

**Dhaka Bank Limited**

Independent Auditor's Report and Consolidated  
& Separate Financial Statements  
as at and for the year ended 31 December 2021



## Rahman Rahman Huq

Chartered Accountants

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### Independent Auditor's Report

To the Shareholders of Dhaka Bank Limited

### Report on the Audit of the Consolidated and Separate Financial Statements

#### Opinion

We have audited the consolidated financial statements of Dhaka Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of Dhaka Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2021 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated balance sheet of the Group and the separate balance sheet of the Bank as at 31 December 2021, and of its consolidated and separate profit and loss accounts and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.1.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of *Ethics for Professional Accountants (IESBA Code)* and the guidelines issued by Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Measurement of provision for loans and advances	
See notes no. 2.1, 2.15.3, 7, 7(a), 7.10, 7.11, and 15.1 to the financial statements.	
The key audit matter	How the matter was addressed in our audit
<p>The process of estimating provision for loans and advances associated with credit risk is judgmental and complex. While estimating such provision certain judgmental factors need to be considered including:</p> <ul style="list-style-type: none"> <li>• Future business performance of the borrower;</li> <li>• Key assumptions relating to further business performance of the borrower;</li> <li>• Market value of the collateral;</li> <li>• Ability to repossess collateral; and</li> <li>• Recovery rates.</li> </ul>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Credit monitoring and provisioning process;</li> <li>• Identification of loss events, including early warning and default warning indicators; and</li> <li>• Review of quarterly Classification of Loans (CL).</li> </ul>

**Independent Auditor's Report (continued)**

<b>1. Measurement of provision for loans and advances (continued)</b>	
See notes no. 2.1, 2.15.3, 7, 7(a), 7.10, 7.11, and 15.1 to the financial statements.	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Furthermore, these provisions are processed manually using the voluminous data extracted from the IT system of the Bank and following the instructions of Bangladesh Bank (the central bank of Bangladesh) issued from time to time.</p> <p>Due to high level of judgement involved and using some manual process in estimating the provision for loans and advances, we considered this to be a key audit matter.</p> <p>At year end the Group and Bank reported total gross loans and advances of BDT 214,607 million (2020: BDT 198,642 million) and BDT 215,459 million (2020: BDT 198,660 million) respectively and provision for loans and advances of BDT 14,289 million (2020: BDT 13,643 million) and BDT 14,045 million (2020: BDT 13,015 million) respectively.</p>	<p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> <li>• Reviewed the adequacy of the Bank's general and specific provisions;</li> <li>• Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; and</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</li> </ul>
<b>2. Loans and advances</b>	
See notes no. 2.1, 2.15.3, 7, 7(a) to the financial statements.	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Loans and advances are the main elements of financial statements of the Bank. Income of the Bank is mainly dependent on the portfolio of loans and advances. Management performance is highly dependent on the target achievement of loans and advances. Loan disbursement requires robust documentation followed by approval from appropriate level of authority.</p> <p>We have identified loans and advances as key audit matter because there is an inherent risk of fraud in disbursement of loans and advances by management to meet specific targets or expectations.</p>	<p>We tested the design and operating effectiveness of key controls focusing on credit appraisal, loan disbursement procedures and monitoring process of loans and advances.</p> <p>We have performed procedures to check whether the Bank has ensured appropriate documentation as per Bangladesh Bank regulations and the Bank's policy before disbursement of loans and advances. In addition, we have performed procedure to check whether the loans and advances are recorded completely and accurately and existed at the reporting date.</p> <p>Furthermore, we have assessed the appropriateness of disclosure against Bangladesh Bank guidelines.</p>

**Independent Auditor's Report (continued)**

<b>3. IT systems and controls</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and manual with automated (IT dependent) controls.</p> <p>We have focused on user access management, developer access to the production environment and changes to the IT environment. These are key to ensure that manual with automated controls and automated controls are operating effectively.</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). We have performed audit procedures to ensure that requests for access to systems were appropriately reviewed and authorised. We tested the Bank's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorisation. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p> <p>In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.</p>

**Other Information**

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated and separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## **Independent Auditor's Report (continued)**

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### **Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls**

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

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

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

### **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.

### **Independent Auditor's Report (continued)**

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- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act, 1994, the Securities and Exchange Rules, 2020, the Bank Company Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the management's responsibility for the financial statements and internal control:
  - (a) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in the financial statements appeared to be materially adequate;
  - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities;
- (iii) financial statements for the year ended 31 December 2021 of two subsidiaries namely Dhaka Bank Securities Limited and Dhaka Bank Investment Limited have been audited by ACNABIN Chartered Accountants and have been properly reflected in the consolidated financial statements;

**Independent Auditor's Report (continued)**

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- (iv) in our opinion, proper books of accounts as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (vi) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (vii) the expenditures incurred by the bank were for the purpose of the Bank's business for the year;
- (viii) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (ix) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 2,150 person hours; and
- (xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

The engagement partner on the audit resulting in this independent auditor's report is *Ali Ashfaq*.



Ali Ashfaq, Partner, Enrolment no: 509  
Rahman Rahman Huq, Chartered Accountants  
Firm Registration Number: [N/A]

Dhaka, 26 April 2022

DVC: **2204260509AS108232**



**Dhaka Bank Limited and its Subsidiaries**  
**Consolidated Balance Sheet**  
**As at 31 December 2021**

	Notes	31.12.2021 Taka	31.12.2020 Taka
<b><u>PROPERTY AND ASSETS</u></b>			
<b>Cash</b>	3(a)	<b>19,838,530,649</b>	<b>17,403,435,921</b>
Cash in hand (Including foreign currencies)	3.1(a)	2,301,460,729	2,872,313,228
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	3.2(a)	17,537,069,920	14,531,122,693
<b>Balance with other banks and financial institutions</b>	4(a)	<b>22,466,559,288</b>	<b>18,148,195,557</b>
In Bangladesh	4.1(a)	20,331,837,107	15,150,200,466
Outside Bangladesh	4.2(a)	2,134,722,181	2,997,995,091
<b>Money at call on short notice</b>	5(a)	<b>5,650,000,000</b>	<b>700,000,000</b>
<b>Investments</b>	6(a)	<b>52,359,063,988</b>	<b>42,360,850,681</b>
Government	6.1(a)	38,596,716,627	32,980,972,403
Others	6.2(a)	13,762,347,361	9,379,878,278
<b>Loans, advances and lease/investments</b>	7(a)	<b>214,607,304,713</b>	<b>198,641,827,366</b>
Loans, Cash Credits, Overdrafts etc./Investments	7.1(a)	211,439,820,530	196,165,786,543
Bills purchased and discounted	8(a)	3,167,484,183	2,476,040,823
<b>Fixed assets including premises, furniture and fixtures</b>	9(a)	<b>8,974,910,455</b>	<b>9,033,037,264</b>
<b>Other assets</b>	10(a)	<b>12,674,526,722</b>	<b>10,568,338,274</b>
<b>Non-banking assets</b>	11(a)	-	-
<b>Total Assets</b>		<b><u>336,570,895,815</u></b>	<b><u>296,855,685,063</u></b>
<b><u>LIABILITIES &amp; CAPITAL</u></b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	12(a)	<b>44,590,746,254</b>	<b>33,057,630,083</b>
<b>Deposits and other Accounts</b>	13(a)	<b>229,945,560,865</b>	<b>205,178,353,093</b>
Current Accounts and other Accounts		34,172,428,617	26,588,039,572
Bills Payable		2,210,072,255	2,452,855,109
Savings Bank Deposits		28,665,174,772	25,402,215,927
Term Deposits	13.4(a)	164,897,885,221	150,735,242,485
<b>Non Convertible Subordinated Bond</b>	14	<b>5,200,000,000</b>	<b>6,800,000,000</b>
<b>Other liabilities</b>	15(a)	<b>35,868,544,558</b>	<b>32,384,092,776</b>
<b>Total Liabilities</b>		<b><u>315,604,851,677</u></b>	<b><u>277,420,075,952</u></b>
<b>Capital/Shareholders' Equity</b>			
<b>Equity attributable to equity holders of the parent company</b>		<b>20,965,972,653</b>	<b>19,435,545,700</b>
Paid-up Capital	16.2	9,496,247,530	8,958,724,090
Statutory Reserve	17	9,086,264,187	8,263,438,249
Other Reserve	18(a)	81,457,759	104,410,600
Surplus in Profit and Loss Account	19(a)	2,302,003,177	2,108,972,761
Non-controlling interest	19.1(a)	71,485	63,411
<b>Total Shareholders' Equity</b>		<b><u>20,966,044,138</u></b>	<b><u>19,435,609,111</u></b>
<b>Total Liabilities and Shareholders' Equity</b>		<b><u>336,570,895,815</u></b>	<b><u>296,855,685,063</u></b>





**OFF-BALANCE SHEET ITEMS**

**Contingent liabilities**

Acceptances & Endorsements  
 Irrevocable Letters of Credit  
 Letters of Guarantee  
 Bills for Collection  
 Other Contingent Liabilities

Notes	31.12.2021 Taka	31.12.2020 Taka
21	<b>191,376,959,350</b>	<b>130,877,238,636</b>
	64,281,656,460	43,983,078,066
	52,467,266,855	24,124,738,481
	45,816,134,359	42,601,454,604
	15,917,400,906	11,734,534,422
	12,894,500,770	8,433,433,063
	-	-
	-	-
	-	-
	-	-
	-	-
<b>Total Off-Balance Sheet items including contingent liabilities</b>	<b>191,376,959,350</b>	<b>130,877,238,636</b>

**Other Commitments**

Documentary credit and short term trade-related transactions  
 Forward assets purchased and forward deposits placed  
 Undrawn note issuance and revolving underwriting facilities  
 Undrawn formal standby facilities, credit lines and other commitments

The notes 1 to 50 and annexures A to M form an integral part of these financial statements.

  
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 Managing Director & CEO

  
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 Director

  
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 Director

  
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 Chairman

As per our report of same date

Dhaka, 26 April 2022

  
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 Auditor

**Ali Ashfaq, Partner**  
**Enrolment Number: 509**  
**Rahman Rahman Huq**  
**Chartered Accountants**  
**KPMG in Bangladesh**  
**Firm Registration Number: N/A**




DVC: **2204260509AS108232**

**Dhaka Bank Limited and its Subsidiaries**  
**Consolidated Profit & Loss Account**  
**For the year ended 31 December 2021**

	Notes	2021 Taka	2020 Taka
Interest income/profit on investments	22(a)	14,857,899,527	17,631,263,869
Interest paid/profit on deposits and borrowings etc.	23(a)	(10,397,504,835)	(13,954,163,722)
<b>Net interest income</b>		<b>4,460,394,692</b>	<b>3,677,100,147</b>
Investment income	24(a)	3,615,937,843	3,768,428,684
Commission, exchange and brokerage	25(a)	3,517,743,459	2,760,604,581
Other operating income	26(a)	258,586,106	194,893,380
		<b>7,392,267,408</b>	<b>6,723,926,645</b>
<b>Total operating income (a)</b>		<b>11,852,662,099</b>	<b>10,401,026,792</b>
Salary and allowances	27(a)	2,526,368,655	2,593,743,577
Rent, taxes, insurance, electricity etc.	28(a)	340,328,218	173,322,685
Legal expenses	29(a)	37,101,435	37,936,064
Postage, stamps, telecommunication etc.	30(a)	45,205,612	45,839,163
Stationery, Printing, Advertisement etc.	31(a)	219,719,175	190,018,842
Chief Executive's salary and fees	32(a)	13,145,000	8,999,999
Directors' fees	33(a)	4,380,389	5,229,600
Auditors' fees	34(a)	3,386,750	2,035,500
Depreciation and repairs of bank's assets	35(a)	975,857,321	1,121,636,878
Other expenses	36(a)	840,709,579	853,650,925
		<b>5,006,202,133</b>	<b>5,032,413,233</b>
<b>Total operating expenses (b)</b>		<b>5,006,202,133</b>	<b>5,032,413,233</b>
<b>Profit before provision and taxes (c = (a-b))</b>		<b>6,846,459,966</b>	<b>5,368,613,559</b>
Provision against loans and advances	37(a)	2,122,909,960	2,181,018,225
Provision against good borrower	15.2	-	-
Provision for diminution in value of investments	38(a)	-	(9,783,557)
Other provisions	39(a)	490,822,398	98,504,768
		<b>2,613,732,358</b>	<b>2,269,739,436</b>
<b>Total provision (d)</b>		<b>2,613,732,358</b>	<b>2,269,739,436</b>
<b>Total Profit before taxes (c-d)</b>		<b>4,232,727,608</b>	<b>3,098,874,123</b>
Provision for Taxation		2,096,259,113	1,110,769,262
Current tax		2,067,715,624	1,617,418,601
Deferred tax		28,543,489	(506,649,339)
		<b>2,136,468,496</b>	<b>1,988,104,861</b>
<b>Net Profit after Taxation</b>		<b>2,136,468,496</b>	<b>1,988,104,861</b>
<b>Net profit after tax attributable to:</b>			
Equity holders of DBL		2,136,460,422	1,988,109,050
Non-controlling interest		8,074	(4,189)
		<b>2,136,468,496</b>	<b>1,988,104,861</b>
<b>Profit available for distribution</b>			
Surplus in profit and loss account from previous year	19(a)	2,108,972,761	1,618,562,389
Net profit for the period		2,136,460,422	1,988,109,050
		<b>4,245,433,182</b>	<b>3,606,671,439</b>
<b>Appropriations</b>			
Statutory Reserve		822,825,938	636,386,869
General Reserve		-	-
Investment Fluctuation Fund		4,700,000	8,100,000
Dividends etc.		1,075,046,885	853,211,810
Start-up Fund		40,857,182	-
Surplus in profit and loss account		2,302,003,177	2,108,972,761
		<b>4,245,433,182</b>	<b>3,606,671,439</b>
<b>Consolidated earning per share (CEPS)</b>		<b>2.25</b>	<b>2.09</b>

The notes 1 to 50 and annexures A to M form an integral part of these financial statements.

  
 Managing Director & CEO

  
 Director

  
 Director

  
 Chairman

As per our report of same date

  
 Auditor

Dhaka, 26 April 2022



**Ali Ashfaq, Partner**  
**Enrolment Number: 509**  
**Rahman Rahman Huq**  
**Chartered Accountants**  
**KPMG in Bangladesh**  
**Firm Registration Number: N/A**

DVC: **22U4260509AS108232**

**Dhaka Bank Limited and its Subsidiaries**  
**Consolidated Cash Flow Statement**  
**For the period ended 31 December 2021**

	Notes	2021 Taka	2020 Taka
<b>Cash flows from operating activities</b>			
Interest/Profit receipts in cash		17,396,053,994	20,698,749,389
Interest/Profit payments		(10,448,187,354)	(14,091,990,624)
Dividend receipts		184,169,098	98,540,088
Recovery of loans previously written off		123,190,654	28,972,109
Fee and commission receipts in cash		2,585,550,098	2,043,510,051
Cash payments to employees		(2,539,513,654)	(2,602,743,576)
Cash payments to suppliers		(317,750,404)	(288,786,446)
Income taxes paid		(1,709,540,718)	(1,776,760,756)
Receipts from other operating activities	41(a)	272,867,371	282,963,117
Payments for other operating activities	42(a)	(1,679,866,495)	(1,638,206,463)
<b>Operating profit before changes in operating assets &amp; liabilities (i)</b>		<b>3,866,972,591</b>	<b>2,754,246,889</b>
<b>Increase/Decrease in operating assets and liabilities</b>			
Purchase/sale of trading securities		(6,239,057,997)	(316,224,255)
Loans and advances to customers		(15,965,477,347)	(3,154,959,376)
Other assets	43(a)	(37,763,239)	6,043,951,850
Deposits from other banks		698,795,825	(2,162,302,804)
Deposits from customers		24,068,411,947	3,175,743,632
Other liabilities account of customers		54,865,547	1,389,168
Other liabilities	44(a)	(1,406,849,674)	(1,033,800,607)
<b>Cash flow from operating assets and liabilities (ii)</b>		<b>1,172,925,062</b>	<b>2,553,797,609</b>
<b>Net cash flows from operating activities (a)= (i+ii)</b>		<b>5,039,897,653</b>	<b>5,308,044,498</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of securities		531,151,102	760,154,595
Payment for purchase of securities		(3,794,872,252)	(2,334,932,967)
Purchase of property, plant & equipment		(263,165,223)	(3,910,631,126)
Sale of property, plant & equipment		1,265,244	4,381,696
Proceeds from non-banking assets		-	-
Purchase/sale of subsidiary		-	-
<b>Net cash flow from investing activities (b)</b>		<b>(3,525,621,129)</b>	<b>(5,481,027,801)</b>
<b>Cash flows from financing activities</b>			
Borrowing from other banks		11,533,116,171	5,212,414,111
Receipts from issuance of Non-Convertible Subordinated Bond		-	-
Payments for redemption of Non-Convertible Subordinated Bond		(1,600,000,000)	(600,000,000)
Dividends paid		(537,523,445)	(426,605,910)
<b>Net cash flow from financing activities (c)</b>		<b>9,395,592,726</b>	<b>4,185,808,201</b>
<b>Net increase/ (decrease) in cash and cash equivalents (a+b+c)</b>		<b>10,909,869,250</b>	<b>4,012,824,898</b>
Effects of exchange rate changes on cash & cash equivalent		794,325,109	590,793,651
Cash and cash equivalents at beginning period		36,254,228,278	31,650,609,728
<b>Closing cash and cash equivalents at end of period*</b>		<b>47,958,422,637</b>	<b>36,254,228,278</b>
<b>*Cash and cash equivalents</b>			
Cash in hand		2,301,460,729	2,872,313,228
Balance with Bangladesh Bank and its agent bank(s)		17,537,069,920	14,531,122,693
Balance with other banks & Financial Institutions		22,466,559,288	18,148,195,557
Money at call on short notice		5,650,000,000	700,000,000
Prize Bond		3,332,700	2,596,800
<b>Total</b>		<b>47,958,422,637</b>	<b>36,254,228,278</b>
<b>Net Operating Cash Flow per Share (NOCFPS)</b>		<b>5.31</b>	<b>5.59</b>

The notes 1 to 50 and annexures A to M form an integral part of these financial statements.



**Dhaka Bank Limited and its Subsidiaries**  
**Consolidated Statement of Changes in Equity**  
**For the year ended 31 December 2021**

(Amount in Taka)

Particulars	Paid up capital	Statutory Reserve	General Reserve	Asset Revaluation Reserve	Investment revaluation reserve	Investment Fluctuation Fund	Non-controlling interest	Surplus in profit and loss account	Total Equity
<b>Balance as at 1 January 2021</b>	<b>8,958,724,090</b>	<b>8,263,438,249</b>	<b>6,560,631</b>	-	<b>48,649,969</b>	<b>49,200,000</b>	<b>63,411</b>	<b>2,108,972,761</b>	<b>19,435,609,111</b>
Surplus/deficit on account of revaluation of investments	-	-	-	-	(27,652,841)	-	-	-	(27,652,841)
Net profit for the period	-	-	-	-	-	-	-	2,136,468,496	2,136,468,496
Transfer to reserve	-	-	-	-	-	4,700,000	-	(4,700,000)	-
Stock dividend	537,523,440	-	-	-	-	-	-	(537,523,440)	-
Cash dividend	-	-	-	-	-	-	-	(537,523,445)	(537,523,445)
Changes in reserve	-	822,825,938	-	-	-	-	-	(822,825,938)	-
Start-up Fund	-	-	-	-	-	-	-	(40,857,182)	(40,857,182)
Non-controlling interest	-	-	-	-	-	-	8,074	(8,074)	-
<b>Balance as at 31 December 2021</b>	<b>9,496,247,530</b>	<b>9,086,264,187</b>	<b>6,560,631</b>	-	<b>20,997,128</b>	<b>53,900,000</b>	<b>71,485</b>	<b>2,302,003,177</b>	<b>20,966,044,138</b>

For the year ended 31 December 2020

(Amount in Taka)

Particulars	Paid up capital	Statutory Reserve	General Reserve	Asset Revaluation Reserve	Investment revaluation reserve	Investment Fluctuation Fund	Non-controlling interest	Surplus in profit and loss account	Total Equity
<b>Balance as at 01 January 2020</b>	<b>8,532,118,190</b>	<b>7,627,051,380</b>	<b>6,560,631</b>	-	<b>70,495,379</b>	<b>41,100,000</b>	<b>67,600</b>	<b>1,618,562,389</b>	<b>17,895,955,570</b>
Surplus/deficit on account of revaluation of investments	-	-	-	-	(21,845,410)	-	-	-	(21,845,410)
Net profit for the period	-	-	-	-	-	-	-	1,988,104,861	1,988,104,861
Transfer to reserve	-	-	-	-	-	8,100,000	-	(8,100,000)	-
Stock dividend	426,605,900	-	-	-	-	-	-	(426,605,900)	-
Cash dividend	-	-	-	-	-	-	-	(426,605,910)	(426,605,910)
Changes in reserve	-	636,386,869	-	-	-	-	-	(636,386,869)	-
Non-controlling interest	-	-	-	-	-	-	(4,189)	4,189	-
<b>Balance as at 31 December 2020</b>	<b>8,958,724,090</b>	<b>8,263,438,249</b>	<b>6,560,631</b>	-	<b>48,649,969</b>	<b>49,200,000</b>	<b>63,411</b>	<b>2,108,972,761</b>	<b>19,435,609,111</b>

The notes 1 to 50 and annexures A to M form an integral part of these financial statements.



**Dhaka Bank Limited**  
**Balance Sheet**  
**As at 31 December 2021**

	Notes	31.12.2021 Taka	31.12.2020 Taka
<b><u>PROPERTY AND ASSETS</u></b>			
<b>Cash</b>	3	<b>19,838,425,649</b>	<b>17,403,330,921</b>
Cash in hand (Including foreign currencies)	3.1	2,301,355,729	2,872,208,228
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	3.2	17,537,069,920	14,531,122,693
<b>Balance with other banks and financial institutions</b>	4	<b>22,211,041,163</b>	<b>18,017,117,989</b>
In Bangladesh	4.1	20,076,318,982	15,019,122,898
Outside Bangladesh	4.2	2,134,722,181	2,997,995,091
<b>Money at call on short notice</b>	5	<b>5,650,000,000</b>	<b>700,000,000</b>
<b>Investments</b>	6	<b>49,124,077,080</b>	<b>39,444,756,051</b>
Government	6.1	38,596,716,627	32,980,972,403
Others	6.2	10,527,360,453	6,463,783,648
<b>Loans, advances and lease/investments</b>	7	<b>215,458,643,693</b>	<b>198,660,473,920</b>
Loans, Cash Credits, Overdrafts etc./Investments	7.1	212,291,159,510	196,184,433,097
Bills purchased and discounted	8	3,167,484,183	2,476,040,823
<b>Fixed assets including premises, furniture and fixtures</b>	9	<b>8,954,869,250</b>	<b>9,020,772,046</b>
<b>Other assets</b>	10	<b>14,114,146,537</b>	<b>12,090,775,749</b>
<b>Non-banking assets</b>	11	-	-
<b>Total Assets</b>		<b><u>335,351,203,372</u></b>	<b><u>295,337,226,676</u></b>
<b><u>LIABILITIES &amp; CAPITAL</u></b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	12	<b>44,565,190,826</b>	<b>32,999,166,033</b>
<b>Deposits and other accounts</b>	13	<b>230,417,348,446</b>	<b>205,666,983,669</b>
Current Accounts and other Accounts		34,172,428,617	26,588,039,572
Bills Payable		2,210,072,255	2,452,855,109
Savings Bank Deposits		28,665,174,772	25,402,215,927
Term Deposits		165,369,672,802	151,223,873,061
<b>Non Convertible Subordinated Bond</b>	14	<b>5,200,000,000</b>	<b>6,800,000,000</b>
<b>Other liabilities</b>	15	<b>34,926,816,025</b>	<b>31,078,923,089</b>
<b>Total Liabilities</b>		<b><u>315,109,355,297</u></b>	<b><u>276,545,072,791</u></b>
<b>Capital/Shareholders' Equity</b>			
<b>Total Shareholders' Equity</b>		<b>20,241,848,075</b>	<b>18,792,153,885</b>
Paid-up Capital	16.2	9,496,247,530	8,958,724,090
Statutory Reserve	17	9,086,264,187	8,263,438,249
Other Reserve	18	27,557,759	55,210,600
Surplus in Profit and Loss Account	19	1,631,778,599	1,514,780,946
<b>Total Liabilities and Shareholders' Equity</b>		<b><u>335,351,203,372</u></b>	<b><u>295,337,226,676</u></b>



**OFF-BALANCE SHEET ITEMS**

**Contingent liabilities**

Acceptances & Endorsements  
Irrevocable Letters of Credit  
Letters of Guarantee  
Bills for Collection  
Other Contingent Liabilities

**Other commitments**

Documentary credit and short term trade-related transactions  
Forward assets purchased and forward deposits placed  
Undrawn note issuance and revolving underwriting facilities  
Undrawn formal standby facilities, credit lines and other commitments

**Total Off-Balance Sheet items including contingent liabilities**

Notes	31.12.2021 Taka	31.12.2020 Taka
21	<b>191,376,959,350</b>	<b>130,877,238,636</b>
	64,281,656,460	43,983,078,066
	52,467,266,855	24,124,738,481
	45,816,134,359	42,601,454,604
	15,917,400,906	11,734,534,422
	12,894,500,770	8,433,433,063
	-	-
	-	-
	-	-
	-	-
	-	-
	<b>191,376,959,350</b>	<b>130,877,238,636</b>

The notes 1 to 50 and annexures A to M form an integral part of these financial statements.

  
\_\_\_\_\_  
Managing Director & CEO

  
\_\_\_\_\_  
Director

   
\_\_\_\_\_  
Director Chairman

As per our report of same date

Dhaka, 26 April 2022

  
\_\_\_\_\_  
Auditor

**Ali Ashfaq, Partner**  
**Enrolment Number: 509**  
**Rahman Rahman Huq**  
**Chartered Accountants**  
**KPMG in Bangladesh**  
**Firm Registration Number: N/A**


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DVC: **2204260509A5108232**

**Dhaka Bank Limited**  
**Profit & Loss Account**  
For the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
Interest income/profit on investments	22	14,913,888,936	17,714,105,807
Interest paid/profit on deposits and borrowings etc.	23	(10,394,221,944)	(13,995,651,517)
<b>Net interest income</b>		<b>4,519,666,992</b>	<b>3,718,454,290</b>
Investment income	24	3,445,847,615	3,553,932,577
Commission, exchange and brokerage	25	3,335,726,780	2,698,911,317
Other operating Income	26	257,236,937	193,625,709
		<b>7,038,811,332</b>	<b>6,446,469,603</b>
<b>Total operating income (a)</b>		<b>11,558,478,323</b>	<b>10,164,923,893</b>
Salary and allowances	27	2,488,230,819	2,557,123,684
Rent, taxes, insurance, electricity etc.	28	334,758,386	166,130,685
Legal expenses	29	36,583,058	37,702,564
Postage, stamps, telecommunication etc.	30	44,803,816	45,420,902
Stationery, Printing, Advertisement etc.	31	216,860,152	187,626,962
Chief Executive's salary and fees	32	13,145,000	8,999,999
Directors' fees	33	3,548,800	4,287,610
Auditors' fees	34	2,110,250	1,679,000
Depreciation and repairs of bank's assets	35	958,818,995	1,104,549,790
Other expenses	36	831,756,999	844,840,059
<b>Total operating expenses (b)</b>		<b>4,930,616,274</b>	<b>4,958,361,254</b>
<b>Profit before provision and taxes (c = (a-b))</b>		<b>6,627,862,049</b>	<b>5,206,562,639</b>
Provision against loans and advances	37	2,022,909,960	1,935,907,084
Provision against good borrower	15.2	-	-
Provision for diminution in value of investments	38	-	(9,783,557)
Other provisions	39	490,822,398	98,504,768
<b>Total provision (d)</b>		<b>2,513,732,358</b>	<b>2,024,628,295</b>
<b>Total Profit before taxes (c-d)</b>		<b>4,114,129,692</b>	<b>3,181,934,343</b>
Provision for Taxation		2,058,402,034	1,151,943,775
Current tax	15.7	2,037,109,110	1,580,023,896
Deferred tax		21,292,924	(428,080,121)
<b>Net Profit after Taxation</b>		<b>2,055,727,658</b>	<b>2,029,990,568</b>
<b>Profit available for distribution</b>			
Surplus in profit and loss account from previous year	19	1,514,780,946	974,389,056
Net profit for the period		2,055,727,658	2,029,990,568
		<b>3,570,508,604</b>	<b>3,004,379,624</b>
<b>Appropriations</b>			
Statutory Reserve		822,825,938	636,386,869
General Reserve		-	-
Dividends etc.		1,075,046,885	853,211,810
Start-up Fund		40,857,182	-
Surplus in profit and loss account		1,631,778,599	1,514,780,946
		<b>3,570,508,604</b>	<b>3,004,379,624</b>
<b>Earning per share (EPS)</b>	40	<b>2.16</b>	<b>2.14</b>

The notes 1 to 50 and annexures A to M form an integral part of these financial statements.

  
Managing Director & CEO

  
Director

  
Director

  
Chairman

As per our report of same date

  
Auditor

Dhaka, 26 April 2022

**Ali Ashfaq, Partner**  
Enrolment Number: 509  
Rahman Rahman Huq  
Chartered Accountants  
KPMG in Bangladesh  
Firm Registration Number: N/A  
DVC: **2204260509AS108232**

**Dhaka Bank Limited**  
**Cash Flow Statement**  
For the period ended 31 December 2021

Notes	2021 Taka	2020 Taka
<b>Cash flow from operating activities</b>		
Interest/Profit receipts in cash	17,357,763,383	20,619,571,227
Interest/Profit payments	(10,444,904,462)	(14,133,478,419)
Dividend receipts	108,358,891	46,064,080
Recovery of loans previously written off	123,190,654	28,972,109
Fee and commission receipts in cash	2,403,533,419	1,981,816,786
Cash payments to employees	(2,501,375,819)	(2,566,123,683)
Cash payments to suppliers	(300,357,276)	(272,429,428)
Income taxes paid	(1,677,177,698)	(1,869,864,792)
Receipts from other operating activities	41 271,518,202	286,843,813
Payments for other operating activities	42 (1,670,082,326)	(1,629,644,307)
<b>Operating profit before changes in operating assets &amp; liabilities (i)</b>	<b>3,670,466,968</b>	<b>2,491,727,387</b>
<b>Increase/Decrease in operating assets and liabilities:</b>		
Purchase/Sale of trading securities	(5,911,365,718)	(450,641,120)
Loans and advances to customers	(16,798,169,774)	(3,025,566,901)
Other assets	43 19,801,314	6,034,905,901
Deposits from other banks	698,795,825	(2,162,302,804)
Deposits from customers	24,051,568,953	3,299,262,245
Other liabilities account of customers	54,865,547	1,389,168
Other liabilities	44 (912,661,353)	(1,020,255,599)
<b>Cash flow from operating assets and liabilities (ii)</b>	<b>1,202,834,794</b>	<b>2,676,790,890</b>
<b>Net cash flows from/(used in) operating activities (a)= (i+ii)</b>	<b>4,873,301,762</b>	<b>5,168,518,278</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of securities	522,351,102	759,877,870
Payment for Purchase of securities	(3,794,872,252)	(2,334,932,967)
Purchase of property, plant & equipment	(245,118,511)	(3,895,192,954)
Sale of property, plant & equipment	1,265,244	4,381,696
Proceeds from Non-banking assets	-	-
Purchase/sale of subsidiary	-	-
<b>Net cash flow from investing activities (b)</b>	<b>(3,516,374,417)</b>	<b>(5,465,866,354)</b>
<b>Cash flow from financing activities</b>		
Borrowing from other banks	11,566,024,793	5,274,038,649
Receipts from issuance of Non Convertible Subordinated Bond	-	-
Payments for redemption of Non Convertible Subordinated Bond	(1,600,000,000)	(600,000,000)
Dividends paid	(537,523,445)	(426,605,910)
<b>Net cash flow from financing activities (c)</b>	<b>9,428,501,348</b>	<b>4,247,432,740</b>
<b>Net increase/ (decrease) in cash and cash equivalents (a+b+c)</b>	<b>10,785,428,693</b>	<b>3,950,084,663</b>
Effects of exchange rate changes on cash & cash equivalent	794,325,109	590,793,651
Cash and cash equivalents at beginning period	36,123,045,710	31,582,167,396
<b>Closing Cash and cash equivalents at end of period*</b>	<b>47,702,799,512</b>	<b>36,123,045,710</b>
<b>*Closing cash &amp; cash equivalents</b>		
Cash in Hand	2,301,355,729	2,872,208,228
Balance with Bangladesh Bank and its agent bank(s)	17,537,069,920	14,531,122,693
Balance with other banks & Financial Institutions	22,211,041,163	18,017,117,989
Money at call on short notice	5,650,000,000	700,000,000
Prize Bond	3,332,700	2,596,800
<b>Total</b>	<b>47,702,799,512</b>	<b>36,123,045,710</b>
<b>Net Operating Cash Flow per Share (NOCFPS)</b>	<b>5.13</b>	<b>5.44</b>

The notes 1 to 50 and annexures A to M form an integral part of these financial statements.





**Dhaka Bank Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2021**

(Amount in Taka)

Particulars	Paid up capital	Statutory Reserve	General Reserve	Asset Revaluation Reserve	Investment Revaluation Reserve	Surplus in profit and loss account	Total Equity
<b>Balance as at 1 January 2021</b>	<b>8,958,724,090</b>	<b>8,263,438,249</b>	<b>6,560,631</b>	-	<b>48,649,969</b>	<b>1,514,780,946</b>	<b>18,792,153,885</b>
Surplus/deficit on account of revaluation of investments	-	-	-	-	(27,652,841)	-	(27,652,841)
Net profit for the period	-	-	-	-	-	2,055,727,658	2,055,727,658
Stock dividend	537,523,440	-	-	-	-	(537,523,440)	-
Cash dividend	-	-	-	-	-	(537,523,445)	(537,523,445)
Start-up Fund	-	-	-	-	-	(40,857,182)	(40,857,182)
Changes in reserve	-	822,825,938	-	-	-	(822,825,938)	-
<b>Balance as at 31 December 2021</b>	<b>9,496,247,530</b>	<b>9,086,264,187</b>	<b>6,560,631</b>	-	<b>20,997,128</b>	<b>1,631,778,599</b>	<b>20,241,848,075</b>

For the year ended 31 December 2020

(Amount in Taka)

Particulars	Paid up capital	Statutory Reserve	General Reserve	Asset Revaluation Reserve	Investment Revaluation Reserve	Surplus in profit and loss account	Total Equity
<b>Balance as at 01 January 2020</b>	<b>8,532,118,190</b>	<b>7,627,051,380</b>	<b>6,560,631</b>	-	<b>70,495,379</b>	<b>974,389,056</b>	<b>17,210,614,636</b>
Surplus/deficit on account of revaluation of investments	-	-	-	-	(21,845,410)	-	(21,845,410)
Net profit for the year	-	-	-	-	-	2,029,990,568	2,029,990,568
Stock dividend	426,605,900	-	-	-	-	(426,605,900)	-
Cash dividend	-	-	-	-	-	(426,605,910)	(426,605,910)
Changes in reserve	-	636,386,869	-	-	-	(636,386,869)	-
<b>Balance as at 31 December 2020</b>	<b>8,958,724,090</b>	<b>8,263,438,249</b>	<b>6,560,631</b>	-	<b>48,649,969</b>	<b>1,514,780,946</b>	<b>18,792,153,885</b>

The notes 1 to 50 and annexures A to M form an integral part of these financial statements.



**Dhaka Bank Limited**  
**Liquidity Statement**  
**(Asset and Liability Maturity Analysis)**  
**As at 31 December 2021**

(Amount in Taka)

Particulars	Up to 01 month	1 - 3 months	3 - 12 months	1 - 5 years	More than 5 years	Total
<b>Assets:</b>						
Cash in hand (Including Balance with BB & its agents)	19,838,425,649	-	-	-	-	19,838,425,649
Balance with other banks and financial institutions	6,687,168,980	13,623,572,183	1,900,300,000	-	-	22,211,041,163
Money at call on short notice	5,650,000,000	-	-	-	-	5,650,000,000
Investment	3,332,700	7,723,807,833	7,104,408,030	13,061,152,998	21,231,375,519	49,124,077,080
Loans and Advances	43,229,308,492	34,591,167,761	61,492,450,422	40,711,558,994	35,434,158,024	215,458,643,693
Fixed assets including premises, furniture and fixtures	-	-	-	2,756,753,194	6,198,116,055	8,954,869,250
Other assets	588,814,576	-	1,315,107,007	10,436,456,877	1,773,768,077	14,114,146,536
Non-banking assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>75,997,050,397</b>	<b>55,938,547,777</b>	<b>71,812,265,459</b>	<b>66,965,922,064</b>	<b>64,637,417,675</b>	<b>335,351,203,372</b>
<b>Liabilities:</b>						
Borrowing from Bangladesh Bank, Other Banks, financial institutions and agents	(11,902,100,000)	(13,300,000)	(27,533,142,906)	(5,116,647,920)	-	(44,565,190,826)
Deposits & other accounts	(96,725,068,416)	(51,205,599,790)	(44,082,480,397)	(23,042,519,906)	(15,361,679,937)	(230,417,348,446)
Non Convertible Subordinated Bond	-	-	(1,600,000,000)	(3,600,000,000)	-	(5,200,000,000)
Other liabilities	(5,076,939,668)	-	(29,849,876,357)	-	-	(34,926,816,025)
<b>Total Liabilities</b>	<b>(113,704,108,083)</b>	<b>(51,218,899,790)</b>	<b>(103,065,499,660)</b>	<b>(31,759,167,826)</b>	<b>(15,361,679,937)</b>	<b>(315,109,355,297)</b>
<b>Net Liquidity Gap</b>	<b>(37,707,057,687)</b>	<b>4,719,647,987</b>	<b>(31,253,234,201)</b>	<b>35,206,754,238</b>	<b>49,275,737,738</b>	<b>20,241,848,075</b>
<b>Cumulative Liquidity Gap</b>	<b>(37,707,057,687)</b>	<b>(32,987,409,700)</b>	<b>(64,240,643,901)</b>	<b>(29,033,889,663)</b>	<b>20,241,848,075</b>	<b>-</b>



## Dhaka Bank Limited and its Subsidiaries

### Notes to the Financial Statements As at and for the year ended 31 December 2021

#### 1. Reporting entity - The Bank and its activities

##### 1.1 Legal Status and nature of the entity

Dhaka Bank Limited (the "Bank") was incorporated in Bangladesh as a Public Limited Company on 06 April 1995 under the Companies Act, 1994 and commenced commercial operation on 05 July 1995. The Bank went for public issue of shares on 25 November 1999 and its shares are listed with both the Stock Exchanges (Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.) of Bangladesh. Currently, it has 109 branches all over Bangladesh which includes 68 urban and 41 rural branches, two Offshore Banking Units at DEPZ & CEPZ, Chattogram, 3 SME Service Centers and 21 sub branches. Out of the above, 2 branches of the Bank are run under Islamic Shariah, with a working method substantially different from conventional branches. The Bank has two subsidiary companies in the name of Dhaka Bank Securities Limited and Dhaka Bank Investment Limited. The Bank has been holding 99.99% shares of Dhaka Bank Securities Limited (which has 6 branches in Dhaka, Chittagong and Sylhet) and Dhaka Bank Investment Limited. Moreover, the Bank has a dedicated philanthropic unit named Dhaka Bank Foundation, operating since 28 July 2004.

The registered office of the Bank is at Plot: CWS (C)-10, Bir Uttam A. K. Khandaker Road, Gulshan-1, Dhaka-1212, Bangladesh.

The consolidated financial statements of the Bank as at and for the year ended 31 December 2021 comprise the Bank and its subsidiaries (collectively the 'Group' and individually 'Group entities').

##### 1.2 Principal activities of The Bank

The principal activities of the Bank are to provide wide array of financial products (loans and deposits) and services that includes all kinds of conventional and Islamic banking services to its customers. It offers corporate banking, retail banking, trade services, cash management, treasury, SME, retail, custodial and clearing services to its customers. These activities are conducted through its branches, SME service centres, sub branches, Islamic windows and vibrant alternative delivery channels (ATM booths, internet banking) in Bangladesh. The Bank also provides off-shore banking services through its Offshore Banking Units (OBU) and islami banking services through its Islamic Bank branch.

##### 1.3 Offshore Banking

Offshore Banking Unit (OBU) is a separate business unit of the Bank, operates its business through a separate counter as governed under the rules and guidelines of Bangladesh Bank and a Policy for Offshore Banking Operation issued by Bangladesh Bank through BRPD circular no. 02, dated 25 February 2019 and BRPD circular letter no. 09 dated 27 May 2019. It gives loans (on and off-balance sheet exposures) and takes deposits in freely convertible foreign currencies to and from person/institution not resident in Bangladesh and Type-A (wholly foreign owned) units in EPZs in Bangladesh. It also gives long term finance to industrial units outside EPZs and Type-B and Type-C industrial units within the EPZs subject to compliance by the industrial units with the guidelines of Bangladesh Investment Development Authority (BIDA) and Bangladesh Bank. Besides, this unit provides bill discounting/financing facilities accepted by Authorised Dealer (AD) in Bangladesh against usance LCs in accordance with Bangladesh Bank (BB) guidelines. Currently, the Bank has two OBUs in DEPZ and CEPZ. The Bank obtained DEPZ Offshore Banking Unit permission vide letter no. BRPD (P)744(92)/2005-2181 dated 18 June 2005 and CEPZ Offshore Banking Unit permission vide letter no. BRPD (P-3)744(92)/2017-123 dated 05 January 2017. The Bank commenced the operation of its DEPZ Offshore Banking Unit with effect from 10 May 2006 and CEPZ Offshore Banking Unit with effect from 12 February 2017. Separate financial statements of Offshore Banking Units are shown in **Annexure-J**.

##### 1.4 Islamic Banking

The Bank operates Islamic Banking in two branches designated for this purpose in complies with the rules of Islamic Shariah. A separate balance sheet, profit and loss account and a statement of profit rate on deposits (shown in Annexure-I) and the figures appearing in the annexure have been incorporated in the respective heads of these financial statements as recommended by the Central Shariah Board for Islamic Banks in Bangladesh. A separate division for Islamic Banking has been formed at Head Office to monitor and comply with the rules of Islamic Shariah and other Regulatory bodies. Separate financial statements of Islamic Banking Branch are shown in **Annexures-I(1)** and **Annexures-I(2)**.

##### 1.5 SME service center

The main functions of SME Service Centers are to render services only for receiving application, disbursement, monitoring and recovery of SME/Retail loans. They also serve the customers for opening of account, payments of foreign remittance etc.

## 1.6 Sub-Branches

As per BRPD Circular No. 28 dated 27 December 2018, the Central Bank allowed all schedule banks for expanding its banking business in Bangladesh and providing banking services to the disadvantaged/rural people by providing extended financial services through opening of sub-branches. The sub-branches are meant to operate within the limited expenditure under the supervision of a nearby full-fledged branch of the bank. Sub-branches are functioning as a new dimension to the banking sector of Bangladesh at minimum cost with the same services/transactions just like any operational branch except foreign exchange transactions. In addition, transactions of the sub-branches are reflected on the balance sheet of the attached/mother branches. A Bank has to take permission from Bangladesh Bank for opening each sub-branch. Dhaka Bank Limited has already opened 21 sub-branches and will expand its network in days to come.

## 1.7 Central processing center (CPC)

Dhaka Bank Limited has established the Central Processing Center (CPC) for trade and credit operations. The center maintains its accounting records in the general ledger of the respective branches. The import/export related processing and credit operations are centrally controlled and monitored by the CPC for efficient and effective decision-making and reduction of cost.

## 1.8 Custodian Service

The Bank obtained permission to work as a security custodian from Bangladesh Securities and Exchange Commission vide its certificate no. SC-09/2006 dated 18 May 2006 under the Securities and Exchange Commission (Securities Custodial Service) Rules, 2003.

## 1.9 Subsidiaries of the Bank

The Bank has two subsidiaries. These are Dhaka Bank Securities Limited and Dhaka Bank Investment Limited. Details of the subsidiaries have been presented in note no. 1.9.1 to 1.9.2.

### 1.9.1 Dhaka Bank Securities Limited (Former DBL Securities Limited)

As per decision of the 153rd meeting of the Board of Directors of Dhaka Bank Limited, a separate subsidiary company in the name of DBL Securities Limited was formed to carry out the stock broker and stock dealer activities of Capital Market Services Division of the Bank. The Board of Directors of Dhaka Bank Limited in its 208th meeting renamed the subsidiary Company as "Dhaka Bank Securities Limited" instead of "DBL Securities Limited". Dhaka Bank subscribed Tk.149,999,990 divided into 14,999,999 shares @Tk.10 each with 99.99% of contribution to equity participation. Further, Tk.1,350,000,000 were injected by Dhaka Bank Limited as fresh capital during the year 2011. 05 (five) new Directors were inducted in the Board of Dhaka Bank Securities Limited by transferring 05 (five) share certificates @Tk.10.00 each of Dhaka Bank Securities Limited held by Dhaka Bank Limited. Now, the total number of shareholding in Dhaka Bank Securities Limited is 208,700,056 shares after considering the stock dividend issued from 2011 to 2019.

The financial statements, audited by ACNABIN, Chartered Accountants, have been enclosed in **Annexure L**.

### 1.9.2 Dhaka Bank Investment Limited

As per approval of the Board of Directors of Dhaka Bank Limited in its 190th meeting, a separate subsidiary Company in the name and style of "Dhaka Bank Investment Limited" was formed with Authorized Capital of Tk. 2,000,000,000 and Paid-up Capital of Tk. 250,000,000, amongst other, to conduct Merchant Banking Activities, to act as Issue Manager, Securities Management and Brokerage, Custodian Service, Investment and Asset Management, Portfolio Management, Capital Market operation etc. Dhaka Bank Limited subscribed Tk.249,999,940 divided into 24,999,994 shares @Tk.10 each with 99.99% of contribution to Equity participation. The Company is yet to receive the license from Bangladesh Securities and Exchange Commission (BSEC) to commence its operation.

The financial statements, audited by ACNABIN, Chartered Accountants, have been enclosed in **Annexure M**.

## 2. Consolidated and separate financial statements

The separate financial statements of the Bank as at and for the year ended 31 December 2021 comprise those of Domestic Banking Unit (main operations) and Offshore Banking Unit (OBU), and the consolidated financial statements of the Group comprise those of 'the Bank' (parent company) and its subsidiaries. There were no significant changes in the nature of principal business activities of the Bank and the subsidiaries during the financial year. A summary of accounting principles and policies which have been applied consistently (unless otherwise stated), are set out below and in the notes of respective areas:

### 2.1 Basis of preparation of financial statements and statement of compliance

The separate financial statements of the Bank as at and for the year ended 31 December 2021 comprise those of Domestic Banking Unit (Main operations) and Offshore Banking Unit (OBU), and the consolidated financial statements of the group comprise those of 'the Bank' (parent company) and its subsidiaries. There were no significant changes in the nature of principal business activities of the Bank and the subsidiaries during the financial year.

The financial statements of the Bank are prepared in accordance with IFRSs (including IASs) and the requirements of the Bank Company (amendment) Act, 2013, the rules and regulations issued by Bangladesh Bank, the Companies Act, 1994, The Securities and Exchange Ordinance, 1969, Bangladesh Securities and Exchange Commission Act, 1993, Bangladesh Securities and Exchange Commission (Public Issues) Rules, 2020, Income Tax Ordinance and Rules, 1984, The Value Added Tax and Supplementary Duty Act, 2012, The Value Added Tax and Supplementary Duty Rules, 2016, Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE) and Central Depository Bangladesh Ltd. (CDBL) and Financial Reporting Act, 2015. In case any requirement of the Bank Company (amendment) Act, 2013, and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs (including IASs), the requirements of the Bank Company (amendment) Act, 2013, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRS are mentioned in i to xvii.

In addition to foregoing directives and standards, the operation of Islamic Banking branches are accounted for in accordance with Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions, Bahrain, and BRPD circular no. 15, dated 09 November 2009. A separate balance sheet, profit and loss account and a statement of profit paid on deposits are shown in **Annexure-I(1)** and **Annexure-I(2)** and the figures appearing in the annexure have been incorporated in the related heads of these financial statements as recommended by the Central Shariah Board for Islamic Banks in Bangladesh

**i) Presentation of financial statements**

**IFRS:** As per IAS 1, a complete set of financial statements comprises a statement of financial position, a statement of profit and loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 has also stated the entity to disclose assets and liabilities under current and non-current classification separately in its statement of financial position.

**Bangladesh Bank:** The presentation of these financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) and certain disclosures therein are guided by the First Schedule (section-38) of The Bank Company Act, 1991, and amendment thereon and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of Bangladesh Bank. In the prescribed format there is no option to present assets and liabilities under current and non-current classification.

**ii) Investment in shares, mutual fund and other securities**

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

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003 investments in quoted and unquoted shares are revalued on the basis of year-end market price and Net Assets Value (NAV) of last audited balance sheet respectively. As such, provision is made for any loss arising from diminution in value of investments (portfolio basis); otherwise investments are recognised at costs.

**iii) Revaluation gain/loss on government securities**

**IFRS:** Government securities refer primarily various debt instruments which include both bonds and bills. As per requirements of IFRS 9 Financial Instruments, bonds can be categorised as "Amortised Cost (AC)" or "Fair Value Through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Bonds designated as Amortised Cost are measured at amortised cost method and interest income is recognised through profit and loss account. Any changes in fair value of bonds designated as FVTPL is recognised in profit and loss account. Any changes in fair value of bonds designated as FVOCI is recognised in other reserve as a part of equity.

As per requirements of IFRS 9, bills can be categorised either as "Fair Value Through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Any change in fair value of bills is recognised in profit and loss or other reserve as a part of equity respectively.

**Bangladesh Bank:** According to DOS circular no. 5 dated 26 May 2008 and further clarification in DOS circular no. 5 dated 28 January 2009, Government securities/bills are classified into Held for Trading (HFT) and Held to Maturity (HTM). HFT securities are revalued on the basis of mark to market and any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount is recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised and gains or losses on amortisation are recognised in other reserve as a part of equity.

**iv) Repo and reverse repo transactions**

**IFRS:** As per IFRS 9 when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan and the underlying asset continues to be recognised at amortised cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).

**Bangladesh Bank:** As per Department of Off-Site Supervision (DOS) Circular letter no. 06 dated 15 July 2010 and subsequent clarification in DOS circular no. 02 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 transaction and the financial asset is derecognised in the seller's book and recognised in the buyer's book.

**v) Provision on loans and advances**

**IFRS:** As per IFRS 9 an entity shall recognise an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 months expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

**Bangladesh Bank:** As per BRPD circular no. 53 (30 December 2021), BRPD circular no. 52 (29 December 2021), BRPD circular no. 51 (29 December 2021), BRPD circular no. 50 (14 December 2021), BRPD circular no. 45 (04 October 2021), BRPD circular no. 19 (26 August 2021), BRPD circular no. 05 (24 March 2021), BRPD circular no. 13 (27 June 2021), BRPD circular no. 03 (31 January 2021), BRPD circular no. 56 (10 December 2020), BRPD circular no. 52 (20 October 2020), BRPD circular no.16 (21 July 2020), BRPD circular no. 3 (23 April 2019), BRPD circular no. 1 (20 February 2018), BRPD circular no.15 (27 September 2017), BRPD circular no. 16 (18 November 2014), BRPD circular no. 05 (29 May 2013), BRPD circular no. 19 (27 December 2012) and BRPD circular no.14 (23 September 2012) 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. And specific provision (other than short-term agricultural and micro-credits) 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 the duration of overdue. Moreover, a provision for Short-Term Agricultural and Micro-Credits has to be provided for 'sub-standard' and 'doubtful' loans at the rate of 5%, 20% and a 100% provision for the 'bad/Loss' loans. Such provision policies are not specifically in line with those prescribed by IFRS 9.

**vi) Recognition of interest in suspense**

**IFRS:** Loans and advances to customers are generally classified at amortised cost as per IFRS 9 and interest income is recognised by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently becomes credit-impaired, the entity shall apply the effective interest rate to the amortised cost of these loans and advances.

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

**vii) Other comprehensive income**

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

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

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

In several cases, Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in IFRS 9. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.

**ix) Financial guarantees**

**IFRS:** As per IFRS 9, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtors fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The financial guarantees are subsequently measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognised less, income recognised in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as letter of credit and letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin. As per BRPD circular no. 1 dated 3 January 2018 and BRPD circular no. 14 dated 23 September 2012, the Bank is required to maintain provision at 1% against gross off-balance sheet exposures.

**x) Cash and cash equivalents**

**IFRS:** Cash and cash equivalent items should be reported as cash item as per IAS 7.

**Bangladesh Bank:** Some highly liquid assets such as money at call on short notice, T-bills/T-bonds, prize bonds are not prescribed to be shown as cash and cash equivalents rather shown as face item in the balance sheet. However, in the cash flow statement, money at call and short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with BB and other banks.

**xi) Non-banking asset**

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

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, there is a separate balance sheet item named non-banking assets existed in the standard format. As per BRPD circular no. 22 dated 20 September 2021, there is separate guideline for accounting for Non-banking asset.

**xii) Cash flow statement**

**IFRS:** Cash flow statement can be prepared either direct method or indirect method as per IAS 7. 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 statement has been prepared following a mixture of direct and indirect methods.

**xiii) Balance with Bangladesh Bank: (Cash Reserve Ratio-CRR)**

**IFRS:** CRR maintained with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per IAS 7.

**Bangladesh Bank:** Balance with Bangladesh Bank including CRR is treated as cash and cash equivalents.

**xiv) Presentation of intangible asset**

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

**Bangladesh Bank:** There is no requirement for regulation of intangible assets in BRPD circular no. 14 dated 25 June 2003.

**xv) Off-balance sheet items**

**IFRS:** There is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

**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 the balance sheet.

**xvi) Disclosure of appropriation of profit**

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

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

**xvii) Loans, advances and lease/investments net of provision**

**IFRS:** Loans and advances/investments should be presented net of provisions.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 23 September 2012, provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

**2.2 Basis of measurement**

The financial statements of the Group have been prepared on historical cost basis except for the following:

- Government Treasury Bills and Bonds designated as 'Held for Trading (HFT)' are presented at value using mark to market concept with gain crediting to revaluation reserve; and
- Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' are carried at amortised cost.

**2.3 Going concern**

The accompanying financial statements have been prepared on a going concern assumption that the Bank will continue in operation over the foreseeable future. The Bank has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. Key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the bank continued to demonstrate a healthy trend for a couple of years. The Bank has been awarded AA in long term and ST-2 in short term by Emerging Credit Rating Limited. Rating details are shown in note 2.32. The management does not see any issue with respect to going concern due to the recent pandemic COVID-19. Besides, the management is not aware of any other material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern.

## 2.4 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (Taka/Tk) which is the Bank's functional currency. Except as otherwise indicated, financial information presented in Taka has been rounded to the nearest integer.

## 2.5 Use of judgments and estimates

In preparing these consolidated financial statements in conformity with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), management has required to make judgments, estimates and assumptions that affect the application of bank's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The most critical estimates and judgments are applied to the following:

- Provision for loan and advances/investments- as explained in note 2.15.3;
- Employee benefit- as explained in note 2.23;
- Income tax- as explained in note 2.24;
- Deferred tax assets/liabilities- as explained in note 15.8; and
- Useful lives of depreciable assets regard to noncurrent assets- as stated in **Annexure-D**.

However, underlying assumptions on estimates are reviewed on a going concern basis and revisions thereon are recognised in the period in which the estimates are revised. It is also required to disclose the contingent assets and liabilities at the date of the financial statements in accordance with the guidelines as prescribed by IAS 37: "Provisions, Contingent Liabilities and Contingent Assets".

### **Provision**

Provisions are liabilities that are uncertain in timing or amount. Provisions are recognised in the following situations:

- the entity has a present (legal or constructive) obligation as a result of past events;
- probable out flow of resources to settle the obligation and the obligation can be measured reliably;
- it is more likely than not that outflow of resources will be required to settle the present obligation exists at the end of reporting period.

### **Contingent Liability**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events. A contingent liability arises when some, but not all, of the criteria for recognizing a provision are met.

IAS 37 applies prudence by deeming a past event to give rise to a present obligation and an entity shall not recognise a contingent liability. However, if it is possible rather than probable that an obligation exists, a contingent liability will exist, not a provision in the financial statements. An entity shall disclose for each class of transaction of contingent liability at the end of the reporting period if the contingent liability is not remote.

### **Contingent Assets**

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity. Contingent assets are never recognised rather they are disclosed in the financial statements when they arise.

## 2.6 Reporting period

These financial statements cover one calendar year from 1 January 2021 to 31 December 2021.

## 2.7 Dividend

Dividend on ordinary shares is recognised as a liability and deducted from retained earnings when they are approved by shareholders at the Annual General Meeting (AGM) of the Bank.

Dividend on ordinary shares for the year that is recommended by the Board of Directors after the balance sheet date for approval of shareholders at the Annual General Meeting are disclosed in note - 49 to the financial statements.

## 2.8 Date of authorization

The Board of Directors has authorised this financial statements for public issue on 26 April 2022.

## 2.9 Cash flow statement

The cash flow statement has been prepared in accordance with IAS 7 as well as considering the requirements specified in BRPD circular no. 14 dated 25 June 2003 issued by the Banking Regulation and Policy Department of Bangladesh Bank.

## 2.10 Statement of changes in equity

The Statement of changes in equity reflects information about the increase or decrease in net assets or wealth. Statement of changes in equity is prepared principally in accordance with IAS-1 "Presentation of Financial Statements" and under the guidelines of Bangladesh Bank's BRPD Circular no. 14 dated 25 June 2003.



## 2.11 Liquidity statement

The liquidity statement of assets and liabilities as on the reporting date has been prepared on the following basis:

Particulars	Basis
Cash, balance with other banks and financial institutions, money at call and short notice, etc.	Stated maturity/observed behavioural trend.
Investments	Residual maturity term.
Loan and advance/investment	Repayment /maturity schedule and behavioural trend (non-maturity products)
Fixed assets	Useful life
Other assets	Realisation/amortisation basis
Borrowing from other banks and financial institutions	Maturity/repayment term
Deposits and other accounts	Maturity/behavioural trend (non-maturity products)
Other long term liabilities	Maturity term
Provisions and other liabilities	Settlement/adjustment schedule basis

## 2.12 Financial statements for Offshore Banking Unit (OBU)

Reporting currency of Offshore Banking Unit is US Dollar. However, foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per IAS 21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at period end mid rate of exchange as at 31 December 2021.

## 2.13 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements of the group and those of the Bank have been applied consistently except otherwise instructed by Bangladesh Bank as the prime regulator. Certain comparative amounts in the financial statements have been reclassified and rearranged to conform to the current year's presentation.

### Accounting policies of subsidiaries

The financial statements of subsidiaries (Dhaka Bank Securities Limited and Dhaka Bank Investment Limited) which are included in the Consolidated Financial Statements of the Group have been prepared using uniform accounting policies of the Bank (Parent) for transactions and other events in similar nature. There is no significant restriction on the ability of subsidiaries to transfer funds to the parent in the form of cash dividends or to repay loans and advances. All subsidiaries of the Bank have been incorporated in Bangladesh.

### 2.13.1 Accounting policy for IFRS 16: Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and

- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

### 2.13.2 Basis of consolidation

The consolidated financial statements include the financial statements of Dhaka Bank Limited and those of its two subsidiaries (Dhaka Bank Securities Limited and Dhaka Bank Investment Limited) prepared as at and for the year ended 31 December 2021. The consolidated financial statements have been prepared in accordance with IFRS 10 'Consolidated Financial Statements'.

Name of subsidiary	Ownership	Date of incorporation	Country of operation	Status	Regulator	Year/period closing
Dhaka Bank Securities Limited	99.99%	19-Jul-10	Bangladesh	Majority Owned	Bangladesh Securities and Exchange Commission (BSEC)	31 December
Dhaka Bank Investment Limited	99.99%	2-Dec-13	Bangladesh	Majority Owned	Bangladesh Securities and Exchange Commission (BSEC)	31 December

### 2.13.3 Non-controlling interest

The Group elects to measure any non-controlling interests in the subsidiaries either:

- at fair value; or
- at their proportionate share of the acquired identifiable net assets, which are generally at fair value.

### 2.13.4 Transactions eliminated on consolidation

Intra-group balances and income and expenses arising from intra-group transactions are eliminated in preparing these consolidated financial statements.

### 2.14 Foreign currency transactions

According to IAS 21 "The Effects of Changes in Foreign Exchange Rates", transactions in foreign currencies are recorded in the functional currency at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the spot exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognised in the profit and loss statement.

### 2.15 Assets and basis of their valuation

#### 2.15.1 Cash and cash equivalents

Cash and cash equivalents include cash in hand, balances with Bangladesh Bank and its agent banks, balance with other banks and financial institutions, money at call on short notice and prize bonds.

#### 2.15.2 Investments

All investments (other than government treasury securities) are initially recognised at cost including acquisition charges associated with the investment. Premiums are amortised and discount accreted using the effective or historical yield method. Accounting treatment of government treasury bills and bonds (categorised as HFT and HTM) are made in accordance with Bangladesh Bank DOS Circular letter no. 05 dated 26 May 2008 and subsequent clarifications DOS Circular letter no. 05 dated 28 January 2009.

### Held to Maturity

Investments which have 'fixed or determinable payments' and are intended to be held to maturity are classified as 'Held to Maturity'. These are measured at amortised cost at each year end by taking into account any discount or premium in acquisition. Any increase or decrease in value of such investments are booked under equity and in the profit and loss statement respectively.

### Held for Trading

Investments classified in this category are acquired principally for the purpose of selling or repurchasing in short trading or if designated as such by the management. After initial recognition, investments are mark to market weekly and any decrease in the present value is recognised in the Profit and Loss Account and any increase is booked to Revaluation Reserve Account as per DOS Circular no. 05 dated 28 January 2009.

### Investment in quoted shares

These securities are bought and held primarily for the purpose of selling them in future or held for dividend income. These are valued and reported at cost price as per Bangladesh Bank's guidelines. Booking of provision for investment in securities (gain/loss net off basis) are made as per DOS circular no. 4 dated 24 November 2011.

### Investment in unquoted shares

Investment in unquoted shares are recognised at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unquoted shares.

Value of investments has been shown as under:

Investment Class	Initial Recognition	Measurement after initial recognition	Recording of changes
Government treasury securities- Held to Maturity (HTM)	Cost	Amortised cost	Increase in value of such investments is booked to equity, decrease to profit and loss account.
Government treasury securities- Held for Trading (HFT)	Cost	Fair value	Loss to Profit and Loss Account, gain to Revaluation Reserve.
Debenture/Bond	Face value	Face value	None
Shares (Quoted) *	Cost	Cost	Loss (net off gain) to profit and loss account but no unrealised gain booking.
Shares (Unquoted)*	Cost	Lower of cost or Net Asset Value (NAV)	Loss to profit and loss account but no unrealised gain booking.
Prize bond	Cost	Cost	None

\* Provision for shares against unrealised loss (net off gain) has been taken into account according to DOS circular no. 4 dated 24 November 2011 of Bangladesh Bank.

### Investment in Subsidiaries

Investments in subsidiaries are accounted for under the cost method of accounting in the Bank's financial statements in accordance with IAS 27 'Consolidated and Separate Financial Statements' and IFRS 10 "Consolidated Financial Statements". Impairment of investment in subsidiaries (if any) the bank takes it into account as per the provision of IAS 36 "Impairment of Assets".

### 2.15.3 Loans and advances/investments and provisions for loans and advances/investments

- a) Loans and advances of conventional banking/investments of Islamic Banking branches are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not sell in the normal course of business.
- b) At each balance sheet date and periodically throughout the year, the Bank reviews loans and advances to assess whether objective evidence that impairment of a loan or portfolio of loans has arisen supporting a change in the classification of loans and advances, which may result in a change in the provision required in accordance with BRPD circular no. 53 dated 30 December 2021, BRPD circular no. 52 dated 29 December 2021, BRPD circular no. 51 dated 29 December 2021, BRPD circular no. 50 dated 14 December 2021, BRPD circular no. 45 dated 04 October 2021, BRPD circular no. 19 dated 26 August 2021, BRPD circular no. 13 dated 27 June 2021, BRPD circular no. 05 dated 24 March 2021, BRPD circular no. 03 dated 31 January 2021, BRPD circular no. 56 dated 10 December 2020, BRPD circular no. 52 dated 20 October 2020, BRPD circular no. 16 dated 21 July 2020, BRPD circular no. 03 dated 21 April 2019, BRPD circular no. 01 dated 20 February 2018, BRPD circular no.15 dated 27 September 2017, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 05 dated 29 May 2013, BRPD circular no. 19 dated 27 December 2012 and BRPD circular no. 14 dated 23 September 2012. The guidance in the circular follows a formulaic approach whereby specified rates are applied to the various categories of loans as defined in the circular. The provisioning rates are as follows:

Types of loans and advances	Provision				
	STD	SMA	SS	DF	BL
Consumer:					
House building and professional	1.00% - 2.00%	1.00% - 2.00%	20.00%	50.00%	100.00%
Other than housing finance & professionals to setup business	2.00%	2.00%	20.00%	50.00%	100.00%
Provision for loan to broker house, merchant banks, stock dealers etc.	2.00%	2.00%	20.00%	50.00%	100.00%
Short-term agri-credit and micro credit	1.00%	1.00%	5.00%	5.00%	100.00%
Small and medium enterprise finance	0.25%	0.25%	20.00%	50.00%	100.00%
Cottage, micro and small credit (CMSME)	0.25%	0.25%	5.00%	20.00%	100.00%
Others	1.00%	1.00%	20.00%	50.00%	100.00%

BRPD circular no.14 (23 September 2012) as amended by BRPD circular no. 19 (27 December 2012) also provides scope for further provisioning based on qualitative judgments. In these circumstances, impairment losses are calculated on individual loans considered individually significant based on which specific provisions are raised. If the specific provisions assessed under the qualitative methodology are higher than the specific provisions assessed under the formulaic approach above, the higher of the two is recognised in liabilities under "Provision for loans and advances" with any movement in the provision charged/released in the profit and loss account. Classified loans are categorised into sub-standard, doubtful and bad/loss based on the criteria stipulated by Bangladesh Bank guideline.

- c) Loans and advances are written off to the extent that i) there is no realistic prospect of recovery and ii) against which legal cases are filed, where required and classified as bad/loss as per as per BRPD circular no. 02 dated 13 January 2003, BRPD circular no. 13 dated 07 November 2013 and BRPD circular no. 01 dated 06 February 2019 of Bangladesh Bank.

These write off however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such written off accounts are maintained and followed up.

- d) Amounts receivable on credit cards are included in advances to customers at the amounts expected to be recovered.

#### 2.15.4 Staff loan

House building and car loan are provided to the permanent staff at a subsidised rate. Criteria and detail of type wise staff loan are given below:

**House building loan:** A permanent staff completing 5 years (7 years for lateral staff) of service and all permanent staff from SPO can avail house building loan subject to getting approval from Managing Director, CEO and recommended by the concerned divisional head.

**Car loan:** All permanent staff from AVP can avail car loan subject to getting approval from Managing Director, CEO and recommended by the concerned divisional head.

#### 2.15.5 Fixed assets (property, plant and equipment)

##### Recognition and measurement

As per IAS 16 "Property, plant and equipment" Items of fixed assets excluding land are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land is carried at cost.

Purchase of software that is integral to the related equipment is capitalised as part of that equipment.

Cost includes expenditure that are directly attributable to the acquisition of asset and bringing to the location and condition necessary for it to be capable of operating in the intended manner.

When significant parts of an item of fixed asset have different useful lives, they are accounted for as separate items (major components) of fixed assets.

The gain or loss on disposal of an item of fixed asset is determined by comparing the proceeds from disposal with the carrying amount of the item of fixed asset, and is recognised in other income/other expenses in profit or loss account.

##### Subsequent costs

The cost of replacing a component of an item of fixed asset is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The carrying amount of the replaced parts is derecognised. The costs of the day to day servicing of fixed assets are recognised in the profit and loss account as incurred.

## Depreciation

Depreciation on fixed assets are recognised in the profit and loss statement on straight line method over its estimated useful lives. In case of acquisition of fixed assets, depreciation is charged from the month of acquisition whereas depreciation on disposed off fixed assets are charged up to the month prior to the disposal. Asset category wise depreciation rates for the current and comparative periods are as follows:

<u>Category of assets</u>	<u>Rate of depreciation</u>
Land	Nil
Building & Renovation	2.5%
Furniture and fixtures	10%
Office Appliances & Equipment	20%
Computer	20%
Software	10%
Motor Vehicle	20%

### 2.15.6 Non-banking assets

Non-banking assets were acquired by the entity due to failure of borrowers to repay the loan in time taken against mortgaged property. The Bank was awarded absolute ownership on few mortgaged properties (mostly land) through the verdict of honourable court under section 33 (7) of the Artha Rin Adalat Ain, 2003. The value of the properties has been recognised in the financial statements as non-earning assets on the basis of third party valuation report. As per BRPD circular no.22 dated 20 September 2021, there is separate guideline for accounting for Non-banking asset.

### 2.15.7 Provisions for other assets

BRPD Circular no.14 (25 June 2001) requires a provision of 100% on other assets which are outstanding for one year and above. The Bank maintains provisions in line with this circular unless it assesses there is no doubt of recovery on items of other assets in which case no provision is kept.

### 2.15.8 Intangible assets and its amortisation

Intangible assets comprise separately identifiable intangible items arising from the use of Flexcube Universal Banking System (UBS) from Oracle Financial Services Software Limited. Intangible assets are recognised at cost. Intangible assets with a definite useful life are amortised using the straight line method over its estimated useful economic life.

### 2.15.9 Reconciliation of inter-bank and inter-branch account

Account with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may impact the financial statements significantly. Unreconciled entries/balances in the case of inter-branch transactions on the reporting date are not material.

## 2.16 Liabilities and basis of their valuation

### 2.16.1 Tier-II Subordinated Bond

Tier-II Subordinated Bond includes fund raised from several banks, financial institutions and other organization through issuance of 7 (seven) years Bonds for Taka 3,000 million during 2016 and 7 (Seven) years Bonds for Taka 5,000 million during 2018. Details are shown in note 14.

### 2.16.2 Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents includes refinance from Bangladesh Bank against agro-based credit, SME and EDF Loan etc., interest-bearing borrowings against securities from Bangladesh Bank, call borrowing from other banks and borrowing from other multilateral organisations. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in note 12.

### 2.16.3 Deposits and other accounts

Deposits and other accounts include non interest-bearing current deposit redeemable at call, interest bearing on demand and short-term deposits, savings deposit and fixed deposit. These items are brought into financial statement at the gross value of outstanding balance. Details are shown in note 13.

### 2.16.4 Provision for liabilities

As per IAS 37, provisions are recognised when it is probable that an outflow of economic benefits will be required to settle a current legal or constructive obligation as a result of past events and a reliable estimate can be made of the amount of the obligation.

#### **2.16.5 Provision for Off-balance sheet exposure**

As per BRPD circular no. 14 dated 23 September 2012, the Bank has recognised 1% General Provision on the following off balance sheet exposures as defined in BRPD circular no. 10 dated 24 November 2002, considering the exemption as provided through BRPD circular no. 01 dated 03 January 2018, BRPD circular no. 7 dated 21 June 2018, BRPD circular no. 13 dated 18 October 2018, BRPD circular no. 02 dated 25 February 2019, BRPD circular no. 09 dated 27 May 2019.

- Acceptances & Endorsements;
- Letters of Guarantee; and
- Irrevocable Letters of Credit.

#### **2.16.6 Provisions on balances with other banks and financial institutions (Nostro accounts)**

Provision for unsettled transactions on nostro accounts is made as per Foreign Exchange Policy Department (FEPD) circular no. FEPD (FEMO) / 01/2005-677 dated 13 September 2005 of Foreign Exchange Policy Department (FEPD) of Bangladesh Bank and reviewed semi-annually by our management along with duly certified by the external auditor. On the reporting date, the Bank has no unsettled transactions outstanding for more than 3 months and no provision has been made in this regard.

#### **2.16.7 Provision for rebate to good borrower**

Previously commercial banks were required to maintain provision of rebate amount (@10% of interest charged against loans to good borrowers) identified on the basis of prescribed guidelines stated in BRPD circular no. 06 dated 19 March 2015 and BRPD circular Letter no. 03 dated 16 February 2016 for onward rebate to the recognised good borrowers. However, Bangladesh Bank during 2020 issued another circular BRPD circular no. 14 dated 18 June 2020, wherein it is mentioned that from 2020 banks need not to provide any rebate to good borrowers. Hence, during 2020, no further good borrowers' provision was accounted for in the financial statements.

#### **2.16.8 Other liabilities**

Other liabilities comprise items such as provision for loans and advances/investments, provision for taxation, interest payable, interest suspense, accrued expenses, lease obligation etc. Other liabilities are recognised in the balance sheet according to the guidelines of Bangladesh Bank, Income Tax Ordinance, 1984 and internal policy of the Bank.

#### **2.17 Capital/Shareholders' equity**

##### **2.17.1 Authorised capital**

Authorised capital is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association to issue (allocate) among shareholders. This amount can be changed by shareholders' approval upon fulfilment of relevant provisions of the Companies Act, 1994. Part of the authorised capital usually remains unissued. The part of the authorised capital already issued to shareholders is referred to as the issued share capital of the Bank.

##### **2.17.2 Paid up capital**

Paid up capital represents total amount of shareholders' capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding-up of the Bank, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

##### **2.17.3 Statutory reserve**

Statutory reserve has been maintained at the rate of 20% of profit before tax in accordance with provisions of section 24 of The Bank Company Act, 1991 and amendment thereon such transfer shall continue until the reserve balance equals its paid up capital together with the share premium.

##### **2.17.4 Revaluation reserve for government securities**

Revaluation reserve for government securities arises from the revaluation of treasury bills, Bangladesh Bank bills and treasury bonds (HFT and HTM) in accordance with the DOS Circular no. 5 dated 26 May 2008 and DOS(SR) 1153/120/2010 dated 8 December 2010.

##### **2.17.5 Capital management**

The Bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve the following objectives:

- To comply with the capital requirements set by the regulators;
- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- To maintain a strong capital base to support the development of its business.

Capital is managed in accordance with the Board approved Capital Management Planning. Senior management develops the capital strategy and oversee the capital management planning of the Bank. The Bank's finance, treasury and risk management divisions are key participants in implementing the Bank's capital strategy and managing capital. Capital is managed using both regulatory capital measures and internal matrix.

## **2.18 Revenue recognition**

### **2.18.1 Interest income**

Interest on loans and advances is calculated on daily product basis. Based on product features, interest is accrued or charged to customers' accounts on monthly/quarterly basis.

In accordance with BRPD circular no. 14 dated 23 September 2012, as amended by BRPD circular No. 19 dated 27 December 2012 and BRPD circular no. 56 dated 10 December 2020, interest accrued on sub-standard loans and doubtful loans are credited to an "Interest Suspense Account" which is included within "Other liabilities". Interest from loans and advances ceases to be accrued when they are classified as bad/loss. It is then kept in interest suspense in a memorandum account.

### **2.18.2 Profit on investment (Islamic Banking)**

Mark-up on investment is taken into income account proportionately from profit receivable account. Overdue charge/compensation on classified investments are transferred to profit suspense account instead of income account.

### **2.18.3 Investment income**

Income on investments are recognised on accrual basis. Investment income includes discount on treasury bills and Bangladesh Bank bills, interest on treasury bonds and fixed deposit with other banks. Capital gain on investments in shares are also included in investment income. Capital gain is recognised when it is realised.

### **2.18.4 Fees and commission income**

The Bank earns commission and fee income from a diverse range of service provided to its customers. Commission and fee income is accounted for as follows:

- income earned on the execution of a significant act is recognised as revenue when the act is completed
- income earned from services provided is recognised as revenue as the services are provided
- commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

## **2.19 Interest paid on subordinated bond, borrowing and other deposits (Conventional banking)**

Interest paid and other expenses are recognised on accrual basis.

## **2.20 Profit shared on deposits (Islamic banking)**

Profit shared to mudaraba deposits are recognised on accrual basis.

## **2.21 Dividend income**

Dividend income is recognised when the right to receive income is established. Dividends are presented under investment income.

## **2.22 Others**

### **Foreign exchange gain/ loss**

Exchange income includes all gain and losses from foreign currency day to day transactions, conversions and revaluation of non monetary items.

## **2.23 Employee benefits**

### **2.23.1 Provident Fund**

Provident Fund benefits are given to the permanent staff of the Bank in accordance with the registered Provident Fund rules. The Commissioner of Income Tax, Taxes Zone-5, Dhaka, has approved the Provident Fund as a recognised fund within the meaning of section 2(52) read with the provisions of part - B of the First Schedule of Income Tax Ordinance, 1984. The recognition took effect on 1 July 1996. The Provident Fund is operated by a Board of Trustees consisting of 7 members of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription to the Provident Fund. The Bank also contributes equal amount to the Provident Fund. Contributions made by the Bank are charged as expense and the Bank bears no further liability. Interest earned from the investments is credited to the members' account on yearly basis. By Law, the Provident fund is duly audited by Mak & Co., Chartered Accountants.

### **2.23.2 Gratuity Fund**

Gratuity Fund benefits are given to the staff of the Bank in accordance with the approved Gratuity Fund rules. National Board of Revenue has approved the Gratuity Fund as a recognised gratuity fund with effect from 25 April 2006. The Gratuity Fund is operated by a Board of Trustee consists of 10 members of the Bank. Provision for gratuity is made annually covering all its permanent eligible employees. A valuation of gratuity scheme is regularly carried out by a professional Actuarial & Pension Consultants, M/S Z. Halim & Associates to assess the adequacy of the liabilities provided for the scheme as per IAS 19 "Employee Benefits". On continuing fund basis valuation, the Bank has been maintaining adequate provision against gratuity scheme. By Law, the Gratuity fund is duly audited by Mak & Co., Chartered Accountants.

### **2.23.3 Superannuation fund**

The Bank operates a Superannuation Fund Trust by a Board of Trustees consisting of ten members at present. The death-cum survival benefits are given to the employees as per the eligibility narrated in the Trust Rules. The fund got recognition from the National Board of Revenue (NBR) with effect from 1 January 2001 under section 3 & 4 of part- A of first schedule of Income Tax Ordinance, 1984. During the year 2017, Dhaka Bank Limited had appointed an actuary and the Bank contributes to the fund annually as per Superannuation Fund Rules of the Bank. The Bank has conducted an actuarial valuation for the said Superannuation Fund and contributions to the fund are maintained as per actuary report. By Law, the superannuation fund is duly audited by Mak & Co., Chartered Accountants.

Moreover, in the Bank, performance bonus provision is there, which is distributed among the employees on the basis of individual employee's yearly performance with a view to recognise welfare of the employees and reward their participation and contribution to the company.

## **2.24 Tax expense**

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the profit and loss statement except to the extent that it relates to items recognised directly in equity.

### **2.24.1 Current tax**

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Details are shown in note 15.7.

### **2.24.2 Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future;

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### **2.24.3 Tax exposures**

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Bank to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

## **2.25 Impairment of non-financial assets**

The carrying amounts of the Group's and the Bank's non-financial assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its Cash Generating Unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.



For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses (if any) recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## 2.26 Earnings per share

The Group and the Bank present basic and diluted Earnings Per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees. No diluted earnings per share is required to be calculated for the period.

## 2.27 Compliance with International Financial Reporting Standards (IFRS)

Name of the standards	IFRS Ref.	Implementation status by the Bank
First-time Adoption of International Financial Reporting Standards	IFRS-1	Not applicable
Share based Payment	IFRS-2	Not applicable
Business Combinations	IFRS-3	Not applicable
Insurance Contracts	IFRS-4	Not applicable
Non-current Assets Held for Sale and Discontinued Operations	IFRS-5	Not applicable
Exploration for and Evaluation of Mineral Resources	IFRS-6	Not applicable
Financial Instruments: Disclosures	IFRS-7	Applied with some departure (note 2.1)
Operating Segments	IFRS-8	Applied with some departure (note 2.30)
Financial Instruments	IFRS-9	Applied with some departure (note 2.1)
Consolidated Financial Statements	IFRS-10	Applied
Joint Arrangements	IFRS-11	Not applicable
Disclosure of Interest in Other Entities	IFRS-12	Applied
Fair Value Measurement	IFRS-13	Applied with some departure (note 2.1)
Regulatory Deferral Accounts	IFRS-14	Not applicable
Revenue from contract with customers	IFRS-15	Applied
Leases	IFRS-16	Applied
Presentation of Financial Statements	IAS-1	Applied with some departure (note 2.1)
Inventories	IAS-2	Not Applicable
Statement of Cash Flows	IAS-7	Applied with some departure (note 2.1)
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
Events After the Reporting Period	IAS-10	Applied
Construction Contracts	IAS-11	Not Applicable
Income Taxes	IAS-12	Applied
Property, Plant and Equipment	IAS-16	Applied
Employee Benefits	IAS-19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	IAS-20	Not Applicable
The Effects of Changes in Foreign Exchange Rates	IAS-21	Applied
Borrowing Costs	IAS-23	Not Applicable
Related Party Disclosures	IAS-24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS-26	Not Applicable
Separate Financial Statements	IAS-27	Applied
Investments in Associates and Joint Ventures	IAS-28	Not Applicable
Financial Reporting in Hyperinflationary Economies	IAS-29	Not Applicable
Financial Instruments: Presentation	IAS-32	Applied with some departure (note 2.1)
Earnings Per Share	IAS-33	Applied
Interim Financial Reporting	IAS-34	Applied
Impairment of Assets	IAS-36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied
Intangible Assets	IAS-38	Applied
Investment Property	IAS-40	Not Applicable
Agriculture	IAS-41	Not Applicable

In order to comply with certain specific rules and regulations of Bangladesh Bank which are different to IAS/IFRS, some of the requirements specified in these IAS/IFRSs are not applied. Refer to note 2.1 for such recognition and measurement differences that are most relevant and material to the Bank and the Group.

The Standard regards a retirement benefit plan as a reporting entity separate from the employers of the participants in the plan. Therefore, it is not applicable for the Bank's annual report as it is the employer and not the retirement benefit plan itself.

The objective of IAS 34 is to prescribe the minimum content of an interim financial report and to prescribe the principles for recognition and measurement in complete or condensed financial statements for an interim period and hence it is not applicable for annual financial statements. However, the Bank being a listed entity in Dhaka and Chittagong Stock Exchanges regularly publishes Interim Financial Report complying with IAS 34.

## 2.28 Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted; however, the Bank has not early adopted the other new or amended standards in preparing these financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Bank's financial statements:

- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37);
- Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Reference to Conceptual Framework (Amendments to IFRS 3);
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1); and
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts.

## 2.29 Offsetting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when, and only when, the group has a legal right to set off the recognised amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a group of similar transactions such as in the group's trading activity.

## 2.30 Segment reporting

The Group and the Bank have no identified operating segment and as such presentation of segment reporting is not made in the financial statements as per IFRS 8. However business segments wise limited disclosures are furnished in note 48.

Inter-segment transactions are generally based on inter-branch fund transfer measures as determined by the management. Income, expenses, assets and liabilities are specifically identified with individual segments. Based on such allocation, segment balance sheet as on 31 December 2021 and segment profit and loss account for the year ended 31 December 2021 have been prepared.

## 2.31 Materiality and aggregation

Each material class of similar items has been presented separately in the financial statements. Items of dissimilar nature also have been presented separately unless they are immaterial in accordance with IAS 1 'Presentation of Financial Statements'.

## 2.32 Credit rating of the Bank

As per BRPD circular no. 6 dated 5 July 2006, the Bank has done its credit rating by Emerging Credit Rating Limited based on the financial statements as at and for the year ended 31 December 2020. The following ratings have been awarded:

Particulars	Periods	Date of Rating	Long term	Short term	Rating Valid
Entity Rating	January to December 2020	18-May-21	AA	ST-2	7-Apr-22
Entity Rating	January to December 2019	30-Jun-20	AA	ST-2	7-Apr-21
Entity Rating	January to December 2018	29-May-19	AA	ST-2	7-Apr-20
Entity Rating	January to December 2017	23-May-18	AA	ST-2	7-Apr-19

### **2.33 Related party disclosures**

A party is related to the company if:

(i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the company; has an interest in the company that gives it significant influence over the company; or has joint control over the company;

(ii) the party is an associate;

(iii) the party is a joint venture;

(iv) the party is a member of the key management personnel of the Company or its parent;

(v) the party is a close member of the family of any individual referred to in (i) or (iv);

(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

(vii) the party is a post-employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the company.

Details of the related party disclosures presented in **Annexure-G**.

### **2.34 Events after reporting period**

As per IAS -10 "Events after Reporting Period" events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of events can be identified:

(a) adjusting events after the reporting period (those that provide evidence of conditions that existed at the end of the reporting period); and

(b) non adjusting events after the reporting period (those that are indicative of conditions that arose after the reporting period).

*Details of the Events after reporting period presented in note no. 49.*

		31.12.2021 Taka	31.12.2020 Taka
<b>3. Cash</b>			
Cash in hand	(Note: 3.1)	2,301,355,729	2,872,208,228
Balance with Bangladesh Bank and its agent bank(s)	(Note: 3.2)	17,537,069,920	14,531,122,693
		<b>19,838,425,649</b>	<b>17,403,330,921</b>
<b>3(a) Consolidated Cash</b>			
Dhaka Bank Limited	(Note: 3)	19,838,425,649	17,403,330,921
Dhaka Bank Securities Limited		105,000	105,000
Dhaka Bank Investment Limited		-	-
		<b>19,838,530,649</b>	<b>17,403,435,921</b>
<b>3.1 Cash in hand</b>			
In local currency		2,265,868,323	2,748,390,355
In foreign currencies		35,487,406	123,817,873
		<b>2,301,355,729</b>	<b>2,872,208,228</b>

Cash in hand (local currency) includes balance of cash held at Automated Teller Machine (ATM).

<b>3.1(a) Consolidated Cash in hand</b>			
Dhaka Bank Limited	(Note: 3.1)	2,301,355,729	2,872,208,228
Dhaka Bank Securities Limited		105,000	105,000
Dhaka Bank Investment Limited		-	-
		<b>2,301,460,729</b>	<b>2,872,313,228</b>
<b>3.2 Balance with Bangladesh Bank and its agent bank(s)</b>			
Balance with Bangladesh Bank			
In local currency		16,918,545,903	9,564,386,285
Conventional		16,406,522,671	9,162,202,735
Al-Wadiah current account		512,023,232	402,183,550
In foreign currencies		484,099,742	4,728,202,077
Balance with Sonali Bank as agent of Bangladesh Bank		17,402,645,645	14,292,588,362
		134,424,275	238,534,331
		<b>17,537,069,920</b>	<b>14,531,122,693</b>

As per Bangladesh Bank circulars/guidelines, balance with Bangladesh Bank is a part of cash and cash equivalent regardless of any restriction. However, to meet up the foreign currency liabilities of the bank, the cover fund against the liabilities has been kept and booked in Bangladesh Bank FC Clearing account as well as Nostro Bank Accounts.

<b>3.2(a) Consolidated Balance with Bangladesh Bank and its agent bank(s)</b>			
Dhaka Bank Limited	(Note: 3.2)	17,537,069,920	14,531,122,693
Dhaka Bank Securities Limited		-	-
Dhaka Bank Investment Limited		-	-
		<b>17,537,069,920</b>	<b>14,531,122,693</b>

### 3.3 Statutory deposits

Cash Reserve Ratio and Statutory Liquidity Ratio have been calculated and maintained as per Section 33 of The Bank Company Act, 1991 and amendment thereon and MPD Circular no. 4, dated 1 December 2010, MPD Circular no. 2 dated 10 December 2013, MPD Circular no. 1 dated 23 June 2014, MPD Circular no. 1 dated 03 April 2018 and MPD Circular no. 3 dated 9 April 2020.

#### 3.3.1 Cash Reserve Ratio (CRR)

##### Conventional Banking

##### Bi-weekly Requirement

(4.00% of Average Demand and Time Liabilities)

Required Reserve	7,658,465,235	7,921,941,424
Actual reserve maintained	9,579,659,466	8,499,063,407
<b>Surplus</b>	<b>1,921,194,231</b>	<b>577,121,983</b>

**Required  
Maintained**

**4.00%                      4.00%**  
**5.00%                      4.29%**

##### Daily Requirement

(3.50% of Average Demand and Time Liabilities)

Required Reserve	6,671,023,088	6,907,354,534
Actual reserve maintained	16,345,847,762	9,571,412,316
<b>Surplus</b>	<b>9,674,824,674</b>	<b>2,664,057,782</b>

**Required  
Maintained**

**3.50%                      3.50%**  
**8.58%                      4.85%**

31.12.2021 Taka	31.12.2020 Taka
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### Islamic Banking

#### Bi-weekly Requirement

(4.00% of Average Demand and Time Liabilities)

Required Reserve	407,797,140	342,734,304
Actual reserve maintained	501,465,007	444,276,492
<b>Surplus</b>	<b>93,667,867</b>	<b>101,542,188</b>

<b>Required</b>	<b>4.00%</b>	<b>4.00%</b>
<b>Maintained</b>	<b>4.92%</b>	<b>5.19%</b>

#### Daily Requirement

(3.50% of Average Demand and Time Liabilities)

Required Reserve	356,822,498	299,892,516
Actual reserve maintained	512,023,232	402,183,550
<b>Surplus</b>	<b>155,200,734</b>	<b>102,291,034</b>

<b>Required</b>	<b>3.50%</b>	<b>3.50%</b>
<b>Maintained</b>	<b>5.02%</b>	<b>4.69%</b>

### 3.3.2 Statutory Liquidity Ratio (SLR)

#### Conventional Banking

(13% of Average Demand & Time Liabilities )

Required Reserve	25,673,495,835	26,379,259,140
Actual reserve maintained	49,039,435,077	36,921,011,515
<b>Surplus</b>	<b>23,365,939,242</b>	<b>10,541,752,375</b>

<b>Required</b>	<b>13.00%</b>	<b>13.00%</b>
<b>Maintained</b>	<b>24.83%</b>	<b>18.20%</b>

#### Islamic Banking

(5.50% of Average Demand and Time Liabilities)

Required Reserve	560,721,068	471,259,668
Actual reserve maintained	818,304,794	876,661,478
<b>Surplus</b>	<b>257,583,726</b>	<b>405,401,810</b>

<b>Required</b>	<b>5.50%</b>	<b>5.50%</b>
<b>Maintained</b>	<b>8.03%</b>	<b>10.23%</b>

#### Held for Statutory Liquidity Ratio (Conventional)

Cash in hand	2,262,777,026	2,828,965,996
Balance with Bangladesh Bank and its agent Bank(s) over CRR	8,858,774,124	1,887,639,917
Government Securities (excluding Assured Liquidity Support)	37,917,883,927	32,204,405,602
<b>49,039,435,077</b>	<b>36,921,011,515</b>	

#### Held for Statutory Liquidity Ratio (Islamic)

Cash in hand	38,578,702	43,242,231
Balance with Bangladesh Bank and its agent Bank(s) over CRR	104,226,092	59,449,246
Government Securities (excluding Assured Liquidity Support)	675,500,000	773,970,000
<b>818,304,794</b>	<b>876,661,477</b>	

Dhaka Bank Limited has maintained the above SLR and CRR requirement based on based on weekly average total demand and time liabilities (ATDTL) of the base month which is two months back of the reporting month.

As per DOS Circular No. 05 dated 26 May 2008, all the Government treasury bond and bill will be open for SLR requirement and Dhaka Bank Limited has maintained the minimum SLR as per said circular.

### 3.4 Maturity grouping of cash

On Demand	19,838,425,649	17,403,330,921
Upto 1 month	-	-
Over 1 month but not more than 3 months	-	-
Over 3 months but not more than 6 months	-	-
Over 6 months but not more than 1 year	-	-
Over 1 year but not more than 5 years	-	-
Over 5 years	-	-
<b>19,838,425,649</b>	<b>17,403,330,921</b>	

		<b>31.12.2021</b>	<b>31.12.2020</b>
		<b>Taka</b>	<b>Taka</b>
<b>4. Balance with other banks and financial institutions</b>			
In Bangladesh	(Note: 4.1)	20,076,318,982	15,019,122,898
Outside Bangladesh	(Note: 4.2)	2,134,722,181	2,997,995,091
		<b>22,211,041,163</b>	<b>18,017,117,989</b>
<b>4(a) Consolidated Balance with other banks and financial institutions</b>			
In Bangladesh	(Note: 4.1(a))	20,331,837,107	15,150,200,466
Outside Bangladesh	(Note: 4.2(a))	2,134,722,181	2,997,995,091
		<b>22,466,559,288</b>	<b>18,148,195,557</b>
<b>4.1 In Bangladesh</b>			
<b>Current Deposits</b>			
Sonali Bank Limited		62,036,375	69,229,980
Janata Bank Limited		670,462	50,552,204
Standard Chartered Bank (Visa Settlement)		17,466,885	6,479,653
Agrani Bank Limited		30,704,194	28,474,328
Islami Bank Bangladesh Limited		10,384,349	10,942,258
United Commercial Bank Limited		2,892,977	183,667
ICB Islamic Bank Limited		11,300,000	11,300,000
		<b>135,455,242</b>	<b>177,162,090</b>
<b>Special Notice Deposits (SND)</b>			
Janata Bank Limited		188,475	10,422,150
Dutch Bangla Bank Limited		29,090,112	7,190,432
Sonali Bank Limited		76,167	74,380
AB Bank Limited		1,702,413	692,678
Agrani Bank Limited		16,747	23,988
National Bank Limited		189,826	5,157,180
		<b>31,263,740</b>	<b>23,560,808</b>
<b>Fixed Deposits</b>			
<b>Commercial Banks</b>			
Shahjalal Islami Bank Limited		858,000,000	678,400,000
Islami Bank Bangladesh Ltd		3,861,000,000	4,240,000,000
National Bank Limited		-	1,000,000,000
The City Bank Limited		1,029,600,000	-
Al Arafah Islami Bank Ltd		429,000,000	-
Trust Bank Ltd		2,960,100,000	-
NCC Bank Ltd		257,400,000	-
Modhumoti Bank Ltd		42,900,000	-
Midland Bank Ltd Bank Ltd		171,600,000	-
AB Bank Limited		1,000,000,000	-
Jamuna Bank Ltd		1,500,000,000	-
Placement with OBU		10,254,770,010	7,363,952,300
		<b>22,364,370,010</b>	<b>13,282,352,300</b>
Less : Inter Unit (OBU)		10,254,770,010	7,363,952,300
		<b>12,109,600,000</b>	<b>5,918,400,000</b>
<b>Financial Institutions</b>			
Phoenix Finance and Investment Limited		100,000,000	100,000,000
Prime Finance		300,000,000	300,000,000
National Housing		-	500,000,000
IDLC Finance Limited		3,300,000,000	2,000,000,000
IPDC Finance Limited		4,100,000,000	6,000,000,000
		<b>7,800,000,000</b>	<b>8,900,000,000</b>
		<b>20,076,318,982</b>	<b>15,019,122,898</b>
<b>4.1(a) Consolidated In Bangladesh</b>			
Dhaka Bank Limited	(Note: 4.1)	20,076,318,982	15,019,122,898
Dhaka Bank Securities Limited		416,013,610	291,705,962
Dhaka Bank Investment Limited		311,292,096	328,002,182
		20,803,624,688	15,638,831,042
Less: Intercompany transaction		471,787,581	488,630,576
		<b>20,331,837,107</b>	<b>15,150,200,466</b>

	31.12.2021 Taka	31.12.2020 Taka
<b>4.2 Outside Bangladesh (Nostro Accounts)</b>		
<b>Current Deposits</b>		
Standard Chartered Bank, New York	247,019,185	731,711,536
Mashreq Bank, New York	153,994,977	90,119,514
Habib American Bank, OBU	334,220,549	894,897,924
J P Morgan AG,OBU	28,504,693	-
Indusind Bank Mumbai, OBU	625,974	-
Standard Chartered Bank, OBU	156,863,148	-
Commerz Bank, Frankfurt (USD)	76,261,188	16,318,682
Habib American Bank	88,129,834	71,240,513
Wells Fargo Bank	82,312,237	84,399,542
JP Morgan Chase Bank	123,829,726	279,787,620
Standard Chartered Bank, Mumbai	165,538,855	28,460,059
Sonali Bank	34,951,430	11,596,230
AB Bank	99,744,603	132,363,363
Nepal Bangladesh Bank	29,434,404	23,846,355
Sampath Bank	15,535,882	8,122,946
Bhutan National Bank	7,719,526	7,629,555
Bank of Bhutan	5,314,266	5,252,328
Habib Metropolitan Bank Ltd.	46,775,527	3,379,253
ICICI Bank Limited	47,291,371	164,532,945
Mashreq Bank, Mumbai	141,693,556	119,466,144
United Bank of India, Kolkata (ACUD)	105,578,686	93,322,587
Axis Bank Ltd, India	63,618,199	94,242,667
Union Bank of Switzerland	6,825,872	14,288,958
Commerz Bank, Frankfurt (EURO)	3,178,347	4,878,482
Standard Chartered Bank, Frankfurt	14,525,093	33,540,934
Unicredit S.P.A.	7,742,671	4,131,878
United Bank of India, Kolkata (EURO)	3,808,086	2,586,751
Commerz Bank, Frankfurt (AUD)	4,909,488	8,104,382
Standard Chartered Bank, Japan	22,335,286	33,989,472
Standard Chartered Bank, London	3,806,447	25,923,668
Commerz Bank, Frankfurt (CAD)	10,659,671	9,764,003
Al-Rajhi Bank, Saudi Arabia	1,973,404	96,800
	<b>2,134,722,181</b>	<b>2,997,995,091</b>

(Details are given in **Annexure - A**)

In order to meet up the foreign currency liabilities of the Bank, the cover fund against the liabilities has been kept and booked in Nostro Bank Accounts as well as Bangladesh Bank Foreign Currency Clearing account. All balances of Nostro Accounts have been reconciled.

<b>4.2(a) Consolidated Outside Bangladesh (Nostro Accounts)</b>			
Dhaka Bank Limited	(Note: 4.2)	2,134,722,181	2,997,995,091
Dhaka Bank Securities Limited		-	-
Dhaka Bank Investment Limited		-	-
		<b>2,134,722,181</b>	<b>2,997,995,091</b>
<b>4.3 Account-wise/grouping of balance with other banks and financial institutions</b>			
Current Deposits		2,270,177,423	3,175,157,181
Short-Notice Deposits		31,263,740	23,560,808
Fixed Deposits		19,909,600,000	14,818,400,000
		<b>22,211,041,163</b>	<b>18,017,117,989</b>
<b>4.4 Maturity grouping of balances with other banks and financial institutions</b>			
On demand		138,268,980	4,753,809,629
Upto 1 month		6,548,900,000	8,900,088,372
Over 1 month but not more than 3 months		13,623,572,183	1,845,440,335
Over 3 months but not more than 6 months		1,900,300,000	2,517,779,653
Over 6 months but not more than 1 year		-	-
Over 1 year but not more than 5 years		-	-
Over 5 years		-	-
		<b>22,211,041,163</b>	<b>18,017,117,989</b>
<b>5. Money at call on short notice</b>			
With banking companies	(Note: 5.1)	-	-
With non-banking financial institutions	(Note: 5.2)	5,650,000,000	700,000,000
		<b>5,650,000,000</b>	<b>700,000,000</b>
<b>5(a) Consolidated Money at call on short notice</b>			
Dhaka Bank Limited	(Note: 5)	5,650,000,000	700,000,000
Dhaka Bank Securities Limited		-	-
Dhaka Bank Investment Limited		-	-
		<b>5,650,000,000</b>	<b>700,000,000</b>

		31.12.2021 Taka	31.12.2020 Taka
<b>5.1 With banking companies</b>			
ICB Islamic Bank Limited		-	-
		-	-
ICB Islamic Bank Limited has been repaying their liabilities phase by phase under "The Oriental Bank Limited (Reconstruction) Scheme, 2007 as per Bangladesh Bank instructions vide Ref : BRPD(R-1)651/9(10)2007-446 dated 02.08.2007. <b>The outstanding amount of Tk.1.13 Crore now presented under the head "Balance with other banks and financial institutions".</b>			
<b>5.2 With non-banking financial institutions</b>			
Industrial Development Leasing Co. of Bangladesh		5,000,000,000	700,000,000
IPDC		150,000,000	-
DBH		500,000,000	-
		<b>5,650,000,000</b>	<b>700,000,000</b>
<b>5.3 Maturity grouping of money at call &amp; short notice</b>			
On demand		5,650,000,000	700,000,000
Up to 1 month		-	-
Over 1 month but not more than 3 months		-	-
Over 3 months but not more than 6 months		-	-
More than 6 months but less than 1 year		-	-
More than 1 years		-	-
		<b>5,650,000,000</b>	<b>700,000,000</b>
<b>6. Investments</b>			
Government securities	(Note: 6.1)	38,596,716,627	32,980,972,403
Other investments	(Note: 6.2)	10,527,360,453	6,463,783,648
		<b>49,124,077,080</b>	<b>39,444,756,051</b>
<b>6(a) Consolidated Investments</b>			
Dhaka Bank Limited	(Note: 6)	49,124,077,080	39,444,756,051
Dhaka Bank Securities Limited		3,234,986,908	2,916,094,630
Dhaka Bank Investment Limited		-	-
		<b>52,359,063,988</b>	<b>42,360,850,681</b>
<b>6.1 Government securities</b>			
Bangladesh Bank Bills	(Note: 6.1.1)	-	2,999,741,000
Treasury bonds	(Note: 6.1.2)	36,551,383,927	29,204,664,603
Government Islamic Bond		100,000,000	773,970,000
Government Ijarah Sukuk		1,942,000,000	-
Prizebond		3,332,700	2,596,800
		<b>38,596,716,627</b>	<b>32,980,972,403</b>
<b>6.1(a) Consolidated Government securities</b>			
Dhaka Bank Limited	(Note: 6.1)	38,596,716,627	32,980,972,403
Dhaka Bank Securities Limited		-	-
Dhaka Bank Investment Limited		-	-
		<b>38,596,716,627</b>	<b>32,980,972,403</b>
<b>6.1.1 Bangladesh Bank bills</b>			
182 days Treasury Bills		-	2,000,004,000
364 days Treasury Bills		-	999,737,000
		-	<b>2,999,741,000</b>
<b>6.1.2 Treasury Bonds</b>			
2 years Bangladesh Government Treasury Bond		1,658,708,254	2,554,889,657
5 years Bangladesh Government Treasury Bond		6,083,589,483	6,988,965,775
10 years Bangladesh Government Treasury Bond		20,552,129,087	11,257,670,617
15 years Bangladesh Government Treasury Bond		7,760,769,347	8,176,505,032
20 years Bangladesh Government Treasury Bond		496,187,756	226,633,522
		<b>36,551,383,927</b>	<b>29,204,664,603</b>
<b>6.2 Other investments</b>			
Investment in shares	(Note: 6.2.1)	3,332,360,453	903,783,648
Investment in subordinated bonds	(Note: 6.2.2)	4,545,000,000	5,560,000,000
Investment in Commercial Paper	(Note: 6.2.3)	-	-
Investment in Perpetual Bond	(Note: 6.2.4)	1,650,000,000	-
Investment on Beximco Green Sukuk al Istisna'a		1,000,000,000	-
		<b>10,527,360,453</b>	<b>6,463,783,648</b>
<b>6.2(a) Consolidated Other investments</b>			
Dhaka Bank Limited	(Note: 6.2)	10,527,360,453	6,463,783,648
Dhaka Bank Securities Limited		3,234,986,908	2,916,094,630
Dhaka Bank Investment Limited		-	-
		<b>13,762,347,361</b>	<b>9,379,878,278</b>



	31.12.2021 Taka	31.12.2020 Taka
<b>6.2.1 Shares</b>		
Quoted (Publicly Traded)	382,360,453	383,783,648
Unquoted	2,950,000,000	520,000,000
	<b>3,332,360,453</b>	<b>903,783,648</b>

(Details are given in **Annexure - B**)

	31.12.2021 Taka	31.12.2020 Taka
<b>6.2.2 Investment in subordinated bonds</b>		
Mutual Trust Bank Limited (MTBL)	540,000,000	720,000,000
Mercantile Bank Limited	-	60,000,000
The City Bank Limited	485,000,000	500,000,000
One Bank Limited	420,000,000	480,000,000
Bank Asia Limited	450,000,000	600,000,000
Shahjalal Islami Bank Limited	400,000,000	500,000,000
Trust Bank Limited	400,000,000	500,000,000
Dutch Bangla Bank Limited	400,000,000	500,000,000
Islami Bank Bangladesh Limited	400,000,000	500,000,000
Southeast Bank Limited	300,000,000	450,000,000
Eastern Bank Limited	200,000,000	200,000,000
United Commercial Bank Limited	550,000,000	550,000,000
	<b>4,545,000,000</b>	<b>5,560,000,000</b>

MTBL Subordinated Bond - date of purchase was 16.02.2017 and redemption started from 16.02.2020; Mercantile Bank Subordinated Bond - date of purchase was on 29.06.2014 and redemption started from 30.06.2017; The City Bank Limited Subordinated Bond - date of purchase was on 12.12.2018 and redemption started from 21.12.2021; One Bank Limited Subordinated Bond - date of purchase was on 27.10.2016 and redemption started from 27.10.2019 (30 Crore); One Bank Limited Subordinated Bond - date of purchase was on 12.12.2018 and redemption will be started on 12.06.2023 (30 Crore); Bank Asia Limited Subordinated Bond - date of purchase was on 23.04.2017 and redemption started from 23.04.2020; Shahjalal Islami Bank Limited Subordinated Bond - date of purchase was on 19.12.2018 and redemption started on 19.12.2021; Trust Bank Limited Subordinated Bond - date of purchase was on 19.12.2018 and redemption started on 19.12.2021; Dutch Bangla Bank Limited Subordinated Bond - date of purchase was on 24.12.2018 and redemption started on 24.12.2021; Islami Bank Bangladesh Limited Subordinated Bond - date of purchase was on 24.12.2018 and redemption started on 24.12.2021; Southeast Bank Limited Subordinated Bond - date of purchase was on 27.10.2016 and redemption started from 27.10.2019; Eastern Bank Limited Subordinated Bond - date of purchase was on 09.07.2019 and redemption will be started from 09.07.2022; United Commercial Bank Limited Subordinated Bond - date of purchase was on 29.09.2020 and redemption will be started from 29.09.2023.

As per DOS Circular no. 02 dated 16 September 2013 and subsequent DOS Circular no. 03 dated 20 December 2015 of Bangladesh Bank, the total market value of investment in the capital market of any Bank cannot be exceeded 25% of the total amount of paid up capital, share premium account, statutory reserve and surplus in profit and loss account of the Bank. In compliance with the guidelines of the Bangladesh Bank, the portfolio exposure of Dhaka Bank Limited is 17.10% as of December 31, 2021.

	31.12.2021 Taka	31.12.2020 Taka
<b>6.2.3 Investment in Commercial Paper</b>	-	-
	-	-

	31.12.2021 Taka	31.12.2020 Taka
<b>6.2.4 Investment in Perpetual Bond</b>		
UCBL Perpetual Bond	650,000,000	-
Trust Bank Perpetual Bond	1,000,000,000	-
	<b>1,650,000,000</b>	-

	31.12.2021 Taka	31.12.2020 Taka
<b>6.3 Investment in Securities are classified as per Bangladesh Bank Circular</b>		
<b>Held for Trading (HFT)</b>		
91 days Treasury Bills	-	-
182 days Treasury Bills	-	2,000,004,000
364 days Treasury Bills	-	999,737,000
2 years Bangladesh Government Treasury Bond	657,353,450	-
5 years Bangladesh Government Treasury Bond	1,634,427,522	-
10 years Bangladesh Government Treasury Bond	4,180,450,516	-
15 years Bangladesh Government Treasury Bond	-	-
20 years Bangladesh Government Treasury Bond	-	-
	<b>6,472,231,488</b>	<b>2,999,741,000</b>

	31.12.2021 Taka	31.12.2020 Taka
<b>Held to Maturity (HTM)</b>		
7 days Bangladesh Bank Bills	-	-
91 days Treasury Bills	-	-
182 days Treasury Bills	-	-
364 days Treasury Bills	-	-
2 years Bangladesh Government Treasury Bond	1,001,354,804	2,554,889,657
5 years Bangladesh Government Treasury Bond	4,449,161,961	6,988,965,775
10 years Bangladesh Government Treasury Bond	16,371,678,572	11,257,670,617
15 years Bangladesh Government Treasury Bond	7,760,769,347	8,176,505,032
20 years Bangladesh Government Treasury Bond	496,187,755	226,633,522
	<b>30,079,152,439</b>	<b>29,204,664,603</b>
	<b>36,551,383,927</b>	<b>32,204,405,603</b>

31.12.2021 Taka	31.12.2020 Taka
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As per DOS Circular no. 01 dated 19 January 2014, the maximum limit of holding approved Securities under Held to Maturity (HTM) is 110% of SLR for all nonprimary dealer Banks and Dhaka Bank Limited has invested in treasury bonds under HTM category as per said circular.

#### 6.4 Assets pledged as security

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

Liabilities to bank	-	-
Liabilities to customers	-	-
	<u>-</u>	<u>-</u>

##### Following assets were pledged as security for the above mentioned liabilities

Claim on banks	-	-
Claim on customers	-	-
	<u>-</u>	<u>-</u>

#### 6.5 Maturity Grouping of Investments

On demand	3,332,700	2,596,800
Over 2 Days but not more than 3 Months	7,723,807,833	4,934,288,772
Over 3 months but not more than 6 months	1,773,420,682	1,573,239,235
More than 6 months but less than 1 year	5,330,987,347	1,415,554,798
Over 1 year but not more than 5 years	13,061,152,998	19,671,963,023
Over 5 years	21,231,375,519	11,847,113,423
	<u>49,124,077,080</u>	<u>39,444,756,051</u>

#### 7. Loans, advances and lease/investments including

##### Bills purchased and discounted

Loans, Cash Credits, Overdrafts etc./Investments	(Note: 7.1)	212,291,159,510	196,184,433,097
Bills purchased and discounted	(Note: 8)	3,167,484,183	2,476,040,823
		<u>215,458,643,693</u>	<u>198,660,473,920</u>

#### 7(a) Consolidated Loans, advances and lease/investments including Bills purchased and discounted

Dhaka Bank Limited	(Note: 7)	215,458,643,693	198,660,473,920
Dhaka Bank Securities Limited		1,592,249,192	1,675,516,118
Dhaka Bank Investment Limited		-	-
		217,050,892,885	200,335,990,038
Less: Intercompany transaction		2,443,588,172	1,694,162,672
		<u>214,607,304,713</u>	<u>198,641,827,366</u>

#### 7.1 Loans, Cash Credits, Overdrafts etc./Investments

##### Broad category-wise breakup

In Bangladesh			
Secured Overdraft/Quard	43,019,298,700	45,752,452,894	
Cash Credit/Murabaha	3,857,711,227	4,747,225,883	
House Building Loan	2,472,707,440	2,463,978,311	
Transport Loan	2,589,917,253	2,682,665,695	
Term Loan	77,953,099,115	74,165,342,679	
Loan Against Trust Receipt	4,636,697,923	7,100,952,948	
Payment Against Documents	18,730,970	47,375,574	
Loan Against Accepted Bills	1,541,388,680	3,710,400,391	
Packing Credit	661,934,660	491,971,931	
Lease Finance/Izara	4,906,934,466	5,608,293,536	
Credit Card	708,596,415	589,253,554	
Retail Loan	1,035,055,899	1,067,291,206	
Other Loans	68,889,086,762	47,757,228,495	
	<u>212,291,159,510</u>	<u>196,184,433,097</u>	
Outside Bangladesh	-	-	
	<u>212,291,159,510</u>	<u>196,184,433,097</u>	

#### 7.1(a) Consolidated Loans, Cash Credits, Overdrafts etc./Investments

Dhaka Bank Limited	(Note: 7.1)	212,291,159,510	196,184,433,097
Dhaka Bank Securities Limited		1,592,249,192	1,675,516,118
Dhaka Bank Investment Limited		-	-
		213,883,408,702	197,859,949,215
Less: Intercompany transaction		2,443,588,172	1,694,162,672
		<u>211,439,820,530</u>	<u>196,165,786,543</u>

	31.12.2021 Taka	31.12.2020 Taka
<b>7.2 Residual maturity grouping of loans including bills purchased and discounted</b>		
Repayable on demand	21,290,361,885	38,221,537,150
Up to 1 month	21,938,946,607	12,877,828,824
Not more than 3 months	34,591,167,761	24,782,561,312
More than 3 months but not more than 6 months	37,482,093,400	29,437,997,413
More than 6 months but not more than 1 year	24,010,357,022	21,317,981,939
More than 1 year but not more than 5 years	40,711,558,994	48,495,834,570
More than 5 years	35,434,158,024	23,526,732,712
	<b>215,458,643,693</b>	<b>198,660,473,920</b>
<b>7.3 Investment in lease/izara finance</b>		
Lease rental receivable within 1 year	1,889,602,214	2,167,251,432
Lease rental receivable more than 1 year	3,564,072,565	4,321,541,403
<b>Total lease/izara rental receivable</b>	5,453,674,779	6,488,792,835
Less: unearned interest/profit receivable	546,740,313	880,499,299
<b>Net investment in lease/izara finance</b>	<b>4,906,934,466</b>	<b>5,608,293,536</b>
<b>7.4 Product wise loans and advances</b>		
Loans	165,414,149,583	145,684,754,320
Cash Credits	3,857,711,227	4,747,225,883
Overdrafts	43,019,298,700	45,752,452,894
Bills purchased and discounted (Note: 8)	3,167,484,183	2,476,040,823
	<b>215,458,643,693</b>	<b>198,660,473,920</b>
<b>7.5 Loans on the basis of significant concentration including bills purchased &amp; discounted</b>		
a. Advances to allied concerns of directors (Note: 7.5.1)	60,979,810	84,057,146
b. Advances to Chief Executive	-	-
c. Advances to other senior executives	-	-
d. <u>Advances to customer's group:</u>		
Agriculture loan	3,530,982,759	2,245,928,541
Commercial lending	11,429,072,979	17,943,495,079
Export financing	16,850,248,179	12,854,979,529
Consumer credit scheme	4,569,278,537	4,649,775,619
Small and Medium Enterprise (SME)	25,862,162,669	15,564,781,725
Staff Loan	1,303,399,516	1,334,265,376
Others	151,852,519,245	143,983,190,905
	<b>215,458,643,693</b>	<b>198,660,473,920</b>
<b>7.5.1</b> The amount represents loan in the name of existing directors & related parties of the bank. Details are provided in <b>Annexure-G</b> .		
<b>7.6 Advances to customers for more than 10% of Bank's total capital</b>		
<b>Total capital of the Bank</b>		
Number of Customers	27	18
Amount of outstanding loans and advances*	124,540,224,000	76,725,296,000
Amount of classified loans and advances	-	-
Measures taken for recovery	-	-
*The amount represents the sum of total loans and advances (both funded and non funded) to each customer exceeding 10% of total capital of the Bank as at 31 December 2021.		
(Details are given in <b>Annexure - C</b> )		
<b>7.7 Industry-wise loans, advances and lease/investments</b>		
Agricultural	3,530,982,759	2,245,928,541
Pharmaceuticals	2,442,609,619	2,829,775,434
Textile & Garment	51,901,680,790	48,484,611,372
Chemical	7,355,278,187	8,535,216,564
Food & Allied	10,495,144,171	10,463,998,030
Transport & Communication	4,872,941,704	4,972,673,698
Electronics & Automobile	9,912,394,776	10,108,418,099
Housing & Construction	20,236,080,710	19,449,027,665
Engineering & Metal Industries including Ship Breaking	19,284,999,698	19,112,373,004
Energy & Power	8,371,590,892	6,741,724,693
Service	16,191,527,959	14,293,188,682
Others	60,863,412,428	51,423,538,138
	<b>215,458,643,693</b>	<b>198,660,473,920</b>

	31.12.2021 Taka	31.12.2020 Taka
<b>7.8 Geographical location-wise (division) distribution</b>		
<b>Urban</b>		
Dhaka Region	162,896,276,459	153,579,096,066
Chattagram Region	33,912,846,808	27,213,258,341
South Region	1,933,982,193	1,897,247,144
North Region	3,259,541,826	3,263,767,971
Sylhet Region	887,094,550	1,018,296,744
Other	734,585,905	-
	<b>203,624,327,741</b>	<b>186,971,666,266</b>
<b>Rural</b>		
Dhaka Region	9,129,347,194	8,688,932,580
Chattagram Region	1,040,358,106	1,127,391,619
South Region	-	-
North Region	1,598,544,282	1,806,985,698
Sylhet Region	66,066,370	65,497,757
Other	-	-
	<b>11,834,315,952</b>	<b>11,688,807,654</b>
	<b>215,458,643,693</b>	<b>198,660,473,920</b>
<b>7.9 Sector-wise loans, advances and lease/investments</b>		
Government & Autonomous bodies	-	-
Financial Institutions (Public & Private)	27,515,549,308	16,940,276,115
Private Sector	187,943,094,385	181,720,197,805
	<b>215,458,643,693</b>	<b>198,660,473,920</b>
<b>7.10 Classification of loans, advances and lease/investments</b>		
<b>Unclassified</b>		
Standard	202,552,511,548	186,251,433,408
Special Mention Account*	5,761,477,564	6,181,951,517
	<b>208,313,989,112</b>	<b>192,433,384,925</b>
<b>Classified</b>		
Sub-standard	392,444,639	416,183,441
Doubtful	55,649,818	154,793,956
Bad or loss	6,696,560,124	5,656,111,599
	<b>7,144,654,581</b>	<b>6,227,088,995</b>
	<b>215,458,643,693</b>	<b>198,660,473,920</b>

\*Unclassified Loans and Advances includes Loans under stay orders from the Honourable High Court Division of the Supreme Court of Bangladesh.

In the year 2021, no loans and advances/investments were downgraded in compliance with BPRD circular no. 04 dated 19 March 2020, BRPD circular no. 13 dated 15 June 2020 and BRPD circular no. 17 dated 28 September 2020. Interest charged during the year on non-performing loans and advances/Investment has added with non-performing loans and advances/investment.

7.11 A)	<b>Provision required for loans and advances</b>				
	<b>Status</b>	<b>Base for Provision</b>	<b>Rate %</b>		
	<b>Unclassified</b>				
	Unclassified	15,160,628,786	0.25	37,901,572	37,984,465
	Unclassified	135,487,308,226	1	1,354,873,082	1,126,661,732
	Unclassified	2,354,907,153	1.25	29,436,339	63,824,050
	Unclassified	877,708,277	1.75	15,359,895	-
	Unclassified	19,780,014,001	2	395,600,280	747,581,781
	Unclassified	993,017,718	2.75	27,307,987	-
	Unclassified	2,084,016,806	3	62,520,504	2,245,911
	Unclassified	8,058,114,087	4	322,324,563	-
	Unclassified	17,125,313	5	856,266	-
	Unclassified	213,569,659	20	42,713,932	-
	Unclassified	1,222,018,691	21	256,623,925	47,642,746
	Unclassified	1,933,375,899	22	425,342,698	-
	Unclassified	240,919,103	22.5	54,206,798	-
	Unclassified	425,245,251	23	97,806,408	-
	Unclassified	2,110,706,751	50	1,055,353,376	1,148,331,169
	Unclassified	840,338,587	51	428,572,679	185,363,546
	Unclassified	4,572,919,051	100	824,874,422	3,206,590,886
	Special Mention account	197,477,730	0.25	493,694	83,833
	Special Mention account	996,613,519	1	9,966,135	404,842
	Special Mention account	101,227,115	1.25	1,265,339	6,206,956
	Special Mention account	3,167,977	1.75	55,440	-
	Special Mention account	707,775,381	2	14,155,508	28,191,564
	Special Mention account	53,323,818	2.75	1,466,405	-
	Special Mention account	612,997,353	3	18,389,921	-
	Special Mention account	5,243,103	4	209,724	-
	Special Mention account	277,393	5	13,870	-
	Special Mention account	1,052,567,235	50	526,283,617	1,545,303,971
	Special Mention account	-	51	-	22,872,464
	Special Mention account	28,335,449	52.5	14,876,110	-
	Special Mention account	1,114,821,589	53	590,855,442	-
	Special Mention account	94,178,788	100	94,178,788	1,422,225
				<b>6,703,884,720</b>	<b>8,170,712,141</b>

			31.12.2021 Taka	31.12.2020 Taka
<b>Classified:</b>				
Sub-Standard	88,350,038	5	4,417,502	2,021,990
Sub-Standard	30,521,287	6	1,831,277	-
Sub-Standard	35,273,125	20	7,054,625	24,354,364
Sub-Standard	8,395,527	21	496,466,434	-
Sub-Standard	-	50	-	26,938,047
Sub-Standard	5,790,801	100	5,790,801	309,238
Doubtful	129,014	5	6,451	98,267
Doubtful	4,370,959	20	874,192	4,095,050
Doubtful	2,536,198	21	532,602	-
Doubtful	8,773,581	50	4,386,790	783,768
Doubtful	126,058	51	64,289	-
Doubtful	4,938,590	100	4,938,590	13,052,334
Bad or loss	3,561,444,956	100	6,814,786,211	7,421,770,849
			<b>7,341,149,764</b>	<b>7,493,423,907</b>
Required provision for loans & advances			14,045,034,484	15,664,136,048
Total provision maintained			14,045,034,484	13,015,300,276
Provision will be maintained in future			-	2,648,835,772
<b>Excess / short provision as at 31 December</b>			<b>-</b>	<b>-</b>
<b>B) Provision for good borrower</b>			<b>28,133,697</b>	<b>30,163,697</b>

Provision for good borrower has been kept following the BRPD Circular No. 06, dated 19 March 2015 & BRPD Circular Letter No. 03, dated 16 February 2016.

**C) Provision required for Off-Balance Sheet Exposures**

Status	Base for Provision	Rate %		
Acceptances and Endorsements	64,281,656,460	1	642,816,564.60	439,830,781
Letter of Credit	52,467,266,855	1	524,672,668.55	241,247,385
	4,861,132,448	0.5	24,305,662.24	-
Letter of Guarantee	1,371,922,126	0.75	10,289,415.95	-
	39,583,079,785	1	395,830,797.85	426,014,546
<b>Required provision</b>			<b>1,597,915,109</b>	<b>1,107,092,712</b>
Total Provision Maintained			1,597,915,109	1,107,092,712
<b>Excess/(Short) Provision as at 31 December</b>			<b>-</b>	<b>-</b>

**7.12 Securities against loans including bills purchased & discounted**

**a. Secured**

Collateral of movable / immovable assets	118,084,517,594	128,666,270,357
Local Banks & Financial Institutions guarantee	-	-
Foreign Banks Guarantee	-	-
Export documents	1,501,133,187	4,350,719,777
Government Guarantee	-	-
<b>Fixed Deposits Receipts</b>		
Own FDR	4,303,372,876	1,564,454,856
FDR of Other Banks	213,330,509	114,168,097
Personal Guarantee	25,702,509,166	17,895,598,328
Corporate Guarantee	-	-
Other Securities	62,564,679,321	44,305,423,165
Government bonds	-	-
		212,369,542,653
		3,089,101,040
		<b>215,458,643,693</b>
		<b>196,896,634,580</b>
		<b>1,763,839,340</b>
		<b>198,660,473,920</b>

**b. Unsecured**

**7.13 Particulars of Loans, advances and lease/investments**

(i) Loans considered good in respect of which the banking company is fully secured;	118,084,517,594	128,666,270,357
(ii) Loans considered good against which the banking company holds no security other than the debtor's personal guarantee;	25,702,509,166	17,895,598,328
(iii) Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtors;	4,516,703,385	1,678,622,953
(iv) Loans adversely classified; provision not maintained there against;	-	-
(v) Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons;*	1,364,379,435	1,418,322,522
(vi) Loans due from companies or firms in which the directors of the banking company have interests as directors, partners or managing agents or in case of private companies as members;	60,979,920	84,057,146
(vii) Maximum total amount of advances including temporary advance made at any time during the year to directors or managers or officers of the banking companies or any of them either separately or jointly with any other person;*	1,383,133,144	1,418,322,522
(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company have interests as directors, partners or managing agents or in the case of private companies as members;	79,733,628	84,057,146

	31.12.2021 Taka	31.12.2020 Taka
(ix) Due from banking companies;	-	-
(x) Amount of classified loan on which interest has not been charged, should be mentioned as follows:	-	-
a) Decrease / increase in provision;	1,029,734,208	1,478,610,590
b) Amount realized against loan previously written off;**	167,322,238	51,333,611
c) Amount of provision kept against loan classified as 'bad/loss' on the date of preparing the balance sheet;	6,814,786,211	7,421,770,849
d) Interest creditable to the Interest Suspense A/c;	-	-
(xi) Cumulative amount of the written off loan;***	7,043,069,200	6,661,118,721

\*The amount represents loan in the name of existing directors and officers of the bank.

\*\*The detail of Recovery up to 31 December 2021 from loan previously written off are disclosed in **Annexure - E**

\*\*\* The detail of the amount of the written - off loans up to 31 December 2021 are disclosed in **Annexure - F**

- 7.14 As per Letter No.178/FRC/APR/2021/27(45) dated 09 December 2021 issued by the Financial Reporting Council (FRC) regarding the compliance of BRPD Circular Letter No.04 dated 04 January 2021 and BRPD Circular Letter No.35 dated 06 July 2021, the status of the Bank was as follows:

Loan Files	Compliance of BRPD Circular Letter No.04*		Compliance of BRPD Circular Letter No.35**	
	No. of Files	% of Compliance	No. of Files	% of Compliance
Complied Files	571	99%	22	100%
Total Files	576		22	

\* BRPD Circular Letter No.04: regarding accept the audited financial statement and preserve in the loan file in case of loan approval/renewal;

\*\* BRPD Circular Letter No.35: regarding verification of financial statement submitted by the borrower;

#### 8. Bills purchased and discounted

In Bangladesh	2,936,440,045	2,247,689,518
Outside Bangladesh	231,044,138	228,351,305
	<b>3,167,484,183</b>	<b>2,476,040,823</b>

#### 8(a) Consolidated Bills purchased and discounted

Dhaka Bank Limited	(Note: 8)	3,167,484,183	2,476,040,823
Dhaka Bank Securities Limited		-	-
Dhaka Bank Investment Limited		-	-
		<b>3,167,484,183</b>	<b>2,476,040,823</b>

#### 8.1 Maturity grouping of bills purchased & discounted

Payable within 1 month	1,492,760,950	970,847,495
Over 1 month but less than 3 months	1,517,516,130	1,259,745,246
Over 3 months but less than 6 months	157,207,103	243,960,066
6 months or more	-	1,488,016
	<b>3,167,484,183</b>	<b>2,476,040,823</b>

#### 9. Fixed assets including premises, furniture and fixtures

##### Cost/ Revaluation

Land	5,022,405,505	2,301,877,536
Building & Renovation	1,106,732,156	680,910,718
Furniture and fixture including office decoration	766,981,535	554,129,270
Office appliances and equipment	1,933,370,001	1,518,486,419
Computer	317,439,032	254,582,899
Software	821,929,327	777,122,587
Bank's vehicle	339,784,269	319,630,165
Right of use assets (ROU) as per IFRS 16	2,364,048,808	1,909,135,234
Work-in-progress - land & building*	68,978,394	3,756,753,084
	12,741,669,027	12,072,627,912
Less: Accumulated depreciation	3,786,799,777	3,051,855,866
	<b>8,954,869,250</b>	<b>9,020,772,046</b>

(Details are given in **Annexure - D**)

BGMEA has offered a floor space at BGMEA Complex, Uttara (Phase III) through a letter ref. no. BGA/C&M/2019-10215 dated 30 October 2019 in exchange of the Bank's previous floor space at BGMEA building (Karwan bazar) and the negotiation is under process.

#### 9(a) Consolidated Fixed assets including premises, furniture and fixtures

Dhaka Bank Limited	(Note: 9)	8,954,869,250	9,020,772,046
Dhaka Bank Securities Limited		20,041,205	12,265,218
Dhaka Bank Investment Limited		-	-
		<b>8,974,910,455</b>	<b>9,033,037,264</b>

		<b>31.12.2021</b>	<b>31.12.2020</b>
		<b>Taka</b>	<b>Taka</b>
<b>10. Other Assets</b>			
Investment in shares of subsidiary companies (Note: 10.1)		1,749,999,880	1,749,999,880
Stationery, stamps, printing materials etc.		9,091,651	21,659,096
Advance rent (Note: 10.1.a)		61,861,227	55,891,646
Prepaid expenses against advertisement		24,813,346	29,494,752
Interest/Profit accrued and other receivable (Note: 10.2)		1,050,940,740	679,677,565
Security deposit		23,768,197	22,596,991
Preliminary, formation, Work-in-progress, renovation expenses and prepaid expenses (Note: 10.3)		188,625,655	182,527,344
Branch adjustments (Note: 10.4)		(20,225,612)	(84,217,768)
Suspense account (Note: 10.5)		168,073,533	204,318,674
Others (Note: 10.6)		10,857,197,920	9,228,827,569
		<b>14,114,146,537</b>	<b>12,090,775,749</b>
<b>10(a) Consolidated Other assets</b>			
Dhaka Bank Limited (Note: 10)		14,114,146,537	12,090,775,749
Dhaka Bank Securities Limited		353,666,193	271,187,749
Dhaka Bank Investment Limited		13,674,861	13,335,645
		<b>14,481,487,591</b>	<b>12,375,299,143</b>
Less: Inter-company transactions			
Investment in Dhaka Bank Securities Limited		1,499,999,940	1,499,999,940
Investment in Dhaka Bank Investment Limited		249,999,940	249,999,940
Stock dividend from Dhaka Bank Securities Limited		-	-
Receivable from Dhaka Bank Investment Limited		1,173,725	1,173,725
Receivable from Dhaka Bank Securities Limited		55,787,264	55,787,264
		<b>1,806,960,869</b>	<b>1,806,960,869</b>
		<b>12,674,526,722</b>	<b>10,568,338,274</b>
<b>10.1 Investment in shares of subsidiary companies</b>			
Dhaka Bank Securities Limited (Note:1.9.1)		1,499,999,940	1,499,999,940
(99.99% owned subsidiary company of DBL)			
Dhaka Bank Investment Limited (Note:1.9.2)		249,999,940	249,999,940
(99.99% owned subsidiary company of DBL)			
		<b>1,749,999,880</b>	<b>1,749,999,880</b>
Shareholding in Dhaka Bank Securities Limited as at 31 December 2021 was 208,700,056 shares after considering the stock dividend issued from 2011 to 2019.			
<b>10.1.a</b>	Advance rent up to 2021 Tk. 196,681,442 has been considered with right of use assets (ROU) as per IFRS 16.		
<b>10.2 Interest accrued and other receivable</b>	Amount represents interest/profit accrued on loans/investment but not collected, commission & brokerage receivable on shares and debenture and other income receivable etc.		
<b>10.3</b>	The amount represents payment in advance against opening of new branches, various types of insurance premiums, legal expenses, software maintenance etc. The advance for work-in-progress of Head Office Building at Gulshan now presented as "work-in-progress land & building" under the head Fixed assets including premises, furniture and fixtures.		
<b>10.4 Branch adjustment</b>	Branch adjustment account represents outstanding amount of Inter-Branch and Head Office transactions at the Balance Sheet date.		
<b>10.5 Suspense account</b>	Suspense Account represents advance paid against renovation of different branches which is Capital Expenditure and will be adjusted after receiving the final bills.		
<b>10.6 Others</b>			
Advance Tax (Note: 10.6.1)		9,961,378,004	8,284,200,306
Deferred Tax Assets (Note: 15.8)		475,078,872	496,371,796
Account receivable others (Note: 10.6.2)		420,741,043	448,255,467
		<b>10,857,197,920</b>	<b>9,228,827,569</b>
<b>10.6.1 Advance Tax</b>			
Opening Balance		8,284,200,306	6,414,335,515
Add: Paid during the year		1,677,177,698	1,869,864,792
		9,961,378,004	8,284,200,306
Less: Adjustment during the year		-	-
		<b>9,961,378,004</b>	<b>8,284,200,306</b>

	31.12.2021 Taka	31.12.2020 Taka
<b>10.6.2 Account receivable others</b>		
Receivable against Bangladesh/Paribar Sanchaya Patra	138,995,596	255,356,419
Fees receivable	76,253,558	61,632,925
Receivable from share sale proceeds	-	-
Dividend receivable	33,776,470	3,639,296
Finance to AD branches for Local Documentary Bill Purchased (Note: 10.6.2.a)	29	29
Finance to AD branches for Import Bill Discounting (Note: 10.6.2.b)	(1)	(1)
Protestation account	3,012,677	3,012,677
ATM settlement account	(232,960)	(38,453,022)
Receivable from exchange houses	1,235,824	1,669,271
Excise duty receivable	110,738,861	104,436,884
Receivable from Dhaka Bank Investment Limited	1,173,725	1,173,725
Receivable from Dhaka Bank Securities Limited	55,787,264	55,787,264
	<b>420,741,043</b>	<b>448,255,467</b>
<b>10.6.2.a</b> In accordance with the FE Circular no.03 dated 04 February 2013 of Bangladesh Bank, the amount represents bills discounted to facilitate the exporters of the country.		
<b>10.6.2.b</b> In accordance with the BRPD Circular no.28 dated 05 September 2010 of Bangladesh Bank, Dhaka Bank Limited's Offshore Banking Unit (OBU) has been financing the importers who import at usance basis through Bank's Authorised Dealer (AD) branches.		
<b>10.7 Income generation grouping of Other assets</b>		
<b>Income generating</b>		
Investment in shares of subsidiary companies	1,749,999,880	1,749,999,880
Account receivable others		
Finance to AD branches for Local Documentary Bill Purchased	29	29
Finance to AD branches for Import Bill Discounting	(1)	(1)
	<b>1,749,999,908</b>	<b>1,749,999,908</b>
<b>Non-income generating</b>		
Stationery, stamps, printing materials etc.	9,091,651	21,659,096
Advance rent	61,861,227	55,891,646
Prepaid expenses against advertisement	24,813,346	29,494,752
Interest/Profit accrued and other receivable	1,050,940,740	679,677,565
Security deposit	23,768,197	22,596,991
Preliminary, formation, work in progress, renovation expenses and prepaid expenses	188,625,655	182,527,344
Branch adjustments	(20,225,612)	(84,217,768)
Suspense account	168,073,533	204,318,674
Advance tax paid	9,961,378,004	8,284,200,306
Deferred Tax Assets	475,078,872	496,371,796
Account receivable others		
Receivable against Bangladesh/Paribar Sanchaya Patra	138,995,596	255,356,419
Protestation account	3,012,677	3,012,677
Receivable from exchange houses	1,235,824	1,669,271
Receivable from Dhaka Bank Investment Limited	1,173,725	1,173,725
Receivable from Dhaka Bank Securities Limited	55,787,264	55,787,264
Fees receivable	76,253,558	61,632,925
Excise Duty Receivable	110,738,861	104,436,884
Dividend Receivable	33,776,470	3,639,296
ATM settlement account	(232,960)	(38,453,022)
	<b>12,364,146,628</b>	<b>10,340,775,841</b>
	<b>14,114,146,537</b>	<b>12,090,775,749</b>
<b>11. Non-banking assets</b>		
Land and Building	-	-
<b>11(a) Consolidated Non-banking assets</b>		
Dhaka Bank Limited (Note: 11)	-	-
Dhaka Bank Securities Limited	-	-
Dhaka Bank Investment Limited	-	-
	-	-
<b>12. Borrowings from other banks, financial institutions and agents</b>		
In Bangladesh (Note: 12.1)	29,669,117,782	23,640,778,197
Outside Bangladesh	14,896,073,044	9,358,387,836
	<b>44,565,190,826</b>	<b>32,999,166,033</b>



	31.12.2021 Taka	31.12.2020 Taka
<b>12.1 In Bangladesh</b>		
<b>Call Borrowing</b>		
Sonali Bank Limited	-	1,000,000,000
Rupali Bank Limited		2,000,000,000
IFIC Bank Limited		1,900,000,000
Agrani Bank Limited		1,090,000,000
Bank Asia	2,000,000,000	-
Southeast Bank Limited	1,200,000,000	-
Prime Bank	1,200,000,000	-
United Commercial Bank Limited	1,900,000,000	-
Uttara Bank Limited (SND)	3,500,000,000	1,400,000,000
	<b>9,800,000,000</b>	<b>7,390,000,000</b>
<b>Term Borrowing</b>		
Term Borrowing (DBU to OBU)	10,254,770,010	7,363,952,300
Uttara Bank Limited	-	169,600,000
Trust Bank Ltd	986,700,000	-
One Bank Ltd	257,400,000	-
Shahjalaj Islami Bank Ltd	858,000,000	-
Borrowing from SME Foundation	13,300,000	-
	<b>12,370,170,010</b>	<b>7,533,552,300</b>
Less : Inter Unit (OBU)	10,254,770,010	7,363,952,300
	<b>11,915,400,000</b>	<b>7,559,600,000</b>
<b>Bangladesh Bank refinance</b>		
Small and Medium Enterprise Syndication	669,616,417	324,025,517
Export Development Fund	2,042,682,122	2,358,187,247
FSSP Fund	11,855,445,469	10,002,880,135
Stimulus Fund	112,007,976	111,857,419
	3,073,965,798	3,284,227,879
	<b>17,753,717,782</b>	<b>16,081,178,197</b>
<b>Total</b>	<b>29,669,117,782</b>	<b>23,640,778,197</b>
<b>Outside Bangladesh</b>		
Bank Muscat, Oman	3,003,000,000	2,120,000,000
Nabil Bank, Nepal	783,588,900	720,800,000
SIDDHARTHA BANK LIMITED	588,904,500	-
Caixa Bank	858,000,000	848,000,000
RAK Bank		1,028,641,000
INDUSIND Bank	858,000,000	339,200,000
NMB Bank	858,000,000	-
HABIB Bank		918,452,827
Standard Chartered	2,402,400,000	1,630,750,501
JP MORGAN	858,000,000	1,752,543,508
DOHA BANK	858,000,000	-
THE C. BANK DOHA QATAR	429,000,000	-
AKA AUSFUHRKREDIT	3,399,179,644	-
	<b>14,896,073,044</b>	<b>9,358,387,836</b>
	<b>44,565,190,826</b>	<b>32,999,166,033</b>

Dhaka Bank Limited received Investment Bond's Fund from Bangladesh Bank against Mudaraba Term Deposit Receipt (MTDR) as per Bangladesh Bank Circular no.FRTMD(PDS)146/2004-15 dated 15.09.2004.

#### 12.2 Disclosure regarding Outstanding Repo on 31 December 2021

Sl. No.	Counterparty Name	Agreement date	Reversal date	Amount in Taka
1	-	-	-	-

#### 12.3 Disclosure regarding Outstanding Reverse Repo on 31 December 2021

Sl. No.	Counterparty Name	Agreement date	Reversal date	Amount in Taka
1	MIDLANDBK	28 Decemeber 2021	01 April 2022	138,520,108
2	MIDLANDBK	28 Decemeber 2021	01 April 2022	232,952,194
3	MIDLANDBK	28 Decemeber 2021	01 April 2022	582,380,485
4	MIDLANDBK	28 Decemeber 2021	01 April 2022	103,320,307
5	MIDLANDBK	28 Decemeber 2021	01 April 2022	311,742,305
6	MIDLANDBK	28 Decemeber 2021	01 April 2022	133,603,845
7	NBL	29 Decemeber 2021	01 May 2022	1,502,419,758
8	JAMUNABK	29 Decemeber 2021	01 March 2022	2,003,787,362
9	MIDLANDBK	29 Decemeber 2021	01 May 2022	672,594,397
10	MIDLANDBK	29 Decemeber 2021	01 May 2022	594,156,941
11	MIDLANDBK	29 Decemeber 2021	01 May 2022	293,669,038

		31.12.2021 Taka	31.12.2020 Taka
<b>12.4 Disclosure regarding Overall transaction of Repo and Reverse Repo during 2021</b>			
Sl. No.	Counterparty Name	Minimum outstanding during the year	Maximum outstanding during the year
<b>Securities sold under Repo</b>			
1	With Bangladesh Bank	-	-
2	With other Banks & FIs	257,855,410	1,892,861,775
-		-	663,851,159
<b>Securities purchased under Reverse Repo</b>			
1	From Bangladesh Bank	-	-
2	From other Banks & FIs	103,320,307	2,003,787,362
-		-	1,052,951,669
<b>12.5 Analysis by security</b>			
Secured (assets pledge as security for liabilities)		-	-
Unsecured		44,565,190,826	32,999,166,033
		<b>44,565,190,826</b>	<b>32,999,166,033</b>
<b>12.6 Repayment pattern</b>			
Repayable on demand		9,800,000,000	7,390,000,000
Repayable on maturity		34,765,190,826	25,609,166,033
		<b>44,565,190,826</b>	<b>32,999,166,033</b>
<b>12.7 Maturity grouping</b>			
Repayable on demand		9,800,000,000	7,390,000,000
Repayable within 1 month		2,102,100,000	169,600,000
Over 1 month but within 3 months		13,300,000	-
Over 3 month but within 6 months		112,007,976	111,857,419
Over 6 months but within 1 year		27,421,134,930	19,685,293,488
Over 1 year but within 5 years		5,116,647,920	5,642,415,126
		<b>44,565,190,826</b>	<b>32,999,166,033</b>
<b>12(a) Consolidated Borrowings from other banks, financial institutions and agents</b>			
Dhaka Bank Limited		(Note: 12)	44,565,190,826
Dhaka Bank Securities Limited			32,999,166,033
Dhaka Bank Investment Limited			2,469,143,600
			-
			47,034,334,426
Less: Inter company transaction			34,751,792,755
			2,443,588,172
			<b>44,590,746,254</b>
			<b>33,057,630,083</b>
<b>13. Deposits and other accounts</b>			
Current Accounts and other Accounts		(Note: 13.1)	34,172,428,617
Bills Payable		(Note: 13.2)	26,588,039,572
Savings Bank Deposits		(Note: 13.3)	2,210,072,255
Term Deposits		(Note: 13.4)	2,452,855,109
			28,665,174,772
			165,369,672,802
			151,223,873,061
			<b>230,417,348,446</b>
			<b>205,666,983,669</b>
<b><u>Non-interest bearing accounts</u></b>			
<b>13.1 Current Accounts and other Accounts</b>			
Current account			21,413,607,385
Foreign currency deposits			15,158,599,682
Margin under Letter of Credit			709,708,660
Margin under Letter of Guarantee			464,311,813
Deposits awaiting disposal			2,172,042,129
Sundry deposit			2,138,549,727
			2,175,585,977
			1,566,903,446
			6,655,106
			6,601,660
			7,694,829,360
		(Note: 13.1.1)	7,253,073,244
			<b>34,172,428,617</b>
			<b>26,588,039,572</b>
<b>13.1.1 Sundry deposit</b>			
F.C held against Back to Back L/C			6,770,323,307
Sundry creditors			6,620,973,053
Unclaimed deposits			859,777,565
Security deposits			564,251,815
			49,863,228
			53,690,367
			14,865,260
			14,158,009
			<b>7,694,829,360</b>
			<b>7,253,073,244</b>
<b>13.2 Bills Payable</b>			
Pay order			2,138,966,358
Demand draft			2,219,084,331
			71,105,897
			233,770,778
			<b>2,210,072,255</b>
			<b>2,452,855,109</b>
<b>Total Non-interest bearing accounts</b>			
			<b>36,382,500,872</b>
			<b>29,040,894,681</b>
<b><u>Interest bearing Account</u></b>			
<b>13.3 Savings Bank Deposits</b>			
Savings account			27,834,881,770
Mudaraba savings accounts			24,437,603,929
			830,293,002
			964,611,998
			<b>28,665,174,772</b>
			<b>25,402,215,927</b>

	31.12.2021 Taka	31.12.2020 Taka
<b>13.4 Term Deposits</b>		
Special Notice Deposits	30,557,754,773	20,337,434,438
Unclaimed Dividend Account	13,777,169	36,106,527
Fixed Deposits	105,774,839,230	99,188,405,050
Deposit Pension Scheme	27,917,440,800	31,425,298,763
Gift Cheque	36,575,166	35,464,836
Non Resident Foreign Currency Deposit (NFCD)	1,069,285,664	201,163,447
	<b>165,369,672,802</b>	<b>151,223,873,061</b>
<b>13.4 (a) Consolidated Term deposits</b>		
Dhaka Bank Limited	165,369,672,802	151,223,873,061
Dhaka Bank Securities Limited	-	-
Dhaka Bank Investment Limited	-	-
Less: Inter company transaction	471,787,581	488,630,576
	<b>164,897,885,221</b>	<b>150,735,242,485</b>
<b>Total Interest bearing Account</b>	<b>194,034,847,574</b>	<b>176,626,088,988</b>
<b>Total Deposits and other accounts</b>	<b>230,417,348,446</b>	<b>205,666,983,669</b>
<b>13.5 Deposits and Other Accounts</b>		
Deposits from Banks	5,756,437,539	5,057,641,714
Deposits from Customers	224,660,910,907	200,609,341,955
	<b>230,417,348,446</b>	<b>205,666,983,669</b>
<b>Deposits from Banks</b>		
Current Deposits and other Accounts	-	-
Savings Bank/Mudaraba	74,971,995	289,477,160
Special Notice Deposits	3,184,989	2,511,777
Fixed Deposits	5,678,280,555	4,765,652,778
	<b>5,756,437,539</b>	<b>5,057,641,715</b>
<b>Deposits from Customers</b>		
<b>i) Current Deposits and Other Accounts</b>		
Current Account	21,413,607,385	15,158,599,682
Foreign Currency Deposits	709,708,660	464,311,813
Margin under Letter of Credit	2,172,042,129	2,138,549,727
Margin under Letter of Guarantee	2,175,585,977	1,566,903,446
Deposits Awaiting Disposal	6,655,106	6,601,660
Sundry Deposit	7,694,829,360	7,253,073,244
	<b>34,172,428,617</b>	<b>26,588,039,572</b>
<b>ii) Bills Payable</b>		
Pay Order	2,138,966,358	2,219,084,331
Demand Draft	71,105,897	233,770,778
	<b>2,210,072,255</b>	<b>2,452,855,109</b>
<b>iii) Savings Deposits</b>		
Savings Account	27,834,881,770	24,437,603,929
Mudaraba Savings Accounts	755,321,007	675,134,838
	<b>28,590,202,777</b>	<b>25,112,738,767</b>
<b>iv) Term Deposits</b>		
Special Notice Deposits	30,554,569,784	20,334,922,660
Unclaimed Dividend Account	13,777,169	36,106,527
Fixed Deposits	100,096,558,675	94,422,752,272
Deposit Pension Scheme	27,917,440,800	31,425,298,763
Gift Cheque	36,575,166	35,464,836
Non Resident Foreign Currency Deposit (NFCD)	1,069,285,664	201,163,447
	<b>159,688,207,258</b>	<b>146,455,708,506</b>
	<b>224,660,910,907</b>	<b>200,609,341,954</b>

	31.12.2021 Taka	31.12.2020 Taka
<b>13.6 Payable on Demand and Time Deposits</b>		
<b>a) Demand Deposits</b>		
Current Account	21,413,607,385	15,158,599,682
Savings Deposits (10%)	2,866,517,477	2,540,221,593
Foreign Currency Deposits	709,708,660	464,311,813
Margin under Letter of Credit	2,172,042,129	2,138,549,727
Margin under Letter of Guarantee	2,175,585,977	1,566,903,446
Deposits Awaiting Disposal	6,655,106	6,601,660
Sundry Deposit	7,694,829,360	7,253,073,244
Bills Payable	2,210,072,255	2,452,855,109
	<b>39,249,018,349</b>	<b>31,581,116,274</b>
<b>b) Time Deposits</b>		
Savings Deposits (90%)	25,798,657,295	22,861,994,334
Special Notice Deposits	30,571,531,942	20,373,540,965
Fixed Deposits	105,774,839,230	99,188,405,050
Deposit Pension Scheme	27,917,440,800	31,425,298,763
Gift Cheque	36,575,166	35,464,836
Non Resident Foreign Currency Deposit (NFCD)	1,069,285,664	201,163,447
	<b>191,168,330,097</b>	<b>174,085,867,395</b>
	<b>230,417,348,446</b>	<b>205,666,983,669</b>
<b>13.7 Maturity grouping of deposits and other accounts</b>		
<b>Other than Bank Deposits</b>		
Payable on demand	36,419,076,038	29,076,359,517
Payable within 1 month	60,227,835,394	45,684,931,401
Over 1 month but within 3 months	51,205,599,790	50,339,220,414
Over 3 months but within 6 months	12,801,399,947	12,584,805,104
Over 6 months but within 1 year	25,602,799,895	25,169,610,207
Over 1 year but within 5 years	23,042,519,906	22,652,649,186
Over 5 years but within 10 years	15,361,679,937	15,101,766,124
	<b>224,660,910,907</b>	<b>200,609,341,954</b>
<b>Inter-bank deposits</b>		
Payable within 1 month	78,156,984	291,988,937
Over 1 month but within 3 months	-	-
Over 3 months but within 6 months	5,678,280,555	4,765,652,778
	<b>5,756,437,539</b>	<b>5,057,641,715</b>
	<b>230,417,348,446</b>	<b>205,666,983,669</b>
<b>13.8 Sector wise Deposits</b>		
Government	2,402,754,596	1,858,867,029
Public Sector	9,723,324,991	10,720,086,285
Private sector	218,291,268,859	193,088,030,355
	<b>230,417,348,446</b>	<b>205,666,983,669</b>
<b>13 (a) Consolidated Deposits and other accounts</b>		
Dhaka Bank Limited	230,417,348,446	205,666,983,669
Dhaka Bank Securities Limited	-	-
Dhaka Bank Investment Limited	-	-
	<b>230,417,348,446</b>	<b>205,666,983,669</b>
Less: Inter company transaction	471,787,581	488,630,576
	<b>229,945,560,865</b>	<b>205,178,353,093</b>
<b>14. Non-Convertible Subordinated Bond</b>	<b>5,200,000,000</b>	<b>6,800,000,000</b>

The Bank issued 1st tranche of redeemable Non-Convertible Subordinated Bond of Taka 2,000,000,000 and the Bond has been fully redeemed in December 2017.

The Bank issued 2nd tranche of Non-Convertible Subordinated Bond of Tk. 3,000,000,000 with consent of BSEC vide letter no. BSEC/CI/DS-34/2015/643 dated 28 December 2015 and subsequently approved by Bangladesh Bank vide letter no. BRPD(BFIS)661/14B(P)2016-2474 dated 17 April 2016 to strengthen the capital base in line with the newly introduced Capital Adequacy Guidelines under BASEL-III Accord. The redemption of the Bond has been started from the year 2019 (total outstanding is Tk 120 Crore as of 31 December 2021). The Bond will be fully redeemed in the year 2023.

Moreover, the Bank issued 3rd tranche of Non-Convertible Subordinated Bond of Tk. 5,000,000,000 with consent of BSEC vide letter no. BSEC/CI/CPLC/DS-210/2009/210 dated 28 March 2018 and from Bangladesh Bank vide letter no. BRPD (BFIS) 661/14B (P) 2018-2569 dated 17 April 2018. The redemption of the Bond has been started from the year 2021 (total outstanding is Tk 400 Crore as of 31 December 2021).and will be fully redeemed in the year 2025.

		31.12.2021 Taka	31.12.2020 Taka
<b>15. Other Liabilities</b>			
Accrued Interest		265,539,251	316,221,769
Provision on loans and advances	(Note: 15.1)	14,045,034,484	13,015,300,276
Provision for Good Borrower	(Note: 15.2)	28,133,697	30,163,697
Provision for Off-Balance Sheet Exposure	(Note: 15.3)	1,597,915,109	1,107,092,712
Interest Suspense Account	(Note: 15.4)	3,245,968,658	2,694,392,204
Provision against expenses	(Note: 15.5)	135,585,744	378,556,098
Provision for decrease in value of investments	(Note: 38)	-	0
Provision for Other Assets	(Note: 15.6)	13,544,445	13,544,445
Fund for Dhaka Bank Foundation	(Note: 36.1)	41,556,867	32,140,751
Provision for current tax	(Note: 15.7)	10,919,279,963	8,882,170,853
Deferred tax liability		-	-
Tax deducted at source & payable		343,541,272	314,671,934
Excise Duty Payable		274,187,629	248,191,419
Other Account Payable	(Note: 15.9)	4,016,528,906	4,046,476,931
		<b>34,926,816,025</b>	<b>31,078,923,089</b>
<b>15(a) Consolidated Other liabilities</b>			
Dhaka Bank Limited	(Note: 15)	34,926,816,025	31,078,923,089
Dhaka Bank Securities Limited		987,334,866	1,326,969,749
Dhaka Bank Investment Limited		11,354,655	35,160,926
		35,925,505,546	32,441,053,765
Less: Inter-company transactions			
Dhaka Bank Securities Limited		55,787,264	55,787,264
Dhaka Bank Investment Limited		1,173,725	1,173,725
		56,960,989	56,960,989
		<b>35,868,544,558</b>	<b>32,384,092,776</b>
<b>15.1 Provision for loans and advances</b>			
<b>i) The Movement in specific provision for Bad and Doubtful Debts:</b>			
Provision held at the beginning of the year		7,493,423,907	4,601,177,868
Specific provision	(+)	251,717,178	3,089,858,374
Additional provision against Special General Provision-COVID-19	(+)	415,791	-
Recoveries from written off loans	(+)	-	-
Fully provided debt written off	(-)	(372,493,454)	(10,100,122)
Provision no longer required	(-)	(31,913,658)	(187,512,213)
<b>Provision held at the end of the year</b>		<b>7,341,149,764</b>	<b>7,493,423,907</b>
<b>ii) The movement in general provision on unclassified loans:</b>			
Provision held at the beginning of the year		5,521,876,369	6,935,511,818
Provision no longer required	(-)	(588,768,641)	(259,684,159)
Additional provision against Special General Provision-COVID-19	(+)	191,828,459	421,482,565
Additional provision except Special General Provision-COVID-19	(+)	1,578,948,532	(1,575,433,855)
<b>Provision held at the end of the year</b>		<b>6,703,884,719</b>	<b>5,521,876,369</b>
		<b>14,045,034,484</b>	<b>13,015,300,276</b>
<b>15.2 Provision for Good Borrower</b>			
Opening Balance		30,163,697	34,523,697
Add: Addition during the year		-	-
Less: Disbursement during the year		2,030,000	4,360,000
		<b>28,133,697</b>	<b>30,163,697</b>
<b>15.3 Provision for Off-Balance Sheet Exposures</b>			
Opening balance		1,107,092,712	1,128,587,944
Add: Addition during the year		490,822,398	(21,495,232)
		<b>1,597,915,109</b>	<b>1,107,092,712</b>
Bank has made provision @ 1.00% on off balance sheet exposure (i.e. Acceptance & Endorsement, Letter of Credit and Letter of Guarantee) as per BRPD Circular no. 14 dated 23 September 2012 from current year's profit.			
<b>15.4 Interest Suspense Account</b>			
Balance at the beginning of the year		2,694,392,204	2,630,075,425
Amount transferred to "Interest Suspense" A/c during the year	(+)	1,866,484,447	1,476,100,894
Amount recovered from "Interest Suspense" A/c during the year	(-)	(1,305,450,967)	(1,402,559,391)
Amount written off during the year	(-)	(9,457,026)	(9,224,724)
<b>Balance at the end of the year</b>		<b>3,245,968,658</b>	<b>2,694,392,204</b>
<b>15.5 Provision against expenses</b>			
Provision for Audit fees		2,110,250	1,679,000
Provision for House Rent, Bonus, Utility, Risk Premium etc.		23,056,835	148,943,108
Provision for Promotional Expenses for Exchange Houses		620,059	576,459
Provision for Superannuation Fund		18,681,000	43,268,000
Provision for gratuity fund		81,360,000	161,630,000
Provision for Travel Passage		9,757,600	22,459,531
		<b>135,585,744</b>	<b>378,556,098</b>

	31.12.2021 Taka	31.12.2020 Taka
<b>15.6 Provision for other assets</b>		
Balance at the beginning of the year	13,544,445	13,765,000
Less: Adjustment during the year	-	(220,555)
Add : Addition during the year	-	-
	<b>13,544,445</b>	<b>13,544,445</b>
<b>15.7 Provision for current tax</b>		
Opening Balance	8,882,170,853	7,302,146,957
Add: Provision made during the year	2,037,109,110	1,580,023,896
	10,919,279,963	8,882,170,853
Less: Adjustment during the year	-	-
	<b>10,919,279,963</b>	<b>8,882,170,853</b>
<b>The charge for taxation is based upon profit for the year comprises:</b>		
Current tax on taxable income	2,037,109,110	1,580,023,896
Adjustment for prior year	-	-
	<b>2,037,109,110</b>	<b>1,580,023,896</b>
Net deferred tax liability/(asset) originated for temporary differences	21,292,924	(428,080,121)
Income tax on profit	<b>2,058,402,034</b>	<b>1,151,943,775</b>

Provision for current tax of Taka 2,037,109,110 has been accounted for as prescribed by Finance Act, of the accounting profit of the Bank after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance, 1984.

Income Tax Assessment for the years from 1995 to 2006 have since been completed and Bank got Tax Clearance Certificate up to 2006 (Assessment year 2007-2008) from the income tax authority. But under section 120 of Income Tax Ordinance, 1984, the assessment for the year 2004, 2005 and 2006 had been re-opened and the Bank had filed appeal to the Honorable High Court against the additional demand. The Bank has also filed appeal against the assessment order for the year 2007, 2008, 2009, 2010, 2011 to the Honorable High Court. The Bank received Tax Clearance Certificate for the year 2012, 2013, 2014, 2015, 2016 & 2017. But under section 120 of income Tax Ordinance 1984, the assessment for the year 2014 had been re-opened at 07.01.2019 and the file is under tribunal. And for the year 2018 & 2019 tax assessment have been completed but both files are in appeal. For 2020, tax return has been submitted and assessment is running. For 2021, tax return will be submitted within the stipulated time.

Corporate tax position of the bank has been shown in Annexure-H.

#### 15.7.1 Reconciliation of effective tax rate

	2021		2020	
	%	Taka	%	Taka
Profit before income tax as per profit and loss account		4,114,129,692		3,181,934,343
Income tax as per applicable tax rate	37.50%	1,542,798,634	37.50%	1,193,225,379
<b>Factors affecting the tax charge for current year</b>				
Non deductible expenses	8.81%	362,468,777	13.55%	431,247,566
Inadmissible expenses/provisions	22.91%	942,649,634	23.86%	759,235,611
Admissible expenses	-11.53%	(474,486,657)	-11.83%	(376,408,710)
Tax exempted income	-4.76%	(195,881,663)	-8.96%	(284,954,201)
Tax savings from reduced tax rates	-2.93%	(120,697,472)	-4.18%	(133,158,617)
Tax savings from reduced tax rates for dividend	-0.46%	(18,962,806)	-0.25%	(8,061,214)
Tax loss/(savings) from reduced tax rates for capital gain	-0.02%	(728,299)	-0.01%	(219,667)
Income from gain on sale of fixed assets	0.00%	(51,038)	-0.03%	(882,251)
Last year adjustment	0.00%	-	0.00%	-
<b>Total income tax expenses</b>	<b>49.51%</b>	<b>2,037,109,110</b>	<b>49.66%</b>	<b>1,580,023,896</b>

#### 15.7(a) Consolidated Provision for Current Tax

Dhaka Bank Limited	(Note: 15.7)	10,919,279,963	8,882,170,853
Dhaka Bank Securities Limited		139,288,139	138,157,100
Dhaka Bank Investment Limited		9,936,117	33,573,201
		<b>11,068,504,219</b>	<b>9,053,901,155</b>

	31.12.2021 Taka	31.12.2020 Taka
<b>15.8 Deferred tax liabilities/(Asset)</b>		
<b>31 December 2021</b>		
	<u>Carrying amount</u>	<u>Tax base</u>
		<u>Taxable/(deductible) temporary difference</u>
Fixed Asset excluding land	2,945,778,984	3,317,019,591
		(371,240,607)
<b>Deductible temporary difference :</b>		
Provision against classified loan (BL)	(786,037,429)	-
Right of use of assets	1,084,774,925	(786,037,429)
Lease obligation	(1,194,373,882)	1,084,774,925
		(1,194,373,882)
		(1,266,876,993)
Applicable tax rate		37.5%
<b>Deferred tax liability/(asset)</b>		<b>(475,078,872)</b>
<b>31 December 2020</b>		
	<u>Carrying amount</u>	<u>Tax base</u>
		<u>Taxable/(deductible) temporary difference</u>
Fixed Asset excluding land	1,762,421,569	2,065,544,399
		(303,122,830)
<b>Deductible temporary difference :</b>		
Provision against classified loan (BL)	(936,291,417)	-
Right of use of assets	987,014,264	(936,291,417)
Lease obligation	(1,071,258,139)	987,014,264
		(1,071,258,139)
		(1,323,658,123)
Applicable tax rate		37.5%
<b>Deferred tax liability/(asset)</b>		<b>(496,371,796)</b>
<b>Deferred tax expense/ (Income)</b>	<u>31.12.2021 Taka</u>	<u>31.12.2020 Taka</u>
Closing Deferred tax (Asset )/Liability	(475,078,872)	(496,371,796)
Opening Deferred tax (Asset )/Liability	(496,371,796)	(68,291,675)
	<b>21,292,924</b>	<b>(428,080,121)</b>

Deferred tax is provided using the balance sheet method for timing difference arising between the tax base of assets and liabilities and their carrying values for reporting purposes as per International Accounting Standard (IAS) 12 and BRPD circular no. 11 dated 12 December 2011.

**15.8(a) Consolidated Deferred tax liabilities/(Asset)**

Dhaka Bank Limited	21,292,924	(428,080,121)
Dhaka Bank Securities Limited	7,250,565	(78,569,218)
Dhaka Bank Investment Limited	-	-
	<b>28,543,489</b>	<b>(506,649,339)</b>

**15.9 Other Account Payable**

3 month and 5 years Bangladesh/Sanchay Patra & BB Foreign Invest. Bond	13,810,851	22,461,037
Application, Processing, Membership & Utilisation Fee	11,141,407	9,238,099
Adjusting Account Credit	267,563,948	281,645,895
Export Proceeds Suspense	1,394,366,598	1,350,040,208
Finance from Bill Discounting OBU	126,874,870	598,077,481
Compensation Income of Islamic Banking operations	33,494,850	101,920,001
ATM settlement account	83,899,818	(3,310,545)
Import Payment Suspense	850,145,501	615,146,617
Provision for Start-up Fund	40,857,182	-
Lease liabilities as per IFRS 16	1,194,373,882	1,071,258,139
	<b>4,016,528,906</b>	<b>4,046,476,931</b>

**15.9.1** Authorised Dealer Branches maintained cover fund through Offshore Banking Unit (OBU) to further facilitate the exporters in accordance with FE Circular no.03 dated 04 February 2013 of Bangladesh Bank.

**15.9.2** The amount represents profits on various overdue Investments of Islamic Banking operations which has been maintained as per Shariah Principle.

**15.9.3 Provision for Start-up Fund**

1% of net profit on audited FS 2020	20,299,906	-
1% of net profit on audited FS 2021	20,557,277	-
	<b>40,857,182</b>	<b>-</b>

Following Bangladesh Bank circular no.04 dated 29 March 2021, circular no. 04 dated 19 April 2021 and circular Letter no. 05 dated 26 April 2021 of SME & Special Programs Department (SMESPD); Bank need to built up a fund within 5 (five) years from 2021 from 1% of their net profit (based on audited financial statements) to distribute in favor of the 'Start-Up' entrepreneurs. The fund transfer process from net profit will have to start mandatorily at the time of yearly accounts finalization from December 2020.

**15.9.4** Refer to Note 2.13.1 implementation of IFRS 16 and its relevant assumptions and disclosures for the relevant accounting policy.

	31.12.2021 Taka	31.12.2020 Taka
<b>16 Share capital</b>		
<b>16.1 Authorised Capital</b>		
1,000,000,000 ordinary shares of Tk.10 each	<u>10,000,000,000</u>	<u>10,000,000,000</u>

The Bank increased its authorized capital from Tk 6,000 million to Tk 10,000 million by passing a special resolution in the Bank's 4th Extra Ordinary General Meeting (EGM) held on 04 July 2010.

#### 16.2 Issued, Subscribed and Paid-up Capital

895,872,409 ordinary shares ( 2020: 895,872,409 ordinary shares of Tk. 10.00 each) of Tk.10.00 each	8,958,724,090	8,532,118,190
53,752,344 ordinary shares * of Tk.10.00 each	<u>537,523,440</u>	<u>426,605,900</u>
	<u><b>9,496,247,530</b></u>	<u><b>8,958,724,090</b></u>

\*The Bank increased its paid up capital through issuance of 6% Bonus shares i.e. 53,752,344 ordinary shares of Tk.10.00 each on 15/07/2021.

The denomination of the face value of share was fixed at Tk. 10.00 per share instead of Tk. 100.00 per share by passing a special resolution in the 4th EGM of the Bank held on July 04, 2010.

#### 16.3 Initial Public Offer (IPO)

Out of the total issued, subscribed and paid up capital of the bank 1,320,000 Ordinary shares of Tk.100 each amounting to Tk.132,000,000 was raised through public offering of shares held in 24 February 2000.

#### 16.4 Right Issue

The Bank has increased its paid up capital twice by issuance of 2R:5 and 1R:2 right share at par on 15 April 2003 and 30 November 2005 respectively.

#### 16.5 History of Paid-up Capital

Year	Declaration	No. of share	Value in Capital	Cumulative
1995	Initial Capital	1,000,000	100,000,000	100,000,000
1996	10% Stock Dividend	100,000	10,000,000	110,000,000
1997	20% Stock Dividend	220,000	22,000,000	132,000,000
1998	9% Stock, 10% Cash Dividend & IPO	118,800	11,880,000	275,880,000
1999	25% Cash	-	-	275,880,000
2000	25% Cash & 10% Stock Dividend	275,880	27,588,000	303,468,000
2001	25% Cash & 25% Stock Dividend	758,670	75,867,000	379,335,000
2002	20% Cash & (15,17,340 nos. right shares)	15,17,340	151,734,000	531,069,000
2003	15% Cash & 25% stock Dividend	1,327,672	132,767,200	663,836,200
2004	35% Stock & 1R:2	5,642,608	564,260,800	1,228,097,000
2005	5% Stock Dividend	614,048	61,404,800	1,289,501,900
2006	10% Cash & 20% Stock Dividend	2,579,003	257,900,300	1,547,402,300
2007	25% Stock Dividend	3,868,505	386,850,500	1,934,252,875
2008	15% Cash & 10% Stock Dividend	1,934,252	193,425,200	2,127,678,200
2009	25% Stock Dividend	5,319,195	531,919,500	2,659,597,800
2010	35% Stock Dividend	9,308,592	93,085,920	3,590,457,030
2011	5% Cash & 30% Stock Dividend	107,713,710	1,077,137,100	4,667,594,130
2012	16% Stock Dividend	74,681,506	746,815,060	5,414,409,190
2013	17% Cash & 5% stock Dividend	27,072,045	270,720,450	5,685,129,640
2014	14% Cash & 10% Stock Dividend	56,851,296	568,512,960	6,253,642,600
2015	6% Cash & 10% Stock Dividend	62,536,426	687,900,686	6,879,006,860
2016	10% Cash & 5% Stock Dividend	34,395,033	722,295,720	7,222,957,200
2017	12.5% Stock Dividend	90,286,965	812,582,685	8,125,826,850
2018	5% Cash & 5% Stock Dividend	40,629,134	853,211,819	8,532,118,190
2019	5% Cash & 5% Stock Dividend	42,660,590	895,872,409	8,958,724,090
2020	6% Cash & 6% Stock Dividend	53,752,344	949,624,753	9,496,247,530



**16.6 Percentage of shareholding**

31.12.2021 Taka	31.12.2020 Taka
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Particulars	31.12.2021		31.12.2020	
	% of holdings	Value of Shares (Tk.)	% of holdings	Value of Shares (Tk.)
<b>1. Local Ownership</b>				
Government	-	-	-	-
Banking Companies				
Financial Institutions	13.8779	1,317,874,730	12.8567	1,151,801,640
Sponsors	41.1168	3,904,554,350	41.1171	3,683,564,190
General Public	41.2339	3,915,683,600	42.4367	3,801,778,740
Mutual Fund	0.4879	46,330,880	0.6682	59,864,080
Unit Funds	2.2111	209,966,930	1.6239	145,479,890
ICB Account Holders	0.1065	10,110,370	0.0760	6,808,250
ICB Head office (Investors A/c)	0.0429	4,077,990	0.0454	4,064,550
ICB Mutual Fund	0.0176	1,674,800	0.0234	2,100,000
ICB Unit Fund	0.2015	19,131,860	0.1033	9,254,460
ICB AMCL Unit Fund	0.0369	3,504,620	0.0363	3,256,250
Non-Resident Bangladeshi (NRB)	0.0826	7,843,830	0.2551	22,850,420
ICB Asset Management Company Ltd.	0.1580	15,000,000	0.1699	15,225,000
ICB Investors A/C, Local Office	0.0948	9,000,000	0.1127	10,096,840
ICB Capital Management Limited	0.1782	16,923,570	0.2852	25,554,210
ICB AMCL First Mutual Fund	0.1534	14,570,000	0.1894	16,971,010
Other Investor's A/C				
	<b>100.0000</b>	<b>9,496,247,530</b>	<b>99.9993</b>	<b>8,958,669,530</b>
<b>2. Foreign Ownership</b>				
Financial Company	-	-	0.0006	54,560
Individual Investors	-	-	-	-
	<b>100.00</b>	<b>9,496,247,530</b>	<b>100.00</b>	<b>8,958,724,090</b>

**16.7 Classification of shareholders by holding**

Holdings	31.12.2021		31.12.2020	
	No. of share holders	Number of Shares	No. of share holders	Number of Shares
1 to 500 shares	8,995	1,422,715	9,749	1,584,010
501 to 5,000 shares	9,372	17,196,999	9,371	17,420,792
5,001 to 10,000 shares	1,519	10,984,987	1,537	10,662,695
10,001 to 20,000 shares	878	12,593,744	1,019	14,261,397
20,001 to 30,000 shares	316	7,854,237	338	8,264,908
30,001 to 40,000 shares	169	5,954,114	201	7,003,540
40,001 to 50,000 shares	106	4,898,560	121	5,504,256
50,001 to 100,000 shares	231	16,505,090	262	18,175,490
100,001 to 1,000,000 shares	277	83,378,836	300	85,980,259
1000001 to above shares	125	788,835,471	119	727,015,062
	<b>21,988</b>	<b>949,624,753</b>	<b>23,017</b>	<b>895,872,409</b>

**16.8 Name of the Directors and their shareholdings as on 31 December**

Sl. No.	Name of Directors	2021		2020	
		No. of shares	Value of share (Tk.)	No. of shares	Value of share (Tk.)
1	Mr. Abdul Hai Sarker	21,659,028	216,590,280	20,433,046	204,330,460
2	Mr. Jashim Uddin	18,994,921	189,949,210	17,919,737	179,197,370
3	Mr. Altaf Hossain Sarker	26,483,568	264,835,680	24,984,499	249,844,990
4	Mrs. Rokshana Zaman	23,263,191	232,631,910	21,946,408	219,464,080
5	Mr. Reshadur Rahman	32,609,209	326,092,090	30,763,405	307,634,050
6	Mr. Tahidul Hossain Chowdhury	19,072,123	190,721,230	17,992,569	179,925,690
7	Mr. Md. Amirullah	18,994,749	189,947,490	17,919,575	179,195,750
8	Mr. Abdullah Al Ahsan	18,996,379	189,963,790	17,921,114	179,211,140
9	Mr. Mohammed Hanif	28,926,152	289,261,520	27,288,823	272,888,230
10	Mr. Khondoker Monir Uddin	27,271,941	272,719,410	25,728,247	257,282,470
11	Mrs. Rakhi Das Gupta	18,993,431	189,934,310	17,918,332	179,183,320
12	Mr. Amanullah Sarker	18,994,753	189,947,530	17,919,579	179,195,790
13	Mr. Mirza Yasser Abbas	34,975,142	349,751,420	32,995,417	329,954,170
14	Mrs. Manoara Khandaker	19,028,344	190,283,440	17,951,269	179,512,690
15	Mr. M.A. Yussouf Khan	Nil	Nil	Nil	Nil
16	Mr. A.S. Salahuddin Ahmed	Nil	Nil	Nil	Nil
17	Mr. Ahabab Ahmad	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>328,262,931</b>	<b>3,282,629,320</b>	<b>327,601,511</b>	<b>3,276,015,110</b>

	31.12.2021 Taka	31.12.2020 Taka
<b>16.9 Capital to Risk Weighted Assets Ratio (CRAR) as per BASEL III</b>	<b>31.12.2021 Taka</b>	<b>31.12.2020 Taka</b>
<b><u>Tier-I Capital (going - concern capital)</u></b>		
<b>Common Equity Tier-I Capital (CET 1)</b>		
Paid up Capital	9,496,247,530	8,958,724,090
Statutory Reserve	9,086,264,187	8,263,438,249
General Reserve	6,560,631	6,560,631
Surplus in Profit and Loss Account	1,631,778,599	1,514,780,946
	<b>20,220,850,947</b>	<b>18,743,503,916</b>
<b>Less : Regulatory Adjustment</b>		
Deferred Tax Assets (DTA)	294,764,036	496,371,796
Book value of Goodwill and value of all other Intangible Assets** (Written down value of Software which is treated as Intangible Assets)	493,451,057	534,506,775
<b>Additional Tier-I Capital (AT 1)</b>	<b>-</b>	<b>-</b>
<b>Total Tier-I Capital</b>	<b>19,432,635,854</b>	<b>17,712,625,345</b>
<b><u>Tier-II Capital (gone concern capital)</u></b>		
General Provision (Note - 16.9.1)	8,301,799,828	6,628,969,081
Asset Revaluation Reserve (50%) (Note-18.2)	-	-
Revaluation Reserve for HTM & HFT Securities (50%) (Note - 16.9.2)	-	-
Non-Convertible Subordinated Bond (Note-16.9.3)	3,600,000,000	4,674,795,524
	<b>11,901,799,828</b>	<b>11,303,764,604</b>
<b>Less : Regulatory Adjustment</b>	<b>-</b>	<b>-</b>
<b>Total Tier-II Capital</b>	<b>11,901,799,828</b>	<b>11,303,764,604</b>
<b>A. Total Eligible Capital</b>	<b>31,334,435,682</b>	<b>29,016,389,949</b>
<b>B. Risk Weighted Assets</b>		
Credit Risk		
Balance sheet business	157,705,928,113	149,846,797,831
Off-Balance sheet business	36,597,189,957	31,205,773,016
	<b>194,303,118,070</b>	<b>181,052,570,848</b>
Market Risk	3,105,991,084	2,695,900,024
Operational Risk	16,489,525,111	16,088,997,723
<b>Total Risk-weighted Assets</b>	<b>213,898,634,265</b>	<b>199,837,468,594</b>
<b>C. Required Capital on Risk Weighted Assets</b>	<b>26,737,329,283</b>	<b>24,979,683,574</b>
<b>D. Capital Surplus / (Shortfall) [A-C]</b>	<b>4,597,106,399</b>	<b>4,036,706,375</b>
<b>Total Capital Ratio (%)*</b>	<b>14.65%</b>	<b>14.52%</b>

Capital Requirement	2021		2020	
	Required (%)	Held (%)	Required (%)	Held (%)
Tier-I Capital (going concern capital)	8.50%	9.08%	8.50%	8.86%
Tier-II Capital (gone concern capital)	4.00%	5.56%	4.00%	5.66%
<b>Total</b>	<b>12.50%</b>	<b>14.65%</b>	<b>12.50%</b>	<b>14.52%</b>

\* CRAR has been calculated as per the return submitted to Bangladesh Bank.

**16.9.1** As per Risk Based Capital Adequacy Guideline for Banks under BASEL-III, 2014, the Tier 2 Capital under heading "General Provision" was limited to the actual amount of General Provision or 1.25% of Credit Risk Weighted Assets, which is lower. In subsequent BRPD Circular Letter no. 05 dated 31 May 2016, full amount of General Provision is allowed to be treated as part of Tier-II Capital.

**16.9.2** As per risk based capital adequacy guidelines for banks under BASE-III, the revaluation reserve for assets and securities will diminish at 20% per year on the base amount of 31 December 2014 so that the whole revaluation reserve amount will not get capital treatment after the end of five years (starting from January 2015).

**16.9.3** As per the risk based capital adequacy guidelines in line with Basel-III issued in December 2014 by Bangladesh Bank, the amount of subordinated debt in the regulatory capital will have to be reduced (amortized) in the last 05 (five) years of the bond's life by 20% from the amount of the instrument. Dhaka Bank Limited 2nd Subordinated Bond amounting Tk. 3,000,000,000 was issued on May, 2016 which is treated as Supplementary Capital (Tier- II). The tenure of the bond is 7 years. Hence, the reduction of the bond amount from regulatory capital has started from May 2019. Also DBL 3rd Subordinated Bond amounting Tk. 5,000,000,000 was issued on August, 2018 which is treated as Supplementary Capital (Tier- II). The tenure of the bond is 7 years. Hence, the reduction of the bond amount from regulatory capital has started from August 2021.

Capital to Risk weighted Assets Ratio (CRAR) has been calculated as per risk based capital adequacy guidelines in line with BASEL-III issued in December 2014, DOS Circular no. 02 dated 04 April 2015 & BRPD Circular no. 05 dated 31 May 2016 on reporting CRAR & leverage ratio by Bangladesh Bank.

16.9(a) Consolidated Capital to Risk Weighted Assets Ratio (CRAR) as per BASEL III

**Tier-I Capital (going - concern capital)**

**Common Equity Tier-I Capital (CET 1)**

	31.12.2021 Taka	31.12.2020 Taka
Paid up Capital	9,496,247,530	8,958,724,090
Minority Interest	71,485	63,411
Statutory Reserve	9,086,264,187	8,263,438,249
General Reserve	6,560,631	6,560,631
Surplus in Profit and Loss Account	2,302,003,177	2,108,972,761
	<b>20,891,147,010</b>	<b>19,337,759,142</b>
<b>Less : Regulatory Adjustment</b>		
Book value of Goodwill and value of all other Intangible Assets**	493,451,057	534,506,775
(**Written down value of Software which is treated as Intangible Assets)		
Deferred Tax Assets (DTA)	368,245,111	496,371,796
	<b>20,029,450,842</b>	<b>18,306,880,571</b>
<b>Additional Tier-I Capital (AT 1)</b>	-	-
<b>Total Tier-I Capital</b>	<b>20,029,450,842</b>	<b>18,306,880,571</b>

**Tier-II Capital (gone concern capital)**

General Provision	8,301,799,828	6,628,969,081
Asset Revaluation Reserve (50%) (Note-18.2)	-	-
Revaluation Reserve for HTM & HFT Securities (50%)	-	-
Non-Convertible Subordinated Bond (Note-16.9.1)	3,600,000,000	5,086,818,746
	<b>11,901,799,828</b>	<b>11,715,787,827</b>
<b>Less : Regulatory Adjustment</b>	-	-
<b>Total Tier-II Capital</b>	<b>11,901,799,828</b>	<b>11,715,787,827</b>
<b>A. Total Eligible Capital</b>	<b>31,931,250,670</b>	<b>30,022,668,398</b>

**B. Risk Weighted Assets**

Credit Risk		
Balance sheet business	157,346,809,684	151,857,847,515
Off-Balance sheet business	36,597,189,957	31,205,773,016
	<b>193,943,999,641</b>	<b>183,063,620,532</b>
Market Risk	7,098,392,616	5,549,974,232
Operational Risk	16,840,954,739	16,453,151,997
<b>Total Risk-weighted Assets</b>	<b>217,883,346,996</b>	<b>205,066,746,760</b>

**C. Required Capital on Risk Weighted Assets**

	<b>27,235,418,375</b>	<b>25,633,343,345</b>
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**D. Capital Surplus / (Shortfall) [A-C]**

	<b>4,695,832,296</b>	<b>4,389,325,053</b>
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**Total Capital Ratio (%)\***

	<b>14.66%</b>	<b>14.64%</b>
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Capital Requirement	2021		2020	
	Required (%)	Held (%)	Required (%)	Held (%)
Tier-I Capital (going concern capital)	8.50%	9.19%	8.50%	8.93%
Tier-II Capital (gone concern capital)	4.00%	5.46%	4.00%	5.71%
<b>Total</b>	<b>12.50%</b>	<b>14.66%</b>	<b>12.50%</b>	<b>14.64%</b>

\* CRAR has been calculated as per the return submitted to Bangladesh Bank.

Capital to Risk weighted Assets Ratio (CRAR) has been calculated as per risk based capital adequacy guidelines in line with BASEL-III issued in December 2014, DOS Circular no. 02 dated 04 April 2015 & BRPD Circular no. 05 dated 31 May 2016 on reporting CRAR & leverage ratio by Bangladesh Bank.

17. **Statutory Reserve**

Opening balance	8,263,438,249	7,627,051,380
Add: Addition during the year	822,825,938	636,386,869
	<b>9,086,264,187</b>	<b>8,263,438,249</b>

As per Section 24 of The Bank Company Act, 1991 and amendment thereon, every scheduled bank is required to build up statutory reserve and before declaring dividend, will transfer profit equivalent to 20.0% of PBT to the said reserve until the sum of the said reserve and share premium account becomes equal to the paid up capital.

	31.12.2021 Taka	31.12.2020 Taka
<b>18. Other Reserve</b>		
General reserve (Note 18.1)	6,560,631	6,560,631
Assets revaluation reserve (Note 18.2)	-	-
Investment revaluation reserve (Note 18.3)	20,997,128	48,649,969
	<u>27,557,759</u>	<u>55,210,600</u>
<b>18(a) Consolidated other Reserve</b>		
Dhaka Bank Limited	27,557,759	55,210,600
Dhaka Bank Securities Limited	53,900,000	49,200,000
Dhaka Bank Investment Limited	-	-
	<u>81,457,759</u>	<u>104,410,600</u>
<b>18.1 General Reserve</b>		
Opening balance	6,560,631	6,560,631
Add: Addition during the year	-	-
	6,560,631	6,560,631
Less: Transfer to Capital Account for issue of Bonus Shares	-	-
	<u>6,560,631</u>	<u>6,560,631</u>
As per Rule, Bonus share/cash dividend may be issued out of surplus of the profit of the year. If there is any shortfall, that may be covered from General Reserve Account as per approval of the Board of Directors of the bank.		
<b>18.2 Assets Revaluation Reserve</b>		
Opening balance	-	-
Less : Adjustment for reversal	-	-
	<u>-</u>	<u>-</u>
<b>18.3 Investment Revaluation Reserve</b>		
<b>Revaluation Reserve for HTM Securities</b>		
Opening balance	38,351,544	70,495,379
Add: Addition during the year	730,174	-
Less: Adjustment during the year	(18,084,590)	(32,143,835)
Closing balance	<u>20,997,128</u>	<u>38,351,544</u>
<b>Revaluation Reserve for HFT Securities</b>		
Opening balance	10,298,425	-
Add: Addition during the year	23,905,234	10,298,425
Less: Adjustment during the year	(34,203,659)	-
Closing balance	<u>-</u>	<u>10,298,425</u>
	<u>20,997,128</u>	<u>48,649,969</u>
Interest income of HTM and HFT securities transferred to Revaluation Reserve Account as per Bangladesh Bank DOS Circular no. 05 dated 26 May 2008 of which 50% of revaluation reserve for HTM & HFT used to be treated as Supplementary Capital. Now as per BASEL-III accord, capital treatment of the same is being diminished by 20% each year.		
<b>19. Surplus in profit and loss account</b>		
Opening balance	1,514,780,946	974,389,056
Add: Post-tax profit for the year	2,055,727,658	2,029,990,568
Transferred from general reserve	-	-
Prior year Adjustment made during the year	-	-
	<u>3,570,508,604</u>	<u>3,004,379,624</u>
Less: Transfer to statutory reserve	822,825,938	636,386,869
Start-up Fund	40,857,182	-
Stock dividend	537,523,440	426,605,900
Cash dividend	537,523,445	426,605,910
	<u>1,938,730,005</u>	<u>1,489,598,679</u>
	<u>1,631,778,599</u>	<u>1,514,780,946</u>
<b>19(a) Consolidated Surplus in profit and loss account (attributable to equity holders of DBL)</b>		
Opening balance	2,108,972,761	1,618,562,389
Add: Post-tax profit for the period	2,136,460,422	1,988,109,050
Transferred from general reserve	-	-
Adjustment made during the period	-	-
	<u>4,245,433,183</u>	<u>3,606,671,439</u>
Less: Transfer to statutory reserve	822,825,938	636,386,869
Start-up Fund	40,857,182	-
Transfer to investment fluctuation fund	4,700,000	8,100,000
Stock dividend	537,523,440	426,605,900
Cash dividend	537,523,445	426,605,910
Stock dividend paid by subsidiary	-	-
	<u>1,943,430,005</u>	<u>1,497,698,679</u>
	<u>2,302,003,177</u>	<u>2,108,972,761</u>

	31.12.2021 Taka	31.12.2020 Taka
<b>19.1 (a) Non-controlling interest</b>		
Opening balance	63,411	67,600
Add: Addition for the year from Dhaka Bank Securities Limited	7,331	(5,624)
Addition for the year from Dhaka Bank Investment Limited	743	1,435
	<b>71,485</b>	<b>63,411</b>
<b>20. Profit &amp; Loss Account</b>		
<b>Income</b>		
Interest, discount and similar income	14,913,888,936	17,714,105,807
Dividend Income	108,358,891	46,064,080
Fee, Commission and Brokerage	2,403,533,419	1,981,816,786
Gains less Losses arising from dealing securities	-	-
Gains less Losses arising from investment securities	3,340,137,085	3,508,667,286
Gains less Losses arising from dealing in foreign currencies	932,193,361	717,094,530
Income from non-banking assets	-	-
Other operating income	254,588,576	192,826,921
Profit less Losses on interest rate changes	-	-
	<b>21,952,700,267</b>	<b>24,160,575,410</b>
<b>Expenses</b>		
Interest, fee and commission	10,394,221,944	13,995,651,517
Administrative expenses	3,140,040,280	3,008,971,406
Other operating expenses	831,756,999	844,840,059
Depreciation and repairs of Bank's assets	958,818,995	1,104,549,790
	<b>15,324,838,218</b>	<b>18,954,012,771</b>
	<b>6,627,862,049</b>	<b>5,206,562,639</b>
<b>21 Contingent Liabilities</b>		
<b>Acceptances &amp; Endorsements</b>	<b>64,281,656,460</b>	<b>43,983,078,066</b>
<b>Irrevocable Letters of Credit</b>	<b>52,467,266,855</b>	<b>24,124,738,481</b>
Usance/Defer Letter of Credit	27,651,816,925	10,072,586,228
Sight Letter of Credit	7,544,225,434	5,780,328,554
Back to Back Letter of Credit	7,296,759,526	2,720,748,821
BD-Sight (EDF)	3,494,044,969	1,988,616,953
Back to Back - Local	6,480,420,001	3,562,457,925
<b>Letters of Guarantee</b>	<b>45,816,134,359</b>	<b>42,601,454,604</b>
Bid Bond	1,657,181,160	2,067,024,556
Performance Bond	22,319,335,177	20,751,751,805
Counter Guarantee	400,806,269	467,848,606
Other Guarantee	16,347,591,086	16,545,294,540
Shipping Guarantee	5,091,220,667	2,769,535,097
<b>Bills for Collection</b>	<b>15,917,400,906</b>	<b>11,734,534,422</b>
Local Bills for Collection	9,224,652,599	7,400,846,811
Foreign Bills for Collection	6,692,748,307	4,333,687,611
<b>Other Contingent Liabilities</b>	<b>12,894,500,770</b>	<b>8,433,433,063</b>
Bangladesh/Pratirakhkha/Paribar Sanchay Patra	1,954,140,000	1,963,590,000
ICB Unit Certificate	51,340,900	51,340,900
Forward Exchange Position	600,600,272	272
US Investment & Premium Bond	346,685,300	338,945,200
Contingent Interest Suspense	9,941,734,298	6,079,556,691
	<b>191,376,959,350</b>	<b>130,877,238,636</b>
<b>21.1</b>	The amount represents the forward position of foreign currencies at the end of the period 31 December 2021 which are very short term in nature and adjustment are made on a continuous basis.	
<b>21.2 Letters of Guarantee</b>		
Money for which the Bank is contingently liable in respect of guarantees given favouring:		
Directors	-	-
Government	25,260,818,899	20,270,720,620
Bank and other financial institutions	464,884,807	287,682,611
Others	20,090,430,653	22,043,051,373
	<b>45,816,134,359</b>	<b>42,601,454,604</b>

	<b>2021 Taka</b>	<b>2020 Taka</b>
<b>22. Interest income/profit on investments</b>		
Term Loan	7,641,239,588	8,917,218,006
Overdrafts	4,360,104,969	5,004,605,046
Loan against Trust Receipt	550,521,534	865,881,792
Packing Credits	46,835,007	41,005,762
Cash Credits/Bai-Muajjal	387,292,330	612,841,884
Payment against Documents	3,667,731	7,514,738
House Building Loan	182,427,706	204,795,650
Transport Loan	221,124,064	260,747,861
Syndicate Loan	506,764,774	443,768,179
Lease Rental/Izara	488,790,324	587,516,623
Credit Card	73,278,875	82,106,937
<b>Total Interest / profit &amp; Rental Income on loans &amp; advances</b>	<b>14,462,046,902</b>	<b>17,028,002,478</b>
Call Lending and Fund Placement with banks	433,161,209	627,020,489
Accounts with Foreign Banks	18,680,825	59,082,840
	<b><u>14,913,888,936</u></b>	<b><u>17,714,105,807</u></b>
<b>22(a) Consolidated Interest income/profit on investments</b>		
Dhaka Bank Limited	14,913,888,936	17,714,105,807
Dhaka Bank Securities Limited	93,199,651	104,426,658
Dhaka Bank Investment Limited	-	-
	15,007,088,587	17,818,532,465
Less: Intercompany transaction	149,189,060	187,268,596
	<b><u>14,857,899,527</u></b>	<b><u>17,631,263,869</u></b>
<b>23. Interest paid/profit on deposits and borrowings etc.</b>		
Savings Account including Mudaraba	506,610,090	556,603,904
Special Notice Deposit	797,741,642	706,346,301
Term Deposits	4,442,901,726	7,277,332,921
Deposits under Scheme	2,970,191,112	3,073,711,655
Call Borrowing & Fund Placement	39,058,111	72,776,069
Non-convertible Subordinate Bond	459,405,478	692,228,767
Repurchase Agreement (REPO)	207,205	100,029,233
Overseas Accounts charges	27,886,309	19,304,510
HTM / HFT Securities	658,753,518	787,276,871
Others	491,466,753	710,041,286
	<b><u>10,394,221,944</u></b>	<b><u>13,995,651,517</u></b>
<b>23.1 Others</b>		
Interest paid on NFCD	11,218,057	4,550,015
Interest/profit paid against Refinance from Bangladesh Bank	252,879,157	357,703,717
Interest paid on Gift Cheque	597,093	463,796
Interest paid on Excel Account	569,637	531,514
Interest on Finance Bill Rediscounting	-	14,488,326
Interest on Fund Borrowing-OBU	226,202,809	332,303,918
Treasury Bond Premium	-	-
	<b><u>491,466,753</u></b>	<b><u>710,041,286</u></b>
<b>23.1.a</b> Treasury Bond Premium expenses reflects the amount of interest accrued up to the date of purchase of the Treasury Bond. This amount has been paid at the time of purchase of the Bond.		
<b>23(a) Consolidated Interest / Profit Paid On Deposits &amp; Borrowings etc.</b>		
Dhaka Bank Limited	10,394,221,944	13,995,651,517
Dhaka Bank Securities Limited	165,919,205	171,862,865
Dhaka Bank Investment Limited	-	-
	10,560,141,149	14,167,514,382
Less: Inter company transaction	162,636,314	213,350,660
	<b><u>10,397,504,835</u></b>	<b><u>13,954,163,722</u></b>
<b>24. Investment income</b>		
Interest on Treasury bills / bonds	2,335,608,812	2,244,298,107
Profit on Govt. Islamic Bond	40,628,913	19,479,368
Capital Gain on Government Securities	522,351,102	759,877,870
Interest on Commercial Papers	-	-
Interest on Subordinated Bond & perpetual Bond	438,899,897	484,213,152
Dividend on Shares	108,358,891	46,064,080
	<b><u>3,445,847,615</u></b>	<b><u>3,553,932,577</u></b>

		<b>2021 Taka</b>	<b>2020 Taka</b>
<b>24(a) Consolidated Investment income</b>			
Dhaka Bank Limited	(Note: 24)	3,445,847,615	3,553,932,577
Dhaka Bank Securities Limited		170,090,228	214,496,107
Dhaka Bank Investment Limited		-	-
		<b><u>3,615,937,843</u></b>	<b><u>3,768,428,684</u></b>
<b>25. Commission, exchange and brokerage</b>			
Commission on Letter of Credit		964,595,708	615,510,609
Commission on Letter of Guarantee		283,123,010	252,572,109
Commission on Remittance/Bills		130,512,953	99,682,592
Processing Fee Consumer Loan		41,569,993	54,180,645
Other Comm/ Fees (Clearing, cash tr., risk prem., utilisation fee etc.)		862,857,703	874,314,543
Rebate from Foreign Bank outside Bangladesh		20,530,156	16,488,468
Commission & Fee on Credit Card		100,343,896	69,067,821
Exchange gain including gain from foreign currency dealings		932,193,361	717,094,530
		<b><u>3,335,726,780</u></b>	<b><u>2,698,911,317</u></b>
<b>25(a) Consolidated Commission, exchange and brokerage</b>			
Dhaka Bank Limited	(Note: 25)	3,335,726,780	2,698,911,317
Dhaka Bank Securities Limited		182,016,679	61,693,264
Dhaka Bank Investment Limited		-	-
		<b><u>3,517,743,459</u></b>	<b><u>2,760,604,581</u></b>
<b>26. Other operating income</b>			
Other Income on Credit Card and ATM		29,942,018	27,165,460
Incidental charges		54,879,858	103,415,628
Swift charge recoveries		33,690,913	17,910,370
Locker rent		12,488,800	11,252,687
Capital gain on sale of shares	(Note: 26.1)	2,648,361	798,789
Profit from sale of fixed assets		396,333	4,110,666
Recovery from written off loans		123,190,654	28,972,109
		<b><u>257,236,937</u></b>	<b><u>193,625,709</u></b>
<b>26.1 Capital gain on sale of shares</b>			
Sale proceeds of Shares		4,794,246	1,453,439
Less: Cost of Shares		2,145,885	654,650
		<b><u>2,648,361</u></b>	<b><u>798,789</u></b>
<b>26(a) Consolidated other operating income</b>			
Dhaka Bank Limited	(Note: 26)	257,236,937	193,625,709
Dhaka Bank Securities Limited		1,349,169	1,037,671
Dhaka Bank Investment Limited		13,447,254	26,312,064
		272,033,360	220,975,444
Less: Inter company transaction		13,447,254	26,082,064
		<b><u>258,586,106</u></b>	<b><u>194,893,380</u></b>
<b>27. Salary and allowances</b>			
Basic salary		852,348,750	840,426,918
Allowances		1,125,710,872	1,117,284,663
Bonus & ex-gratia		179,788,552	165,059,905
Leave fare assistance		145,215,031	146,570,070
Bank's contribution to superannuation fund		18,681,000	43,268,000
Bank's contribution to gratuity fund		81,360,000	161,630,000
Bank's contribution to provident fund		85,126,614	82,884,128
		<b><u>2,488,230,819</u></b>	<b><u>2,557,123,684</u></b>
<b>27(a) Consolidated Salary and allowances</b>			
Dhaka Bank Limited	(Note: 27)	2,488,230,819	2,557,123,684
Dhaka Bank Securities Limited		37,412,552	36,619,893
Dhaka Bank Investment Limited		725,284	-
		<b><u>2,526,368,655</u></b>	<b><u>2,593,743,577</u></b>
<b>28. Rent, taxes, insurance, electricity etc.</b>			
Office rent	(Note: 28.1)	102,006,327	(46,556,567)
Electricity and lighting		74,717,404	72,351,005
Regulatory charges		17,355,795	10,547,329
Insurance		140,678,860	129,788,918
		<b><u>334,758,386</u></b>	<b><u>166,130,685</u></b>

	<b>2021</b> <b>Taka</b>	<b>2020</b> <b>Taka</b>
<b>28.1 Office rent</b>	509,080,909	503,188,723
Less: Reversal of rent expenses due to depreciation and interest expenses under IFRS 16 "Leases"	407,074,582	549,745,290
	<b><u>102,006,327</u></b>	<b><u>(46,556,567)</u></b>

While implementing IFRS 16 Leases, the Bank recorded interest expense on lease liabilities and depreciation on right of use assets instead of charging rental expense (excluding VAT) against those rental premises that have been treated as right of use assets and presented in the balance sheet under IFRS 16.

Lease concession for application of practical expedient for Covid-19 as per IFRS 16 have been adjusted with office rent.

<b>28(a) Consolidated Rent, taxes, insurance, lighting etc.</b>			
Dhaka Bank Limited	(Note: 28)	334,758,386	166,130,685
Dhaka Bank Securities Limited		5,569,832	7,192,000
Dhaka Bank Investment Limited		-	-
		<b><u>340,328,218</u></b>	<b><u>173,322,685</u></b>
<b>29. Legal expenses</b>			
Legal expenses		13,945,735	18,257,329
Other professional fees		22,637,323	19,445,235
		<b><u>36,583,058</u></b>	<b><u>37,702,564</u></b>
<b>29(a) Consolidated Legal expenses</b>			
Dhaka Bank Limited	(Note: 29)	36,583,058	37,702,564
Dhaka Bank Securities Limited		32,250	233,500
Dhaka Bank Investment Limited		486,127	-
		<b><u>37,101,435</u></b>	<b><u>37,936,064</u></b>
<b>30. Postage, stamps, telecommunication etc.</b>			
Stamps, postage & courier		5,440,947	4,382,152
Telephone charges		7,630,833	7,621,184
Fax, internet & radio link charges		31,732,036	33,417,566
		<b><u>44,803,816</u></b>	<b><u>45,420,902</u></b>
<b>30(a) Consolidated Postage, stamps, telecommunication etc.</b>			
Dhaka Bank Limited	(Note: 30)	44,803,816	45,420,902
Dhaka Bank Securities Limited		401,796	418,261
Dhaka Bank Investment Limited		-	-
		<b><u>45,205,612</u></b>	<b><u>45,839,163</u></b>
<b>31. Stationery, Printing, Advertisement etc.</b>			
Table stationery		16,011,537	13,815,073
Printing stationery		54,868,425	50,988,031
Security stationery		16,630,816	12,424,130
Computer stationery		29,510,662	23,292,426
Advertisement		99,838,712	87,107,302
		<b><u>216,860,152</u></b>	<b><u>187,626,962</u></b>
<b>31(a) Consolidated Stationery, Printing, Advertisement etc.</b>			
Dhaka Bank Limited	(Note: 31)	216,860,152	187,626,962
Dhaka Bank Securities Limited		2,859,023	2,391,880
Dhaka Bank Investment Limited		-	-
		<b><u>219,719,175</u></b>	<b><u>190,018,842</u></b>
<b>32. Chief Executive's salary and fees</b>			
Basic salary		9,345,000	6,673,332
House rent allowances		720,000	616,000
Living allowances		360,000	308,000
Medical allowances		120,000	102,667
Bonus		2,600,000	1,300,000
		<b><u>13,145,000</u></b>	<b><u>8,999,999</u></b>
<b>32(a) Consolidated Chief executive's salary and fees</b>			
Dhaka Bank Limited	(Note: 32)	13,145,000	8,999,999
Dhaka Bank Securities Limited		-	-
Dhaka Bank Investment Limited		-	-
		<b><u>13,145,000</u></b>	<b><u>8,999,999</u></b>



		<b>2021 Taka</b>	<b>2020 Taka</b>
<b>33. Directors' fees</b>			
Directors fees		3,513,600	4,190,140
Fees related to Shariah Council Meeting		35,200	96,800
Board/Executive Committee / Shariah Council Meeting Expenses		-	670
		<b>3,548,800</b>	<b>4,287,610</b>
As per Bangladesh Bank's Circular, BRPD Circular no. 11, dated 4 October 2015, each director was entitled to have Taka 8,000 as honorarium for attending each meeting.			
<b>33(a) Consolidated Directors' fees</b>			
Dhaka Bank Limited	(Note: 33)	3,548,800	4,287,610
Dhaka Bank Securities Limited		831,589	941,990
Dhaka Bank Investment Limited		-	-
		<b>4,380,389</b>	<b>5,229,600</b>
<b>34. Auditor's fees</b>		<b>2,110,250</b>	<b>1,679,000</b>
<b>34(a) Consolidated Auditor's fees</b>			
Dhaka Bank Limited	(Note: 34)	2,110,250	1,679,000
Dhaka Bank Securities Limited		1,207,500	287,500
Dhaka Bank Investment Limited		69,000	69,000
		<b>3,386,750</b>	<b>2,035,500</b>
<b>35. Depreciation and repairs of bank's assets</b>			
<b>Depreciation &amp; Amortization</b>			
Building		18,667,708	17,022,768
Furniture & Fixture		39,276,436	40,056,691
Office Appliance & Equipment		183,594,148	176,166,278
Computer		17,559,473	17,463,420
Software		85,683,356	73,508,496
Motor Vehicle		47,107,784	57,672,535
Right of use assets (ROU) as per IFRS 16	Annexure D	373,177,065	539,856,449
		<b>765,065,970</b>	<b>921,746,637</b>
<b>Repair &amp; Maintenance:</b>			
Office Premises		37,635,316	27,538,113
Office Equipment		33,930,853	22,242,448
Office Furniture		2,496,969	1,609,240
Motor Vehicle		12,920,488	9,761,351
Computer and accessories		2,382,633	3,521,162
Software (AMC)		104,386,766	118,130,839
		<b>193,753,025</b>	<b>182,803,153</b>
		<b>958,818,995</b>	<b>1,104,549,790</b>
<b>35(a) Consolidated Depreciation and repairs of bank's assets</b>			
Dhaka Bank Limited	(Note: 35)	958,818,995	1,104,549,790
Dhaka Bank Securities Limited		17,038,326	17,087,088
Dhaka Bank Investment Limited		-	-
		<b>975,857,321</b>	<b>1,121,636,878</b>
<b>36. Other Expenses</b>			
Contractual service charge (own & third party)		357,347,578	355,374,129
Fuel Costs		23,938,057	19,087,092
Entertainment (canteen & other)		22,707,969	19,096,477
AGM & Conference expense		86,564	2,905,302
Donation		166,314,424	174,340,654
Subscription		5,298,869	5,132,564
Travelling expenses		7,270,987	8,640,404
Conveyance		12,837,236	11,863,435
Branch opening expenses		985,699	759,588
Godown expenses		1,971,120	1,986,059
Training expenses		3,831,812	4,647,498
Bond issue expenses		600,000	615,752
Books and papers		534,452	2,447,839
WASA charges		7,091,905	5,404,989
Staff uniform		3,600,026	3,088,162
Potted plants		2,239,912	1,806,317
Business development & promotion		29,818,562	22,576,175
Reuters charges		2,871,886	2,542,448
Fees and expenses for credit card		60,764,179	48,726,622
ATM network service charges		20,836,297	35,636,063
Dhaka Bank Foundation	(Note: 36.1)	41,556,867	32,140,751
Interest expense for lease liability as per IFRS 16		59,252,599	86,021,739
		<b>831,756,999</b>	<b>844,840,059</b>

	<b>2021 Taka</b>	<b>2020 Taka</b>
<b>36.1 Fund for Dhaka Bank Foundation</b>		
Opening balance	32,140,751	31,320,090
Add: Addition during the year	41,556,867	32,140,751
Less: Transferred to DBL Foundation Trustee Account	(32,140,751)	(31,320,090)
Closing balance	<b>41,556,867</b>	<b>32,140,751</b>

Dhaka Bank Limited has been contributing towards Dhaka Bank Foundation since 2003, @1% on pre-tax profit (i.e. profit after provision for loans and other provisions) as per the decision of the Executive Committee of the Board of Directors.

<b>36(a) Consolidated Other Expenses</b>		
Dhaka Bank Limited	(Note: 36) 831,756,999	844,840,059
Dhaka Bank Securities Limited	8,682,380	7,620,166
Dhaka Bank Investment Limited	270,200	1,190,700
	<b>840,709,579</b>	<b>853,650,925</b>

<b>37. Provision against loans &amp; advances</b>		
On classified loans & advances	251,717,178	3,089,858,374
On classified loans & advances (Special General Provision-COVID-19)	415,791	-
On unclassified loans & advances (Special General Provision-COVID-19)	191,828,459	421,482,565
On unclassified loans & advances (except Special General Provision-COVID-19)	1,578,948,532	(1,575,433,855)
	<b>2,022,909,960</b>	<b>1,935,907,084</b>

<b>37(a) Consolidated Provision against loans &amp; advances</b>		
Dhaka Bank Limited	2,022,909,960	1,935,907,084
Dhaka Bank Securities Limited	100,000,000	245,111,141
Dhaka Bank Investment Limited	-	-
	<b>2,122,909,960</b>	<b>2,181,018,225</b>

<b>38. Provision for diminution in value of investments</b>		
<b>In quoted shares</b>		
Opening balance	-	-
Less: Adjustment during the year	-	(9,783,557)
Add: Addition during the year	-	-
Closing balance	-	<b>(9,783,557)</b>
<b>Unquoted</b>		
	-	<b>(9,783,557)</b>

<b>38(a) Consolidated Provision for diminution in value of investments</b>		
Dhaka Bank Limited	-	(9,783,557)
Dhaka Bank Securities Limited	-	-
Dhaka Bank Investment Limited	-	-
	-	<b>(9,783,557)</b>

<b>39. Other provisions</b>		
Provision for off balance sheet items	(Note: 39.1) 490,822,398	(21,495,232)
Provision for other assets	(Note: 15.6) -	-
Provision for Incentive bonus	-	120,000,000
	<b>490,822,398</b>	<b>98,504,768</b>

<b>39.1 Provision against Off Balance Sheet exposures</b>		
On off balance sheet exposures	<b>490,822,398</b>	<b>(21,495,232)</b>

Bank has made provision @ 1.00% on off balance sheet exposure (i.e. Acceptance & Endorsement, Letter of Credit & Letter of Guarantee) as per BRPD Circular number 14 dated 23.09.2012 from current year's profit.

<b>39(a) Consolidated Other provisions</b>		
Dhaka Bank Limited	(Note: 39) 490,822,398	98,504,768
Dhaka Bank Securities Limited	-	-
Dhaka Bank Investment Limited	-	-
	<b>490,822,398</b>	<b>98,504,768</b>

	<b>2021 Taka</b>	<b>2020 Taka</b>
<b>40. Earnings per share (EPS)</b>		
Net profit after taxation	2,055,727,658	2,029,990,568
Number of ordinary shares outstanding	949,624,753	949,624,753
<b>Earnings per share (EPS)-Restated</b>	<b>2.16</b>	<b>2.14</b>
Earnings Per Share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 31 December 2021 as per International Accounting Standards (IAS 33). According to IAS-33, EPS for the year ended 31 December 2020 was restated for the issues of bonus shares (for 2020) in 2021.		
<b>40(a) Consolidated Earnings per share (CEPS)</b>		
Net profit after taxation	2,136,468,496	1,988,104,861
Less: Non-controlling interest	8,074	(4,189)
Net profit attributable to the shareholders of parent company	<b>2,136,460,422</b>	<b>1,988,109,050</b>
Number of ordinary shares outstanding	949,624,753	949,624,753
<b>Consolidated Earnings per share (CEPS)-Restated</b>	<b>2.25</b>	<b>2.09</b>
<b>41. Receipts from other operating activities</b>		
Exchange earnings	137,868,252	126,300,879
Other operating income	133,649,950	160,542,934
	<b>271,518,202</b>	<b>286,843,813</b>
<b>Non Operating Income</b>	-	-
	<b>271,518,202</b>	<b>286,843,813</b>
<b>41(a) Consolidated Receipts from other operating activities</b>		
Dhaka Bank Limited	271,518,202	286,843,813
Dhaka Bank Securities Limited	1,349,169	1,037,671
Dhaka Bank Investment Limited	13,447,254	26,312,064
	286,314,625	314,193,548
Less: Intercompany Transactions	13,447,254	26,082,064
	<b>272,867,371</b>	<b>288,111,484</b>
<b>42. Payments for other operating activities</b>		
Rent, Taxes, Insurance, Lighting etc.	741,832,968	715,875,975
Directors' fees & Meeting expenses	3,548,800	4,287,610
Repair of bank's assets	193,753,025	182,803,153
Other expenses	772,504,400	758,818,320
	<b>1,711,639,193</b>	<b>1,661,785,058</b>
Dhaka Bank Foundation	(41,556,867)	(32,140,751)
	<b>1,670,082,326</b>	<b>1,629,644,307</b>
<b>42(a) Consolidated Payments for other operating activities</b>		
Dhaka Bank Limited	1,670,082,326	1,629,644,307
Dhaka Bank Securities Limited	9,513,969	8,562,156
Dhaka Bank Investment Limited	270,200	1,190,700
	<b>1,679,866,495</b>	<b>1,639,397,163</b>
<b>43. Other Assets</b>		
Stationery, stamps, printing materials etc.	9,091,651	21,659,096
Advance rent and advertisement	283,356,015	134,401,948
Security deposit	23,768,197	22,596,991
Preliminary, formation, work in progress and organization expenses, renovation/development expenses and prepaid expenses	188,625,655	182,527,344
Branch adjustments	(20,225,612)	(84,217,768)
Suspense account	168,073,533	204,318,674
Other assets	420,741,043	448,255,467
	<b>1,073,430,482</b>	<b>929,541,752</b>
<b>(Increase) / decrease during the year</b>	<b>19,801,314</b>	<b>6,034,905,901</b>

	<b>2021 Taka</b>	<b>2020 Taka</b>
<b>43(a) Consolidated Other Assets</b>		
Dhaka Bank Limited	19,801,314	6,034,905,901
Dhaka Bank Securities Limited	(58,681,785)	9,310,243
Dhaka Bank Investment Limited	1,117,232	1,107,825
<b>(Increase) / decrease during the year</b>	<b>(37,763,239)</b>	<b>6,045,323,969</b>
<b>44. Other liabilities</b>		
Provision against expenses	135,585,744	258,556,098
Provision for other assets	13,544,445	13,544,445
Interest suspense account	3,245,968,658	2,694,392,204
Other account payable	2,781,297,842	2,975,218,792
	<b>6,176,396,689</b>	<b>5,941,711,539</b>
Amount transferred to DBL Foundation Trustee Account	(32,140,751)	(31,320,090)
Adjustment of Loss on shares from Provision for decrease in value of Investment	-	-
Rebate disbursed to Good Borrowers	(2,030,000)	(4,360,000)
Adjustment of Loan from Provision	(993,175,752)	(457,296,495)
<b>Increase/(decrease) during the year</b>	<b>(912,661,353)</b>	<b>(1,020,255,599)</b>
<b>44(a) Consolidated Other Liabilities</b>		
Dhaka Bank Limited	(912,661,353)	(1,020,255,599)
Dhaka Bank Securities Limited	(465,920,809)	(12,340,344)
Dhaka Bank Investment Limited	(28,267,512)	115,000
<b>(Increase) / decrease during the year</b>	<b>(1,406,849,674)</b>	<b>(1,032,480,943)</b>
<b>45 Reconciliation statement of cash flows from operating activities</b>		
Net profit after taxation	2,055,727,658	2,029,990,568
Addition of :		
Depreciation	765,065,970	921,746,637
Provision (Tax)	2,058,402,034	1,151,943,775
Provision (loans and others)	2,555,289,225	2,056,769,046
Increase in interest payable	-	-
Decrease in interest receivable	(50,682,518)	(137,826,902)
Prior year adjustment made during the year	-	-
IFRS 16 effect	(347,821,983)	(463,723,551)
Deduction:		
Effects of exchange rate changes on cash & cash equivalent	(794,325,109)	(590,793,651)
Proceeds from sale of fixed assets	(396,333)	(4,110,666)
Proceeds from sale of securities	(522,351,102)	(759,877,870)
Increase in interest receivable	(371,263,175)	157,474,793
Income taxes paid	(1,677,177,698)	(1,869,864,792)
Operating profit before changes in operating assets and liabilities	<b>3,670,466,968</b>	<b>2,491,727,387</b>
<b>46 Calculation of Net Operating Cash Flow per share (NOCFPS)</b>		
Net cash flow from operating activities (Solo)	4,873,301,762	5,168,518,278
Net cash flow from operating activities (consolidated)	5,039,897,653	5,308,044,498
Number of ordinary shares outstanding	949,624,753	949,624,753
Net Operating Cash Flow per share (NOCFPS)-Solo	<b>5.13</b>	<b>5.44</b>
Net Operating Cash Flow per share (NOCFPS)-Consolidated	<b>5.31</b>	<b>5.59</b>
<b>47 Calculation of Net Asset value per share (NAVPS)</b>		
Shareholders' Equity (Solo)	20,241,848,075	18,792,153,885
Shareholders' Equity (Consolidated)	20,966,044,138	19,435,609,111
Number of ordinary shares outstanding	949,624,753	949,624,753
Net Asset value per share (NAVPS)-Solo	<b>21.32</b>	<b>19.79</b>
Net Asset value per share (NAVPS)-Consolidated	<b>22.08</b>	<b>20.47</b>

48 Segment Reporting

(Figure in '000)

Particulars	Conventional Banking	Islamic Banking	Off-Shore Banking Unit (OBU)	Dhaka Bank Securities Limited (DBSL)	Dhaka Bank Investment Limited (DBIL)	Total
Total Operating Income	10,422,959	576,566	558,953	280,737	13,447	11,852,662
Allocated Expenses	4,836,040	79,806	14,770	74,035	1,551	5,006,202
Operating Profit (Before Tax & Provision)	5,586,919	496,760	544,183	206,701	11,897	6,846,460
Total Provision (Loans/Advances & Others)	2,141,970	-	371,763	100,000	-	2,613,732
Profit Before Tax	3,444,949	496,760	172,420	106,701	11,897	4,232,728
Provision for Income Tax	2,058,402	-	-	33,396	4,461	2,096,259
Net Profit	1,386,547	496,760	172,420	73,305	7,435	2,136,468
Segment Assets	288,375,950	14,764,792	27,488,125	5,617,062	324,967	336,570,896
Segment Liabilities	288,375,950	14,764,792	27,488,125	5,617,062	324,967	336,570,896

#### **49 Events after reporting period**

Board of Directors in its 419th meeting held on 26 April 2022 decided to recommend 12% cash dividend subject to approval of shareholders and regulatory authorities.

#### **50 General**

##### **50.1 Core risk management**

BRPD circular no.17 (7 October 2003) and BRPD circular no. 4 (5 March 2007) require banks to put in place an effective risk management system. Bangladesh Bank monitors the progress of implementation of these guidelines through its on-site inspection teams through routine inspection. The risk management systems in place at the Bank are discussed below.

##### **50.1.1 Credit risk**

It arises mainly from lending, trade finance, leasing and treasury businesses. This can be described as potential loss arising from the failure of a counter party to perform as per contractual agreement with the Bank. The failure may result from unwillingness of the counter party or decline in his/her financial condition. Therefore, the Bank's credit risk management activities have been designed to address all these issues.

The Bank has segregated duties of the officers/executives, involved in credit related activities. Separate Corporate/SME/Retail divisions have been formed at Head Office which are entrusted with the duties of maintaining effective relationship with customers, marketing of credit products, exploring new business opportunities etc. Moreover, credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate units have been formed within the Credit Risk Management (CRM) Division. These are (a) Credit Risk Management Unit (b) Central Processing Center and (c) Special Assets Management Division to Credit Monitoring and Recovery. Credit Risk Management Unit is entrusted with the duties of maintaining asset quality, assessing risk in lending, sanctioning credit, formulating policy/strategy for lending operation etc. For retail lending, a separate Retail Unit is there, for SME there is a separate SME unit and for Agriculture, there is also a separate Agriculture Division to assess risk, approve and monitor those loans.

A thorough risk assessment is done before sanction of any credit facility at Credit Risk Management Units. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the credit facility etc. The assessment process starts at the relationship level and ends at Credit Risk Management Unit when it is approved/declined by the competent authority. Credit approval authority has been delegated to the individual executives. Proposals beyond their delegation are approved/declined by the Executive Committee and/or the Board of Directors of the Bank.

In determining Single borrower/Large loan limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted at regular intervals to ensure compliance of Bank's and Regulatory policies. Loans are classified as per Bangladesh Bank's guidelines.

##### **50.1.2 Asset liability management risk**

For better management of asset and liability risk, the Bank has an established Assets Liability Committee (ALCO) which meets at least once a month. The members of ALCO as at 31 December 2021 were as follows:

- Managing Director & Chief Executive Officer
- Additional Managing Director
- DMD - Credit Risk Management
- DMD - Operations
- Chief Risk Officer
- Chief Financial Officer
- Head of Liability & Cash Management
- Head of IT
- Head of Treasury
- Head of Credit Risk Management
- Head of Retail
- Head of Islamic Banking Division

The ALCO's primary function is to formulate policies and guidelines for the strategic management of the bank using pertinent information that has been provided through the ALCO process together with knowledge of the individual businesses managed by members of the committee. ALCO regularly reviews the Bank's overall asset and liability position, forward looking asset and liability pipeline, overall economic position, the Banks' liquidity position, capital adequacy, balance sheet risk, interest risk and makes necessary changes in its mix as and when required.

The Bank maintains specified liquidity and funding ratio limits to ensure financial flexibility to cope with unexpected future cash demands. ALCO monitors the liquidity and funding ratios on an ongoing basis and ascertains liquidity requirements under various stress situations. In order to ensure liquidity against all commitments, the Bank reviews the behaviour patterns of liquidity requirements. The Bank has an approved Liquidity Contingency Plan (LCP) which is reviewed and updated on an annual basis by ALCO. All regulatory requirements including CRR, SLR and RWA are reviewed by ALCO.

#### **50.1.3 Foreign exchange risk**

Foreign exchange risk is defined as the potential change in earnings due to change in market prices. The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance requirements.

Treasury Department independently conducts the transactions and the back office of treasury is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at Mark-to-Market rate as determined by Bangladesh Bank at the month-end. The Bank maintains various nostro accounts in order to conduct operations in different currencies including TK. The senior management of the Bank sets limits for handling nostro account transactions. All Nostro accounts are reconciled on a monthly basis and outstanding entries beyond 30 days are reviewed by the management for its settlement.

As at 31 December, if there is any debit entry unreconciled for 3 months or more, provision is kept in accordance with FEPD circular no. 677 (13 September 2005).

#### **50.1.4 Internal control and compliance**

Effective internal controls are the foundation of safe and sound banking. A properly designed and consistently enforced system of operational and financial internal control helps a bank's management safeguard the Bank's resources, produce reliable financial reports and comply with laws and regulations. Effective internal control also reduces the possibility of significant errors and irregularities and assists in their timely detection when they do occur.

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

ICC has a unique reporting line to the Bank's Board of Directors through the Audit Committee and to the Managing Director & CEO. Thus, it acts as a bridge between the board and the Bank's management. An effective organisational structure has been established by exercising durable Internal Control culture within the Bank.

#### **50.1.5 Reputation risk arising from money laundering incidences**

Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. For mitigating the risks, the Bank has a designated Head of Internal Control & Compliance at Head Office and Compliance Officers at branches who independently review the transactions of the accounts to verify suspicious transactions. Manuals for prevention of money laundering have been established and Transaction Profile has been introduced. Training is continuously given to all the category of Officers and Executives for developing awareness and skill for identifying suspicious activities/transactions.

#### **50.1.6 Information technology**

Relevant hardware, software and networking equipment is in place to support operations of online branches, internet banking, SMS service, call centre, Tele Banking, POS and ATM network. These devices are providing superior performance resulting in better end-user satisfaction. To ensure uninterrupted and smooth customer service in all branches and SME centres, IT division continuously work on performance tuning for database and application, networking and server hardware on regular basis. Continuous investments are going on to do the necessary upgradation on hardware and software to increase the Bank's centralised online banking and other peripheral service requirements.

#### **50.2 Audit committee**

According to BRPD circular no.12 (23 December 2002), all banks are advised to constitute an audit committee comprising members of the Board. The audit committee will assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the Bank. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Bank's process for monitoring compliance with laws and regulations and its own code of business conduct.

The Bank, being a listed entity bank, have a board of directors from whom to select an audit committee. The Audit Committee of the Board of Directors consist of four members of the Board which meets on a regular basis with the senior management of the Bank, and with the internal and external auditors to consider and review the nature and scope of the reviews and the effectiveness of the systems of internal control and compliance as well as the financial statements of the Bank. All audit reports issued by internal and external auditors and all inspection/audit reports issued by Bangladesh Bank are sent to the Audit Committee.

#### 50.2.1 Particulars of audit committee

Pursuant to the BRPD Circular no. 12 dated 23 December 2002, the Audit Committee of the Board of Directors as at 31 December 2021 consisted of the following 5 members of the Board:

<u>Name</u>	<u>Status with bank</u>	<u>Status with committee</u>	<u>Educational qualification</u>
Mr. Mohammad Abu Yussouf Khan	Independent Director	Chairman	Bachelor of Arts
Mr. Abdullah Al Ahsan	Director	Member	M.Com
Mr. Tahidul Hossain Chowdhury	Director	Member	Bachelor of Arts
Mr. Md. Aman Ullah Sarker	Director	Member	Masters of Arts
Mr. A. S. Salahuddin Ahmed	Independent Director	Member	M.Sc. (DU); PGDIM(Netherlands)

#### 50.2.2 Meetings held by the Audit Committee with senior management to consider and review the Bank's Financial Statements:

During the period under review the Audit Committee held several meetings to oversee/review various functions including reviewing the quarterly financial statements in compliance with the Bangladesh Bank circulars.

##### Meetings held by the committee during the year by date:

- 101th Audit Committee Meeting held on 02 February 2021
- 102th Audit Committee Meeting held on 04 May 2021
- 103th Audit Committee Meeting held on 10 June 2021
- 104th Audit Committee Meeting held on 19 August 2021
- 105th Audit Committee Meeting held on 24 October 2021

#### 50.2.3 Steps taken for implementation of an effective internal control procedure of the Bank:

Through circular, the Audit Committee places its report regularly to the Board of Directors of the Bank mentioning its review results and recommendations on internal control system, compliance of rules and regulations and establishment of good governance within stipulated time.

#### 50.3 Interest rate risk

Interest rate risk may arise either from trading portfolio or from non-trading portfolio. The trading portfolio of the Bank consists of Government treasury bills and bonds of different maturities. Interest rate risk arises from mismatch between the future yield of an asset and their funding cost. Asset Liability Committee (ALCO) monitors the interest rate movement on a regular basis and Treasury Division actively manages the Balance Sheet gap profitably on a regular basis.

#### 50.4 Equity risk

Equity risk arises from movement in market value of equities held. The risks are monitored by Special Banking Wing under a well designed policy framework. The total market value of equities held was higher than the total cost price at the balance sheet date (Annexure-B).

#### 50.5 Operational risk

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



## 50.6 Implementation of BASEL-III

BASEL-III reforms are the response of BASEL Committee on Banking Supervision (BCBS) to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spill over from the financial sector to the real economy.

The Committee introduced transitional arrangements to implement the new standards that help to ensure that the banking sector can meet the higher capital standards through reasonable earnings retention and capital raising while still supporting lending to the economy. In line with the BASEL framework, Bangladesh Bank issued transitional arrangements for BASEL-III implementation in Bangladesh. The phase-in arrangements for BASEL-III implementation in Bangladesh has been effective from 1 January 2015 in accordance with BRPD circular no. 18 dated 21 December 2014.

### Internal Capital Adequacy Assessment Process (ICAAP)

Internal Capital Adequacy Assessment Process (ICAAP) represents the Bank's own assessment of its internal capital requirements. The Bank's approach to calculating its own internal capital requirement has been to take the minimum capital required for credit risk, market risk and operational risk under Pillar-I as the starting point, assess whether this is sufficient to cover those risks and then identify other risks (Pillar-II) and assess prudent level of capital to meet them.

The assessment is undertaken using time series of data and Bangladesh Bank's guidelines on Risk Based Capital Adequacy to assess the likelihood of occurrence and potential impact. Purposes of Internal Capital Adequacy Assessment Process are to:

#### i) inform the Board of Directors about

- assessing risks
- initiatives to mitigate identified risks
- capital requirement to support the operations in light of identified risks

#### ii) comply with Bangladesh Bank's requirement.

## 50.7 Exchange rates

The assets and liabilities as at 31 December in foreign currencies have been converted to TK at the following rates:

	2021 Taka	2020 Taka
USD 1 =	85.80	84.80
GBP 1 =	116.16	114.33
AUD 1 =	61.94	64.52
EUR 1 =	97.19	103.97
CHF 1 =	93.39	95.83
JPY 1 =	0.74	0.82
SAR 1 =	22.72	22.49
SGD 1 =	64.31	64.00

## 50.8 Credit rating of the Bank

As per the BRPD instruction circular no. 6 dated 5 July 2006, the Bank has done its credit rating by Emerging Credit Rating Limited based on the financial statements dated 31 December 2020.

Particulars	Date of Rating	Long term	Short term	Rating Valid
Entity Rating	18-May-21	AA	ST-2	7-Apr-22
		Very strong capacity & very high quality	Strong capacity for timely repayment	

**50.9 Number of employees**

The number of employees engaged for the whole year or part thereof who received a total remuneration of TK 36,000 p.a. or above were 1,571 at the end of December 2021 (1,568 in 2020).

**50.10 Impact of COVID 19:**

The spread of coronavirus globally has led the World Health Organization (WHO) to classify it as a pandemic on 11 March 2020 and like most of the other countries, Bangladesh Government has also taken restrictive measures to contain its further spread affecting free movement of people and goods. The events that occurred due to the pandemic are currently fast evolving with the extent of the impact on the economy resulting in adjusting the financial statements (as necessary). Though the full measurement of the impact of the events after the reporting date is difficult to estimate at this stage, management is of the view that the Bank will not be adversely affected by this pandemic as the Bank is not experiencing or likely to experience any significant change in its business activity. Considering the nature of the Bank's business, management is of the view that there is no significant event that cast doubt on its ability to continue as a going concern. Currently, the Bank also has adequate resources to continue in operation for the foreseeable future.

Though as at the date of these financial statements, no material impact has been identified by management on the Bank's financial position, results of operations and cash flows, management has decided to continuously monitor, evaluate and measure the impacts on the operations of the Bank by remaining alert to the changing situations.

**50.11 Highlights on the overall activities of the Bank**

Sl No.	Particulars	31.12.2021	31.12.2020
1	Paid up Capital	9,496,247,530	8,958,724,090
2	Total Capital	31,334,435,682	29,016,389,949
3	Capital surplus / (deficit) (Note - 16.9)	4,597,106,399	4,036,706,375
4	Total Assets	335,351,203,372	295,337,226,676
5	Total Deposits	230,417,348,446	205,666,983,669
6	Total Loans and Advances	215,458,643,693	198,660,473,920
7	Total Contingent Liabilities and Commitments	191,376,959,350	130,877,238,636
8	Credit Deposit Ratio (%)	78.29	83.28
9	Percentage of classified loans against total loans and advances (%)	3.32	3.13
10	Profit after tax and provision	2,055,727,658	2,029,990,568
11	Amount of classified loans during the year	7,144,654,581	6,227,088,995
12	Provisions kept against classified loans	7,341,149,764	7,493,423,907
13	Provision surplus / (deficit)	-	-
14	Cost of fund [deposit cost & overhead cost] (%)	6.25	7.85
15	Interest earning Assets	283,025,597,232	247,417,504,983
16	Non-interest earning Assets	52,325,606,140	47,919,721,693
17	Return on Investment (ROI) [%]	7.78	9.34
18	Return on Assets (ROA) [%]	0.65	0.70
19	Income from Investments	3,445,847,615	3,553,932,577
20	Earning per Share (Taka)	2.16	2.14
21	Price Earning Ratio (Times)	6.47	5.57

**50.12** Previous year's figures have been rearranged, wherever necessary, to conform with the current year's presentation.

**Dhaka Bank Limited**  
**Currency wise Balances with Nostro Accounts**  
**As at 31 December 2021**

Name of the bank	Location	Name of currency	2021			2020		
			Amounts in foreign currency	Conversion rate	Equivalent amounts in Taka	Amounts in foreign currency	Conversion rate	Equivalent amounts in Taka
Standard Chartered Bank	New York	USD	2,879,011	85.80	247,019,185	8,628,674	84.80	731,711,536
Mashreq Bank	New York	USD	1,794,813	85.80	153,994,977	1,062,730	84.80	90,119,514
Habib American Bank, OBU	New York	USD	3,895,344	85.80	334,220,549	10,553,042	84.80	894,897,924
J P Morgan AG,OBU	New York	EUR	293,292	97.19	28,504,693	-	-	-
Indusind Bank Mumbai,OBU	ACU	USD	7,296	85.80	625,974	-	-	-
Standard Chartered Bank,OBU	New York	USD	1,828,242	85.80	156,863,148	-	-	-
Commerz Bank	Frankfurt	USD	888,825	85.80	76,261,188	192,437	84.80	16,318,682
Habib American Bank	USA	USD	1,027,154	85.80	88,129,834	840,100	84.80	71,240,513
Wells Fargo Bank N.A.	New York	USD	959,350	85.80	82,312,237	995,278	84.80	84,399,542
JP Morgan Chase Bank NA	USA	USD	1,443,237	85.80	123,829,726	3,299,382	84.80	279,787,620
Standard Chartered Bank	Mumbai	ACUD	1,929,357	85.80	165,538,855	335,614	84.80	28,460,059
Sonali Bank	Kolkata	ACUD	407,359	85.80	34,951,430	136,748	84.80	11,596,230
AB Bank	Mumbai	ACUD	1,162,525	85.80	99,744,603	1,560,889	84.80	132,363,363
Nepal Bangladesh Bank	Nepal	ACUD	343,058	85.80	29,434,404	281,207	84.80	23,846,355
Sampath Bank	Srilanka	ACUD	181,071	85.80	15,535,882	95,789	84.80	8,122,946
Bhutan National Bank	Bhutan	ACUD	89,971	85.80	7,719,526	89,971	84.80	7,629,555
Bank of Bhutan	Bhutan	ACUD	61,938	85.80	5,314,266	61,938	84.80	5,252,328
Habib Metropolitan Bank Ltd.	Pakistan	ACUD	545,169	85.80	46,775,527	39,850	84.80	3,379,253
ICICI Bank Limited	India	ACUD	551,181	85.80	47,291,371	1,940,247	84.80	164,532,945
Mashreq Bank	Mumbai	ACUD	1,651,440	85.80	141,693,556	1,408,799	84.80	119,466,144
United Bank Of India	Kolkata	ACUD	1,230,521	85.80	105,578,686	1,100,502	84.80	93,322,587
Axis Bank Ltd, India	Mumbai	ACUD	741,471	85.80	63,618,199	1,111,352	84.80	94,242,667
Union Bank of Switzerland	Switzerland	CHF	73,092	93.39	6,825,872	149,108	95.83	14,288,958
Commerz Bank	Frankfurt	EURO	32,703	97.19	3,178,347	46,923	103.97	4,878,482
Standard Chartered Bank	Frankfurt	EURO	149,452	97.19	14,525,093	322,608	103.97	33,540,934
UniCredit S.P.A.	Milano	EURO	79,666	97.19	7,742,671	39,742	103.97	4,131,878
United Bank Of India	KOLKATA	EURO	39,182	97.19	3,808,086	24,880	103.97	2,586,751
Commerz Bank	Frankfurt	AUD	79,263	61.94	4,909,488	125,614	64.52	8,104,382
Standard Chartered Bank	Japan	JPY	30,064,997	0.74	22,335,286	41,653,765	0.82	33,989,472
Standard Chartered Bank	London	GBP	32,769	116.16	3,806,447	226,747	114.33	25,923,668
Commerz Bank	Frankfurt	CAD	159,757	66.72	10,659,671	148,021	65.96	9,764,003
Al-Rajhi Bank	Saudi Arabia	SAR	86,875	22.72	1,973,404	4,304	22.49	96,800
<b>Total</b>					<b>2,134,722,181</b>			<b>2,997,995,091</b>

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

**Dhaka Bank Limited  
Investment in Shares  
As at 31 December 2021**

**(Amount in Taka)**

<b>Name of the Company</b>	<b>Face Value</b>	<b>No. of Shares</b>	<b>Average Cost Price</b>	<b>Total Cost Price</b>	<b>Market price per Share</b>	<b>Total Market Value</b>
<b>Quoted</b>						
ACMELAB	10	500,000	52.00	26,000,000	86.50	43,250,000
IFICBANK	10	42,107,483	8.45	355,810,843	16.90	711,616,463
SBAC Bank	10	54,661	10.05	549,610	15.20	830,847
<b>Unquoted</b>						
Shanta First Income Unit Fund	10	18,936,550	10.56	200,000,000		200,000,000
Ace Alliance Power Ltd.	10	6,000,000	10	60,000,000		60,000,000
City Sugar Industries Limited	100,000	5,000	100,000	500,000,000		500,000,000
Flamingo Fashions Limited	100	1,900,000	100	190,000,000		190,000,000
United Ashuganj Energy Ltd.	10	200,000,000	10	2,000,000,000		2,000,000,000
<b>Total</b>				<b>3,332,360,453</b>		<b>3,705,697,310</b>

The cost price of investment in shares represents the book value as on 31.12.2021 being ordinary shares of different companies purchased from primary and secondary markets.

## Dhaka Bank Limited

## Details information on advances

More than 10 % of bank's total capital (Funded &amp; Non-funded)

(Based on Capital 3,133.44 Crore)

(Taka in Thousand)

Sl. No.	Name of the Client	Outstanding as on 31.12.2021		Total
		Funded	Non funded	
1	BSRM GROUP	739,872	7,222,724	7,962,596
2	ARMANA GROUP	2,799,009	3,945,662	6,744,671
3	MEGHNA GROUP	80	5,883,189	5,883,269
4	NEW ASIA GROUP	4,548,867	942,623	5,491,490
5	BANGLA TRAC	1,510,256	3,706,081	5,216,337
6	KABIR GROUP	3,147,478	1,906,026	5,053,504
7	ABUL KHAIR GROUP	9,760	5,010,581	5,020,341
8	KARNAFULY GROUP	1,662,470	3,200,554	4,863,024
9	BASHUNDHARA GROUP	1,540,709	3,282,276	4,822,985
10	E ENGINEERING GROUP	2,926,632	1,891,539	4,818,171
11	PAKIZA GROUP	3,364,102	1,374,144	4,738,246
12	DOREEN GROUP	3,656,137	899,329	4,555,466
13	BULK GROUP	375	4,453,986	4,454,361
14	UTTARA GROUP	713,387	3,661,515	4,374,902
15	UNITED GROUP	508,774	3,744,331	4,253,105
16	RANCON GROUP	1,580,366	2,639,918	4,220,284
17	EXPERIENCE GROUP	941,482	3,152,586	4,094,068
18	GAZI GROUP	1,208,033	2,844,934	4,052,967
19	STERLING GROUP	884,627	3,159,734	4,044,361
20	CONFIDENCE GROUP	640,690	3,264,660	3,905,350
21	T.K. GROUP	2,167,319	1,702,268	3,869,587
22	MIR GROUP	2,637,560	1,183,902	3,821,462
23	KDS GROUP	1,496,250	2,313,006	3,809,256
24	PRAN-RFL GROUP	1,530,301	2,258,343	3,788,644
25	ACI GROUP	2,943,841	772,295	3,716,136
26	NDE GROUP	947,364	2,633,651	3,581,015
27	HABIB GROUP	3,384,511	115	3,384,626
	<b>Total</b>	<b>47,490,252</b>	<b>77,049,972</b>	<b>124,540,224</b>

**Dhaka Bank Limited**  
**Schedule of Fixed Assets including premises, furniture & fixtures**  
**As at 31 December 2021**

Asset Group	Cost (Tk)				Rate of Depreciation (%)	Depreciation (Tk)				Book Value (Tk)
	Opening Balance of cost as on 1 January 2021	Additions during the year	Adjustment (Sale/Discard)	Closing Balance of cost as on 31 December 2021		Accumulated depreciation as on 1 January 2021	Charge during the year	Adjustment (Sale/Discard)	Closing Balance as on 31 December 2021	
<b>Land</b>	2,301,877,536	2,356,777,969		4,658,655,505		-	-	-	-	4,658,655,505
<b>Building &amp; Renovation</b>	680,910,718	789,571,438		1,470,482,156	2.5	132,371,765	18,667,708	-	151,039,473	1,319,442,683
<b>Furniture &amp; Fixtures</b>	554,129,270	216,948,281	4,096,016	766,981,535	10	380,606,088	39,276,436	3,535,619	416,346,905	350,634,630
<b>Office Appliances &amp; Equipment</b>	1,518,487,073	422,566,110	7,683,185	1,933,369,997	20	1,160,455,519	183,594,148	7,375,162	1,336,674,506	596,695,492
<b>Computer</b>	254,582,899	82,247,592	19,391,459	317,439,032	20	213,659,915	17,559,473	19,390,968	211,828,420	105,610,612
<b>Software</b>	777,301,689	44,627,638		821,929,327	10	242,794,914	85,683,356	-	328,478,270	493,451,057
<b>Motor Vehicle</b>	319,630,096	20,154,173		339,784,269	20	212,731,974	47,107,784	-	259,839,758	79,944,511
<b>Right of use assets (ROU)</b>	1,909,135,234	454,913,574		2,364,048,808		709,415,377	373,177,065	-	1,082,592,441	1,281,456,367
<b>Work-in-progress - land &amp; building</b>	3,756,753,084	31,061,004	3,718,835,694	68,978,394		-	-	-	-	68,978,394
<b>Total 2021</b>	<b>12,072,807,599</b>	<b>4,418,867,778</b>	<b>3,750,006,354</b>	<b>12,741,669,023</b>		<b>3,052,035,553</b>	<b>765,065,970</b>	<b>30,301,749</b>	<b>3,786,799,773</b>	<b>8,954,869,250</b>
<b>Total 2020</b>	<b>7,213,241,543</b>	<b>4,863,130,085</b>	<b>3,564,028</b>	<b>12,072,807,599</b>		<b>2,133,581,914</b>	<b>921,746,637</b>	<b>3,292,998</b>	<b>3,052,035,553</b>	<b>9,020,772,046</b>

## Dhaka Bank Limited

## Recovery of loans previously written-off during the year 2021

(Amount in Taka)

Sl. No.	Name of Borrowers	Amount written-off	Amount of Provision kept at the time of written-off	Suit Value	Amount recovered after loan written-off
<b>Corporate Loan</b>					
1	Ahnaf & Co.	17,855,447	15,742,193	20,846,469	550,000
2	Dusk Construction & Builder	8,011,789	-	10,456,954	6,480,000
3	Featherlite Ltd.	84,783,950	71,099,585	90,556,329	22,000,000
4	Anudip Autos Limited	43,767,825	32,747,739	40,257,537	29,590,000
5	Green Arrow International	7,496,151	4,725,784	5,949,104	1,600,000
6	Apex Jersey Ltd.	315,010,235	78,974,051	335,879,386	12,000,000
7	Gonoshasthaya Antibiotic Ltd.	71,628,580	60,192,640	75,998,182	6,500,000
8	Parisha Trade System Ltd.	70,247,889	56,126,471	66,577,867	2,590,000
9	Siddique Traders	176,337,598	51,321,139	150,287,087	1,000,000
10	Monirul Cottage Industries	8,199,283	1,945,140	7,750,000	5,750,000
11	Rafique Traders	36,192,872	25,193,206	40,017,149	3,500,000
12	Maya Furniture	241,972	172,979	268,068	20,000
13	Udayan Construction	10,511,900	8,071,170	10,840,000	10,510,000
14	Anar Impex	2,421,470	363,221	3,106,211	2,220,000
15	Orchid Travels and Tours	56,970,536	40,360,887	51,260,000	5,000,000
16	A. Zaman & Brothers	46,085,076	35,810,467	62,880,000	2,690,000
17	Excel Trade Fair	3,101,382	1,711,230	3,752,335	2,850,000
18	CPM Blue Online Ltd.	7,944,405	7,633,088	9,765,400	2,000,000
19	Sahabuddin Enterprise	23,008,327	12,097,114	20,780,000	22,880,000
20	Asian Spool Industires Ltd.	75,457,338	23,738,429	149,090,000	10,000,000
21	Ahasan Ullah Bricks	9,571,323	1,435,698	12,060,000	1,250,000
22	Surjamukhi Garments	639,175	582,504	977,671	640,000
<b>Sub Total</b>		<b>1,075,484,523</b>	<b>530,044,735</b>	<b>1,169,355,749</b>	<b>151,620,000</b>
<b>Retail Loan</b>					
1	Various Client	57,574,016	33,543,531	82,883,220	15,702,238
<b>Sub Total</b>		<b>57,574,016</b>	<b>33,543,531</b>	<b>82,883,220</b>	<b>15,702,238</b>
<b>Grand Total</b>		<b>1,133,058,539</b>	<b>563,588,266</b>	<b>1,252,238,969</b>	<b>167,322,238</b>



Dhaka Bank Limited

Annexure- F

Details of borrowers for written-off loan during the year 2021

(Amount in Taka)					
Sl. No.	Name of Borrowers	Amount written-off	Amount of Interest Suspense kept at the time of written-off	Amount of Provision kept at the time of written-off	Suit Value
<b>Corporate &amp; SME Loan</b>					
1	Diamond Spinning Mills Ltd.	8,745,616	-	8,745,616	1,029,502,396
2	New Lovely Garments	433,053	35,921	397,132	674,323
3	Shima Varities Store	1,512,255	705,286	806,969	2,502,267
4	Bangladesh Industrial Finance Company Ltd.	64,928,973	5,456,135	59,472,839	77,837,078
5	A.K. Enterprise	74,010,251	826,618	73,183,633	101,961,757
6	HDF Textiles Ltd.	232,320,331	2,433,066	229,887,265	303,845,323
<b>Sub Total</b>		<b>381,950,479</b>	<b>9,457,026</b>	<b>372,493,454</b>	<b>1,516,323,144</b>
<b>Retail Loan</b>					
(Amount in Taka)					
Sl. No.	Type of Loans	Amount written-off	Amount of Interest Suspense kept at the time of written-off	Amount of Provision kept at the time of written-off	Suit Value (in million)
		-	-	-	-
		-	-	-	-
		-	-	-	-
<b>Sub Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>		<b>381,950,479</b>	<b>9,457,026</b>	<b>372,493,454</b>	<b>1,516,323,144</b>

## Dhaka Bank Limited

## Related Party Disclosures

A. i) Name of the Directors and their interest in the Bank as on 31 December 2021:

SI No	Name of Directors	Designation	% of interest as on 31 December 2021
1	Mr. Abdul Hai Sarker	Chairman	2.281
2	Mr. Jashim Uddin	Vice-Chairman	2.000
3	Mrs. Rokshana Zaman	Director	2.450
4	Mr. Altaf Hossain Sarker	Director	2.789
5	Mr. Reshadur Rahman	Director	3.434
6	Mr. Tahidul Hossain Chowdhury	Director	2.008
7	Mr. Khondoker Monir Uddin	Director	2.872
8	Mr. Md. Amirullah	Director	2.000
9	Mr. Abdullah Al-Ahsan	Director	2.000
10	Mr. Mohammed Hanif	Director	3.046
11	Mrs. Rakhi Das Gupta	Director	2.000
12	Mr. Mirza Yasser Abbas	Director	3.683
13	Mr. Amanullah Sarker	Director	2.000
14	Mrs. Manoara Khandaker	Director	2.004
15	Mr. M.A. Yussouf Khan	Independent Director	Nil
16	Mr. A.S.Salahuddin Ahmed	Independent Director	Nil
17	Mr. Ahabab Ahmad	Independent Director	Nil

ii) Name of the Directors and their interest in the Bank as on 31 December 2020:

SI No	Name of Directors	Designation	% of interest as on 31 December 2020
1	Mr. Abdul Hai Sarker	Chairman	2.281
2	Mr. Abdullah Al-Ahsan	Vice-Chairman	2.000
3	Mrs. Rokshana Zaman	Director	2.450
4	Mr. Altaf Hossain Sarker	Director	2.789
5	Mr. Reshadur Rahman	Director	3.434
6	Mr. Tahidul Hossain Chowdhury	Director	2.008
7	Mr. Khondoker Monir Uddin	Director	2.872
8	Mr. Md. Amirullah	Director	2.000
9	Mr. Jashim Uddin	Director	2.000
10	Mr. Mohammed Hanif	Director	3.046
11	Mrs. Rakhi Das Gupta	Director	2.000
12	Mr. Mirza Yasser Abbas	Director	3.683
13	Mr. Amanullah Sarker	Director	2.000
14	Mrs. Manoara Khandaker	Director	2.004
15	Mr. M.A. Yussouf Khan	Independent Director	Nil
16	Mr. Md. Muzibur Rahman	Independent Director	Nil
17	Mr. A.S.Salahuddin Ahmed	Independent Director	Nil

iii) Name of Directors and their interest in different entities as on 31 December 2021

Sl. No.	Name	Status with the Bank	Name of the firms/Companies in which they have interest	Status in the interested entities
1	Mr. Abdul Hai Sarker	Chairman	Shohagpur Textile Mills Ltd.	Chairman & CEO
			Purbani Fabrics Ltd.	Chairman & CEO
			Karim Textiles Ltd.	Chairman & CEO
			Purbani Traders.	Proprietor
			Purbani Yarn Dyeing Ltd.	Chairman & CEO
			Karim Spinning Mills Ltd.	Chairman & CEO
			Purbani Synthetic Spinning Ltd.	Chairman & CEO
			Purbani Rotor Spinning Ltd.	Chairman & CEO
			Purbani Fisheries	Proprietor
			Purbani Fashion Ltd.	Chairman & CEO
			Purbani Agro Processing Ltd.	Chairman & CEO
2	Mr. Jashim Uddin	Vice Chairman	Purbani Lifestyle Ltd.	Director
			Dhaka Bank Securities Ltd.	Director
			Impel Shares & Securities Ltd.	Chairman
			Rafid Enterprise	Proprietor
			HURDCO International School Ltd.	Director
3	Mr. Reshadur Rahman	Director	Dhaka Imperial Hospital.	Shareholder
			Dhaka Bank Securities Ltd.	Chairman
			Trade Hub Bangladesh Ltd.	Chairman
			RR Aviation Ltd.	Chairman
			RR Holdings Ltd.	Chairman & Managing Director
			RNPG Alliance	Managing Partner
			RR Trading & Co.	Proprietor
			RR Shipping Lines	Proprietor
			National Traders	Proprietor
			Alliance Infrastructure Engineering Pvt. Ltd.	Shareholder
			Alliance Deep Sea Fishing Ltd.	Shareholder
			Alliance Bags Ltd.	Shareholder
			Quality Breeders Ltd.	Shareholder
Quality Grains Ltd.	Shareholder			
4	Mrs. Rokshana Zaman	Director	Dhaka Enterprise	Proprietress
			M/s. Manehor Fisheries	Proprietress
			Maksuda Cargo Vessel	Proprietress
			Maksuda 1 Cargo Vessel	Proprietress
			Dhaka Bank Securities Limited	Director
5	Mr. Altaf Hossain Sarker	Director	Rahmat Textiles Ltd.	Managing Director
			Rahmat Knit Dyeing & Finishing Ltd.	Managing Director
			China Plastic (BD) Ltd.	Chairman & Managing Director
			Rahmat Fashion Wear Ltd.	Director
			Rahmat Rotors Ltd.	Chairman
			Dhaka Bank Securities Ltd.	Director
6	Mr. Mohammed Hanif	Director	Hanif Steels Ltd.	Managing Director
			Hanif Spinning Mills Ltd.	Managing Director
			National Foundry & Engineering Works (Pvt.) Ltd.	Managing Director
			Hanif Maritime Limited	Managing Director
7	Mr. Tahidul Hossain Chowdhury	Director	Riotex Ltd.	Chairman
			Jerat Fashion Ltd.	Managing Director
			Jerat Shirt Ltd.	Chairman
			Central Hospital Ltd.	Director
			HURDCO International School Ltd.	Director
			Hotel Victory Ltd.	Managing Director
			Dhaka Bank Investment Ltd.	Director
8	Mr. Khondoker Monir Uddin	Director	Shanta Washing Plant Ltd.	Managing Director
			STS Holdings Limited	Managing Director
			GDS Chemical (Bangladesh) Pvt. Ltd.	Managing Director
			Universal Business Machines Limited	Managing Director
			STS Capital Limited	Managing Director
			Shanta Holdings Limited	Managing Director
			Shanta Medical Center Ltd.	Managing Director
			Shanta Capital Management Ltd.	Managing Director
			Shanta Securities Ltd.	Managing Director
			Shanta Technologies Ltd.	Chairman

9	Mr. Md. Amirullah	Director	Dhaka Bank Investment Ltd.	Director
10	Mr. Abdullah Al Ahsan	Director	Aroma Poultry Ltd. Aroma Fisheries Ltd.	Director Director
11	Mr. Md. Aman Ullah Sarker	Director	Rahmat Spinning Mills Ltd. Logos Apparels Ltd Belkuchi Spinning Mills Ltd. Rahmat Sweaters (BD) Ltd. Shahi Products	Managing Director Chairman Chairman Chairman Partner
12	Mr. Mirza Yasser Abbas	Director	Mirza Enterprise Dhaka Bank Investment Ltd. Predictable Process Ltd. LOUD Limited	Executive Director Managing Director Chairman
13	Mrs. Manoara Khandaker	Director	Total Pack & Packaging Bari & Pack Plastic Ltd.	Proprietress Director
14	Mrs. Rakhi Das Gupta	Director	Uniroyal Securities Ltd.	Chairman
15	Mr. Mohammad Abu Yussouf Khan	Independent Director	-	-
16	Mr. A.S. Salahuddin Ahmed	Independent Director	-	-
17	Mr. Ahbab Ahmad	Independent Director	-	-

iv) Share issued to Directors & Executives without consideration or exercisable at discount: Nil

v) Related party Transactions: Tk. 66,743,320.13

vi) Lending Policies to related parties:

Lending to related parties is effected as per requirements of Section 27 (1) of The Bank Company Act, 1991, and amendment thereon.

vii) During the period 1 January 2021 to 31 December 2021, the Bank concluded business deals with the following directors/organisations in which the directors had interest:

Name	Relationship	Nature of Transactions	Balance at 31.12.2021
JASHIM UDDIN	Guarantor	Credit facility	1,229,495
RESHADUR RAHMAN	PROPRIETOR	Credit facility	35,268,342
ABDUL HAI SARKER	DIRECTOR	Credit facility	109
MD AMIRULLAH	DIRECTOR	Credit facility	20,263
ABDULLAH AL AHSAN	DIRECTOR	Credit facility	5,080,980
TAHIDUL HOSSAIN CHOWDHURY	DIRECTOR	Credit facility	115
JASHIM UDDIN	DIRECTOR	Credit facility	142
MOHAMMED HANIF	DIRECTOR	Credit facility	115
MIRZA YASSER ABBAS	DIRECTOR	Credit facility	444,624
A S SALAHUDDIN AHMED	INDEPENDENT DIRECTOR	Credit facility	110
MONOARA KHANDAKER	PROPRIETOR	Credit facility	12,078,468
AMIR ULLAH	DIRECTOR	Credit facility	12,620,557
<b>Any Other Related Parties</b>			<b>66,743,320</b>

<b>SUBSIDIARIES</b>			
<b>Name</b>	<b>Relationship</b>	<b>Nature of transactions</b>	<b>Balance at 31.12.2021</b>
Dhaka Bank Securities Limited	Subsidiary	Deposit	160,495,485
Dhaka Bank Investment Limited	Subsidiary	Deposit	311,292,096
Dhaka Bank Securities Limited	Subsidiary	Credit Facility	2,443,588,172
Dhaka Bank Securities Limited	Subsidiary	Investment	1,499,999,940
Dhaka Bank Investment Limited	Subsidiary	Investment	249,999,940
Dhaka Bank Investment Limited	Subsidiary	Account receivable	1,173,725
Dhaka Bank Securities Limited	Subsidiary	Account receivable	55,787,264
Dhaka Bank Securities Limited	Subsidiary	Interest income	144,106,479
Dhaka Bank Securities Limited	Subsidiary	Interest expense	5,082,581
Dhaka Bank Investment Limited	Subsidiary	Interest expense	13,447,254

- viii) Business other than Banking business with any related concern of the Directors as per Section 18(2) of The Bank Company Act, 1991, and amendment thereon:

**Lease agreement:**

1. Lease agreement for Uttara Branch was executed with Mrs. Rokshana Zaman (Director of the Bank) & Mr. Hasanuzzaman (son of Mrs. Rokshana Zaman, Director of the Bank).
2. Lease agreement for Data Recovery Center-HO & Retail Business Center-HO were executed with Mrs. Rokshana Zaman (Director of the Bank) & Tanveen Zaman (Daughter of Mrs. Rokshana Zaman, Director of the Bank).
3. Lease agreement for Shahjahanpur Branch of the Bank was executed with Mr. Mirza Abbas Uddin Ahmed, Lessor, who is the father of Mr. Mirza Yasser Abbas, Director of the Bank.
4. Lease agreement for Dhaka Bank Training Institute Hostel & Central Godown(925/B, Shahidbagh, Dhaka) of the Bank was executed with Mr. Mirza Abbas Uddin Ahmed, Lessor, who is the father of Mr. Mirza Yasser Abbas, Director of the Bank.
5. Lease agreement for Central Godown (532/4, Shahidbagh, Dhaka) of the Bank was executed with Ms. Shahida Mirza Pashu, Lessor, who is the aunt of Mr. Mirza Yasser Abbas, Director of the Bank.

**Service provider:**

6. Omni Technologies, a service provider company which provides various sorts of services to the Bank and Mr. Hasanuzzaman is Director in its board who is the son of Mrs. Rokshana Zaman, Director of the Bank.

- ix) Investments in the Securities of Directors and their related concern: Nil

**Dhaka Bank Limited**  
**Statement of Tax Position**  
**As at 31 December 2021**

Sl. No.	Assessment Year	Income Year	Latest amount of tax assessed by tax authority	Present Status
1	2005-2006	2004	279,283,553	Re-opened U/S:120 Filed Appeal to Honorable High Court
2	2006-2007	2005	331,227,509	Re-opened U/S:120 Filed Appeal to Honorable High Court
3	2007-2008	2006	472,195,169	Re-opened U/S:120 Filed Appeal to Honorable High Court
4	2008-2009	2007	903,317,788	Filed Appeal to Honorable High Court
5	2009-2010	2008	1,047,311,318	Filed Appeal to Honorable High Court
6	2010-2011	2009	1,157,121,534	Filed Appeal to Honorable High Court
7	2011-2012	2010	1,338,468,847	Filed Appeal to Honorable High Court
8	2012-2013	2011	1,465,747,928	Filed Appeal to Honorable High Court Case no 28 of 2015
9	2013-2014	2012	874,087,065	Case settle after CT Appeal /Tax Clearance Certificate received
10	2014-2015	2013	959,854,165	Case settle after CT Appeal /Tax Clearance Certificate received
11	2015-2016	2014	1,170,165,870	Case settle after DCT Level & Tax Clearance Certificate received but file Re-open u/s 120 date 15.01.2019 by showing additional income Tk. 65,416,887/- and tax claim 27,529,530/- and file is in tribunal.
12	2016-2017	2015	1,086,383,035	After 1st Appeal as per revised order due tax paid and apply for tax clearance certificate.
13	2017-2018	2016	1,463,073,057	Assessment completed & due tax paid & tax clearance certificate received in time
14	2018-2019	2017	1,497,654,717	Assessment completed & due tax paid & tax clearance certificate received in time
15	2019-2020	2018	1,856,472,490	Assessment completed & filed appeal to the appellate commissioner (1st appeal)
16	2020-2021	2019	1,737,446,278	Assessment completed & filed appeal to the appellate commissioner (1st appeal)
17	2021-2022	2020	-	Income tax return submitted to the LTU and assessment running
18	2022-2023	2021	-	Income tax return will be submitted within stipulated time.

**Note:**

Though it appears from the above disclosure that the Bank have tax file open in different years for various grounds mainly for interpretation of laws and the treatment. The appeal filed at different level from Commissioner of Taxes Appeal to Honorable High Court Division. Where, the Bank did not received proper judgement through appeal from tax department, the Bank preferred appeal before Honorable High Court Division. Under the appeals filed so far, the Bank has both refund claim from tax office and tax claim from tax department as well. However, the Bank are reviewing all pending tax claim every year and the Company believes that its provision for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

**Dhaka Bank Limited****Distribution of Profit under Islamic Banking Operation**

Dhaka Bank has been operating two Islamic Banking branches in complying with the rules of Islamic Shariah which absolutely prohibits receipts of and payments of interest in any form. The modus operandi of these two branches is totally different from other conventional branches. A separate balance sheet and income statement are being maintained as recommended by the Central Shariah Board for Islamic Banking in Bangladesh.

**Final Rates on Mudaraba Deposit Products of Islamic Banking for the period from January to December 2021**

Dhaka Bank Limited has successfully completed the business period from January to December 2021 and declared final profit rates on various Mudaraba Deposits Accounts to the depositors.

The final rates of various Mudaraba Deposits Accounts of Banks as per approved weight age for the period from January to December 2021 have come up lower than declared provisional profit rates of Mudaraba Deposits Accounts.

As Final rates of Mudaraba Savings Deposit Account, Mudaraba SND Deposit Account for Banks, Mudaraba Short Notice Deposit Accounts, Mudaraba Term Deposit 36 Months, 24 Months, 12 Months, 6 Months, 3 Months, 1 Month, Mudaraba Term Deposit-Bank, Mudaraba Hajj Saving Scheme, Mudaraba Double Deposit Scheme & Mudaraba Deposit Pension Scheme come up lower than declared provisional profit rates as per approved weightage. We declared provisional profit rates of Mudaraba Deposit Accounts as final rates for the year-2021 considering present market position.

Sl. No.	Type of Deposit	Weightage	Final Rate
			For the period From January to December 2021
1	Mudaraba Savings Deposit	0.28	1.62%
2	Mudaraba Savings Deposit For Bank	0.33	1.68%
3	Mudaraba Short Notice Deposit	0.55	2.50%
4	Mudaraba Term Deposit Account		
	36 Months	1.1	5.05%
	24 Months	1.1	5.05%
	12 Months	1.05	4.80%
	6 Months	1.05	4.80%
	3 Months	1.05	4.80%
	1 Months	0.44	2.00%
5	Mudaraba Hajj Savings Scheme	1.1	5.04%
6	Mudaraba Deposit Double Scheme	1.36	6.21%
7	Mudaraba Deposit Pension Scheme	1.25	5.71%

**Dhaka Bank Limited (Islamic Banking)**  
**Balance Sheet**  
**As at 31 December 2021**

	Notes	31.12.2021 Taka	31.12.2020 Taka
<b><u>PROPERTY AND ASSETS</u></b>			
<b>Cash</b>	1	550,601,934	445,425,781
Cash in hand (including foreign currencies)	1.1	38,578,702	43,242,231
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	1.2	512,023,232	402,183,550
<b>Balance with other banks and financial institutions</b>	2	-	-
In Bangladesh	2.1	-	-
Outside Bangladesh	2.2	-	-
<b>Money at call on short notice</b>	3	-	-
<b>Investment in securities</b>	4	675,500,000	773,970,000
Government	4.1	675,500,000	773,970,000
Others	4.2	-	-
<b>Investments</b>	5	5,582,418,900	6,005,994,357
Bai Muajjal, murabaha, HPSM, izara etc.	5.1	5,576,776,044	5,998,213,819
IBPI	6	5,642,856	7,780,538
<b>Fixed assets including premises, furniture and fixtures</b>	7	33,718,894	56,627,295
<b>Other assets</b>	8	7,922,552,750	3,355,943,354
<b>Non-banking assets</b>	9	-	-
<b>Total Assets</b>		<b>14,764,792,478</b>	<b>10,637,960,787</b>
<b><u>LIABILITIES &amp; CAPITAL</u></b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	10	-	96,740,633
<b>Deposits and other accounts</b>	11	13,784,960,619	9,673,307,316
Current accounts & other accounts		588,808,828	441,143,664
Bills payable		18,484,448	19,033,316
Savings bank deposits		830,293,002	964,611,998
Term deposits		12,347,374,341	8,248,518,338
<b>Non Convertible Subordinated Bond</b>	12	-	-
<b>Other liabilities</b>	13	483,071,366	636,114,457
<b>Total Liabilities</b>		<b>14,268,031,985</b>	<b>10,406,162,406</b>
<b>Capital/Shareholders' Equity</b>			
<b>Total Shareholders' Equity</b>		496,760,493	231,798,381
Paid-up capital		-	-
Statutory reserve		-	-
Other reserve		-	-
Surplus in profit and loss account		496,760,493	231,798,381
<b>Total Liabilities &amp; Shareholders' Equity</b>		<b>14,764,792,478</b>	<b>10,637,960,787</b>



	Notes	31.12.2021 Taka	31.12.2020 Taka
<b>Off-Balance Sheet Items</b>			
<b>Contingent liabilities</b>			
	14	<b>4,270,172,454</b>	<b>3,458,798,911</b>
Acceptances and endorsements		1,223,595,993	511,071,266
Irrevocable Letters of Credit		607,943,302	880,675,240
Letter of guarantee		169,272,973	110,635,983
Bills for collection		23,034,627	24,700,251
Other contingent liabilities		2,246,325,559	1,931,716,171
<b>Other commitments</b>			
Documentary credit and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
<b>Total off-balance sheet items including contingent liabilities</b>		<b>4,270,172,454</b>	<b>3,458,798,911</b>

*These financial statements should be read in conjunction with the annexed notes 1 to 29.*

**Dhaka Bank Limited (Islamic Banking)**  
**Profit & Loss Account**  
For the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
Profit on investments	15	993,734,630	988,554,501
Profit paid on deposits and borrowings etc.	16	(536,958,942)	(726,328,542)
<b>Net Interest Income</b>		<b>456,775,688</b>	<b>262,225,959</b>
Income from Investment	17	36,683,708	19,479,368
Commission & exchange earnings	18	44,854,276	28,140,961
Other Operating Income	19	38,252,320	3,438,581
		<b>119,790,304</b>	<b>51,058,910</b>
<b>Total operating income (a)</b>		<b>576,565,993</b>	<b>313,284,869</b>
Salary and allowances	20	32,350,797	31,118,912
Rent, taxes, insurance, electricity etc.	21	10,147,126	(14,625,748)
Legal expenses	22	543,315	238,110
Postage, stamps, telecommunication etc.	23	502,301	425,992
Stationery, printing, advertisement etc.	24	1,033,310	1,056,919
Chief executive's salary and fees	25	-	-
Directors' fees	26	35,200	97,470
Auditors' fees	27	-	-
Depreciation and repairs of Bank's assets	28	25,687,159	48,409,565
Other expenses	29	9,506,291	14,765,268
<b>Total operating expenses (b)</b>		<b>79,805,500</b>	<b>81,486,488</b>
<b>Profit before provision &amp; Taxes (c = (a-b))</b>		<b>496,760,493</b>	<b>231,798,381</b>

*These financial statements should be read in conjunction with the annexed notes 1 to 29.*

**Dhaka Bank Limited**  
**(Islamic Banking)**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

		<b>31.12.2021</b>	<b>31.12.2020</b>
		<b>Taka</b>	<b>Taka</b>
<b>1. Cash</b>			
Cash in hand	(Note:1.1)	38,578,702	43,242,231
Balance with Bangladesh Bank and its agent bank(s)	(Note: 1.2)	512,023,232	402,183,550
		<b>550,601,934</b>	<b>445,425,781</b>
<b>1.1 Cash in hand</b>			
In local currency		37,763,602	42,597,327
In foreign currencies		815,100	644,904
		<b>38,578,702</b>	<b>43,242,231</b>
Cash in hand (local currency) includes balance of cash held at Automated Teller Machine (ATM)			
<b>1.2 Balance with Bangladesh Bank and its agent bank(s)</b>			
Balance with Bangladesh Bank			
In local currency		512,023,232	402,183,550
Conventional		-	-
Al-Wadiah current account		512,023,232	402,183,550
In foreign currencies		-	-
Balance with Sonali Bank as agent of Bangladesh Bank		512,023,232	402,183,550
		<b>512,023,232</b>	<b>402,183,550</b>
<b>2. Balance with other banks and financial institutions</b>			
In Bangladesh	(Note: 2.1)	-	-
Outside Bangladesh	(Note: 2.2)	-	-
		<b>-</b>	<b>-</b>
<b>2.1 In Bangladesh</b>			
<b>Current Deposits</b>		-	-
<b>Special Notice Deposits (SND)</b>		-	-
<b>Fixed Deposits</b>		-	-
<b>Commercial Banks</b>		-	-
<b>Financial Institutions</b>		-	-
		<b>-</b>	<b>-</b>
<b>2.2 Outside Bangladesh (Nostro Accounts)</b>			
<b>Current Deposits</b>		-	-
		<b>-</b>	<b>-</b>

		<b>31.12.2021</b> <b>Taka</b>	<b>31.12.2020</b> <b>Taka</b>
<b>3. Money at call on short notice</b>			
With banking companies	(Note: 3.1)	-	-
With non-banking financial institutions	(Note: 3.2)	-	-
		<u>-</u>	<u>-</u>
<b>3.1 With banking companies</b>		<u>-</u>	<u>-</u>
<b>3.2 With non-banking financial institutions</b>		<u>-</u>	<u>-</u>
<b>4. Investment in securities</b>			
Government securities	(Note: 4.1)	675,500,000	773,970,000
Other investments	(Note: 4.2)	-	-
		<u><b>675,500,000</b></u>	<u><b>773,970,000</b></u>
<b>4.1 Government securities</b>			
Bangladesh Bank bills	(Note: 4.1.1)	-	-
Treasury bonds	(Note: 4.1.2)	-	-
Government islamic bond		675,500,000	773,970,000
Prize bond		-	-
		<u><b>675,500,000</b></u>	<u><b>773,970,000</b></u>
<b>4.1.1 Bangladesh Bank bills</b>			
7 days Bangladesh Bank Bills		-	-
91 days Treasury Bills		-	-
182 days Treasury Bills		-	-
364 days Treasury Bills		-	-
		<u>-</u>	<u>-</u>
<b>4.1.2 Treasury Bonds</b>			
2 years Bangladesh Government Treasury Bond		-	-
5 years Bangladesh Government Treasury Bond		-	-
10 years Bangladesh Government Treasury Bond		-	-
15 years Bangladesh Government Treasury Bond		-	-
20 years Bangladesh Government Treasury Bond		-	-
		<u>-</u>	<u>-</u>
<b>4.2 Other investments</b>			
Investment in shares	(Note: 4.2.1)	-	-
Investment in subordinated bonds	(Note: 4.2.2)	-	-
Investment in Commercial Paper	(Note: 4.2.3)	-	-
		<u>-</u>	<u>-</u>
<b>4.2.1 Shares</b>			
Quoted (Publicly Traded)		-	-
Unquoted		-	-
		<u>-</u>	<u>-</u>
<b>4.2.2 Investment in subordinated bonds</b>		<u>-</u>	<u>-</u>
<b>4.2.3 Investment in Commercial Paper</b>		<u>-</u>	<u>-</u>

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>5. Investments</b>		
Bai Muajjal, murabaha, HPSM, izara etc.	(Note: 5.1) 5,576,776,044	5,998,213,819
IBPI	(Note: 6) 5,642,856	7,780,538
	<b>5,582,418,900</b>	<b>6,005,994,357</b>
<b>5.1 Bai Muajjal, murabaha, HPSM, izara etc.</b>		
<b>Broad category-wise breakup</b>		
In Bangladesh		
Murabaha (Purchase Order)	718,702,872	405,305,737
Murabaha (Term Financing)	742,432,713	1,568,939,041
MPI Trust Receipt	366,070,499	480,186,113
Murabaha Import Bill (PAD)		-
Bai Muajjal	1,669,696,173	2,213,955,905
Ijara (Lease Financing) (Note-5.3)	751,844,225	711,021,723
Shirkatul Mulk (Hire Purchase)	358,647,302	430,433,737
Other investments	969,382,260	188,371,564
	<b>5,576,776,044</b>	<b>5,998,213,819</b>
Outside Bangladesh	-	-
	<b>5,576,776,044</b>	<b>5,998,213,819</b>
<b>5.2 Residual maturity grouping of investments including IBPI</b>		
Repayable on Demand	1,678,136,318	2,257,493,302
Not more than 3 months	401,837,755	888,588,005
More than 3 months but not more than 6 months	837,500,630	761,815,072
More than 6 months but not more than 1 year	484,399,030	154,644,958
More than 1 year but not more than 5 years	1,199,348,595	779,054,916
More than 5 years	981,196,572	1,164,398,103
	<b>5,582,418,900</b>	<b>6,005,994,357</b>
<b>5.3 Investment in lease/izara finance</b>		
Lease rental receivable within 1 year	249,858,717	230,817,932
Lease rental receivable more than 1 year	613,498,716	676,216,633
<b>Total lease/ izara rental receivable</b>	863,357,433	907,034,565
Less: unearned interest/profit receivable	111,513,208	196,012,842
<b>Net investment in lease/izara finance</b>	<b>751,844,225</b>	<b>711,021,723</b>
<b>5.4 Investments under the following broad categories</b>		
Investments	3,299,560,031	3,304,071,802
Bai Murabaha/ Bai Muajjal	2,277,216,013	2,694,142,017
	5,576,776,044	5,998,213,819
Bills Purchased and discounted	(Note: 6) 5,642,856	7,780,538
	<b>5,582,418,900</b>	<b>6,005,994,357</b>
<b>5.5 Investments on the basis of significant concentration including IBPI</b>		
a. Investments to allied concerns of Directors	-	-
b. Investments to Chief Executive	-	-
c. Investments to Other Senior Executives	-	-
d. <u>Investments to Customer's Group:</u>		
Agriculture investments	-	-
Commercial lending	97,158,750	104,607,950
Export financing		114,103,104
Consumer credit scheme	86,054,543	82,878,317
Special Program Investments (SME)	484,144,066	449,815,644
Staff investments	20,747,042	21,999,320
others	4,894,314,499	5,232,590,023
	<b>5,582,418,900</b>	<b>6,005,994,357</b>

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>5.6 Industry-wise investments</b>		
Agricultural	-	-
Pharmaceuticals	-	-
Textile & Garment	917,453,553	1,253,039,322
Chemical	636,843,724	652,586,877
Food & allied	227,972,952	231,368,715
Transport & Communication	13,803,664	11,098,065
Electronics & Automobile	20,055,000	14,705,250
Housing & Construction	463,756,999	462,421,888
Engineering & Metal Industries including Ship Breaking	1,515,003,022	1,604,043,924
Energy & Power	322,241,229	327,625,050
Service	605,482,184	292,698,675
Others	859,806,573	1,156,406,593
	<b>5,582,418,900</b>	<b>6,005,994,357</b>
<b>5.7 Geographical location-wise (division) distribution</b>		
<b>Urban</b>		
Dhaka Region	3,765,229,503	4,087,237,397
Chattagram Region	1,817,189,397	1,918,756,960
South Region	-	-
North Region	-	-
Sylhet Region	-	-
	<b>5,582,418,900</b>	<b>6,005,994,357</b>
<b>Rural</b>		
Dhaka Region	-	-
Chattagram Region	-	-
South Region	-	-
North Region	-	-
Sylhet Region	-	-
	<b>5,582,418,900</b>	<b>6,005,994,357</b>
<b>5.8 Sector-wise investments</b>		
Government & Autonomous bodies	-	-
Financial Institutions (Public & Private)	-	-
Private Sector	5,582,418,900	6,005,994,357
	<b>5,582,418,900</b>	<b>6,005,994,357</b>
<b>5.9 Classification of investments</b>		
<b>Unclassified</b>		
Standard	4,806,993,011	5,203,277,197
Special Mention Account	71,716,960	-
	<b>4,878,709,971</b>	<b>5,203,277,197</b>
<b>Classified</b>		
Sub-Standard	14,585,573	-
Doubtful	-	-
Bad or loss	689,123,357	802,717,160
	<b>703,708,929</b>	<b>802,717,160</b>
	<b>5,582,418,900</b>	<b>6,005,994,357</b>

			31.12.2021 Taka	31.12.2020 Taka
5.10	<b>A) Provision required for investments</b>			
	<b>Status</b>	<b>Rate %</b>		
	<b>Unclassified</b>			
	Unclassified	0.25,1,1.25,1.75,2,3 & 100	295,342,099	531,040,596
	Special Mention account	0.25, 1 & 2	1,039,895	-
			<b>296,381,994</b>	<b>531,040,596</b>
	<b>Classified:</b>			
	Sub-Standard	20	437,567	-
	Doubtful		-	-
	Bad or loss	100	637,591,654	354,186,656
			<b>638,029,221</b>	<b>354,186,656</b>
	Required provision for investments		934,411,215	885,227,251
	Total provision maintained		934,411,215	885,227,251
	<b>Excess/short provision as at 31 December</b>		<b>-</b>	<b>-</b>
	<b>B) Provision for good borrower</b>		<b>-</b>	<b>-</b>
	<b>C) Provision required for Off-Balance Sheet Exposures</b>			
	<b>Status</b>	<b>Base for Provision</b>	<b>Rate %</b>	
	Acceptances and Endorsements	1,223,595,993	1	12,235,960
	Letter of Credit	607,943,302	1	6,079,433
	Letter of Guarantee	169,272,973	1	1,692,730
	<b>Required provision</b>			20,008,123
	Total Provision Maintained			15,023,825
	<b>Excess/(Short) Provision as at 31 December</b>			<b>-</b>
5.11	<b>Securities against investments including IBPI</b>			
	<b>a. Secured</b>			
	Collateral of movable/immovable assets		4,766,767,553	4,615,974,609
	Local Banks & Financial Institutions guarantee		-	-
	Foreign Banks Guarantee		-	-
	Export documents		5,642,856	7,780,538
	Government Guarantee		-	-
	<b>Fixed Deposits Receipts</b>			
	Own FDR		268,327,747	-
	FDR of Other Banks		-	-
	Personal Guarantee		120,138,276	39,118,161
	Corporate Guarantee		-	-
	Other Securities		421,542,468	1,343,121,048
	Government bonds		-	-
			5,582,418,900	6,005,994,356
			(0)	0
	<b>b. Unsecured</b>		<b>5,582,418,900</b>	<b>6,005,994,357</b>
6.	<b>IBPI</b>			
	In Bangladesh		5,642,856	7,780,538
	Outside Bangladesh		-	-
			<b>5,642,856</b>	<b>7,780,538</b>
6.1	<b>Maturity grouping of IBPI</b>			
	Payable within 1 month		2,421,173	1,969,826
	Over 1 month but less than 3 months		2,268,678	5,810,711
	Over 3 months but less than 6 months		953,005	-
	6 months or more		-	-
			<b>5,642,856</b>	<b>7,780,538</b>

	31.12.2021 Taka	31.12.2020 Taka
<b>7. Fixed assets including premises, furniture and fixtures</b>		
<b>Cost</b>		
Land	-	-
Building	-	-
Furniture and fixture including office decoration	7,049,830	7,034,510
Office appliances and equipment	22,312,495	20,504,229
Computer	3,572,636	3,979,487
Software	421,959	421,959
Bank's vehicle	2,850,375	2,850,375
Right of use assets (ROU) as per IFRS 16	95,455,299	95,455,299
	<u>131,662,594</u>	<u>130,245,858</u>
Less: Accumulated depreciation	<u>97,943,700</u>	<u>73,618,563</u>
	<b><u>33,718,894</u></b>	<b><u>56,627,295</u></b>
<b>8. Other Assets</b>		
Investment in Shares of subsidiary companies	-	-
Stationery, stamps, printing materials etc.	62,842	46,792
Advance rent	6,411,290	-
Prepaid expenses against advertisement	407,926	-
Profit accrued and other receivable	3,383,750	3,383,750
Security deposit	315,000	315,000
Preliminary, formation, Work in progress, renovation expenses and prepaid expenses	771,801	269,933
Branch adjustments	7,898,123,594	3,346,294,476
Suspense account	6,403,810	160,942
Others (Note: 8.1)	6,672,737	5,472,461
	<b><u>7,922,552,750</u></b>	<b><u>3,355,943,354</u></b>
<b>8.1 Others</b>		
Advance Tax (Note: 8.1.1)	83,575	53,575
Deferred Tax Assets	-	-
Account receivable others (Note: 8.1.2)	6,589,162	5,418,886
	<b><u>6,672,737</u></b>	<b><u>5,472,461</u></b>
<b>8.1.1 Advance Tax</b>		
Opening Balance	53,575	-
Add: Paid during the year	83,575	53,575
	137,150	53,575
Less: Adjustment during the year	53,575	-
	<b><u>83,575</u></b>	<b><u>53,575</u></b>
<b>8.1.2 Account receivable others</b>		
Receivable against Bangladesh/Paribar Sanchaya Patra	-	-
Fees receivable	153,995	116,621
Receivable from share sale proceeds	-	-
Dividend Receivable	-	-
Finance to AD branches for Local Documentary Bill Purchased	-	-
Finance to AD branches for Import Bill Discounting	-	-
Protestation account	-	-
ATM settlement account	-	-
Receivable from exchange houses	-	-
Excise Duty Receivable	6,435,167	5,302,265
Receivable from Dhaka Bank Investment Limited	-	-
Receivable from Dhaka Bank Securities Limited	-	-
	<b><u>6,589,162</u></b>	<b><u>5,418,886</u></b>
<b>9. Non-banking assets</b>		
Land and Building	-	-



		31.12.2021 Taka	31.12.2020 Taka
<b>10. Borrowings from other banks, financial institutions and agents</b>			
In Bangladesh	(Note: 10.1)	-	96,740,633
Outside Bangladesh	(Note: 10.2)	-	-
		<u>-</u>	<u>96,740,633</u>
<b>10.1 In Bangladesh</b>			
<b>Call Borrowing</b>		-	-
		-	-
<b>Term Borrowing</b>		-	-
		-	-
<b>Bangladesh Bank refinance</b>			
Small and Medium Enterprise		-	-
Syndication		-	-
Green Banking		-	-
Export Development Fund		-	96,740,633
FSSP Fund		-	-
Mudaraba Refinance		-	-
Stimulus Fund		-	-
		<u>-</u>	<u>96,740,633</u>
<b>Total</b>		<u>-</u>	<u>96,740,633</u>
<b>10.2 Outside Bangladesh</b>		-	-
		-	-
		<u>-</u>	<u>96,740,633</u>
<b>11. Deposits and other accounts</b>			
Current and other accounts	(Note: 11.1)	588,808,828	441,143,664
Bills payable	(Note: 11.2)	18,484,448	19,033,316
Savings deposits	(Note: 11.3)	830,293,002	964,611,998
Term deposits	(Note: 11.4)	12,347,374,341	8,248,518,338
		<u>13,784,960,619</u>	<u>9,673,307,316</u>
<b>Non-profit bearing accounts</b>			
<b>11.1 Current and other accounts</b>			
Current account		421,365,720	238,963,510
Foreign currency deposits		49,744	209,383
Margin under Letter of Credit		140,657,804	152,542,742
Margin under Letter of Guarantee		9,589,366	9,628,224
Deposits awaiting disposal		-	-
Sundry deposit	(Note: 11.1.1)	17,146,194	39,799,805
		<u>588,808,828</u>	<u>441,143,664</u>
<b>11.1.1 Sundry deposit</b>			
F.C held against Back to Back L/C		2,296,208	37,107,618
Sundry creditors		14,019,980	1,710,064
Unclaimed deposits		830,006	982,122
Risk fund		-	-
Security deposits		-	-
Advance lease rent		-	-
		<u>17,146,194</u>	<u>39,799,805</u>

	31.12.2021 Taka	31.12.2020 Taka
<b>11.2 Bills payable</b>		
Pay order	18,484,448	19,033,316
Demand draft	-	-
	<b>18,484,448</b>	<b>19,033,316</b>
<b>Total Non-profit bearing accounts</b>	<b>607,293,276</b>	<b>460,176,980</b>
<b>Profit bearing Account</b>		
<b>11.3 Savings deposits</b>		
Savings account	-	-
Mudaraba savings accounts	830,293,002	964,611,998
	<b>830,293,002</b>	<b>964,611,998</b>
<b>11.4 Term deposits</b>		
Special Notice Deposits	783,153,073	303,898,544
Fixed Deposits	10,704,886,908	7,001,137,301
Deposit Pension Scheme	859,100,360	943,302,993
Gift Cheque	234,000	179,500
Non Resident Foreign Currency Deposit (NFCD)	-	-
	<b>12,347,374,341</b>	<b>8,248,518,338</b>
<b>Total profit bearing Account</b>	<b>13,177,667,343</b>	<b>9,213,130,336</b>
<b>Total Deposits and other accounts</b>	<b>13,784,960,619</b>	<b>9,673,307,316</b>
<b>12. Non Convertible Subordinated Bond</b>	-	-
<b>13. Other Liabilities</b>		
Accrued profit	34,013	1,766,082
Provision on loans and advances	-	-
Provision for Good Borrower	-	-
Provision for Off-Balance Sheet Exposure	-	-
Profit Suspense Account	416,749,393	481,553,617
Provision against Expenses	-	-
Provision for decrease in value of investments	-	-
Provision for Other Assets	-	-
Provision for Current Tax	-	-
Deferred tax liability	-	-
Tax deducted at source & payable	6,316,347	3,964,859
Excise Duty Payable	9,848,470	8,117,570
Other Account Payable	50,123,144	140,712,329
	<b>483,071,366</b>	<b>636,114,457</b>
<b>13.1 Other Account Payable</b>		
3 month and 5 years Bangladesh/Sanchay Patra & BB Foreign Invest. Bond Application, Processing, Membership & Utilisation Fee	32,075	27,375
Adjusting Account Credit	1,175,125	1,319,899
Export Proceeds Suspense	344,058	-
Finance from Bill Discounting OBU	40,011	39,545
Compensation Income of Islamic Banking operations	15,790,616	84,223,791
ATM settlement account	-	-
Import Payment Suspense	-	-
Baina against Non-Banking Assets	-	-
Leased liabilities as per IFRS 16	32,741,259	55,101,719
	<b>50,123,144</b>	<b>140,712,329</b>

(Note: 13.1)

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>14 Contingent Liabilities</b>		
<b>Acceptance &amp; Endorsement</b>	<b>1,223,595,993</b>	<b>511,071,266</b>
<b>Letters of Credit</b>	<b>607,943,302</b>	<b>880,675,240</b>
Usance/Defer Letter of Credit	133,600,965	774,281,000
Sight Letter of Credit	474,342,337	106,394,240
Back to Back Letter of Credit	-	-
BD-Sight (EDF)	-	-
Back to Back - Local	-	-
<b>Letters of Guarantee</b>	<b>169,272,973</b>	<b>110,635,983</b>
Bid Bond	18,101,059	760,000
Performance Bond	27,964,763	29,001,418
Counter Guarantee	-	-
Other Guarantee	95,221,834	66,914,365
Shipping Guarantee	27,985,317	13,960,200
<b>Bills for Collection</b>	<b>23,034,627</b>	<b>24,700,251</b>
Local Bills for Collection	21,152,374	22,839,936
Foreign Bills for Collection	1,882,253	1,860,315
<b>Other contingent liabilities</b>	<b>2,246,325,559</b>	<b>1,931,716,171</b>
Bangladesh/Pratirakhkha/Paribar Sanchay Patra	-	-
ICB Unit Certificate	-	-
Forward Exchange Position	-	-
US Investment & Premium Bond	-	-
Contingent profit Suspense	2,246,325,559	1,931,716,171
	<b>4,270,172,454</b>	<b>3,458,798,911</b>

	<b>2021</b> <b>Taka</b>	<b>2020</b> <b>Taka</b>
<b>15. Profit on investments</b>		
Term investment	122,915,344	75,711,288
Bai Muajjal	206,558,851	197,478,064
Investment against Imported Merchandise/Murabaha	-	-
Investment against Trust Receipt	71,129,252	7,828,503
Packing Credits	-	-
Bai-Muajjal	-	-
Payment against Documents	-	-
House Building investment	205,260	527,563
Transport investment	-	-
Syndicate investment	-	-
Lease Rental/Izara	62,348,384	67,269,873
Credit Card	-	-
<b>Total profit &amp; Rental Income on investments</b>	<b>463,157,091</b>	<b>348,815,290</b>
Call Lending and Fund Placement with banks	-	-
Inter Branch Profit received	530,577,539	639,739,211
	<b>993,734,630</b>	<b>988,554,501</b>
<b>16. Profit paid on deposits and borrowings etc.</b>		
Savings Account including Mudaraba	18,115,945	32,717,539
Special Notice Deposit	11,104,854	8,496,592
Term Deposits	416,287,509	493,034,566
Deposits under Scheme	91,233,206	93,093,302
Call Borrowing & Fund Placement	-	-
Non-convertible Subordinate Bond	-	-
Repurchase Agreement (REPO)	-	-
Overseas Accounts charges	7,400	-
Leased assets	-	-
HTM/HFT Securities	590	-
Others	209,438	98,986,544
	<b>536,958,942</b>	<b>726,328,542</b>
<b>16.1 Others</b>		
Profit paid on NFCD	-	-
Profit paid against Refinance from Bangladesh Bank	208,532	98,985,575
Profit paid on Gift Cheque	906	970
Profit paid on Excel Account	-	-
Profit on Finance Bill Rediscounting	-	-
Profit on Fund Borrowing-OBU	-	-
Treasury Bond Premium	-	-
	<b>209,438</b>	<b>98,986,544</b>
<b>17. Income from investment</b>		
Profit on Treasury bills/bonds	-	-
Profit on Govt. Islamic Bonds	36,683,708	19,479,368
Capital Gain on Government Securities	-	-
Profit on Commercial Papers	-	-
Profit on Subordinated Bonds	-	-
Dividend on Shares	-	-
	<b>36,683,708</b>	<b>19,479,368</b>
<b>18. Commission &amp; exchange earnings</b>		
Commission on Letter of Credit	26,014,600	14,279,156
Commission on Letter of Guarantee	2,617,492	1,519,075
Commission on Remittance / Bills	707,553	742,817
Processing Fee Consumer Loans	151,906	435,459
Other Comm/ Fees (Clearing, cash tr., risk prem., utilisation fee etc.)	15,658,772	10,882,769
Rebate from Foreign Bank outside Bangladesh	-	-
Commission & Fee on Credit Cards	396,792	288,248
Exchange gain including gain from foreign currency dealings	(692,839)	(6,563)
	<b>44,854,276</b>	<b>28,140,961</b>
<b>19. Other Operating Income</b>		
Other Income on Credit Card and ATM	615,200	550,500
Incidental charges	2,928,870	1,886,831
Swift charge recoveries	689,750	717,750
Locker rent	-	-
Capital gain on sale of Shares	-	-
Profit from sale of fixed assets	-	-
Recovery from written off loans	34,018,500	283,500

(Note: 16.1)

	<b>2021</b>	<b>2020</b>
	<b>Taka</b>	<b>Taka</b>
	<b>38,252,320</b>	<b>3,438,581</b>
<b>20. Salary and allowances</b>		
Basic salary	11,683,162	11,224,305
Allowances	15,416,637	14,765,678
Bonus & ex-gratia	2,209,759	2,171,139
Leave fare assistance	1,888,333	1,852,000
Bank contribution to gratuity fund	-	-
Bank's contribution to provident fund	1,152,906	1,105,790
	<b>32,350,797</b>	<b>31,118,912</b>
<b>21. Rent, taxes, insurance, electricity etc.</b>		
Office rent (Note: 21.1)	4,472,805	(21,217,085)
Electricity and lighting	716,064	1,048,358
Regulatory charges	81,860	66,176
Insurance	4,876,398	5,476,803
	<b>10,147,126</b>	<b>(14,625,748)</b>
<b>21.1 Office rent</b>		
Reversal of rent expenses due to depreciation and interest expenses under IFRS 16 "Leases"	30,270,541	24,878,778
	25,797,736	46,095,863
	<b>4,472,805</b>	<b>(21,217,085)</b>
<b>22. Legal expenses</b>		
Legal expenses	543,315	238,110
Other professional fees	-	-
	<b>543,315</b>	<b>238,110</b>
<b>23. Postage, stamps, telecommunication etc.</b>		
Stamps, postage & courier	115,159	55,839
Telephone charges	100,642	82,404
Fax, internet & radio link charges	286,500	287,750
	<b>502,301</b>	<b>425,992</b>
<b>24. Stationery, printing, advertisement etc.</b>		
Table stationery	212,238	177,965
Printing stationery	482,037	264,303
Security stationery	71,868	57,746
Computer stationery	77,675	70,195
Advertisement	189,492	486,710
	<b>1,033,310</b>	<b>1,056,919</b>
<b>25. Chief executive's salary and fees</b>		
Basic salary	-	-
House rent allowances	-	-
Living allowances	-	-
Medical Allowances	-	-
Bonus	-	-
	<b>-</b>	<b>-</b>
<b>26. Directors' fees</b>		
Directors fees	-	-
Fees related to Shariah Council Meeting	35,200	97,470
Board/Executive Committee/Shariah Council Meeting Expenses	-	-
	<b>35,200</b>	<b>97,470</b>
<b>27. Auditor's fees</b>	<b>-</b>	<b>-</b>
<b>28. Depreciation and repairs of Bank's assets</b>		
<b><u>Depreciation &amp; Amortization</u></b>		
Building	-	-
Furniture & Fixture	696,383	698,430
Office Appliance & Equipment	1,645,544	1,743,114
Computer	196,642	215,254
Software	-	-
Motor Vehicle	47,505	570,075
Right of use assets (ROU) as per IFRS 16	22,206,057	44,412,113
	<b>24,792,131</b>	<b>47,638,986</b>

**Repair & Maintenance:**

Office Premises  
Office Equipment  
Office Furniture  
Motor Vehicle  
Computer and accessories  
Software (AMC)

2021 Taka	2020 Taka
345,145	337,497
389,374	255,466
28,940	39,487
51,014	24,879
56,555	103,650
24,000	9,600
<b>895,028</b>	<b>770,579</b>
<b>25,687,159</b>	<b>48,409,565</b>

**29. Other expenses**

Contractual service charge (own & third party)  
Fuel Costs  
Entertainment (canteen & other)  
AGM & Conference Expense  
Donation  
Subscription  
Travelling Expenses  
Conveyance  
Branch opening expenses  
Godown expenses  
Training expenses  
Bond issue expenses  
Books and papers  
WASA charges  
Staff uniform  
Potted plants  
Business development & promotion  
Reuters charges  
Fees and expenses for credit card  
ATM network service charges  
Contribution to superannuation fund  
Profit expense for lease liability as per IFRS 16  
Miscellaneous expenses

5,752,805	6,005,033
209,773	171,362
206,693	198,134
-	-
10,000	9,256
-	-
64,322	106,422
124,074	126,060
309,150	-
28,000	42,000
433,808	100,622
-	-
6,730	10,280
6,000	-
48,617	49,769
75,450	91,650
-	-
-	-
19,575	-
123,000	207,230
-	-
2,088,294	7,091,266
-	556,184
<b>9,506,291</b>	<b>14,765,268</b>

**Dhaka Bank Limited (Off-Shore Banking Unit)**  
**Balance Sheet**

As at 31 December 2021

Notes	31.12.2021		31.12.2020	
	USD	Taka	USD	Taka
<b>PROPERTY AND ASSETS</b>				
<b>Cash</b>	<b>846,698</b>	<b>72,646,692</b>	<b>13,824,940</b>	<b>1,172,354,954</b>
Cash in hand (including foreign currencies)				
Balance with Bangladesh Bank & Sonali Bank (including foreign currencies)	846,698	72,646,692	13,824,940	1,172,354,954
<b>Balance with other banks and financial institutions</b>	<b>6,063,104</b>	<b>520,214,364</b>	<b>18,555,776</b>	<b>1,573,529,806</b>
In Bangladesh	-	-	8,000,000	678,400,000
Outside Bangladesh	6,063,104	520,214,364	10,555,776	895,129,806
<b>Money at call on short notice</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Investments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Government	-	-	-	-
Others	-	-	-	-
<b>Loans, advances and lease/investments</b>	<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>
Loans, cash credits, overdrafts etc./Investments	289,884,313	24,872,074,092	175,556,139	14,887,160,586
Bills purchased and discounted	21,380,951	1,834,485,600	16,179,981	1,372,062,403
<b>Fixed assets including premises, furniture and fixtures</b>	<b>4,537</b>	<b>389,308</b>	<b>7,832</b>	<b>664,113</b>
<b>Other assets</b>	<b>2,194,809</b>	<b>188,314,634</b>	<b>2,433,295</b>	<b>206,343,394</b>
<b>Non-banking assets</b>				
<b>Total Assets</b>	<b>320,374,414</b>	<b>27,488,124,690</b>	<b>226,557,963</b>	<b>19,212,115,255</b>
<b>LIABILITIES AND CAPITAL</b>				
<b>Liabilities</b>				
Borrowings from other banks, financial institutions and agents	293,133,369	25,150,843,054	197,197,407	16,722,340,136
<b>Deposits and other accounts</b>	<b>14,895,436</b>	<b>1,278,028,413</b>	<b>11,122,116</b>	<b>943,155,399</b>
Current accounts & other accounts	12,900,232	1,106,839,938	7,841,156	664,929,996
Bills payable	-	-	-	-
Other deposits	1,995,204	171,188,475	3,280,960	278,225,403
<b>Other liabilities</b>	<b>10,336,049</b>	<b>886,833,014</b>	<b>12,097,435</b>	<b>1,025,862,496</b>
<b>Total Liabilities</b>	<b>318,364,854</b>	<b>27,315,704,481</b>	<b>220,416,958</b>	<b>18,691,358,031</b>
<b>Capital/Shareholders' Equity</b>				
Paid-up capital	-	-	-	-
Statutory reserve	-	-	-	-
Other reserve	-	-	-	-
Surplus in Profit and Loss Account	2,009,560	172,420,208	6,141,005	520,757,224
<b>Total Shareholders' Equity</b>	<b>2,009,560</b>	<b>172,420,208</b>	<b>6,141,005</b>	<b>520,757,224</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>320,374,414</b>	<b>27,488,124,690</b>	<b>226,557,963</b>	<b>19,212,115,255</b>

The notes 1 to 16 form an integral part of these financial statements.

Off-Balance Sheet Items	Notes	31.12.2021		31.12.2020	
		USD	Taka	USD	Taka
<b>CONTINGENT LIABILITIES</b>	8				
Acceptances and Endorsements		13,987,029	1,200,087,061	11,330,977	960,866,887
Irrevocable Letters of Credit		13,561,838	1,163,605,705	2,930,256	248,485,735
Letter of Guarantee		-	-	-	-
Bills for Collection		9,422,657	808,463,968	8,081,934	685,347,990
Other Contingent Liabilities		34,576	2,966,583	-	-
<b>Sub-total:</b>		<b>37,006,099</b>	<b>3,175,123,317</b>	<b>22,343,168</b>	<b>1,894,700,612</b>
<b>OTHER COMMITMENTS</b>					
Documentary credit and short term trade-related transactions		-	-	-	-
Forward assets purchased and forward deposits placed		-	-	-	-
Undrawn note issuance and revolving underwriting facilities		-	-	-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-	-	-
<b>Sub-total:</b>		-	-	-	-
<b>Total off-balance sheet items including contingent liabilities</b>		<b>37,006,099</b>	<b>3,175,123,317</b>	<b>22,343,168</b>	<b>1,894,700,612</b>

The notes 1 to 16 form an integral part of these financial statements.



**Dhaka Bank Limited (Off-Shore Banking Unit)**  
**Profit and Loss Account**  
**For the year ended 31 December 2021**

	Notes	2021		2020	
		USD	Taka	USD	Taka
Interest Income/Profit Received	9	8,509,922	730,151,346	9,666,547	819,723,167
Less: Interest/Profit paid on Deposits & Borrowings	10	2,578,182	221,207,978	4,110,865	348,601,380
<b>Net Interest Income</b>		<b>5,931,741</b>	<b>508,943,368</b>	<b>5,555,681</b>	<b>471,121,787</b>
Income from Investment		-	-	-	-
Commission/Fees & Exchange Earnings	11	539,774	46,312,625	789,600	66,958,114
Other Operating Income	12	43,091	3,697,202	38,818	3,291,785
<b>Total Operating Income (a)</b>		<b>6,514,606</b>	<b>558,953,195</b>	<b>6,384,100</b>	<b>541,371,686</b>
Salary and allowances		-	-	-	-
Rent, taxes, insurance, electricity etc.		7,903	678,102	3,114	264,046
Legal expenses		133,011	11,412,340	172,351	14,615,370
Postage, stamps, telecommunication etc.		13,876	1,190,518	13,905	1,179,107
Stationery, printing, advertisement etc.		1,495	128,287	1,984	168,236
Chief executive's salary and fees		-	-	-	-
Directors' fees		-	-	-	-
Auditors' fees		-	-	-	-
Depreciation and repairs of Bank's assets		4,623	396,653	7,475	633,921
Other expenses	13	11,239	964,266	14,314	1,213,856
<b>Total operating expenses (b)</b>		<b>172,146</b>	<b>14,770,166</b>	<b>213,143</b>	<b>18,074,536</b>
<b>Profit/(Loss) before provision (c)=(a-b)</b>		<b>6,342,460</b>	<b>544,183,029</b>	<b>6,170,957</b>	<b>523,297,150</b>
Less: Provision for Loans (d)		4,332,900	371,762,821	29,952	2,539,926
<b>Total Profit/(Loss) before tax (c-d)</b>		<b>2,009,560</b>	<b>172,420,208</b>	<b>6,141,005</b>	<b>520,757,224</b>

The notes 1 to 16 form an integral part of these financial statements.

**Dhaka Bank Limited (Off-Shore Banking Unit)**

**Cash Flow Statement**

**For the year ended 31 December 2021**

	Notes	2021		2020	
		USD	Taka	USD	Taka
<b>Cash Flow from Operating Activities</b>					
Interest receipts		8,509,922	730,151,346	9,666,547	819,723,167
Interest payments		(2,578,182)	(221,207,978)	(4,110,865)	(348,601,380)
Receipts from other operating activities	14	582,865	50,009,827	828,419	70,249,899
Payments for other operating activities	15	(172,192)	(14,774,093)	(212,749)	(18,041,134)
<b>Operating profit before changes in operating assets &amp; liabilities</b>		<b>6,342,414</b>	<b>544,179,102</b>	<b>6,171,351</b>	<b>523,330,552</b>
<b>Increase/Decrease in operating assets and liabilities:</b>					
Loans and advances to customers		(121,763,831)	(10,447,336,704)	(3,807,395)	(322,867,057)
Other assets		239,728	20,568,686	21,435,257	1,817,709,815
Deposits & Borrowings from other banks		98,234,300	8,428,502,918	(27,546,066)	(2,335,906,382)
Deposits from customers		3,902,949	334,873,015	3,995,648	338,830,915
Other liabilities account of customers					
Other liabilities		(5,979,644)	(513,053,497)	157,344	13,342,796
<b>Net cash flow from operating activities (A)</b>		<b>(19,024,085)</b>	<b>(1,632,266,480)</b>	<b>406,140</b>	<b>34,440,640</b>
<b>Cash Flows from Investing Activities (B)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Flows from Financing Activities (C)</b>					
Profit/Loss remitted to Head Office		(6,069,432)	(520,757,224)	(4,884,130)	(414,174,257)
<b>Net cash in financing activities</b>		<b>(6,069,432)</b>	<b>(520,757,224)</b>	<b>(4,884,130)</b>	<b>(414,174,257)</b>
<b>Net increase/(Decrease) in cash (A+B+C)</b>		<b>(25,093,516)</b>	<b>(2,153,023,704)</b>	<b>(4,477,991)</b>	<b>(379,733,617)</b>
Cash and cash equivalents at beginning period		32,003,319	2,745,884,759	36,858,707	3,125,618,377
Cash and cash equivalents at end of period		<b>6,909,803</b>	<b>592,861,055</b>	<b>32,380,716</b>	<b>2,745,884,760</b>
<b>Closing cash &amp; cash equivalents</b>					
Cash in Hand		-	-	-	-
Balance with Bangladesh Bank & Sonali Bank		846,698	72,646,692	13,824,940	1,172,354,954
Balance with other banks & Financial Institutions		6,063,104	520,214,364	18,555,776	1,573,529,806
Money at call on Short Notice		-	-	-	-
Prize Bond		-	-	-	-
<b>Total</b>		<b>6,909,803</b>	<b>592,861,056</b>	<b>32,380,716</b>	<b>2,745,884,760</b>

*The notes 1 to 16 form an integral part of these financial statements.*

**Dhaka Bank Limited (Off-shore Banking Unit)**  
**Liquidity Statement**  
**(Asset and Liability Maturity Analysis)**  
**As at 31 December 2021**

	Upto 01 month		1 - 3 months		3 - 12 months		1 - 5 years		More than 5 years		Total	
	USD	Taka	USD	Taka	USD	Taka	USD	Taka	USD	Taka	USD	Taka
<b>Assets:</b>												
Cash in hand	-		-		-		-		-		-	
Balance with Bangladesh Bank & Sonali Bank (including foreign currencies)	846,698	72,646,692	-		-		-		-		846,698	72,646,692
Balance with other banks and financial institutions	6,063,104	520,214,364	-		-		-		-		6,063,104	520,214,364
Money at call on short notice	-	-	-	-	-	-	-	-	-	-	-	-
Investment	-	-	-	-	-	-	-	-	-	-	-	-
Loans and Advances	26,029,848	2,233,360,964	93,849,947	8,052,325,481	135,950,933	11,664,590,049	8,149,643	699,239,405	47,284,893	4,057,043,793	311,265,264	26,706,559,692
Fixed assets including premises, furniture and fixtures	-	-	-	-	-	-	4,537.39	389,308	-	-	4,537	389,308
Other assets	-	-	-	-	107,045	9,184,464	-	-	2,087,764	179,130,170	2,194,809	188,314,634
Non-banking assets	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>32,939,651</b>	<b>2,826,222,019</b>	<b>93,849,947</b>	<b>8,052,325,481</b>	<b>136,057,978</b>	<b>11,673,774,513</b>	<b>8,154,181</b>	<b>699,628,713</b>	<b>49,372,657</b>	<b>4,236,173,963</b>	<b>320,374,414</b>	<b>27,488,124,689</b>
<b>Liabilities:</b>												
Borrowing from Bangladesh Bank, Other banks, financial institutions and agents	-	-	-	-	(293,133,369)	(25,150,843,054)	-	-	-	-	(293,133,369)	(25,150,843,054)
Deposits & Other Accounts	(12,900,232)	(1,106,839,939)	(997,602)	(85,594,237)	(399,041)	(34,237,695)	(359,137)	(30,813,925)	(239,424)	(20,542,617)	(14,895,436)	(1,278,028,413)
Other liabilities	(1,107,298)	(95,006,162)	-	-	(1,422,116)	(122,017,519)	(667,624.16)	(57,282,153)	(7,139,011)	(612,527,179)	(10,336,049)	(886,833,014)
<b>Total Liabilities</b>	<b>(14,007,530)</b>	<b>(1,201,846,101)</b>	<b>(997,602)</b>	<b>(85,594,237)</b>	<b>(294,954,525)</b>	<b>(25,307,098,269)</b>	<b>(1,026,761)</b>	<b>(88,096,078)</b>	<b>(7,378,436)</b>	<b>(633,069,796)</b>	<b>(318,364,854)</b>	<b>(27,315,704,482)</b>
<b>Net Liquidity Gap</b>	<b>18,932,120</b>	<b>1,624,375,918</b>	<b>92,852,346</b>	<b>7,966,731,244</b>	<b>(158,896,547)</b>	<b>(13,633,323,755)</b>	<b>7,127,420</b>	<b>611,532,635</b>	<b>41,994,221</b>	<b>3,603,104,166</b>	<b>2,009,560</b>	<b>172,420,207</b>
<b>Cumulative Liquidity Gap</b>	<b>18,932,120</b>	<b>1,624,375,918</b>	<b>111,784,466</b>	<b>9,591,107,161</b>	<b>(47,112,082)</b>	<b>(4,042,216,594)</b>	<b>(39,984,662)</b>	<b>(3,430,683,959)</b>	<b>2,009,560</b>	<b>172,420,207</b>	<b>-</b>	<b>-</b>

**Dhaka Bank Limited (Off-shore Banking Unit)**  
**Notes to the Financial Statements**  
**As at and for the year ended 31 December 2021**

**1 Nature of Business**

Offshore Banking Unit is a separate business unit of Dhaka Bank Limited, governed under the Rules & Guidelines of Bangladesh Bank. Currently, the Bank has two OBUs in DEPZ & CEPZ. The Bank obtained DEPZ Offshore Banking Unit permission vide letter no. BRPD (P)744(92)/2005-2181 dated 18 June 2005. The Bank commenced the operation of its Offshore Banking Unit with effect from 10 May 2006. The Bank obtained CEPZ Offshore Banking Unit permission vide letter no. BRPD (P-3)744(92)/2017-123 dated 05 January 2017. The Bank commenced the operation of its CEPZ Offshore Banking Unit with effect from 12 February 2017.

**2 Significant Accounting Policy**

**2.1 Basis of accounting**

The accounting records of the units are maintains in USD forms and the financial statements are made up to 31 December each year and are prepared under the historical cost convention and in accordance with first schedule of the Bank Company (amendment) Act, 2013, other Bangladesh Bank circulars, International Financial Reporting Standards adopted as International Accounting Standards (IAS), the Companies Act, 1994, the Listing Regulations of the Stock Exchanges, the Securities and Exchange Rule, 2020 and other laws and rules applicable in Bangladesh on a going concern basis.

**2.2 Allocation of common expenses**

Establishment expenses in the nature of rent, rates, taxes, salaries, management expenses, printing & stationery, electricity & lighting, postage, stamps, telecommunication etc. have not been separately accounted for in the Financial Statements.

**3 Loans, advances and lease/investments**

**3.1 Loans, Cash Credits & Overdrafts etc:**

**In Bangladesh**

	31.12.2021		31.12.2020	
	USD	Taka	USD	Taka
Overdraft	16,777,742	1,439,530,292	13,796,885	1,169,975,808
Term Loan	57,720,710	4,952,436,905	28,356,652	2,404,644,078
Short Term Loan	-	-	-	-
Loan against Accepted Bills	7,328,365	628,773,689	5,609,875	475,717,412
Loan against Trust Receipt	-	-	-	-
Payment against Documents	-	-	-	-
Other Loans	-	-	-	-
	208,057,497	17,851,333,206	127,792,727	10,836,823,287
	<b>289,884,313</b>	<b>24,872,074,092</b>	<b>175,556,139</b>	<b>14,887,160,586</b>

**Outside Bangladesh**

	-	-	-	-
<b>Sub-total</b>	<b>289,884,313</b>	<b>24,872,074,092</b>	<b>175,556,139</b>	<b>14,887,160,586</b>

**3.2 Bills Purchased and Discounted**

Payable in Bangladesh:

Inland bills purchased

	21,380,951	1,834,485,600	16,179,981	1,372,062,403
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Payable outside Bangladesh:

Foreign bills purchased & discounted

	-	-	-	-
<b>Sub-total</b>	<b>21,380,951</b>	<b>1,834,485,600</b>	<b>16,179,981</b>	<b>1,372,062,403</b>

<b>Total</b>	<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>
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**3.3 Residual maturity grouping of loans including bills purchased and discounted**

Repayable on Demand	26,029,848	2,233,360,964	17,419,292	1,477,155,940
Not more than 3 months	93,849,947	8,052,325,481	83,258,014	7,060,279,569
More than 3 months but not more than 1 year	135,950,933	11,664,590,049	67,934,174	5,760,817,943
More than 1 year but not more than 5 years	8,149,643	699,239,405	19,669,737	1,667,993,703
More than 5 years	47,284,893	4,057,043,793	3,454,904	292,975,834
	<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>

**3.4 Maturity grouping of bills purchased & discounted**

Payable within 1 month	9,699,360	832,205,058	5,715,389	484,665,003
Over 1 month but less than 3 months	11,252,757	965,486,552	9,152,831	776,160,055
Over 3 months but less than 6 months	428,834	36,793,990	1,311,761	111,237,345
6 months or more	-	-	-	-
	<b>21,380,951</b>	<b>1,834,485,600</b>	<b>16,179,981</b>	<b>1,372,062,403</b>

	31.12.2021		31.12.2020	
	USD	Taka	USD	Taka
<b>3.5 Loans on the basis of significant concentration including bills purchased &amp; discounted:</b>				
a. Advances to allied concerns of Directors	-	-	-	-
b. Advances to Chief Executive	-	-	-	-
c. Advances to Other Senior Executives	-	-	-	-
d. <u>Advances to Customer's Group:</u>				
Agriculture loan	-	-	-	-
Commercial lending	-	-	-	-
Export financing	471,776	40,478,401	452,290	38,354,217
Consumer credit scheme	-	-	-	-
Small and Medium Enterprise (SME)	-	-	473,136	40,121,965
Staff Loan	-	-	-	-
Others	-	-	-	-
	<b>310,793,488</b>	<b>26,666,081,290</b>	<b>190,810,693</b>	<b>16,180,746,807</b>
	<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>
<b>3.6 Industry - wise loans including bills purchased &amp; discounted</b>				
Agricultural	-	-	-	-
Pharmaceuticals	-	-	-	-
Textile & Garment	43,702,425	3,749,668,096	47,982,460	4,068,912,609
Chemical	-	-	-	-
Food & allied	-	-	-	-
Transport & Communication	-	-	-	-
Electronics & Automobile	-	-	2,047,471	173,625,538
Housing & Construction	-	-	-	-
Engineering & Metal Industries including Ship Breaking	-	-	-	-
Energy & Power	43,520,316	3,734,043,074	5,593,361	474,317,043
Service	-	-	-	-
Others	224,042,524	19,222,848,522	136,112,828	11,542,367,799
	<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>
<b>3.7 Geographical Location - wise Loans and Advances</b>				
Dhaka Region	231,340,947	19,849,053,281	191,736,120	16,259,222,989
Chittagong Region	79,924,317	6,857,506,411	-	-
South Region	-	-	-	-
North Region	-	-	-	-
Sylhet Region	-	-	-	-
Other	-	-	-	-
	<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>
<b>3.8 Sector wise loans</b>				
In Bangladesh				
Government & Autonomous bodies	-	-	-	-
Financial Institutions (Public & Private)	223,378,703	19,165,892,732	135,408,614	11,482,650,449
Other Public Sector	-	-	-	-
Private Sector	87,886,561	7,540,666,960	56,327,506	4,776,572,540
	<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>
Outside Bangladesh				
	<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>
<b>3.9 Classification of loans &amp; advances</b>				
Unclassified (including staff loan)	305,788,920	26,236,689,325	190,559,724	16,159,464,579
Sub-Standard	-	-	1,176,396	99,758,410
Doubtful	-	-	-	-
Bad or loss	5,476,345	469,870,367	-	-
	<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>
<b>3.10 Provision required for loans and advances</b>				
<b>Status</b>	<b>Rate%</b>			
Unclassified	1,2 & 4	3,382,917	290,254,271	2,847,684
Special Mention Account	1 & 2	131,900	11,317,025	396,241
		<b>3,514,817</b>	<b>301,571,297</b>	<b>3,243,925</b>
<b>Classified:</b>				
Sub-Standard	20	-	-	317,666
Doubtful	50	-	-	-
Bad or loss	100	4,338,163	372,214,399	-
		<b>4,338,163</b>	<b>372,214,399</b>	<b>317,666</b>
Required provision for loans & advances		<b>7,852,980</b>	<b>673,785,696</b>	<b>3,561,591</b>
Total provision maintained		<b>7,852,980</b>	<b>673,785,696</b>	<b>3,561,591</b>
Excess/short provision as at 31 December		-	-	-

**3.11 Securities against loans including bills purchased & discounted**

- a. Secured  
Collateral of movable / immovable assets  
Local Banks & Financial Institutions guarantee  
Government Guarantee  
Foreign Banks Guarantee  
Export documents  
Fixed Deposits Receipts  
    1 Own FDR  
    2 FDR of Other Banks  
Personal Guarantee  
Corporate Guarantee  
Other Securities

31.12.2021		31.12.2020	
USD	Taka	USD	Taka
13,275,571	1,139,043,951	17,903,705	1,518,234,201
-	-	-	-
-	-	-	-
-	-	-	-
5,459	468,407	-	-
-	-	-	-
-	-	-	-
-	-	-	-
43,520,316	3,734,043,074	8,816,057	747,601,602
-	-	-	-
254,463,919	21,833,004,260	165,016,358	13,993,387,186
-	-	-	-
<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>

- b. Unsecured

**3.12 Particulars of Loans and Advances**

- (i) Loans considered good in respect of which the bank company is fully secured;  
(ii) Loans considered good against which the banking company holds no security other than the debtor's personal guarantee;  
(iii) Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtors;  
(iv) Loans adversely classified; provision not maintained there against;  
(v) Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons;  
(vi) Loans due from companies or firms in which the directors of the banking company have interests as directors, partners or managing agents or in case of private companies as members;  
(vii) Maximum total amount of advances including temporary advance made at any time during the year to directors or managers or officers of the banking companies or any of them either separately or jointly with any other person;  
(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company have interests as directors, partners or managing agents or in the case of private companies as members;  
(ix) Due from banking companies;  
(x) Amount of classified loan on which interest has not been charged, should be mentioned as follows:  
    a) Decrease / increase in provision;  
    b) Amount realized against loan previously written off;  
    c) Amount of provision kept against loan classified as 'bad/loss' on the date of preparing the balance sheet;  
    d) Interest creditable to the Interest Suspense A/c;  
(xi) Cumulative amount of the written off loan;

267,739,490	22,972,048,210	182,920,064	15,511,621,387
43,525,775	3,734,511,481	8,816,057	747,601,602
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
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-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

**4 Other Assets**

- Accrued Interest  
Suspense account  
Prepaid Expenses  
Finance to AD Branches for IBP  
Finance to AD Branches for Import Bill Discounting  
Branch Adjustment

-	-	1,156	97,991
106,430	9,131,709	348,755	29,574,416
615	52,727	1,346	114,115
0	28	0	28
-	-	-	-
2,087,764	179,130,170	2,082,038	176,556,843
<b>2,194,809</b>	<b>188,314,634</b>	<b>2,433,295</b>	<b>206,343,394</b>

	31.12.2021		31.12.2020	
	USD	Taka	USD	Taka
<b>5 Borrowing from Other Banks/Financial Institutions</b>	<b>293,133,369</b>	<b>25,150,843,054</b>	<b>197,197,407</b>	<b>16,722,340,136</b>
<b>5.1 Maturity grouping of Borrowings</b>				
Repayable on demand	-	-	-	-
Repayable within 1 month	-	-	-	-
Over 1 month but within 6 months	-	-	-	-
Over 6 months but within 1 year	173,613,905	14,896,073,044	110,358,347	9,358,387,836
Over 1 year but within 5 years	119,519,464	10,254,770,010	86,839,060	7,363,952,300
	<b>293,133,369</b>	<b>25,150,843,054</b>	<b>197,197,407</b>	<b>16,722,340,136</b>

According to BCD circular no.(P)744(27) dated 17 December 1985 of Bangladesh Bank, Dhaka Bank maintained foreign currency accounts with Offshore Banking Units in the manner they maintain such accounts with their foreign correspondents.

## 6 Deposits and Other Accounts

### 6.1 Current and Other Accounts

Foreign Currency Deposits	12,732,348	1,092,435,434	7,704,044	653,302,929
Margin under L/C	167,885	14,404,504	137,112	11,627,067
	<b>12,900,232</b>	<b>1,106,839,938</b>	<b>7,841,156</b>	<b>664,929,996</b>

### 6.2 Bills Payable

	-	-	-	-
	-	-	-	-

### 6.3 Other deposit

Term Deposit	1,995,204	171,188,475	3,280,960	278,225,403
Deposits Awaiting Disposal	-	-	-	-
Sundry Deposit	-	-	-	-
	<b>1,995,204</b>	<b>171,188,475</b>	<b>3,280,960</b>	<b>278,225,403</b>
	<b>14,895,436</b>	<b>1,278,028,413</b>	<b>11,122,116</b>	<b>943,155,399</b>

### 6.4 Maturity grouping of deposits and other accounts

Repayable on demand	12,900,232	1,106,839,939	7,841,156	664,929,996
Repayable within 1 month	-	-	-	-
Over 1 month but within 6 months	997,602	85,594,237	1,640,480	139,112,701
Over 6 months but within 1 year	399,041	34,237,695	656,192	55,645,081
Over 1 year but within 5 years	359,137	30,813,925	590,573	50,080,573
Over 5 years but within 10 years	239,424	20,542,617	393,715	33,387,048
	<b>14,895,436</b>	<b>1,278,028,413</b>	<b>11,122,116</b>	<b>943,155,399</b>

## 7 Other Liabilities

Accrued Interest	662,743	56,863,370	781,634	66,282,521
Provision on loans and advances	6,420,275	550,859,589	2,111,990	179,096,769
Finance from Bill Discounting	1,422,116	122,017,519	6,964,983	590,630,559
Refinance by SWAP Woori Bank	-	-	-	-
Import Payment Suspense	89,806	7,705,328	75,706	6,419,843
Export proceeds suspense	1,017,492	87,300,834	2,098,972	177,992,815
Interest Suspense Account	718,736	61,667,590	55,385	4,696,670
Tax deducted at source & payable	-	-	540	45,805
Lease liabilities as per IFRS 16	4,881	418,783	8,225	697,514
Branch Adjustment	-	-	-	-
	<b>10,336,049</b>	<b>886,833,014</b>	<b>12,097,435</b>	<b>1,025,862,496</b>

## 8 Contingent Liabilities

Acceptance & Endorsement	13,987,029	1,200,087,061	11,330,977	960,866,887
Letters of Credit	13,561,838	1,163,605,705	2,930,256	248,485,735
Letters of Guarantee	-	-	-	-
Bills for Collection	9,422,657	808,463,968	8,081,934	685,347,990
Other Contingent Liabilities	34,576	2,966,583	-	-
	<b>37,006,099</b>	<b>3,175,123,317</b>	<b>22,343,168</b>	<b>1,894,700,612</b>

## 9 Interest Income

	2021		2020	
	USD	Taka	USD	Taka
Interest on Advances	8,508,189	730,002,626	9,665,391	819,625,175
Interest on Money at call on short Notice	-	-	-	-
Call Lending and Fund Placement with banks	1,733	148,720	1,156	97,991
Accounts with Foreign Banks	-	-	-	-
	<b>8,509,922</b>	<b>730,151,346</b>	<b>9,666,547</b>	<b>819,723,167</b>

	2021		2020	
	USD	Taka	USD	Taka
<b>10 Interest / Profit Paid On Deposits &amp; Borrowings</b>				
Term Deposits	10,129	869,045	58,089	4,925,989
Fund Borrowings	2,568,053	220,338,933	4,052,776	343,675,391
Inter Branch Interest paid	-	-	-	-
	<b>2,578,182</b>	<b>221,207,978</b>	<b>4,110,865</b>	<b>348,601,380</b>
<b>11 Commission/Fees and Exchange Earnings</b>				
Commission/Fees Income	579,529	49,723,623	769,728	65,272,898
Exchange gain including gain form foreign currency dealings	(39,755)	(3,410,998)	19,873	1,685,216
	<b>539,774</b>	<b>46,312,625</b>	<b>789,600</b>	<b>66,958,114</b>
<b>12 Other Operating Income</b>				
Postage Charge Recoveries	15,097	1,295,305	18,092	1,534,220
Swift Charge Recoveries	26,380	2,263,404	20,726	1,757,565
Other Fees	1,614	138,493	-	-
	<b>43,091</b>	<b>3,697,202</b>	<b>38,818</b>	<b>3,291,785</b>
<b>13 Other expenses</b>				
Contractual service charge	6,005	515,253	6,311	535,204
Petrol, oil and lubricants (vehicle & generator)	1,651	141,690	1,900	161,079
Entertainment (canteen & other)	2,714	232,883	3,171	268,872
Travelling	-	-	-	-
Conveyance	545	46,739	654	55,444
Training expenses	-	-	-	-
Books and papers	-	-	-	-
Staff uniform	-	-	-	-
Potted plants	-	-	-	-
Business development & promotion	-	-	-	-
Other Charges	13	1,153	1,193	101,166
Interest expense for lease liability as per IFRS 16	309	26,548	1,086	92,091
	<b>11,239</b>	<b>964,266</b>	<b>14,314</b>	<b>1,213,856</b>
<b>14 Cash Received from Other Operating Activities</b>				
Commission & Exchange	539,774	46,312,625	789,600	66,958,114
Other Operating Income	43,091	3,697,202	38,818	3,291,785
	<b>582,865</b>	<b>50,009,827</b>	<b>828,419</b>	<b>70,249,899</b>
<b>15 Cash Paid for Other Operating Activities</b>				
Office Operating Expenses	<b>172,192</b>	<b>14,774,093</b>	<b>212,749</b>	<b>18,041,135</b>
<b>16 General</b>				
<b>16.1</b>	Fixed Assets of this unit are appearing in the books of the main operation of the bank and depreciation is also charged to Profit & Loss Account of the main operation of the bank.			
<b>16.2</b>	Assets and liabilities have been converted into Taka Currency @ US\$ 1 = Tk. 85.80 (2020 : US\$ 1 = Tk 84.80) which represents the period end mid rate of exchange as at 31 December 2021.			
<b>16.3</b>	Previous year's figures have been rearranged, where considered necessary, to conform to current year's presentation.			





**Rahman Rahman Huq**  
**Chartered Accountants**  
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Email dhaka@kpmg.com  
Internet www.kpmg.com/bd

### To whom it may concern

This is to certify that as detailed in the Annexure-K, Dhaka Bank Limited made the custodian transactions on account of custodian services provided during the year ended 31 December 2021, which have been verified with the books of account, invoices and other related documents as produced to us for our verification.

We also certify that management of the Bank prepared and fairly presented of the income and expenses in accordance with the requirement of the Securities and Exchange Commission (Securities Custodian Service) Rules 2003, and made necessary disclosures in the Bank's audited financial statements for the year ended 31 December 2021.

Ali Ashfaq, Partner, Enrolment no: 509  
Rahman Rahman Huq, Chartered Accountants

Dhaka, 26 April 2022

**Annexure-K**

**Dhaka Bank Limited  
Profit and Loss Account of Custodian Service  
for the year ended 31 December 2021**

	<b>2021 Taka</b>	<b>2020 Taka</b>
<b>Operating income</b>		
Commission, exchange and brokerage	818,667	422,843
Other operating income	1,540	800
<b>Total operating income</b>	<b>820,207</b>	<b>423,643</b>
Salaries and allowances	205,998	195,000
Rates & taxes	126,500	20,000
Legal expenses	-	-
Postage, stamp, telecommunication etc.	-	-
Stationery, printing, advertisement etc.	-	-
Depreciation and repair of bank's assets	-	-
Audit fees	69,000	57,500
<b>Total operating expenses</b>	<b>401,498</b>	<b>272,500</b>
<b>Operating profit</b>	<b>418,709</b>	<b>151,143</b>

**Annexure-L**

Independent Auditor's Report and Audited  
Financial Statements  
of  
Dhaka Bank Securities Limited

**Dhaka Bank Securities Limited**  
**Independent Auditor's Report**  
**and**  
**Audited Financial Statements**  
**For the year ended 31 December 2021**

**Independent Auditor's Report  
To the Shareholders of Dhaka Bank Securities Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of Dhaka Bank Securities Limited ("the Company"), which comprise the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Dhaka Bank Securities Limited as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to the fact as disclosed in Note # 5 to the financial statements, which describes the matter related to recognition of deferred tax asset and notes # 20.1 and # 20.2 which describe the basis for maintaining provision on unrealized losses in respect of own portfolio investment and margin loan to clients. Our opinion is not modified in respect of this matter.

**Other Information**

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

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

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



**ACNABIN**

Chartered Accountants

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



**ACNABIN**

Chartered Accountants

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

#### **Report on other Legal and Regulatory Requirements**

We also report that the financial statements comply with the Companies Act 1994, the Securities and Exchange Rules 2020 and the other applicable laws and regulations. We, as required by law, further report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns.

Dhaka,  
10 March 2022

Signed for and on behalf of  
**ACNABIN**  
**Chartered Accountants**

**Md. Moniruzzaman, FCA**  
**Partner**  
ICAB Enrollment No. 787

**Dhaka Bank Securities Limited**  
**Statement of Financial Position**  
**As at 31 December 2021**

	Notes	31.12.2021 Taka	31.12.2020 Taka
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
		<b>1,023,644,007</b>	<b>1,031,918,586</b>
Property, plant and equipment	3	20,041,205	12,265,218
Investments in un-quoted shares	4	930,121,728	938,921,728
Deferred tax assets	5	73,481,075	80,731,640
<b>Current assets</b>			
		<b>4,593,418,102</b>	<b>4,134,956,091</b>
Investment in quoted shares	6	2,304,865,181	1,977,172,902
Margin loan	7	1,592,249,192	1,675,516,118
Accounts and other receivable	8	66,756,948	34,851,703
Advance income tax	9	176,678,456	145,771,885
Advances, deposits and prepayments	10	36,749,715	9,832,521
Cash and cash equivalents	11	416,118,610	291,810,962
<b>TOTAL ASSETS</b>		<b>5,617,062,109</b>	<b>5,166,874,677</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
		<b>2,160,583,642</b>	<b>2,087,278,205</b>
Paid up capital	12	2,087,000,620	2,087,000,620
Investment fluctuation fund	13	53,900,000	49,200,000
Retained earnings	14	19,683,022	(48,922,415)
<b>Non-current liabilities</b>			
		<b>7,587,091</b>	<b>30,532,445</b>
Long term loan net of current maturity	15	-	25,555,428
Lease liabilities	16	7,587,091	4,977,017
<b>Current liabilities</b>			
		<b>3,448,891,376</b>	<b>3,049,064,027</b>
Current portion of long term loan	15.a	25,555,428	32,908,622
Short term loan	17	2,443,588,172	1,694,162,672
Accounts payable	18	379,946,419	283,738,613
Provision for income tax	19	140,144,269	138,157,100
Provision for diminution in value of investments	20	400,203,271	843,872,045
Other liabilities	21	59,453,816	56,224,975
<b>Total Liabilities</b>		<b>3,456,478,467</b>	<b>3,079,596,472</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,617,062,109</b>	<b>5,166,874,677</b>

The annexed notes from 1 to 41 form an integral part of these financial statements.

  
 Md. Nafeez Al Tarik  
 Managing Director


  
 Mahfuzur Rahman  
 Director

  
 Abdul Hai Sarker  
 Director

This is the statement of financial position referred to in our separate report of even date.

Dhaka,  
 10 March 2022

Signed for and on behalf of  
**ACNABIN**  
 Chartered Accountants

  
 Md. Moniruzzaman, FCA  
 Partner  
 ICAB Enrollment No. 787


DVC:2204070787AS208670



**Dhaka Bank Securities Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
 For the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
<b>Operating Income</b>			
Brokerage commission income	22	220,529,165	72,622,606
Direct expenses	23	38,512,486	10,929,342
<b>Net brokerage commission income</b>		<b>182,016,679</b>	<b>61,693,264</b>
Interest income	24	93,199,651	104,426,658
Interest expense	25	165,919,205	171,862,865
<b>Net interest income</b>		<b>(72,719,554)</b>	<b>(67,436,207)</b>
Net investment income	26	170,090,228	214,496,107
Fees and other income	27	1,349,169	1,037,671
<b>Total operating income</b>		<b>280,736,522</b>	<b>209,790,835</b>
<b>Operating expenses</b>			
Salaries and allowances	28	37,412,552	36,619,893
Rent, taxes, insurance, electricity etc.	29	5,569,832	7,192,000
Legal expenses	30	32,250	233,500
Postage, stamp, telecommunication etc.	31	401,796	418,261
Stationary, printing, advertisement etc.	32	2,859,023	2,391,880
Directors' fees and meeting expenses	33	831,589	941,990
Professional fee	34	1,207,500	287,500
Repairs and maintenance	35	6,767,600	5,833,876
Other expenses	36	8,682,380	7,620,166
Depreciation and amortization	37	10,270,726	11,253,212
<b>Total operating expenses</b>		<b>74,035,247</b>	<b>72,792,279</b>
<b>Profit before provision and tax</b>		<b>206,701,274</b>	<b>136,998,557</b>
Less: Provision for loss on margin loan	20.2	100,000,000	245,111,141
<b>Profit/(Loss) before provision for income tax</b>		<b>106,701,274</b>	<b>(108,112,584)</b>
<b>Less: Provision for income tax</b>			
Current tax	38	26,145,273	26,697,211
Deferred tax expense/(income)	39	7,250,565	(78,569,218)
		<b>33,395,838</b>	<b>(51,872,007)</b>
<b>Net profit/(loss) after tax</b>		<b>73,305,436</b>	<b>(56,240,577)</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>73,305,436</b>	<b>(56,240,577)</b>

The annexed notes from 1 to 41 form an integral part of these financial statements.

  
 Md. Nafeez Al Tarik  
 Managing Director

  
 Mahfuzur Rahman  
 Director

  
 Abdul Hai Sarker  
 Director

This is the statement of profit or loss and other comprehensive income referred to in our separate report of even

Dhaka,  
 10 March 2022

Signed for and on behalf of  
 ACNABIN  
 Chartered Accountants

  
 Md. Moniruzzaman, FCA  
 Partner

ICAB Enrollment No. 787

DVC:2204070787AS208670

**Dhaka Bank Securities Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2021**

(Amount in Taka)

Particulars	Share Capital	Investment Fluctuation Fund	Retained Earnings	Total Equity
Balance as at 01 January 2021	2,087,000,620	49,200,000	(48,922,414)	2,087,278,206
Net Profit for the year	-	-	73,305,436	73,305,436
Transfer to investment fluctuation fund	-	4,700,000	(4,700,000)	-
<b>Balance as at 31 December 2021</b>	<b>2,087,000,620</b>	<b>53,900,000</b>	<b>19,683,022</b>	<b>2,160,583,642</b>
Balance as at 01 January 2020	2,046,079,040	41,100,000	56,339,743	2,143,518,783
Net loss for the year	-	-	(56,240,577)	(56,240,577)
Transfer to investment fluctuation fund	-	8,100,000	(8,100,000)	-
Bonus shares issued	40,921,580	-	(40,921,580)	-
<b>Balance as at 31 December 2020</b>	<b>2,087,000,620</b>	<b>49,200,000</b>	<b>(48,922,415)</b>	<b>2,087,278,205</b>

The annexed notes from 1 to 41 form an integral part of these financial statements.

Dhaka,  
10 March 2022

*Nafeez*  
Md. Nafeez Al Tarik  
Managing Director

*Mahfuzur Rahman*  
Mahfuzur Rahman  
Director

*Abdul Hai Sarker*  
Abdul Hai Sarker  
Director






**Dhaka Bank Securities Limited**  
**Statement of Cash Flows**  
For the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
<b>A. Cash flows from operating activities:</b>			
Net profit/(loss) before tax for the year		106,701,274	(108,112,584)
Adjustment for:			
Depreciation and amortization	37	10,270,726	11,253,212
<b>Cash generated/ utilised from operating activities before changes in working capital</b>		<b>116,972,000</b>	<b>(96,859,372)</b>
<b>Changes in working capital:</b>			
(Increase)/Decrease in accounts and other receivable		(31,764,592)	9,586,972
Decrease in margin loans to clients		83,266,926	474,462,404
(Increase)/Decrease in advance income tax		(30,906,571)	95,323,375
(Decrease)/Increase in provision for unrealized losses		(443,668,774)	245,111,141
Increase in advances, deposits and prepayments		(26,917,193)	(541,023)
Increase in accounts payable		96,207,806	108,427,005
Increase in other liabilities		5,838,915	4,263,513
Income tax	19	(24,298,757)	(127,182,352)
		<b>(372,242,240)</b>	<b>809,451,036</b>
<b>Net cash (used in)/flow from operating activities</b>		<b>(255,270,240)</b>	<b>712,591,664</b>
<b>B. Cash flows from investing activities:</b>			
Acquisition of property, plant and equipment	3	(18,046,712)	(15,438,172)
Encashment of un-quoted shares/securities		8,800,000	276,725
(Investment)/Encashment in quoted shares/securities		(327,692,279)	134,416,865
<b>Net cash (used in)/flow from investing activities</b>		<b>(336,938,990)</b>	<b>119,255,419</b>
<b>C. Cash flow from financing activities:</b>			
Receipt/(Repayment) of loan from Dhaka Bank Limited	17	749,425,500	(603,854,879)
Repayment of loan from UFL	15	-	(30,000,000)
Repayment of loan from ICB stimulus fund		(32,908,622)	(31,624,538)
<b>Net cash flows from/(used in) financing activities</b>		<b>716,516,878</b>	<b>(665,479,417)</b>
<b>D. Net Surplus in cash and cash equivalents (A+B+C)</b>		<b>124,307,648</b>	<b>166,367,666</b>
E. Unrealised foreign exchange gain/(loss)		-	-
F. Cash and cash equivalents at the beginning of the year		291,810,962	125,443,296
<b>G. Cash and cash equivalents at the end of the year</b>		<b>416,118,610</b>	<b>291,810,962</b>

The annexed notes from 1 to 41 form an integral part of these financial statements.

Dhaka,  
10 March 2022

  
Md. Nafeez Al Tarik  
Managing Director

  
Mahfuzur Rahman  
Director

  
Abdul Hai Sarker  
Director



**Dhaka Bank Securities Limited**  
**Notes to the Financial Statements**  
 As at and for the year ended 31 December 2021

**1. Company and its activities**

**1.1 Legal status of the Company**

Dhaka Bank Securities Limited (the "Company") (the name of company has been changed from DBL Securities Limited to Dhaka Bank Securities Limited with effect from 27 April 2014) was incorporated with the Registrar of Joint Stock Companies and Firms (RJSCF) vide registration no. C-85857/10 dated 19 July 2010 as a private limited company by shares having its registered office at Adamjee Court (1st Floor), 115-120, Motijheel C/A, Dhaka -1000 which was converted as a public limited company by shares in May 2016. The Company is the Trading Right Entitlement Certificate (TREC) holder of both of the stock exchanges of the country (TREC No. 193 in DSE and TREC No. 081 in CSE). The Company commenced its business operations from 13 February 2011 as a wholly owned subsidiary company of Dhaka Bank Limited.

**1.2 Principal activities of the Company**

The principal activities of the Company are to act as a TREC Holder of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited to carry on the business of brokers in stocks, shares and securities, commercial papers, bonds, debentures, debenture stocks, foreign currencies, treasury bills and/or any financial instruments. The Company has six branches in Bangladesh located at Adamjee Court-Motijheel, DSE Building-Motijheel, Dhanmondi, Uttara, Agrabad and Sylhet. Dhaka Bank Securities Limited possesses following licenses from regulatory authorities:

Name of authority	License/Registration No.	Purpose
Bangladesh Securities and Exchange Commission (BSEC)	3.1/DSE-193/2011/453	Stock Broker Business with DSE
Bangladesh Securities and Exchange Commission (BSEC)	3.1/DSE-193/2011/454	Stock Dealer Business with DSE
Bangladesh Securities and Exchange Commission (BSEC)	3.2/CSE-081/2011/260	Stock Broker Business with CSE
Bangladesh Securities and Exchange Commission (BSEC)	3.2/CSE-081/2011/261	Stock Dealer Business with CSE
Bangladesh Securities and Exchange Commission (BSEC)	CDBL- DP 17	Depository Functions with Central Depository Bangladesh Limited (CDBL)
Dhaka Stock Exchange Limited (DSE)	TREC NO. 193	Trading with DSE
Chittagong Stock Exchange Limited (CSE)	TREC NO. 081	Trading with CSE

**2. Significant accounting policies**

**2.1 Basis of presentation of financial statements**

These financial statements have been prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) and no adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company.

**2.2 Basis of measurement**

The financial statements have been prepared based on historical cost convention basis. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous years.



2.3 Components of financial statements

- Statement of Financial Position
- Statement of Profit or Loss and Other Comprehensive Income
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes to the Financial Statements

2.4 Regulatory compliance

In preparation of the Financial Statements, Dhaka Bank Securities Limited complies with the applicable provisions of the following major laws/ statutes:

- The Companies Act, 1994;
- The Income Tax Ordinance, 1984;
- The Income Tax Rules, 1984;
- The Negotiable Instruments Act, 1881;
- The Value Added Tax and Supplementary Duty Act, 2012;
- The Value Added Tax and Supplementary Duty Rules, 2016;
- The Securities and Exchange Rules, 2020;
- The Securities and Exchange Commission Act, 1993;
- The Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000; and
- Other applicable laws and regulations.

2.5 Presentation and functional currency and level of precision

The financial statements have been presented in Bangladeshi Taka (BDT), which is the Company's functional currency. All financial information presented in BDT has been rounded off to the nearest integer.

2.6 Use of estimates and judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. It also requires disclosure of contingent assets and liabilities at the year end.

Provisions and accrued expenses are recognized in the financial statements in line with International Accounting Standard (IAS) 37: "Provisions, Contingent Liabilities and Contingent Assets" when - the Company has a legal or constructive obligation as a result of past event; and

- i. It is probable that an outflow of economic benefit will be required to settle the obligation.
- ii. A reliable estimate can be made for the amount of the obligation.

2.7 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, Dhaka Bank Securities Limited applies the accounting disclosure principles consistently from one year to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, corrections of errors, the amounts involved are accounted for and retrospectively accordance with the requirement of IAS 8. We however, have applied the same accounting principles in 2021 as was for in financial statements for 2020.

2.8 Going concern

The Company has adequate resources to continue its operation for the foreseeable future. For this reason, the management continue to adopt going concern basis in preparing the financial statements. Conversely, the company has neither any intention nor any legal or regulatory compulsion to halt operations and liquidate its assets in the near term at what may be very low fire-sale prices. The current credit facilities and adequate resources of the company provide sufficient funds to meet the present requirements of its existing businesses and operations. Management assessed the going concern and found no threat thereon.

2.9 Statement of cash flows

Statement of Cash Flows is prepared in accordance with International Accounting Standard (IAS) 7: "Statement of Cash Flows" and the cash flows from operating activities are presented under the indirect method as prescribed by the Securities and Exchange Rules, 2020.



2.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand and cash at bank which are held and are available for use by the Company without any restriction. There is insignificant risk of change in the value of the above items.

2.11 Investment in shares of stock exchanges

In accordance with section 8 of the Exchanges Demutualization Act, 2013, both stock exchange membership has been converted into shares through the issuance of two completely de-linked assets to the former members in the exchange, namely (a) fully paid-up shares and (b) trading right. Exchanges shall have the authority to issue Trading Right Entitlement Certificate (TREC), as per the Exchanges Demutualization Act, 2013 and as outlined in the scheme, to provide the right to trade any enlisted securities to eligible brokers and dealers. Such TRECs will be totally separate from the ownership of the Exchange as there is no obligation for TREC holders to be or remain shareholders of the exchange.

2.12 Property, plant and equipment

2.12.1 Recognition and measurement

All property, plant and equipment are stated at cost less accumulated depreciation as per IAS-16 "Property, plant and equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use.

2.12.2 Depreciation and amortization

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is charged using the straight-line method on the acquisition cost of PPE and such cost is written off over the estimated useful lives of assets, in accordance with IAS 16. Depreciation is charged on additions when the related assets are put into use and no depreciation is charged from the date of disposal. The rates of depreciation used to write off the amount of assets are as follows:

Nature of assets	Rate of Depreciation
Furniture and fixtures	10%
Office appliance and equipment	20%
Computer equipment's	20%
Software	20%
Motor vehicles	20%

2.13 Intangible assets and amortization of intangible assets

The main item included in intangible asset is computer software. Intangible assets are recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably in accordance with IAS 38: "Intangible assets". Accordingly, these assets are stated in the Statement of Financial Position at cost less accumulated amortization. Intangible assets are amortized over a period of five (05) years.

2.14 Application of International Financial Reporting Standard (IFRS-16)

Right-of-Use (RoU) assets:

The cost of rented floor as per Agreement for Head Office, DSE Building Branch, Uttara Branch, Nikunja Premises are shown as per IFRS-16: Lease. Amortization is separately shown in the schedule of Property, Plant and

Dhaka Bank Securities Limited recognizes the right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). RoU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted for any measurement of lease liabilities. The cost of RoU assets includes the amount of lease liabilities recognize, initial direct cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining Year of the lease term.





Lease Liabilities:

At the commencement of the lease, the company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payment include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. In 2021, the company reassessed all lease payment of existing contracts remaining Year considering a cut-off date beginning of 2021. The lease liabilities are presented in the note 16 of these financial statements. Leases where the company does not transfer substantially all of the risk and benefit of ownership of any asset are classified as operating assets.

2.15 Provision for income tax

2.15.1 Current tax

Provision for current tax is made on the basis of the profit for the year as adjusted for taxation purpose in accordance with the provision of Income Tax Ordinance, 1984 and Finance Act 2021. The rate of tax is 30% for the year 2021, 32.50% for the year 2020 and 35% for the year 2019.

2.15.2 Deferred tax

Deferred tax arises due to temporary difference deductible or taxable for the events or transaction recognized in the income statement. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax is measured using tax rates and tax laws that have been enacted or substantially enacted by the reporting date.

2.16 Revenue recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the enterprise and in accordance with the International Financial Reporting Standards (IFRS) 15: Revenue from contracts with customers.

i. Brokerage commission

Brokerage commission is recognized as income when selling or buying order executed.

ii. Interest Income from margin loan

Interest Income from margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on monthly basis and applied to the customers' account on quarterly basis. In case of negative equity margin loan account, interest is credited to suspense account instead of income account where the equity becomes negative.

iii. Dividend income and profit/ (loss) on sale of marketable securities

Dividend income is recognized when right to receive payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

2.17 Recognition and measurement of financial Instruments

In accordance with International Financial Reporting Standard (IFRS) 9, financial assets may be recognized at fair value, with gain and losses taken to the income statement in net investment income. A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term.

Financial Assets

Financial assets of the company include cash and bank balances, accounts and other receivable. The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction. The company derecognizes a financial asset when, and only when the contractual rights or probabilities of receiving the cash flows from the asset expire or it transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred. Dhaka Bank Securities Limited disburses margin loans to client @ 50%. Besides, the company invests in the capital market to maintain its own portfolio.



Financial Liabilities

Dhaka Bank Securities Limited has a long term loan with Investment Corporation of Bangladesh (ICB) amounting Tk. 9.78 crores @ 4% p.a. from September 12, 2019 to September 12, 2022.

Dhaka Bank Securities Limited has a Overdraft facility with Dhaka Bank Limited, Branch with the limit of 247.00 (Two hundred and Forty Seven) crores @ 6.38% p.a.

2.18 Provision for loss on margin loan

As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. BSEC/SRI/Policy/3/2020/68 dated 12 January 2020, the company may keep 20% Provision against unrealized loss in the Portfolio account of the company as on 31 December 2020. The validity of this circular has been extended up to 31 December 2023.

2.19 Investment fluctuation fund

As per the decision of the board of directors, 5% of capital gain during a year is transferred to investment fluctuation fund account to manage the company's future own portfolio risk.

2.20 Related party disclosure

As per International Accounting Standards (IAS)-24 "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operational decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties.

2.21 Branch accounting

The Company has 6 (six) branch offices (including head office), with no overseas branch as at 31 December 2021. Accounts of the branches are maintained at the head office which are included in the accompanying financial statements.

2.22 Reporting period

The company's reporting period is 01 January 2021 to 31 December 2021.

2.23 Events after the balance sheet date

Events after the balance sheet date that provides additional information about company's financial position at the balance sheet date are reflected in the financial statements. Events after the balance sheet date that are material but not adjusting event are discussed in the notes.

2.24 General

- i) Figures have been rounded off to the nearest integer.
- ii) Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.





**3. Property, plant and equipment**

**I. Tangible Assets**

**(A) Cost :**

Opening balance

Add: Addition during the year

	31.12.2021 Taka	31.12.2020 Taka
Opening balance	41,262,784	41,159,198
Add: Addition during the year	4,885,170	103,586
	<b>46,147,954</b>	<b>41,262,784</b>

**(B) Accumulated depreciation**

Opening balance

Add: Charged during the year

Opening balance	36,050,247	33,078,940
Add: Charged during the year	2,513,782	2,971,307
	<b>38,564,029</b>	<b>36,050,247</b>

**(C) Written down value (A-B)**

**II. Right of Use (RoU) Assets:**

**(A) Cost :**

Opening balance

Add: Addition during the year

Opening balance	15,334,586	-
Add: Addition during the year	13,161,542	15,334,586
	<b>28,496,128</b>	<b>15,334,586</b>

**(B) Accumulated amortization**

Opening balance

Add: Charged during the year

Opening balance	8,281,905	-
Add: Charged during the year	7,756,944	8,281,905
	<b>16,038,849</b>	<b>8,281,905</b>

**(C) Written down value (A-B)**

	<b>12,457,280</b>	<b>7,052,681</b>
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**Total written down value**

	<b>20,041,205</b>	<b>12,265,218</b>
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Schedule of property, plant and equipment is given in Annexure-A.

**4. Investment in un-quoted shares**

Investment in shares of DSE

(Note : 4.1)

Investment in shares of CSE

(Note : 4.2)

Central Depository Bangladesh Limited (CDBL)

Energypac Power Generation Company Limited

Investment in shares of DSE	661,843,958	661,843,958
Investment in shares of CSE	250,000,000	250,000,000
Central Depository Bangladesh Limited (CDBL)	18,277,770	18,277,770
Energypac Power Generation Company Limited	-	8,800,000
	<b>930,121,728</b>	<b>938,921,728</b>

4.1	Stock exchange	Allotment Status	Number of Shares	31.12.2021	31.12.2020
	Dhaka Stock Exchange Limited (DSE)	Allotted (53%; 40%)	2,886,042	352,983,428	352,983,428
		Blocked (47%; 60%)	2,525,287	308,860,530	308,860,530
			<b>5,411,329</b>	<b>661,843,958</b>	<b>661,843,958</b>

4.2	Stock exchange	Allotment Status	Number of Shares	31.12.2021	31.12.2020
	Chittagong Stock Exchange Limited (CSE)	Allotted (40%; 40%)	1,714,932	100,000,000	100,000,000
		Blocked (60%; 60%)	2,572,398	150,000,000	150,000,000
			<b>4,287,330</b>	<b>250,000,000</b>	<b>250,000,000</b>

**5. Deferred tax assets**

**As at 31 December 2021**

Property, plant and equipment

RoU Assets

Lease liabilities

Provision for margin loan account

	Accounting Base	Tax Base	31.12.2021 Taka
Property, plant and equipment	7,583,925	13,448,663	(5,864,738)
RoU Assets	12,457,280	-	12,457,280
Lease liabilities	(7,587,091)	-	(7,587,091)
Provision for margin loan account	(243,942,367)	-	(243,942,367)
	<b>(231,488,253)</b>	<b>13,448,663</b>	<b>(244,936,916)</b>

Applicable tax rate

30.00%

**Deferred tax assets as on 31 December 2021**

**(73,481,075)**

Total provision against margin loan account is Taka 24.39 Crore (Note: 20.2). Taka 62.76 Crore (Note:20.2) was maintained in the year 2020 against unrealised loss on margin loan account. Out of this previous year's amount, Taka 54.36 Crore has been written off during this year. Moreover, Taka 10.00 Crore has been added as provision against margin loan account and Taka 6.00 Crore has been transferred from provision for own portfolio to the provision against margin loan account during this year. Total amount of provision against unrealised loss on margin loan of this year has been considered in deferred tax calculation.

Further noted here that considering the nature of capital market, there is a chance of making gain from the share market. In that aspect, provision against unrealised loss on own portfolio has not been considered in deferred tax calculation.

	Accounting Base	Tax Base	31.12.2020 Taka
<b>As at 31 December 2020</b>			
Property, plant and equipment	5,212,537	10,582,107	(5,369,570)
RoU Assets	7,052,681	-	7,052,681
Lease liabilities	(4,977,016)	-	(4,977,016)
Provision for margin loan account	(245,111,141)	-	(245,111,141)
	<b>(237,822,939)</b>	<b>10,582,107</b>	<b>(248,405,046)</b>
Applicable tax rate			32.50%
Deferred tax assets as at 31 December 2020			<b>(80,731,640)</b>

#### 6. Investment in quoted shares

	31.12.2021 Taka	31.12.2020 Taka
Investment in own portfolio/dealer account	2,172,464,197	1,855,420,757
Ledger balance in BO Account (Dealer)	20,311,613	4,549,282
Investment in Special Portfolio (ICB Fund)	112,083,142	116,907,005
Ledger balance in BO Account (Special Portfolio-ICB Fund)	6,229	295,857
	<b>2,304,865,181</b>	<b>1,977,172,902</b>

- 6.1 The investments in shares are categorized as at fair value through profit or loss as per IFRS 9 : Financial Instruments. The details of the investments are as follows:

#### Investment in own portfolio/dealer account:

Business segments	No. of shares	Total cost of shares in 2021	Market value of shares in 2021	Total cost of shares in 2020
Banks/Finance	4,064,881	236,599,798	227,010,627	471,909,985
Insurance	90,360	15,977,455	10,563,084	107,645,807
Mutual fund	183,167	1,831,670	1,648,503	1,831,670
Fuel and power	6,062,363	458,289,154	322,072,393	395,083,047
Cement	568,940	53,554,322	40,451,634	242,108,985
Pharmaceuticals and chemicals	1,400,651	373,974,375	353,781,829	396,513,038
Engineering / travel and leisure	1,942,006	610,892,124	557,291,561	167,619,929
Textile	300,000	4,815,000	2,970,000	30,920,769
Food, tannery and miscellaneous	612,860	416,530,299	389,533,816	41,787,528
		<b>2,172,464,197</b>	<b>1,905,323,448</b>	<b>1,855,420,757</b>

#### Investment in Special Portfolio (ICB Fund):

Business segments	No. of shares	Total cost of shares in 2021	Market value of shares in 2021	Total cost of shares in 2020
Banks/Finance	262,000	17,408,400	15,548,600	-
Insurance	40,525	7,465,516	4,737,373	53,638,496
Fuel and power	1,320,000	63,254,400	51,348,000	31,053,050
Cement	72,000	6,920,192	5,119,200	7,282,425
Pharmaceuticals and chemicals	300	430,542	393,600	3,103,535
Engineering / travel and leisure	44,003	16,604,092	15,379,049	21,829,500
		<b>112,083,142</b>	<b>92,525,821</b>	<b>116,907,005</b>
		<b>2,284,547,339</b>	<b>1,997,849,269</b>	<b>1,972,327,762</b>

#### 7. Margin loan

Opening balance	2,149,660,773	2,620,621,019
Less: Previous year adjustment	-	97,800,000
Adjusted opening balance	2,149,660,773	2,522,821,019
Add: Disbursed during the year	623,063,938	120,976,052
	<b>2,772,724,711</b>	<b>2,643,797,070</b>
Less: Realized during the year	151,386,193	494,136,297
Less: Written off interest suspense account	474,144,655	-
Less: Written off margin loan	543,668,774	-
<b>Gross margin loan outstanding</b>	<b>1,603,525,090</b>	<b>2,149,660,773</b>
Less: Closing balance of interest suspense account	11,275,898	474,144,655
	<b>1,592,249,192</b>	<b>1,675,516,118</b>

As per approval of the Board in it's 65th Meeting held on 31 August 2021, the provision amounting Taka. 543.67 million and interest suspense account amounting Taka. 474.14 million has been adjusted against 51 clients portfolio for unrecoverable margin loan. Interest suspense account was created for the doubtful interest charged for the margin loan accounts.





		31.12.2021 Taka	31.12.2020 Taka		
<b>8. Accounts and other receivable</b>					
Receivable from non-margin clients		3,823,548	4,127,566		
Receivable from DSE		38,825,913	6,310,186		
Receivable from CSE		207,400	569,527		
Other receivables	(Note: 8.1)	23,900,087	23,844,425		
		<b>66,756,948</b>	<b>34,851,703</b>		
<b>8.1 Other receivable</b>					
Cash dividend receivable		<b>23,900,087</b>	<b>23,844,425</b>		
<b>9. Advance income tax</b>					
Opening balance		145,771,885	241,095,261		
Add: Addition during the year	(Note: 9.1 & 9.2)	55,205,327	31,858,976		
		200,977,212	272,954,237		
Less: Adjustment during the year		24,298,757	127,182,352		
		<b>176,678,456</b>	<b>145,771,885</b>		
Adjustment has been made for completion of income tax assessment.					
<b>9.1 Advance income tax (Addition)</b>					
AIT/TDS on brokerage commission - DSE		38,394,868	11,850,241		
AIT/TDS on brokerage commission - CSE		468,829	28,691		
TDS/AIT (Interest income, dividend income etc.)		16,248,630	12,812,499		
		<b>55,112,327</b>	<b>24,691,430</b>		
<b>9.2 Advance income tax paid</b>					
Paid to NBR		-	7,063,546		
Paid to while renewal of License, Certificates etc.		93,000	104,000		
		<b>93,000</b>	<b>7,167,546</b>		
<b>10. Advances, deposits and prepayments</b>					
Advances	(Note: 10.1)	34,272,235	4,370,960		
Prepayments	(Note: 10.2)	2,477,480	5,461,562		
		<b>36,749,715</b>	<b>9,832,521</b>		
<b>10.1 Advances</b>					
Advance for purchase of floor space at DSE tower, Nikunja		-	850,000		
Advance to Suppliers/Vendors		-	200,000		
Advance - IPO Application for dealer A/C		34,272,235	3,237,295		
Advance against expenses		-	83,665		
		<b>34,272,235</b>	<b>4,370,960</b>		
<b>10.2 Prepayments</b>					
Prepaid rent - premises		2,421,000	5,388,750		
Prepaid insurance - vehicles and premises		56,380	69,987		
Prepaid non-judicial stamp		100	2,825		
		<b>2,477,480</b>	<b>5,461,562</b>		
<b>11. Cash and cash equivalents</b>					
Cash in hand		105,000	105,000		
Cash at bank	(Note: 11.1)	416,013,610	291,705,962		
		<b>416,118,610</b>	<b>291,810,962</b>		
<b>11.1 Cash at bank</b>					
		<b>31.12.2021</b>	<b>31.12.2020</b>		
		<b>Taka</b>	<b>Taka</b>		
<b>A. Consolidated Customers' Bank A/C</b>					
Dhaka Bank Limited	Local Br.	SND A/C	201.150.2972	152,164,944	149,721,313
Dhaka Bank Limited	Local Br.	SND A/C	201.150.3444	1,021	3,724,253
IFIC Bank Limited	Stock Ex. Br.	SND A/C	1090.358002.001	163,483,565	125,407,762
IFIC Bank Limited	Stock Ex. Br.	SND A/C	190.168.403.041	5,592,261	-
UCB Limited	Forex. Br.	CD A/C	721.101.000.000.049	-	2,814,370
Standard Chartered	Motijheel	SND A/C	32.1183892.02	65,364,908	165,306
				<b>386,606,699</b>	<b>281,833,004</b>





Name of the Bank	Branch Name	Account Type	Account No.	31.12.2021 Taka	31.12.2020 Taka
<b>B. Bank Accounts for Dealer Operations</b>					
IFIC Bank Limited	Dhaka Stock Ex.	SND A/C	1090.358447.001	20,055,321	1,172,023
IFIC Bank Limited	Chittagong Stock Ex.	SND A/C	190.168.404.041	638,679	
UCB Limited	Forex.	SND A/C	721.101.000.000.515	-	1,331,176
Dhaka Bank Limited	Gulshan	SND A/C	215.150.2242	466,322	3,609,629
Standard Chartered	Motijheel	SND A/C	32.1183892.01	103,393	103,543
				<b>21,263,715</b>	<b>6,216,371</b>
<b>C. Bank Accounts for Company's own Transactions</b>					
Dhaka Bank Limited	Local	SND A/C	201.150.2960	8,143,196	3,656,587
				<b>8,143,196</b>	<b>3,656,587</b>
				<b>416,013,610</b>	<b>291,705,962</b>

**12. Share capital**

**Authorized capital**

500,000,000 ordinary shares @ Tk. 10 each

**5,000,000,000**      **5,000,000,000**

**Paid up capital**

Opening Balance

2,087,000,620      2,046,079,040

Add: Stock dividend for financial year 2019

-      40,921,580

**2,087,000,620**      **2,087,000,620**

Name of Shareholders	% of Shareholding	Number of Shares held	Amount Taka	Amount Taka
1. Dhaka Bank Limited Represented By: Mr. Reshadur Rahman Mr. Abdul Hai Sarker Ms. Rokshana Zaman Mr. Altaf Hossain Sarker Mr. Khondoker Monir Uddin Mr. Emranul Huq	99.999997%	208,700,056	2,087,000,560	2,087,000,560
2. Mr. Dilawar Hossain	0.000001%	1	10	10
3. Mr. Choudhury Md. Humayun Kabir	0.000001%	1	10	10
4. Mr. Md. Mahbubur Rahman	0.000001%	1	10	10
5. Mr. Mahfuzur Rahman	0.000001%	1	10	10
6. Mr. Suez Islam	0.000001%	1	10	10
7. Mrs. Shahnaz Naznin	0.000001%	1	10	10
		<b>100%</b>	<b>208,700,062</b>	<b>2,087,000,620</b>

**13. Investment fluctuation fund**

Opening balance

49,200,000      41,100,000

Add: Addition during the year

4,700,000      8,100,000

**53,900,000**      **49,200,000**

**14. Retained earnings**

Opening balance

(48,922,415)      56,339,743

Add: Net profit/(loss) for the year

73,305,436      (56,240,577)

24,383,021      99,165

Less: Bonus shares issued

-      40,921,580

Less: Transfer to investment fluctuation fund

4,700,000      8,100,000

**19,683,022**      **(48,922,415)**

**15. Long term loan net of current maturity**

Opening balance

58,464,050      90,088,588

Less: Paid during the year

32,908,622      31,624,538

25,555,428      58,464,050

Less: Transferred to current portion of long term loan

25,555,428      32,908,622

-      25,555,428

**15.a Current portion of long term loan**

ICB Stimulus Fund

**25,555,428**      **32,908,622**

Investment Corporation of Bangladesh (ICB) vide their Sanction Advice No. ICB/51/509 Dated July 08, 2019 offered Dhaka Bank Securities Limited loan amounting Taka. 9.78 Crore from the Stimulus Fund for affected small investors. The loan will be repaid through 12 equal quarterly installments at an interest rate of 4% p.a from September 12, 2019 to September 12, 2022.



	31.12.2021 Taka	31.12.2020 Taka
<b>16. Lease liabilities</b>		
Opening balance	4,977,017	-
Add: Addition during the year	14,207,519	16,101,317
	19,184,536	16,101,317
Less: Adjustment during the year	11,597,445	11,124,300
	<u>7,587,091</u>	<u>4,977,017</u>
<b>17. Short term loan</b>		
Loan from Dhaka Bank Limited (Note: 17.1)	<u>2,443,588,172</u>	<u>1,694,162,672</u>
<b>17.1 Loan from Dhaka Bank Limited</b>		
Opening balance	1,694,162,672	2,298,017,550
Add: Addition during the year	3,642,425,500	693,035,875
	5,336,588,172	2,991,053,425
Less: Repayment during the year	2,893,000,000	1,296,890,754
	<u>2,443,588,172</u>	<u>1,694,162,672</u>
Dhaka Bank Limited, vide their Sanction Letter No. DBL/HO/CRM/L.O-335(B)/S-585/2021/5536 dated 17 June 2021, renewed the overdraft facility of Taka. 2,470 million in favor of Dhaka Bank Securities Limited up to 31 December 2021. As at 31 December 2021, the facility was utilized to the tune of Taka. 2,443,588,172.		
<b>18. Accounts payable</b>		
Payable to clients	358,018,586	273,150,384
IPO application money	9,400,000	7,273,600
Payable to DSE	851,484	2,491,123
Payable to CSE	21,321	836
Payable to CDBL	1,116,459	822,670
Interest payable to clients for CCBA	10,538,568	-
	<u>379,946,419</u>	<u>283,738,613</u>
<b>19. Provision for income tax</b>		
Opening balance	138,157,100	238,642,241
Add: Adjustment for previous year	140,653	-
	138,297,753	238,642,241
Add: Provision made during the year	26,145,273	26,697,211
	164,443,026	265,339,452
Less: Adjustment during the year (Note: 19.1)	24,298,757	127,182,352
	<u>140,144,269</u>	<u>138,157,100</u>
<b>19.1 Adjustment during the year</b>		
AIT/TDS on brokerage commission - DSE	11,323,627	68,291,831
AIT/TDS on brokerage commission - CSE	28,691	623,922
AIT/TDS on Brok. Comm Dealer Trade DSE	526,614	12,975,374
AIT/TDS on Brok. Comm Dealer Trade CSE	-	82,892
TDS/AIT (Interest income, dividend income etc.)	12,419,825	57,994,746
Retained earnings	-	(12,786,413)
	<u>24,298,757</u>	<u>127,182,352</u>
Adjustment has been made for completion of income tax assessment.		
<b>20. Provision for diminution in value of investments</b>		
Provision for loss on own portfolio (Note: 20.1)	147,500,000	207,500,000
Provision for loss on margin loan (Note: 20.2)	243,942,367	627,611,141
Provision for stipulation fund for affected investors (Note: 20.3)	8,760,904	8,760,904
	<u>400,203,271</u>	<u>843,872,045</u>
<b>20.1 Provision for loss on own portfolio</b>		
Opening balance	207,500,000	207,500,000
Less: Transferred to provision for margin loan	60,000,000	-
Closing balance	<u>147,500,000</u>	<u>207,500,000</u>

As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. BSEC/SRI/Policy/3/2020/68 dated 12 January 2020, the company may keep Provision against unrealized loss in the Portfolio account of the company as on 31 December 2021. The validity of this circular has been extended up to 31 December 2023. The company kept Taka. 147.50 million as provision against Taka. 286.70 million unrealised loss of own portfolio, where minimum requirement was Taka. 95.53 million upto 31 December 2021 as per above circular.



**20.2 Provision for loss on margin loan**

	31.12.2021 Taka	31.12.2020 Taka
Opening balance	627,611,141	382,500,000
Less: Written off during the year	543,668,774	-
	83,942,367	382,500,000
Add: Transferred from Provision for Own Portfolio	60,000,000	-
Add: Addition during the year	100,000,000	245,111,141
Closing balance	<u>243,942,367</u>	<u>627,611,141</u>

As per approval of the Board in it's 65th Meeting held on August 31, 2021, the provision amounting Taka. 543.67 million has been adjusted against 51 clients portfolio for unrecoverable margin loan.

As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. BSEC/SRI/Policy/3/2020/68 dated 12 January 2020, the company may keep Provision against Negative Equity in the Portfolio account of the Margin Loan Clients of the company as on 31 December 2021. The validity of this circular has been extended up to 31 December 2023. The company kept Taka. 243.94 million as provision against Taka. 423.28 million unrealized loss of margin loan, where minimum requirement was Taka. 141.09 million upto 31 December 2021 as per above circular.

**20.3 Provision for stipulation fund for affected investors**

8,760,904                      8,760,904

In connection with downturn situation of Capital Market, the Bangladesh Securities and Exchange Commission (BSEC) announced the stock market stimulus package on November 23, 2011, which included some immediate steps to the relief of mostly institutional investors and pledges for some special schemes for non-institutional investors. We have formed the Stimulus fund for affected Investors.

**21. Other liabilities**

Accrued interest expenses - Loan from Banks and NBFIs	55,787,264	54,800,178
Audit fees	287,500	287,500
Accrued expenses-Others	2,100,580	704,840
VAT current A/C	266,953	312,375
Withholding tax liabilities	1,011,518	120,082
	<u>59,453,816</u>	<u>56,224,975</u>

	2021 Taka	2020 Taka
<b>22. Brokerage commission income</b>		
Brokerage - DSE	218,130,720	72,558,755
Brokerage - CSE	2,398,445	63,851
	<b>220,529,165</b>	<b>72,622,606</b>
<p>Trade volume in Stock Exchange was bearish in 2020 which increased by 128% in 2021. The Brokerage commission income also increased by around 200% during 2021 due to increase of market share and efficient business development activity.</p>		
<b>23. Direct expenses</b>		
Laga charges (Note: 23.1)	19,566,645	8,014,507
CDBL Expense-Daily settlement (Pay in/Pay out)	10,404,773	2,914,835
Sales Associate Commission	8,541,068	-
	<b>38,512,486</b>	<b>10,929,342</b>
<b>23.1 Laga charges</b>		
Laga charges- Dhaka Stock Exchange Limited (DSE)	18,979,349	7,576,107
Laga charges- Chittagong Stock Exchange Limited (CSE)	587,296	438,400
	<b>19,566,645</b>	<b>8,014,507</b>
<b>24. Interest income</b>		
Interest on margin loan	92,108,105	96,652,847
Interest income on bank deposit A/C	1,091,546	7,773,811
	<b>93,199,651</b>	<b>104,426,658</b>
<b>25. Interest expense</b>		
On loan from Dhaka Bank Limited	163,024,201	167,496,358
On loan from Investment Corporation of Bangladesh (ICB)	1,849,026	3,599,777
Interest Expense for leased liability	1,045,978	766,730
	<b>165,919,205</b>	<b>171,862,865</b>
<b>26. Net investment income</b>		
Gain on sale of shares (Note: 26.1)	94,280,021	162,020,099
Dividend on shares	75,810,207	52,476,008
	<b>170,090,228</b>	<b>214,496,107</b>
<b>26.1 Gain on sale of shares</b>		
Sale price of shares	5,315,001,601	806,004,051
Cost price of shares	(5,220,721,580)	(643,983,951)
	<b>94,280,021</b>	<b>162,020,099</b>
<b>27. Fees and other income</b>		
Account opening and closing fees	89,329	62,890
BO renewal fees	442,400	411,800
IPO processing fees	50,130	15,640
Central Depository Bangladesh Limited (CDBL) (Note: 27.1)	596,184	477,679
Other income	171,127	69,662
	<b>1,349,169</b>	<b>1,037,671</b>
<b>27.1 Central Depository Bangladesh Limited</b>		
<b>A. Central Depository Bangladesh limited (CDBL) income</b>		
CDBL Income-transfer in/out	546,776	188,600
CDBL income-bonus/Right/IPO/split/demat	5,268	539,920
CDBL Income-Pledge/unpledge	805,376	313,284
	<b>1,357,420</b>	<b>1,041,804</b>



	2021 Taka	2020 Taka
<b>B. Central Depository Bangladesh limited (CDBL) expenses</b>		
CDBL expense-Transfer in/out	307,260	104,827
CDBL income-bonus/ Right/IPO/split/demat	45	279,752
CDBL Income-Pledge/unpledge	447,431	174,047
CDBL expense-monthly connection fees	6,500	5,500
	<b>761,237</b>	<b>564,126</b>
<b>Net CDBL income (A-B)</b>	<b>596,184</b>	<b>477,679</b>
<b>28. Salaries and allowances</b>		
Basic salaries	13,216,461	13,612,982
Allowances	16,673,565	16,941,934
Leave fare assistance	2,577,100	2,426,600
Employer's contribution to provident fund	1,318,077	1,352,724
Bonus	3,627,349	2,285,653
	<b>37,412,552</b>	<b>36,619,893</b>
<b>29. Rent, taxes, insurance, electricity etc.</b>		
Rent expenses	2,837,237	3,606,256
Insurance expense	110,767	131,257
Electricity Expenses	1,584,862	1,399,651
Fuel expense - generator / pool car	21,413	820,826
Water and sewerage	293,281	640,408
Renewal of registration certificates, trade license etc.	722,273	593,603
	<b>5,569,832</b>	<b>7,192,000</b>
<b>30. Legal expenses</b>		
	<b>32,250</b>	<b>233,500</b>
<b>31. Postage, stamp, telecommunication etc.</b>		
Postage and Courier	22,203	17,540
Stamps- Judicial / Non-Judicial	45,085	1,650
Telephone /Fax /PABX expenses	19,742	97,637
Mobile /Internet /Cable TV bills	314,766	301,434
	<b>401,796</b>	<b>418,261</b>
<b>32. Stationary, printing, advertisement etc.</b>		
Stationeries expense- (printed materials)	2,505,245	2,135,285
Stationeries - general (table/petty stationeries)	180,148	83,119
Stationeries- computer consumable (paper & accessories)	172,130	170,106
Publicity expenses (leaflet, banner, bill board etc.)	1,500	3,370
	<b>2,859,023</b>	<b>2,391,880</b>
<b>33. Directors' fees and meeting expenses</b>		
Director's fees	656,800	768,000
Meeting, seminar and conference expenses	174,789	173,990
	<b>831,589</b>	<b>941,990</b>
<b>34. Professional fee</b>		
Statutory Audit Fee	287,500	287,500
Special Audit Fee	920,000	-
	<b>1,207,500</b>	<b>287,500</b>







**35. Repairs and maintenance**

Office premises  
Furnitures and fixtures  
Office and electric appliances  
Computer, software, printer, UPS etc.  
Vehicles  
Network connectivity expense

2021 Taka	2020 Taka
1,198,343	1,248,815
705,262	477,120
1,203,099	817,525
1,261,195	947,981
1,111,962	948,257
1,287,739	1,394,178
<b>6,767,600</b>	<b>5,833,876</b>

**36. Other expenses**

Bank charges  
Excise duty expense  
Commission expenses- bank guarantees  
Regular canteen expense  
Entertainment Expense  
Contractual service charges  
Cleaning and maintenance services  
Staff uniform expenses  
Support staff expense  
Security guard expenses  
Training and Development Expenses  
Conveyance expense  
Business promotion expenses  
Newspapers  
IPO Processing Fees  
Contribution to investors' protection fund  
Miscellaneous - (others)

65,614	31,924
178,000	236,300
1,955,900	699,883
1,672,181	860,253
103,785	5,000
609,962	695,299
1,325,500	1,476,273
29,725	81,975
1,613,887	2,034,469
413,424	1,263,240
9,795	-
379,234	148,115
170,441	30,950
5,960	29,575
27,000	13,000
84,446	4,004
37,526	9,906
<b>8,682,380</b>	<b>7,620,166</b>

**37. Depreciation and amortization**

Depreciation of Tangible Assets  
Amortization of Right of Use (RoU) Assets

2,513,782	2,971,307
7,756,944	8,281,905
<b>10,270,726</b>	<b>11,253,212</b>

**38. Provision for income tax**

Current tax

<b>26,145,273</b>	<b>26,697,211</b>
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**39. Deferred tax expense/(income)**

Closing balance of deferred tax assets  
Opening balance of deferred tax assets  
Deferred tax expense/(income)

(73,481,075)	(80,731,640)
(80,731,640)	(2,162,422)
<b>7,250,565</b>	<b>(78,569,218)</b>





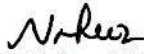
**40. Related party transactions**

Name of the Related Party	Relationship	Nature of Transaction	Transaction during the year	Closing Balance as at 31.12.2021	Closing Balance as at 31.12.2020
Dhaka Bank Limited	Parent Company	Loan	749,425,500	2,443,588,172	1,694,162,672
Mrs. Rokshana Zaman and Ms. Tanveen Zaman	Director and her Daughter	Advance Rent for Leased Premises	(2,241,000)	2,241,000	4,482,000

**41. Date of authorization**

The Board of Directors has authorized these financial statements for issue on 07 March 2022.

Dhaka,  
10 March 2022

  
Md. Nafeez Al Tarik  
Managing Director

  
Mahfuzur Rahman  
Director

  
Abdul Hai Sarker  
Director



**Dhaka Bank Securities Limited**  
**Schedule of Property, Plant and Equipment**  
As at 31 December 2021

**A. Tangible Assets**

Particulars	Cost			Rate (%)	Depreciation			Written Down Value as at 31.12.2021
	Balance as at 01.01.2021	Addition during the year	Balance as at 31.12.2021		Balance as at 01.01.2021	Depreciation during the year	Balance as at 31.12.2021	
Furniture and fixtures	13,754,654	4,200,892	17,955,546	10%	12,206,045	918,153	13,124,198	4,831,348.10
Office appliances and equipment	7,824,651	70,090	7,894,741	20%	7,260,411	222,455	7,482,866	411,874.14
Computer	12,099,224	614,188	12,713,412	20%	11,602,653	454,418	12,057,071	656,340.64
Motor vehicles	7,584,255	-	7,584,255	20%	4,981,137	918,756	5,899,893	1,684,362.00
<b>Sub-total</b>	<b>41,262,784</b>	<b>4,885,170</b>	<b>46,147,954</b>		<b>36,050,247</b>	<b>2,513,782</b>	<b>38,564,029</b>	<b>7,583,925</b>

**Dhaka Bank Securities Limited**  
**Fixed assets schedule**  
For the year ended 31 December 2021

**B. Intangible Assets**

Particulars	Cost			Rate (%)	Amortization			Written Down Value as at 31.12.2021
	Balance as at 01.01.2021	Addition during the year	Balance as at 31.12.2021		Balance as at 01.01.2021	Amortization during the year	Balance as at 31.12.2021	
Software	4,831,461	-	4,831,461	20%	4,831,461	-	4,831,461	-
<b>Sub-total</b>	<b>4,831,461</b>	<b>-</b>	<b>4,831,461</b>		<b>4,831,461</b>	<b>-</b>	<b>4,831,461</b>	<b>-</b>

**C. Right of Use (ROU) Assets**

Particulars	Cost			Lease term	Amortization			Written Down Value as at 31.12.2021
	Balance as at 01.01.2021	Addition during the year	Balance as at 31.12.2021		Balance as at 01.01.2021	Amortization during the year	Balance as at 31.12.2021	
Right of Use (ROU) Assets	15,334,586	13,161,542	28,496,128	5 Years	8,281,905	7,756,944	16,038,849	12,457,280
<b>Sub-total</b>	<b>15,334,586</b>	<b>13,161,542</b>	<b>28,496,128</b>		<b>8,281,905</b>	<b>7,756,944</b>	<b>16,038,849</b>	<b>12,457,280</b>

<b>Total as at 31 December 2021</b>	<b>61,428,831</b>	<b>18,046,712</b>	<b>79,475,542</b>		<b>49,163,613</b>	<b>10,270,726</b>	<b>59,434,339</b>	<b>20,041,205</b>
<b>Total as at 31 December 2020</b>	<b>45,990,659</b>	<b>15,438,172</b>	<b>61,428,831</b>		<b>37,910,401</b>	<b>11,253,212</b>	<b>49,163,613</b>	<b>12,265,218</b>

**Annexure-M**

Independent Auditor's Report and Audited  
Financial Statements  
of  
Dhaka Bank Investment Limited

**Dhaka Bank Investment Ltd.**  
**Independent Auditor's Report**  
**and**  
**Audited Financial Statements**  
**For the year ended 31 December 2021**

**Independent Auditor's Report**  
**To the Shareholders of Dhaka Bank Investment Ltd.**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of Dhaka Bank Investment Ltd. which comprise the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Dhaka Bank Investment Ltd. as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to the fact as disclosed in Note # 2.8 to the financial statements, which describes that, necessary License to operate as a Merchant Banker has yet to be issued in favour of the Company by Bangladesh Securities and Exchange Commission (BSEC), although the Company filed application to BSEC on 27 March 2014 for such license. In this connection, another request letter was sent to BSEC by the Company on 04 April 2021 and 08 November 2021. The management of the Company informed that they are following up the matter with BSEC and hopeful to get the license very soon. Our opinion is not modified in respect of this matter.

**Other Information**

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

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

#### **Report on other Legal and Regulatory Requirements**

We also report that the financial statements comply with the Companies Act 1994 and the other applicable laws and regulations. We, as required by law, further report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns.

Dhaka,  
07 March 2022

Signed for and on behalf of  
**ACNABIN**  
**Chartered Accountants**

**Md. Moniruzzaman, FCA**  
**Partner**

ICAB Enrollment No. 787

DVC : 2204070787AS558900




**Dhaka Bank Investment Ltd.**
**Statement of Financial Position  
 As at 31 December 2021**

	Notes	31.12.2021 Taka	31.12.2020 Taka
<b>ASSETS</b>			
<b>Non Current Assets</b>			
		-	-
<b>Current Assets</b>			
		<b>324,966,957</b>	<b>341,337,827</b>
Cash and cash equivalents	5	311,292,096	328,002,182
Other asset	6	13,674,861	13,335,645
<b>Total Assets</b>		<b>324,966,957</b>	<b>341,337,827</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
		<b>313,612,302</b>	<b>306,176,901</b>
Paid up capital	7	250,000,000	250,000,000
Retained earnings	8	63,612,302	56,176,901
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
		-	-
<b>Current Liabilities</b>			
		<b>11,354,655</b>	<b>35,160,926</b>
Provision for income tax	9	9,839,997	33,573,201
Other liabilities	10	1,514,658	1,587,725
<b>Total Liabilities</b>		<b>11,354,655</b>	<b>35,160,926</b>
<b>Total Equity and Liabilities</b>		<b>324,966,957</b>	<b>341,337,827</b>

The annexed notes from 1 to 17 form an integral part of these Financial Statements.

  
 Managing Director & CEO

  
 Director

  
 Chairman

This is the statement of financial position referred to in our separate report of even date.

Dhaka,  
 07 March 2022

Signed for and on behalf of  
**ACNABIN**  
 Chartered Accountants

  
 Md. Moniruzzaman, FCA  
 Partner  
 ICAB Enrollment No. 787

DVC:2204070787AS558900


**Dhaka Bank Investment Ltd.**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 31 December 2021**

	Notes	2021 Taka	2020 Taka
<b>Operating Income</b>			
Interest income		-	-
Other income	11	13,447,254	26,312,064
		<b>13,447,254</b>	<b>26,312,064</b>
<b>Operating Expense</b>			
General and administrative expenses	12	1,280,411	1,176,825
Financial expenses	13	270,200	82,875
<b>Total operating expenses</b>		<b>1,550,611</b>	<b>1,259,700</b>
<b>Profit before Tax</b>		<b>11,896,643</b>	<b>25,052,364</b>
Provision for income tax (Current tax)	9	(4,461,241)	(10,697,494)
<b>Net Profit after Tax</b>		<b>7,435,402</b>	<b>14,354,871</b>
Other comprehensive income		-	-
<b>Total comprehensive Income</b>		<b>7,435,402</b>	<b>14,354,871</b>

The annexed notes from 1 to 17 form an integral part of these Financial Statements.

  
 Managing Director & CEO


  
 Director

  
 Chairman

This is the statement of profit or loss and other comprehensive income referred to in our separate report of even date.

Dhaka,  
 07 March 2022

Signed for and on behalf of  
**ACNABIN**  
 Chartered Accountants

  
**Md. Moniruzzaman, FCA**  
 Partner  
 ICAB Enrollment No. 787

DVC:2204070787AS558900

**Dhaka Bank Investment Ltd.**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2021**

Particulars	Share Capital	Retained Earnings	Total Equity
<b>Balance as at 01 January 2021</b>	250,000,000	56,176,901	306,176,901
Net profit for the year	-	7,435,402	7,435,402
<b>Balance as at 31 December 2021</b>	<b>250,000,000</b>	<b>63,612,302</b>	<b>313,612,302</b>

<b>Balance as at 01 January 2020</b>	250,000,000	41,822,030	291,822,030
Net profit for the year	-	14,354,871	14,354,871
<b>Balance as at 31 December 2020</b>	<b>250,000,000</b>	<b>56,176,901</b>	<b>306,176,901</b>

The annexed notes from 1 to 17 form an integral part of these Financial Statements.

Dhaka,  
07 March 2022

  
Managing Director & CEO

  
Director

  
Chairman

**Dhaka Bank Investment Ltd.**  
**Statement of Cash Flows**  
**For the year ended 31 December 2021**

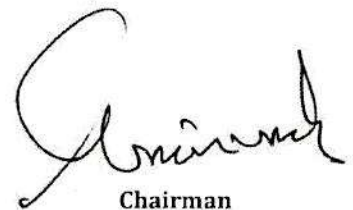
	2021 Taka	2020 Taka
<b>A. Cash flows from operating activities:</b>		
Profit before tax	11,896,643	25,052,364
Written off of preliminary expenditure	-	1,107,825
Decrease in provision for audit fees	(345,000)	(161,000)
Increase in advance income tax	(1,456,449)	(2,219,340)
Decrease/(Increase) in interest receivable	1,117,232	(3,888,667)
Decrease in provision for income tax	(28,194,445)	-
Increase in other liability	271,933	-
<b>Net cash (used in)/flow from operating activities</b>	<b>(16,710,086)</b>	<b>19,891,183</b>
<b>B. Cash flows from investing activities</b>	-	-
<b>C. Cash flows from financing activities</b>	-	-
<b>D. Net (deficit)/surplus in cash and cash equivalents (A+B+C)</b>	<b>(16,710,086)</b>	<b>19,891,183</b>
<b>E. Unrealised foreign exchange gain/(loss)</b>	-	-
<b>F. Cash and cash equivalents at the beginning of the year</b>	<b>328,002,182</b>	<b>308,110,999</b>
<b>G. Cash and cash equivalents at the end of the year</b>	<b>311,292,096</b>	<b>328,002,182</b>
<b>Cash and Cash Equivalents</b>		
Cash in hand	-	-
Cash at bank	311,292,096	328,002,182
	<b>311,292,096</b>	<b>328,002,182</b>

The annexed notes from 1 to 17 form an integral part of these Financial Statements.

Dhaka,  
07 March 2022

  
 Managing Director & CEO

  
 Director

  
 Chairman

**Dhaka Bank Investment Ltd.**  
**Notes to the Financial Statements**  
**As at and for the year ended 31 December 2021**

**1. Company and its activities**

**1.1 Legal status and nature of the company**

Dhaka Bank Investment Ltd. was incorporated with the Registrar of Joint Stock Companies and Firms (RJSCF) vide registration no. C-112730/13 dated 02 December, 2013 as a Private Company Limited by Shares having its registered office at Biman Bhaban (1st Floor), 100, Motijheel C/A, Dhaka -1000. The company is yet to obtain Merchant Banking License from Bangladesh Securities and Exchange Commission (BSEC).

**1.2 Principal activities and nature of operation**

The principal activities of the company are to carry on the business of Merchant Banking in all its aspects and to act as Issue Managers in order to issue and offers, whether by way of public offer or otherwise of shares, stocks, debentures, bonds, units, notes, bills, warrants or any other instruments, to carry on the business of securities management and brokerage, Custodian service, Investment and Asset Management, Portfolio Management, Capital Market operations etc.

**2. Basis of preparation and significant accounting policies**

**2.1 Statement of compliance**

The financial statements have been prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

**2.2 Other regulatory compliances**

As required, Dhaka Bank Investment Ltd. also complies with the applicable provisions of the following major laws/ statutes:

- Company Act 1994;
- Securities and Exchange Rules, 2020;
- Securities and Exchange Commission Act, 1993;
- Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000;
- Income Tax Ordinance, 1984;
- Income Tax Rules, 1984;
- Negotiable Instruments Act, 1881; and
- Other applicable laws and regulations.

**2.3 Basis of measurement**

The financial statements except for cash flow information have been prepared on accrual basis of accounting.

**2.4 Components of financial statements**

- Statement of Financial Position
- Statement of Profit or Loss and Other Comprehensive Income
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes to the Financial Statements



2.5 Functional and presentational currency

These financial statements are presented in Bangladeshi Taka (BDT) which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

2.6 Use of estimates and judgments

Preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. These financial statements contained information about the assumptions it made about the future and other major sources of estimation uncertainty at the end of the reporting year that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year.

In accordance with the guidelines as prescribed by IAS 37: Provisions, Contingent Liabilities and Contingent Assets. Provisions are recognized in the flowing situation:

- When the company has an obligation as a result of past events,
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the amount of the obligation.

2.7 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, Dhaka Bank Investment Ltd. applies the accounting disclosure principles consistently from one year to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, corrections of errors, the amounts involved are accounted for and retrospectively accordance with the requirement of IAS 8. We however, have applied the same accounting principles in 2021 as was for in financial statements for 2020.

2.8 Going concern

The management has assessed the going concern for upcoming year, though the core business operation is not yet started but Management had applied for merchant banking license on 31 march 2014 to Bangladesh Security and Exchange Commission (BSEC) and they didn't get any response from BSEC till 03 april 2021, then they again send an application for reconsideration of merchant banking license on 04 April 2021 to Bangladesh Security and Exchange Commission (BSEC). The management has further sent detail documents to BSEC on November 8, 2021. There is no further reply from BSEC regarding the receipt of the certificate of commencement of the operations. We hope we will receive the positive reply from BSEC very soon regarding the starting of our Merchant Banking Operation.

2.9 Reporting year

The financial year of the Company covers twelve months from 01 January 2021 to 31 December 2021.



**3. Significant accounting policies**

The accounting policies set out below have been applied consistently (otherwise as stated) to all years presented in these financial statements.

**3.1 Preliminary Expenses**

Preliminary expenditure is recognized for formation, registration and capital raising of the company including legal and other professional services. Written off of preliminary expenditure is recognised in statement of profit or loss and other comprehensive income.

**3.2 Financial assets**

The financial assets of the company includes cash and bank balances and other assets. These are recognized at the date they are originated.

The company derecognizes a financial asset when the contractual rights to the cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

**3.2.1 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, cash at bank and fixed deposits which are held and are available for use by the Company without any restriction. There is insignificant risk of change in the value of the above items.

**3.2.2 Other assets**

Dhaka Bank Investment Ltd. maintains other asset through advance income tax and interest receivable. Advance income tax is posted when DBIL pays any source tax through bank accounts and interest receivable is recognized when the interest arises.

**3.3 Financial liabilities**

The company recognizes all financial liabilities on the accounting date which is the date the company becomes a party to the contractual provisions of the instrument. The company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Financial liabilities comprise trade payables and other financial obligations.

**3.3.1 Other liabilities**

The company recognizes its accounts payables at the time the service is received as on date. DBIL shows its trade payables as other liabilities in its financial position

**3.4 Provision for income tax**

Though the company is yet to obtain Merchanting Banking License from Bangladesh Securities and Exchange Commission, provision for income tax is made on the basis of Company's computation based on the best estimate of taxable profit in accordance with Income Tax Ordinance, 1984 in each accounting year.

**3.5 Operating expenses**

DBIL records general and administrative expenses as operating expenses. These includes amortization, audit fees and bank charges.



3.6 Income tax expenses

Income tax expenses comprise current income tax. Income tax expense is recognized in the Statement of Profit or Loss and Other Comprehensive Income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

As the company is subject to tax though it has not obtain of license of Merchant Banking it is currently charging tax @37.50% as applicable with nature.

3.7 Events after the balance sheet date

Events after the balance sheet date that provide additional information about the Company's position at the balance sheet date are reflected in the financial statements. Events after the balance sheet date that are not adjusting event are disclosed in the notes if material.

3.8 Impact of COVID-19

Though the company didn't started its operation that's why there is no impact of COVID-19 except the area of other income which has been reduced due to COVID-19.

3.9 General

- i. Figures have been rounded off to the nearest integer.
- ii. The company did not yet obtained BIN/VAT registration certificate.
- iii. The company is currently operating with limited resources.



**4. Preliminary expenditure**

 Preliminary expenditure  
 Less: Written off during the year

31.12.2021 Taka	31.12.2020 Taka
-	1,107,825
-	1,107,825
-	-

**5. Cash and cash equivalents**

 Cash in hand  
 Cash at bank

(Note: 5.1)

31.12.2021 Taka	31.12.2020 Taka
-	-
311,292,096	328,002,182
<b>311,292,096</b>	<b>328,002,182</b>

**5.1 Cash at bank**

Name of the Bank	Branch Name	Account No.
<b>Short Term Deposit</b>		
Dhaka Bank Limited	Local Office	201.150.3401
Dhaka Bank Limited	Gulshan Circle-2	102.150.0018

31.12.2021 Taka	31.12.2020 Taka
61,947	123,562
1,874,223	1,505,268
<b>1,936,170</b>	<b>1,628,831</b>

<b>Investment at Bank (Term Deposit)</b>		
Dhaka Bank Limited	Local Office	201.341.351
Dhaka Bank Limited	Local Office	201.343.0329
Dhaka Bank Limited	Gulshan Circle-2	102.341.1174
Dhaka Bank Limited	Kakrail	106.343.0126
Dhaka Bank Limited	Kakrail	106.341.0217
Dhaka Bank Limited	Kakrail	106.343.0148
Dhaka Bank Limited	Local Office	201.343.0351

31.12.2021 Taka	31.12.2020 Taka
-	53,158,943
-	21,900,000
136,241,194	131,432,454
-	119,881,954
23,114,732	-
100,000,000	-
50,000,000	-
<b>309,355,926</b>	<b>326,373,351</b>
<b>311,292,096</b>	<b>328,002,182</b>

**6. Other asset**

 Advance income tax  
 Interest receivable

(Notes:6.1)

10,903,426	9,446,978
2,771,435	3,888,667
<b>13,674,861</b>	<b>13,335,645</b>

**6.1 Advance income tax**

 Opening balance  
 Add: Addition during the year

(Note: 6.1.1)

9,446,978	7,227,638
1,456,449	2,219,340
<b>10,903,426</b>	<b>9,446,978</b>

**6.1.1 Addition during the year**

Tax deducted at source

<b>1,456,449</b>	<b>2,219,340</b>
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**7. Share Capital**
**7.1 Authorized Capital**

200,000,000 ordinary shares @ Tk. 10 each.

<b>2,000,000,000</b>	<b>2,000,000,000</b>
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**7.2 Issued, Subscribed and Paid up Capital**

25,000,000 ordinary shares of Taka 10 each fully paid.

<b>250,000,000</b>	<b>250,000,000</b>
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The shareholding position is as follows:

Sl. #	Name of Shareholders	Number of Shares held	% of Shareholding	31.12.2021 Taka	31.12.2020 Taka
1.	Dhaka Bank Limited, Represented By: Mr. Md. Amirullah Mr. Tahidul Hossain Chowdhury Mr. Mirza Yasser Abbas	24,999,994	99.999976%	249,999,940	249,999,940
2.	Mr. Shafiqul Islam Sarker	1	0.000001%	10	10
3.	Mr. Mohammad Ashiqur Rahman	1	0.000001%	10	10
4.	Mr. Hasanuzzaman	1	0.000001%	10	10
5.	Mr. Asif Hanif	1	0.000001%	10	10
6.	Mr. Latiful Bari	1	0.000001%	10	10
7.	Ms. Nabila Mirza	1	0.000001%	10	10
	<b>Total</b>	<b>25,000,000</b>	<b>100%</b>	<b>250,000,000</b>	<b>250,000,000</b>

#### 8. Retained earnings

Opening balance		56,176,901	41,822,030
Add: Net Profit for the year		7,435,402	14,354,871
		<b>63,612,302</b>	<b>56,176,901</b>

#### 9. Provision for income tax

Opening balance		33,573,201	22,875,707
Add: Addition during the year	(Note: 9.1)	4,461,241	10,697,494
Less: Adjustment during the year	(Note: 9.2)	28,194,445	-
		<b>9,839,997</b>	<b>33,573,201</b>

#### 9.1 Addition during the year

Current tax on profit before tax during the year		4,461,241	9,394,637
Shortfall of previous year tax provision		-	1,302,857
		<b>4,461,241</b>	<b>* 10,697,494</b>

Dhaka Bank Investment Ltd. is continuing without submitting tax returns from its inception. On 16 February 2021 it has taken Taxpayer Identification Number (TIN) from National Board of Revenue (NBR). We have paid Tk. 28.19 Million as Income Tax for the Assessment Year 2015-2016 to Assessment Year 2021-2022 to the Govt Exchequer.

#### 9.2 Adjustment during the year

Assessment year 2015-2016		4,179,549	-
Assessment year 2016-2017		3,939,320	-
Assessment year 2017-2018		2,766,398	-
Assessment year 2018-2019		2,770,785	-
Assessment year 2019-2020		2,190,020	-
Assessment year 2020-2021		5,173,076	-
Assessment year 2021-2022		7,175,297	-
		<b>28,194,445</b>	<b>-</b>

#### 10. Other liabilities

Payable to Dhaka Bank Limited		1,173,725	1,173,725
Provision for audit fees	(Note: 10.1)	69,000	414,000
Salary payable for December 2021		256,321	-
Tax deducted at source		15,612	-
		<b>1,514,658</b>	<b>1,587,725</b>



**10.1 Provision for audit fees**

Opening balance	414,000	575,000
Add : Audit fees for the year 2021	69,000	69,000
Less : Adjustment during the year	414,000	230,000
	<b>69,000</b>	<b>414,000</b>

**11. Other income**

Interest on SND	100,044	497,720
Interest on FDR A/C	13,347,209	25,584,344
Excess provision against of audit fees	-	230,000
	<b>13,447,254</b>	<b>26,312,064</b>

**12. General and administrative expenses**

Amortization of preliminary expenditure	-	1,107,825
Salary expense	725,284	-
Professional fees	486,127	-
Audit fees	69,000	69,000
	<b>1,280,411</b>	<b>1,176,825</b>

**13. Financial expenses**

Bank charges & Others (Excise duty)	270,200	82,875
	<b>270,200</b>	<b>82,875</b>

**14. Related party disclosure**

Name of the related party	Relationship	Nature of transaction	Transaction during the year	Closing Balance as at 31.12.2021	Closing Balance as at 31.12.2020
Dhaka Bank Limited	Parent Company	Regulatory Transaction	-	1,173,725	1,173,725

**15. Fixed Assets & Human Resources**

There is no fixed assets of the company as at 31 December 2021. Except the Board of Directors, there is only one employee of the company to look after the operation of the company.

**16. Contingent Liabilities**

There is no such contingent liabilities of the company as at 31 December 2021 to report.

**17. Date of Authorisation**

The Board of Directors has authorized these financial statements for issue on 03 March 2022.