.1]**	216,986,826	207,954,466
	Off-shore Banking Unit	3,580	4,859
		216,990,406	**207,959,324**
36.1	**Postage, stamp, telecommunications, etc.-Main Operation**		
	Postage	18,910,594	19,451,427
	Telephone	12,240,915	11,407,776
	Radio link	176,094,667	168,181,965
	Swift, Reuters, internet, etc.	9,740,650	8,913,298
		216,986,826	**207,954,466**
37.	**Stationery, printings, advertisements etc.**		
	Printing and stationery:		
	Printed stationery	40,198,819	32,172,096
	Security stationery	28,590,041	14,598,636
	Petty stationery	40,508,697	62,160,494
		109,297,557	108,931,226
	Publicity and advertisement	164,218,174	143,628,327
		273,515,731	**252,559,554**
38.	**Managing Director & CEO's salary and allowances**		
	Basic salary	4,770,000	5,220,000
	House rent allowance	360,000	270,000
	House maintenance	270,000	180,000
	Bank's contribution to provident fund	477,000	522,000
	Leave fare assistance	180,000	270,000
	Other allowances	270,000	360,000
	Bonus	1,560,000	1,160,000
		7,887,000	**7,982,000**
39.	**Directors' fees**		
	Honorarium for attending meeting	182,236	195,000
	Incidental expenses for attending meeting	-	1,000
		182,236	**196,000**
40.	**Auditors' fees**		
	Statutory annual audit fees	375,500	52,500
	Special audit fees	224,250	149,500
	Fees for various certification	-	-
		599,750	**202,000**
41.	**Charges on loan losses**		
	Loan written- off	750,246,513	357,439,118
	Interest waived	-	-
		750,246,513	**357,439,118**
42.	**Depreciation and repair of bank's assets**		
	Depreciation on fixed assets including building, furniture and fixtures		
	Main Operation **[Note 42.1]**	828,515,555	800,767,436
	Off-shore Banking Unit	-	9,635
		828,515,555	**800,777,071**
	Repair and maintenance		
	Main Operation **[Note 42.2]**	511,211,521	342,719,177
	Off-shore Banking Unit	162,240	225,921
		511,373,761	**342,945,098**
		1,339,889,316	**1,143,722,169**

AMARSTOCK

		30-Sep-17 Taka	30-Sep-16 Taka
42.1	**Depreciation on fixed assets including land, building, furniture and fixtures**		
	Land	-	-
	Building (including lease hold property)	7,491,448	7,454,500
	Interior decoration	72,567,203	65,840,049
	Furniture and fixtures	20,416,892	18,739,428
	Other machinery and equipment	147,784,655	131,133,520
	Computer equipment and software	266,606,330	279,647,365
	Motor vehicles	34,228,222	29,051,691
	ATM Booth	73,095,877	66,799,340
	ATM and Fast Track (ATM & Deposit Machine)	206,311,332	202,087,947
	Books	13,596	13,596
		828,515,555	**800,767,436**
42.2	**Repair and maintenance**		
	Premises	141,008,798	128,644,168
	Vehicles	37,464,710	33,766,041
	Computers	332,738,013	180,308,968
		511,211,521	**342,719,177**
43.	**Other expenses**		
	Main Operation **[Note 43.1]**	3,260,239,085	2,413,478,952
	Off-shore Banking Unit	616,553	548,359
		3,260,855,638	**2,414,027,311**
43.1	**Other expenses- Main Operation**		
	Entertainment expenses	27,597,343	31,207,312
	Fuel and lubricant	38,111,786	36,574,340
	Subscription and donations	8,097,050	6,448,388
	Annual general meeting	521,508	1,127,325
	Casual wages and allowances	647,009,451	536,707,899
	Travelling expenses and allowances	241,456,645	191,089,409
	Petty conveyance	24,929,020	23,894,018
	Credit rating fees	230,000	345,000
	News papers, periodicals, learning materials etc.	977,882	1,030,837
	Crockeries	439,227	477,718
	Debit and Credit Card expenses	294,548,533	273,188,724
	ATM expenses	13,154,582	15,235,054
	Tele Banking Expenses	187,468	930,959
	Cash carrying charges	27,809,590	23,894,976
	ATM cash replenishment charges	458,723,000	329,000,000
	Recruitment, training, seminar and workshop	10,074,941	13,656,705
	Service charge on nostro account and others	48,450,800	49,010,121
	Consultancy fees	3,688,198	1,735,782
	Business promotion and development	896,033,260	753,024,063
	Laundry and cleaning	347,473	280,019
	Other expenses for Mobile Banking Services	369,561,495	90,463,489
	Other expenses for Agent Banking Services	144,435,356	31,906,323
	Fixed Assts written-off	-	-
	Miscellaneous	3,854,477	2,250,491
		3,260,239,085	**2,413,478,952**

AMARSTOCK

		30-Sep-17 Taka	31-Dec-16 Taka
44	**Cash and cash-equivalents**		
	Main Operation **[Note 44.1]**	61,820,641,845	49,486,466,962
	Off-shore Banking Unit	4,033,449,542	2,924,658,763
		65,854,091,387	**52,411,125,725**

44.1 Cash and cash-equivalents

Cash in hand (including foreign currencies)	13,529,861,916	11,051,999,011
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	16,320,495,296	17,660,677,577
Balance with other banks and financial institutions	31,964,277,533	20,652,231,874
Prize bonds	6,007,100	5,558,500
Money at call on short notice	-	116,000,000
	61,820,641,845	**49,486,466,962**

Chairman	Director	Managing Director & CEO	Chief Financial Officer	Company Secretary

Dhaka, 29 October 2017