

*Auditors' Report and
Audited Financial Statements
Of
Bangladesh Krishi Bank*

Head Office, Motijheel, Dhaka-1000

For the year ended June 30, 2017

AUDITORS

Masih Muhith Haque & Co.
Chartered Accountants
UTC Building, Level # 13
8, Panthopoth, Dhaka-1215

Aziz Halim Khair Choudhury
Chartered Accountants
House 64, (1st & 2nd Floor)
Road 12A, Dhanmondi, Dhaka-1209

Independent Auditors' Report
To the Shareholders (Government of the People's Republic of Bangladesh)
of
Bangladesh Krishi Bank

Report on the Financial Statements

We have audited the accompanying financial statements of Bangladesh Krishi Bank("the Bank"), which comprise the Balance Sheet as at 30 June, 2017 and the Profit and Loss Account, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements and Internal Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements of the Bank.

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



Basis for Qualified Opinion

1. Included in Note 8 to the Financial Statements is addition to Fixed Assets amounting to 270,231,087 (Cost price). However purchase by the Head Office only amounted to Tk. 351,528,088 (Cost price). Therefore the consolidated total fixed assets addition amount was understated by the difference of Tk. 81,297,003 (Tk. 351,528,088- Tk. 270,231,087) considering only Head Office's addition to fixed assets.
2. Included in Note 9.4 to the Financial Statements is credit balance of Tk. 525,369,306 relating to Inter Branch Transaction Accounts. No reconciliation was provided to us in this regard.
3. As per Note 14.4 to the financial statements, the bank's capital adequacy ratio on June 30, 2017 was -44.01%, because of negative core capital amounting to BDT 63,291,829,926. The shortfall in amount of capital was BDT 73,579,324,632.
4. As per Note 13.6 to the financial statements, Provision of BDT 5,706,200,000 on Other Assets has been maintained. However, the required provision is BDT 10,336,600,000 as per Bangladesh Bank. This results in a shortfall of BDT 4,630,400,000.
5. Provision for income tax has not been maintained in the financial statements. This should have been maintained at 0.6% of gross receipts as per section 82C of the Income Tax Ordinance 1984.
6. As per BAS 12 Income Taxes, it is mandatory for an entity liable to tax to recognize deferred tax liability/asset. However, deferred tax liability was not recognized in the financial statements of the Bank.

Opinion

In our opinion, except for the matters discussed in the Basis for Qualified Opinion paragraph, the financial statements give a true and fair view of the financial position of the Bank as at 30 June 2017 and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards as explained in note 2.1.

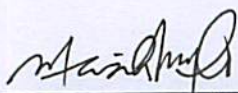
Report on Other Legal and Regulatory Requirements

In accordance with the Bank Companies Act, 1991 (Amended up to 2013) and the rules and regulations issued by Bangladesh Bank, we also report the following:

- (a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;



- (b) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Control:
- i) internal audit, internal control and risk management arrangements of the Bank as disclosed in note 2.24 of the financial statements appeared to be moderately adequate;
 - ii) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities;
- (c) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books;
- (d) the balance sheet and the profit and loss account dealt with by the report are in agreement with the books of account, except in immaterial instances;
- (e) the expenditure incurred was for the purposes of the Bank's business.
- (f) the financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as with related guidance issued by Bangladesh Bank;
- (g) adequate provisions have been made for advances which are, in our opinion, doubtful of recovery;
- (h) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (i) the information and explanation required by us have been received and found satisfactory; and
- (j) we have reviewed over 50% of the risk weighted assets of the Bank relating to the branches selected by Bangladesh Bank and we have spent around 2520 person hours for the audit of the books and accounts of the Bank.



(Masih Muhith Haque & Co.)
Chartered Accountants



(Aziz Halim Khair Choudhury)
Chartered Accountants

Date: March 13, 2018
Place: Dhaka

BANGLADESH KRISHI BANK
BALANCE SHEET
AS AT 30 JUNE 2017

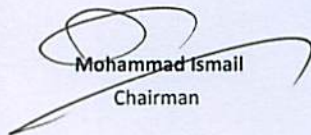
	Note	30 June 2017 Taka	30 June 2016 Taka
<u>Property and Assets</u>			
Cash	3	20,060,031,207	19,438,349,145
Cash in Hand (Including Foreign Currencies)		1,371,439,680	738,388,861
Balance with Bangladesh Bank & its Agent Bank(s) (Including Foreign Currencies)		18,688,591,527	18,699,960,284
Balance with Other Banks & Financial Institutions	4	3,186,904,848	3,579,550,331
In Bangladesh		2,970,405,066	2,801,687,567
Outside Bangladesh		216,499,782	777,862,764
Money at call and short notice	5	-	-
Investments	6	41,859,000	40,646,000
Government Securities		7,420,000	6,207,000
Other Investments		34,439,000	34,439,000
Loans and Advances	7	193,672,569,346	186,419,992,845
Loans, Cash Credits, Overdrafts etc.		187,041,217,361	179,752,749,225
Bills Purchased and Discounted		6,631,351,985	6,667,243,620
Fixed Assets Including Premises, Furniture & Fixtures	8	6,545,652,973	6,471,634,488
Other Assets	9	17,420,492,747	18,178,259,260
Non-Banking Assets	10	327,688,702	320,348,680
Total Assets		241,255,198,824	234,448,780,749
<u>Liabilities and Capital</u>			
Liabilities			
Borrowing from Other Banks, FI and Agents	11	26,845,265,392	28,485,155,406
In Bangladesh		26,318,728,012	28,040,235,865
Outside Bangladesh		526,537,380	444,919,541
Deposits and Other Accounts	12	227,380,620,852	211,824,319,311
Current and Contingency Accounts		17,124,362,191	31,863,521,552
Bills Payable		1,131,069,200	1,147,737,235
Savings Deposit		56,429,340,190	50,313,993,979
Fixed Deposit		152,695,849,271	128,499,066,545
Other Liabilities	13	44,800,336,415	46,317,063,083
Total Liabilities		299,026,222,659	286,626,537,800
<u>Capital/ Owners' Equity</u>			
Paid-up Capital	14	9,000,000,000	9,000,000,000
Re-Capitalization	14.3	2,500,000,000	2,500,000,000
Statutory Reserve	15	232,306,342	232,306,342
Other Reserve	16	6,108,939,948	6,129,969,099
Retained Earnings Surplus/(Deficit)	17	(75,612,270,126)	(70,040,032,493)
Total Capital/ Owners' Equity		(57,771,023,836)	(52,177,757,051)
Total Liabilities and Owners' Equity		241,255,198,824	234,448,780,749

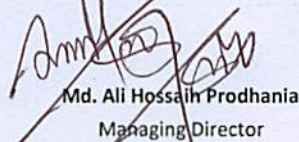


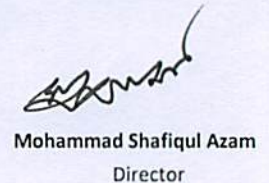
BANGLADESH KRISHI BANK
OFF BALANCE SHEET ITEMS
AS AT 30 JUNE 2017

	Note	30 June 2017 Taka	30 June 2016 Taka
Contingent Liabilities:	18	7,066,546,903	5,339,087,842
Acceptance for Constituents Liabilities (Letter of Credit)		6,971,134,963	5,254,963,582
Outstanding Customers Liabilities Guarantees		95,411,940	84,124,260
Bills for Collection		-	-
Others		-	-
Other Commitments:			
Documentary Credits and Short Term Trade Related Transactions		-	-
Forward Assets Purchased and Forward Deposits Placed		-	-
Undrawn note Issuance and Revolving Underwriting Facilities		-	-
Undrawn Formal Standby Facilities, Credit Lines and Other Commitments		-	-
Total		-	-
Total Off-Balance Sheet Items		7,066,546,903	5,339,087,842

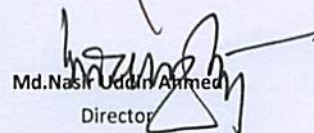
Accompanying notes form an integral part of these financial statements

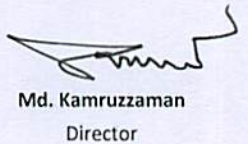

Mohammad Ismail
Chairman


Md. Ali Hossain Prodhania
Managing Director

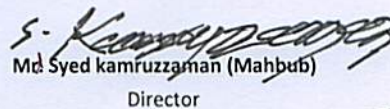

Mohammad Shafiqul Azam
Director

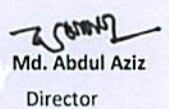
Abul Mansur Md. Faizullah
Director

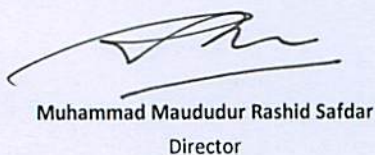

Md. Nasir Uddin Ahmed
Director

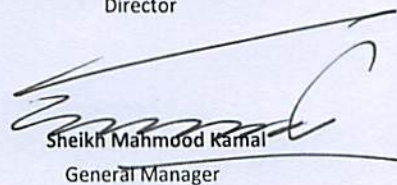

Md. Kamruzzaman
Director

Md. Fashiar Rahman
Director

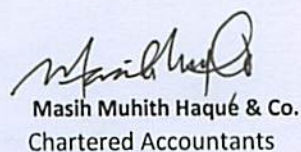

Md. Syed kamruzzaman (Mahbub)
Director



Md. Abdul Aziz
Director


Muhammad Maududur Rashid Safdar
Director


Sheikh Mahmood Kamal
General Manager

Date: March 13, 2018
Dhaka

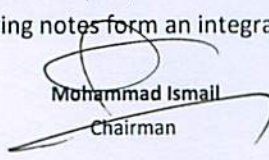

Masih Muhith Haque & Co.
Chartered Accountants

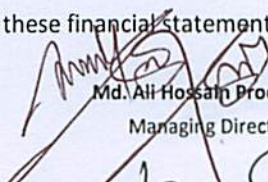

Aziz Halim Khair Choudhury
Chartered Accountants

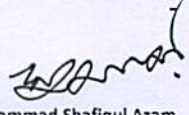
BANGLADESH KRISHI BANK
PROFIT AND LOSS ACCOUNT
For the year ended on 30 June 2017


Particulars	Note	30 June 2017 Taka	30 June 2016 Taka
Interest Income	19	15,697,256,354	14,418,086,797
Less : Interest Expense on Deposit & Borrowings	20	(13,604,780,585)	(14,206,769,708)
Net Interest Income		2,092,475,769	211,317,089
Income from Investment	21	1,080,000	1,080,000
Commission, Exchange & Brokerage	22	191,513,027	250,452,365
Other Receipts	23	864,072,185	1,199,302,523
Total Operating Income		3,149,140,981	1,662,151,977
Salary & Allowance	24	8,475,461,060	7,427,141,002
Rent, Taxes, Insurance, Lighting etc.	25	360,368,124	327,648,098
Legal Charges	26	1,747,585	1,518,504
Postage, Telegram, Telephone & Stamps	27	48,298,766	39,507,552
Auditor's Fees	28	941,500	932,000
Stationery, Printing & Advertisement	29	52,825,542	47,981,943
Pay & Allowances of Managing Director	30	1,349,193	1,326,259
Director's Fees	31	2,097,600	1,565,150
Depreciation & Repairs of Bank Property	32	226,527,911	202,756,648
Other Expenditure	33	443,497,669	399,212,133
Total Operating Expenditure		9,613,114,950	8,449,589,289
Profit / (Loss) Before Provision :		(6,463,973,968)	(6,787,437,312)
Provision for Loans & Advances		(805,291,001)	-
Provision for Diminution in Value of Investment		-	-
Other Provision		-	-
Total Provision		(805,291,001)	-
Total Profit / (Loss) before taxes		(5,658,682,967)	(6,787,437,312)
Provision for Income Tax		-	-
Net Profit/(Loss) After Tax		(5,658,682,967)	(6,787,437,312)
Appropriations:			
Statutory Reserve		-	-
General Reserve		-	-
Dividend		-	-
Retained Deficite		(5,658,682,967)	(6,787,437,312)
Earnings Per Share (EPS)		-	-

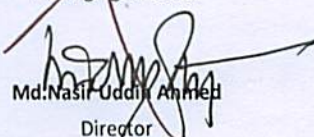
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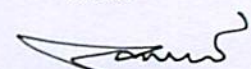

Mohammad Ismail
Chairman

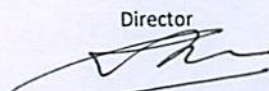

Md. Ali Hossain Prodhania
Managing Director

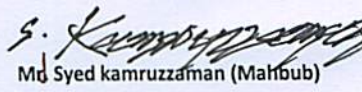

Mohammad Shafiqul Azam
Director

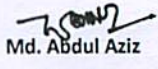

Abul Mansur Md. Faizullah
Director

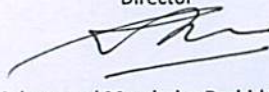

Md. Nasir Uddin Ahmed
Director


Md. Kamruzzaman
Director


Md. Fashiar Rahman
Director

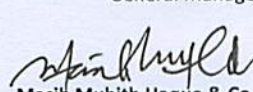

Md. Syed kamruzzaman (Mahbub)
Director

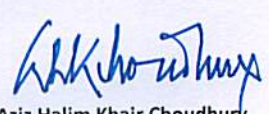

Md. Abdul Aziz
Director


Muhammad Maududur Rashid Safdar
Director


Sheikh Mahmood Kamal
General Manager

Date: March 13, 2018
Dhaka



Masih Muhith Haque & Co.
Chartered Accountants


Aziz Halim Khair Choudhury
Chartered Accountants

BANGLADESH KRISHI BANK
CASH FLOW STATEMENT
For the year ended on 30 June 2017

Particulars	Note	30 June 2017 Taka	30 June 2016 Taka
A. Cash flow from operating activities:			
Interest Received	35	9,990,111,202	9,158,229,933
Interest Paid	36	(8,222,050,506)	(9,257,338,453)
Dividend Received	21	1,080,000	1,080,000
Fees and Commission Receipt	22	191,513,027	250,452,365
Cash Paid to Employees	24	(8,475,461,060)	(7,427,141,002)
Cash Paid to Suppliers	37	(44,384,592)	(42,786,903)
Receipt from Other Operating Activities	23	864,072,185	1,199,302,523
Paid for Other Operating Activities	38	(800,271,005)	(741,755,024)
Recovery from Written-Off Loans & Advances		36,874,000	32,430,000
Income Tax Paid (at source)		(25,099,017)	(25,099,017)
Cash generated from operating activities		(6,483,615,766)	(6,852,625,577)
Increase/(decrease) in operating assets and liabilities			
Loans and Advances to Customers		(2,203,300,000)	(6,459,817,259)
Other Assets		1,275,749,101	2,193,576,954
Other Liabilities		(1,516,726,668)	8,607,673
Deposits From Customers		10,628,374,000	12,911,945,975
		8,184,096,433	8,654,313,343
Net Cash Flow from Operating Activities(A)		1,700,480,667	1,801,687,767
B. Cash Flows From Investing Activities			
(Purchase)/Sales of Securities and Bond (Others)		-	-
(Purchase)/Sale of Securities (Government)		(1,213,000)	2,002,000
(Purchase)/Sale of Property, Plant and Equipments		(270,231,087)	(245,853,448)
Net cash Flow from Investing Activities		(271,444,087)	(243,851,448)
C. Cash Flows from Financing Activities			
Paid up Capital/Re-capitalization		-	-
Dividend Paid		-	-
(Payments)/Receipt from Borrowings		(1,200,000,000)	(1,401,025,000)
Net Cash Flow from Financing Activities		(1,200,000,000)	(1,401,025,000)
D. Net Increase/(Decrease) in Cash (A+B+C)		229,036,581	156,811,319
F. Cash and Cash Equivalents at the Beginning of the Year		23,017,899,476	22,861,088,157
G. Cash and Cash Equivalents at the End of the Year(D+F)	34	23,246,936,056	23,017,899,476

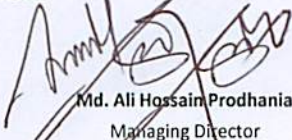
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Mohammad Ismail
Chairman

Abul Mansur Md. Faizullah
Director

Md. Fashiar Rahman
Director

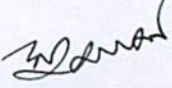
Muhammad Maududur Rashid Safdar
Director


Md. Ali Hossain Prodhania
Managing Director

Md. Nasir Uddin Ahmed
Director

Md. Syed kamruzzaman (Mahbub)
Director

Sheikh Mahmood Kamal
General Manager


Mohammad Shafiqul Azam
Director

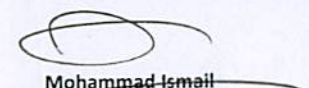
Md. Kamruzzaman
Director

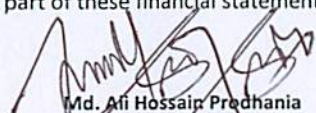
Md. Abdul Aziz
Director

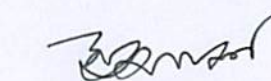
BANGLADESH KRISHI BANK
STATEMENT OF CHANGES IN EQUITIES
For the year ended as on 30 June 2017

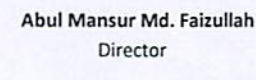
Particulars	Amount in Taka						
	Paid -Up Capital	Re-capitalization	Statutory Reserve	Revaluation Reserve	Other Reserves	Profit/ (Loss)	Total Amount
Balance as at 01 July, 2016	9,000,000,000	2,500,000,000	232,306,342	5,541,835,241	588,133,858	(70,040,032,493)	(52,177,757,052)
Prior year adjustment						65,416,183	65,416,183
Restated opening balance	9,000,000,000	2,500,000,000	232,306,342	5,541,835,241	588,133,858	(69,974,616,310)	(52,112,340,869)
Related Balance due to Changes of Accounting Policy	-	-	-	-	-	-	-
Increased/ Decreased due to Revaluation of Assets or Devaluation of Currency	-	-	-	(21,029,151)	-	21,029,151	-
Revaluation Reserve	-	-	-	-	-	-	-
Re-Capitalization	-	-	-	-	-	-	-
Net Profit / (Loss)	-	-	-	-	-	(5,658,682,967)	(5,658,682,967)
Dividend	-	-	-	-	-	-	-
Increased of Capital	-	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-
Balance as at 30 June, 2017	9,000,000,000	2,500,000,000	232,306,342	5,520,806,090	588,133,858	(75,612,270,126)	(57,771,023,836)

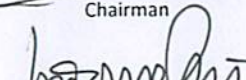
Accompanying notes form an integral part of these financial statements.

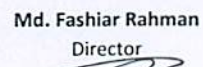

Mohammad Ismail
Chairman

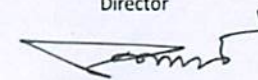

Md. Ali Hossain Pradhania
Managing Director

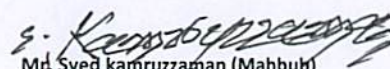

Mohammad Shafiqul Azam
Director

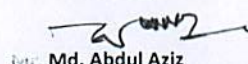

Abul Mansur Md. Faizullah
Director

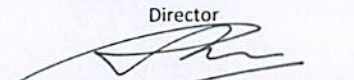

Md. Nasir Uddin Ahmed
Director

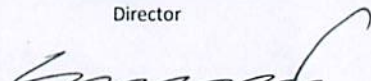

Md. Fashiar Rahman
Director


Md. Kamruzzaman
Director


Mr. Syed kamruzzaman (Mahbub)
Director

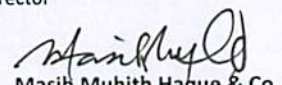

Md. Abdul Aziz
Director


Muhammad Maududur Rashid Safdar
Director


Sheikh Mahmood Kamal
General Manager


Aziz Halim Khair Choudhury
Chartered Accountants

Date: March 13, 2018
Dhaka


Masih Muhith Haque & Co.
Chartered Accountants

BANGLADESH KRISHI BANK

Liquidity Statement

Maturity Analysis of Assets & Liabilities as at 30 June 2017

Particulars	Amount in Taka					Total
	upto 1 month	1- 3 months	3 -12 months	1-5 years	More than 5	
Assets						
a) Cash	1,371,439,680	-	-	-	-	1,371,439,680
b) Balance with other Banks	360,141,294	2,750,000,000	2,400,000	12,000,000	18,750,955,081	21,875,496,375
c) Investment	7,420,000	-	-	-	34,439,000	41,859,000
d) Loans & Advance	7,746,902,774	15,493,805,548	54,228,319,417	96,836,284,673	19,367,256,935	193,672,569,346
e) Land Building & Other Fixed Assets	-	-	-	-	6,545,652,973	6,545,652,973
f) Other Assets	-	4,061,544,357	6,092,316,535	2,179,989,557	5,086,642,299	17,420,492,747
g) Non- Banking Assets	-	-	98,306,611	229,382,092	-	327,688,702
Total Assets	9,485,903,748	22,305,349,904	60,421,342,563	99,257,656,321	49,784,946,287	241,255,198,824
Liabilities						
a) Borrowing from Bangladesh Bank, Other Banks And Agents	-	-	1,646,351,306	8,231,756,530	16,967,157,556	26,845,265,392
d) Deposits	13,272,811,870	15,014,444,300	48,781,151,057	105,298,536,076	43,882,608,348	226,249,551,652
c) Other Accounts	11,310,692	22,621,384	56,553,460	226,213,840	814,369,824	1,131,069,200
d) Provision and Other Liabilities	-	1,454,382,850	2,908,765,699	10,180,679,948	30,256,507,918	44,800,336,415
e) Equity	-	-	-	-	-	-
Total Liabilities	13,284,122,562	16,491,448,534	53,392,821,522	123,937,186,394	91,920,643,646	299,026,222,659
Net Liquidity Mismatch	(3,798,218,814)	5,813,901,370	7,028,521,040	(24,679,530,073)	(42,135,697,360)	(57,771,023,835)
Cumulative Net Mismatch	(3,798,218,814)	2,015,682,556	9,044,203,598	(15,635,326,475)	(57,771,023,835)	(57,771,023,835)



BANGLADESH KRISHI BANK
Notes to the Financial Statement
For the year ended 30 June 2017

1. Background

1.1 Status of the Bank

Bangladesh Krishi Bank (BKB) has been established under the Bangladesh Krishi Bank order 1973 (President's Order No 27 of 1973). BKB is Banking Company under the Banking Company Act-1991. The Head Office is situated at Krishi Bank Bhaban, 83-85 Motijheel Commercial Area, Dhaka - 1000. It has 1031 branches operating all over Bangladesh except Rajshahi and Rangpur division.

1.2 Principal Activities

The Bank provides all kinds of commercial banking services to its customers through its Branches in Bangladesh. Generally it provides loan to individuals and corporate bodies related to:

- i) Production of Crops
- ii) Purchase of Irrigation machinery and equipment
- iii) Development of horticulture
- iv) Pisciculture
- v) Animal husbandry

The Bank gives emphasis to establish small agro-based cottage industries at both urban and rural areas by way of providing technical and financial supports. The Bank, within its constitution put priority, as far as possible, and extend loan to small and marginal farmers. The Bank as such is discharging its duty to the society side by side its responsibility as a financial institution.

1.3 International Banking:

The focus of International Division with its expertise caters mainly to the banking needs related to import and export affairs. The department established correspondent relationships with the foreign banks in consultation with the respective senior management.

1.4 Information Technology:

In view of the above, Bangladesh Krishi Bank has already set up an Information Technology platform for its branches and offices. The bank has a vision to expand and to modernize the IT platform and information systems gradually. Notwithstanding the level of computerization, the security requirements of information systems are Universal and significant to the sustainability of the IT platforms. Accordingly, the bank requires policies to secure IT setup as well as information and to set standards for IT operations.

2.0 Significant accounting policies and basis of preparation of financial statements

2.01 Statement of Compliance

The financial statements of the Bank for the year ended 30 June 2017 have been prepared under the historical cost convention and in accordance with Bangladesh Financial Reporting Standards (BFRSs), the "First Schedule" (section-38) of the Bank Companies Act 1991, as amended by the BRPD Circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, the Companies Act, 1994, and other laws and rules applicable in Bangladesh. Where the requirement of provisions and circulars issued by Bangladesh Bank differ with those of the regulatory authorities and accounting standards, the provisions and circulars issued by Bangladesh Bank shall prevail.

The Bank has departed from those contradictory requirements of BFRSs in order to comply with the rules and regulation of Bangladesh Bank which are disclosed below:



2.01.01 Investment in shares

BFRSs: As per requirements of BAS 39 investments in shares generally falls either under "at fair value through profit and loss accounts" or under "available for sale" where any change in the fair value at the year ended is taken to profit and loss account or revaluation reserve account, as the case may be.

Bangladesh Bank: As per Banking Regulation & Policy Department (BRPD) Circular no. 14 dated 25 June 2003 of Bangladesh Bank Investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investments. As such Bangladesh Krishi Bank measures and recognizes Investment in Quoted and unquoted shares at cost if the year-end Market value (for Quoted shares) and book value (Unquoted shares) are higher than the cost.

2.01.02 Provision on loans and advances

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

Bangladesh Bank: As per BRPD Circular no. 14 dated 23 September 2012 and BRPD Circular no. 19 dated 27 December 2012 a general provision at 0.25% to 5% under different categories of unclassified loans (standard and SMA loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loan, doubtful loans and bad losses, should be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again As per BRPD Circular no. 10 dated 18 September 2007, a general provision at 1% should be provided for all off-balance sheet exposures. BAS 39 not specifically in line with those prescribes such Provision policies.

2.01.03 Financial instruments - presentation and disclosure:

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

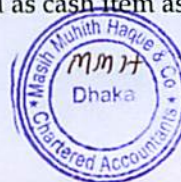
2.01.04 Financial guarantees

BFRSs: As per BAS-39 financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD circular # 14 dated 25 June 2003, financial guarantees such as L/C, L/G will be treated as off balance sheet items. No liability is recognized for the guarantee except the cash margin.

2.01.05 Cash and cash equivalents

BFRSs: Cash and cash equivalents items should be reported as cash item as per BAS 7 statement of Cash Flows.



2.01.06 Non banking assets

BFRSs: No indication of non banking assets is found in any BFRSs.

Bangladesh Bank: As per BRPD circular # 14 dated 25 June 2003, there should exist a face item named non banking assets.

2.01.07 Cash flow statement

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

Bangladesh Bank: As per BRPD circular # 14 dated 25 June 2003, cash flow should be a mixture of direct and indirect method.

2.01.08 Balance with Bangladesh Bank: (CRR)

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

Bangladesh Bank: Balance with Bangladesh Bank should be treated as cash and cash equivalents.

2.01.09 Loans and advance net of provision

BFRSs: Loans and advances should be presented net of provisions.

Bangladesh Bank: As per BRPD circular # 14 dated 25 June 2003, provision on loans and advances should be presented separately as liability and cannot be netted off against loans and advances.

[Also refer to Note 2.21 Compliance of Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs)]

2.02 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items:

- a) Government Treasury Bills and Bonds designated as 'Held for Trading (HFT)' at present value using marking to market concept with gain credited to revaluation reserve but loss charged to income statement.
- b) Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' at present value using amortization concept.
- c) Land & Buildings is recognized at cost at the time of acquisition and subsequently measured at fair value as per BAS-16 "Property, Plant & Equipment."

The accounting policies, unless otherwise stated have been consistently applied by the company and consistent with those of the previous year.

2.03 Going concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any adjustments should the Bank be unable to continue as a going concern.

2.04 Functional and presentation currency

The financial statements are presented in Bangladesh Taka (BDT) currency, which is the Bank's functional currency. All financial information presented in BDT has been rounded to the nearest BDT.

2.05 Use of estimates and judgments

The preparation of financial statements in conformity with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

The most critical estimates and judgments are applied to the Provision for impairment of loans & investments and Employees benefits.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised.

2.06 Comparative information

The accounting policies have been consistently applied by the Bank and are consistent with those used in the previous year. Comparative information is reclassified and rearranged wherever necessary to conform to the current presentation.

2.07 Foreign currency transaction and Commitments

a) Foreign currencies transaction

Foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per BAS-21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into Taka equivalent. The resulting exchange transaction gains and losses are included in the profit and loss account.

b) Commitments

Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance sheet date.

2.08 Statement of cash flows

Statement of cash flows has been prepared in accordance with Bangladesh Accounting Standard-7 "Statement of Cash Flows" and under the guideline of Bangladesh Bank BRPD Circular No. 14 dated 25 June 2003. The Statement shows the Structure of Changes in cash and cash equivalents during the financial year.



2.09 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 has been prepared in accordance with Bangladesh Accounting Standard-1 "Presentation of Financial Statements" and relevant guidelines of Bangladesh Bank.

2.10 Liquidity statement

The liquidity statement has been prepared in accordance with remaining maturity grouping of Assets and Liabilities as of the close of the year as per following basis.

- a) Balance with other banks and financial institutions, money at call and short notice, etc. are on the basis of their maturity term;
- b) Investments are on the basis of their residual maturity term;
- c) Loans and advances are on the basis of their repayment/maturity schedule;
- d) Fixed assets are on the basis of their useful lives;
- e) Other assets are on the basis of their adjustment;
- f) Borrowing from other banks and financial institutions are as per their maturity/repayment term;
- g) Deposits and other accounts are on the basis of their maturity term and behavioral past trend;
- h) Other long term liabilities are on the basis of their maturity term;
- i) Provisions and other liabilities are on the basis of their settlement.

2.11 Accounting for contingent liabilities and contingent assets

The bank recognized provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the obligation can be made. No provision is recognized for:

- a) Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future event not wholly within the control of the bank; or
- b) Any present obligation that arises from past events but is not recognized because
 - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - A reliable estimate of the amount of obligation cannot be made.

2.12 Assets and basis of their valuation

2.12.01 Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand held with Bangladesh Bank and its agent bank, ATM balance with other banks and financial institutions, money at call and on short notice and prize bond.



2.12.02 Investments

All investment in securities is initially recognized at cost, being fair value of the consideration given, including acquisition charges associated with the investment. Premiums are amortized and discounts accredited, using the effective yield method and are taken to discount income. The valuation methods of investments used are:

a) Value of investments has been shown as under:

Investment class	Initial recognition	Measurement after recognition	Recording of change
Un quoted shares and debenture	Cost	None	-
Quoted shares	Cost	Cost	Loss transferred to profit and loss account but no unrealized gain recorded.

2.12.03 Loans, advances and provisions

Loans and advances are stated at gross amount. General provisions on unclassified loans & off balance sheet exposures, specific provisions for classified loans and interest suspense account thereon are shown under other liabilities. Provision against classified loans and advances is made on the basis of quarter end review by the management and instruction contained in BRPD Circular no. 14, 19 & 5 dated 23 September 2012, 27 December 2012 & 29 May 2013 and subsequent changes.

Interest on loans and advances

Interest is calculated on daily product basis but debited to the party's loan account quarterly. No interest is charged on loans and advances which are classified as bad and loss. Interest is calculated on unclassified loans and advances (only standard) and recognized as income during the year. Interest calculated on classified loans and advances (including special mention accounts) as per Bangladesh Bank circulars is kept in interest suspense account and credited to income on realization. Interest suspense and penal interest (if any) calculated on classified loans and advances are taken into income in the year of its receipt from the defaulting borrowers. Commission and discounts on bills purchased and discounted are recognized at the time of realization. Recovery of written off loans and advances are taken into income in the year of its receipts from the defaulting borrowers.

Provision for loans and advances

Provision for loans and advances are made on the basis of quarter as well as year-end review by the management following instructions contained in BRPD Circular no. 14 dated 23 September 2012 of Bangladesh Bank. The percentage of provision on loans and advance are given below:

Rate of provision

Particulars		Short term Agri. Credit	Consumer financing			SMEF	Loans to BHs/SDs	All other Credit
			Other than HF, LP	HF	LP			
UC	Standard	2.5%	5%	2%	2%	0.25%	2%	1%
	SMA	-	5%	2%	2%	0.25%	2%	1%
Classified	SS	5%	20%	20%	20%	20%	20%	20%
	DF	5%	50%	50%	50%	50%	50%	50%
	B/L	100%	100%	100%	100%	100%	100%	100%

Presentation of loans and advances

Loans and advances are shown at gross amount as assets while interest suspense and loan loss provision against classified advances are shown as liabilities in the statement of financial position.

Written off loans and advances

Loans and advances are written off to the extent that (i) there is no realistic prospect of recovery, (ii) and against which legal cases are filed and classified as bad loss more than five years as per guidelines of Bangladesh Bank and iii) Special permission of Bangladesh Bank. These write off however, will not undermine/ affect that claim amount against the borrowers. Detailed memorandum records for all such write off accounts are meticulously maintained and followed up.

2.12.04 Property, plant and equipments

a) Recognition

The cost of an item of property, plant and equipments (Fixed assets) shall be recognized as an asset, if and only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Property, plant and equipments have been accounted for at cost or revalued amount less accumulated depreciation (except land) as per BAS-16: Property, plant and equipments. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent cost of enhancement of an existing asset is recognized as a separate asset, only when it is probable that future economic benefits associated with the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial periods, which are incurred.

b) Depreciation

Depreciation is charged at the following rates on straight-line method on all material fixed assets other than land

<u>Category of fixed assets</u>	<u>Rate of Depreciation</u>
Land	Nil
Building	2.50%
Furniture and fixture	10%
Electrical equipment	20%
Office Equipment	15%
Motorcar and Motor cycle	20%

2.12.05 Other assets

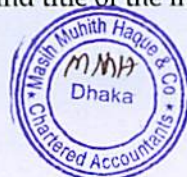
Other assets include all assets not covered specifically in other areas of the supervisory activity and such accounts may be quite insignificant in the overall financial condition of the bank.

Provision for other assets

Other assets have been classified as per BRPD Circular No. 14 dated June 25, 2001 of Bangladesh Bank and necessary provisions made thereon accordingly and for items not covered under the circular adequate provisions have been made considering their reliability.

2.12.06 Non-Banking Assets

Non-banking assets are acquired on account of the failure of a borrower to repay the loan in time after receiving the decree from the court regarding the right and title of the mortgaged property.



2.13 Liabilities and provision

2.13.01 Borrowings from other banks, financial institutions and agents

Borrowing from other banks, financial institutions and agents include interest bearing borrowing redeemable at call, on-demand and short term deposits lodged for periods of less than 6 months. These items are brought to account at the gross value of the outstanding balance. Interest paid or payable on these borrowings is charged to the income statement.

2.13.02 Deposits and other accounts

Deposits and other accounts include non interest bearing current deposit redeemable at call, interests bearing on demand and short term deposits, savings deposit, term deposit, margin, bills payable etc. These items are brought to account at the gross value of the outstanding balances.

2.13.03 Other liabilities

Other liabilities comprise items such as provision for loans and advances; provision for taxes, pension fund, interest payable, interest suspense, accrued expenses etc. Other liability is recognized in the balance sheet according to the guideline of Bangladesh Bank and Income-tax Ordinance, 1984, BAS-37 and internal policy of the banks. Provisions and accrued expenses are recognized in the financial statements when the bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.13.04 Deferred and Penal Interest Reserve Account

The provisions for charging for penal interest has been postponed with effect from July 01, 1992 vide the Circular No. 7 dated April 18, 1993. But all penal interest realized from loan account before the circular issued have been credited to income. The deferred interest on bad and doubtful loans is credited to income on realization.

2.13.05 Employee benefit scheme

The Bank operates one alternative retirement benefit scheme for its permanent employees, elements of which are as under:

Superannuation fund:

The Bank operates a Superannuation Fund Scheme, contribution in respect of which is made on monthly basis covering all its eligible employees. The trust fund has been established to meet financial facilities after retirement of employee's service. The fund is operated by a separate Board of Trustees. During the year Tk. 78.70 crore has been transferred to Superannuation Fund.

2.13.06 Provision for taxation

Provision for income tax is not kept due to significant losses incurred during the year and carried forward losses of earlier years.

2.14 Capital Expenditure Commitment

There is no capital expenditure on contingent contract or commitment as at June 30, 2017.



2.15 Off Balance Sheet items

Under general banking transactions, liabilities against acceptance, endorsements and other obligations and bills against which acceptance has been given and claims exists there against, have been shown as Off Balance Sheet items.

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

Category/status of Off -balance sheet exposures	Rates	
	Bangladesh Bank's Requirement	Maintained by the Bank
General provisions for off-balance sheet exposures		
All types of Off- balance sheet exposures	1%	1%

2.16 Revenue recognition

The Revenue during the year has been recognized according to the provision of BAS-18 "Revenue" as well as Bangladesh Bank guidelines.

2.16.01 Interest income

In terms of the provisions of the BAS-18 "Revenue", the interest income is recognized on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified.

- Interest on unclassified loans and advances (except SMA) has been accounted for as income on accrual basis and calculated on daily product basis but charged and accounted for quarterly and in some cases yearly;
- Interest on classified loans and advances including SMA has been credited to interest suspense account with actual receipt of interest there from having credited to income as and when received as per Instruction of Bangladesh Bank;
- No interest is charged on loans and advances on classified as bad/loss;
- Commission and discount on bills purchased and discounted are recognized at the time of realization.
- Recovery of written off loans and advances are taken into income in the year of its receipts from the defaulting borrowers.

2.16.02 Investment income

Interest income on investments is recognized on accrual basis. Capital gain on investments in shares is also included in investment income. Capital gain is recognized when it is realized.

- Income on investment in treasury bills, bonds, preference shares and debenture, etc. other than equity shares has been accounted for on accrual basis.
- Govt. securities (HTM) are revalued on accrual basis and effect of such revaluation gain has been credited to Asset Revaluation Reserve account.
- Dividend on equity shares is recognized during the period in which it is declared and duly approved.
- Net increase in securities held to maturity during the period due to the valuation at market to market basis has been credited to income statement.



2.16.03 Fee and commission income

- Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.
- Fee and Commission on bills discounted, purchased & others are recognized at the time of realization.
- Foreign currency transactions are converted into BDT at prevailing on the dates of such transactions and exchange gains or losses arising out of such transactions are recognized as income or expense for the year and dealt with exchange account.

2.16.04 Dividend Income:

Dividend Income from Investments is recognized at the time when it is declared, ascertained and right to receive the payment is established.

2.16.05 Other operating income

Other operating income is recognized at the time when it is realized.

2.16.06 Interest paid on deposits and borrowings

Interest paid on deposits, borrowing and other expenses are recognized on accrual basis.

2.16.07 Other expenses

Expenses incurred by the bank are recognized on accrual basis.

2.16.08 Other comprehensive income

Other comprehensive income is presented in financial statements in accordance with **BAS-1: Presentation of financial statements**. No other comprehensive income is recognized during the year.

2.17 Reporting period

These financial statements of the bank and its subsidiary cover one financial year from 01 July 2016 to 30 June 2017.

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

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

Name of the Bangladesh Accounting Standards (BASs)	BAS No.	Status
Presentation of Financial Statements	1	Applied*
Inventories	2	N/A
Statement of Cash Flows	7	Applied
Accounting policies, Changes in accounting Estimates & Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	N/A
Revenue	18	Applied
Employees Benefits	19	Applied

Name of the Bangladesh Accounting Standards (BASs)	BAS No.	Status
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	Applied
Consolidated and Separate Financial Statements	27	Applied
Investment in Associates	28	N/A
Interest in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied*
Earning per share	33	N/A
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provision, Contingent Liabilities and Contingent Assets	37	Applied*
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied*
Investment Property	40	Applied
Agriculture	41	N/A
Bangladesh Financial Reporting Standard (BFRSs)	BFRS No.	Status
First-time Adoption of Bangladesh Financial Reporting Standard	1	N/A
Shares Based Payment	2	N/A
Business Combination	3	N/A
Insurance Contracts	4	N/A
Non current Assets Held for Sale and Discontinued Operation	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied*
Operating Segments	8	Applied

- Bangladesh Bank is the prime regulatory body for banks in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with the provision of BAS / BFRS as marked above. As such the bank has departed from those contradictory requirements of BAS/BFRS in order to comply with the rules and regulations of Bangladesh Bank.

2.19 Regulatory & legal compliance

The bank has complied with the requirements of following regulatory & legal authority:

- The Bank Companies Act, 1991(as amended up to 2013)
- Rules & regulations issued by Bangladesh Bank
- The Income-tax Ordinance, 1984
- VAT Act, 1991.

2.20 Approval of financial statements

The financial statements were approved by the board of directors.....



2.21 Events after the reporting period

Where necessary, all the material events after the reporting period have been considered and appropriate adjustment/disclosures have been made in the financial statements.

2.22 Litigation

The bank is not a party to any lawsuits except those arising in the normal course of business, which were filed against the default clients for non-performance in loans repayment and against various level of tax authority regarding some disputed tax issues. The bank, however, provides adequate provisions as per guidelines of BAS 37.

2.23 Written Off

Write-off describes a reduction in recognized value. It refers to recognition of the reduced or zero value of an asset. Generally, it refers to loan for which a return on the loan is now impossible or unlikely. The item's potential return is thus canceled and removed from ("written off") the bank's statement of financial position. Recovery against debts written off /provided for is credited to revenue. Income is recognized where amounts are either recovered and/or adjusted against securities/properties or advances there-against or are considered recoverable.

2.24 Risk Management

The possibility of losses, financial or otherwise is defined as risk. The risks are inherent in banking business in the context of recovery of credit, maintaining liquidity market and operational affect. It is responsibility of the management to identify measure and mitigate the risks. According to Bangladesh Bank BRPD Circular # 17, dated 07-10-2003 the risk management of the bank covers 6 (six) core risk areas in the banking business and issued necessary guidelines as under to control and minimize the affected loss:-

1. Credit Risk;
2. Asset Liability/ Balance Sheet Risk;
3. Foreign Exchange Risk;
4. Internal Control & Compliance Risk;
5. Money Laundering Risk.
6. IT Risk

A Risk Management Department has been established in Bangladesh Krishi Bank dated 08-10-2014 according to the instruction of Bangladesh Bank. This department has been done monthly meeting which is addressed by the Managing Director. All the information as per Bangladesh Bank instruction has filled up and sent to the Bangladesh Bank quarterly. Besides, various statements such as CAMELS rating, Basel-3, Stress Test Report, Capital Adequacy etc. send to Bangladesh Bank in due time. All the Risk identification, measurement, how to control, and executes are done by this department and try to reduce it.

In managing the six 'Core Risks' in BKB, & six committees have been formed, headed by the Managing Director. The following steps have been taken regarding individual 'Core Risks':

2.24.1 Credit Risk:

An eight members committee has been formed, headed by the Managing Director to implement the Guidelines provided by Bangladesh Bank in credit risks management. Core task of the committee is to assess the risks and provide directions of those credit proposals received from the field level branches. 85% to 90% of BKB's total loan portfolio is delivered to borrowers under 1 crore and are specially delivered to crop, fishery, live stock, irrigation equipment, agro-based industries, working capital and poverty alleviation sectors. For the assessment of credit risk four credit risk assessment format has been introduced to BKB's loan procedure under "Risk Grade Matrix".

2.24.2 Asset Liability/ Balance Sheet Risk:

ALM is a key management tool for improving the balance sheet of the bank. A high level Asset Liability Management Committee (ALCO) has been formed, headed by the Managing Director, to manage the balance sheet risks of BKB. From time to time the ALCO Committee takes necessary actions and set the 'Key Management indicators' to lower the risks associated with balance sheet. The ALCO committee meeting is conducted at regular basis.

2.24.3 Foreign Exchange Risk:

A committee consisting four members has been formed to monitor & coordinate the buying & selling of local and foreign currency form the money market in line of global fund management of BKB. The committee monitors and implements the following:

- a. Coordination between local currency management and foreign currency management;
- b. Coordination between local and foreign currency buying & selling in the money market; and
- c. Managing foreign exchange risks and money market risks.

The introduction of full-fledged "Dealing Room" is well under process.

2.24.4 Internal Control & Compliance Risk:

According to the instructions provided by the Central Bank Guidelines, each and every department of the Head Office has been instructed to provide the schedule of task done by them in a regular interval, two month, at the meeting of Management Coordination Committee (MCC). According to the same guidelines the 'Declaration of Ethical Code of Conduct' has been collected from all the employees of the bank. A well-coordinated process is under way for the development, modernization and enhancement of all manuals of the bank.

2.24.5 Money Laundering Risk:

According to the Anti Money Laundering Act-2002 BKB has formed a committee & issued different Circulars and provided different statements as required by the Bangladesh Bank Guidelines from time to time. Beside this BKB takes necessary actions as introduced by Bangladesh Bank in identifying the abnormal transaction that could arise from money laundering.

2.24.6 IT Risk:

As per Bangladesh Bank Guidelines to conduct IT activities, BKB has formulated an Information & Communication Technology Security Policy in December, 2007. To mitigate different IT risks, the bank has adopted maintaining sufficient stock of hardware, backup of system & data storage. Qualified technical manpower is also employed to the IT operational areas. There is continuous training program of IT personnel of the bank through bank's own training institute & other ICT training centers.

2.25 Directors responsibility on statements

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



2.26 Related Party Transactions

As per Bangladesh Accounting Standards (BAS) 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 operating decisions. The bank carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties.

During the year the Bank has some transactions with the Government (owner of the Bank) in respect of banking business like loans and advances, guarantees and commitments.

2.27 Law Suit Position

- a) 40 Writ Suits, 259 Artho Rine Suits are filled during the period and 34 Writ Suits, 163 Artho Rine Suits are settled during the period from 01 July 2016 to 30 June 2017.
- b) 107 Writ Suits, 02 Insolvency Suits & 1423 Artho Rine Suits are unsettled as on 30 June, 2017.

2.28 Post balance sheet event

No post balance sheet event occurred from July, 2017 to October, 2017 so far the available book and records and information gathered.

2.29 Disclosures of frauds and forgeries by bank employees

During the year 01 fraud committed by 3 employees. Total Tk. 98.68 lac are involved in this fraud & no amount is realized from that fraud during the period.

In addition from the beginning to 30 June, 2017 total 39 frauds and forgeries were committed in the bank & Tk. 2547.00 lac are involved of that cases and total realized amount are Tk. 215.30 lac.

2.30 General

- a) Wherever consider necessary certain accounts of Financial Year 2016-2017 financial statements have been rearranged to confirm to the current presentation.
- b) Figures appearing in these accounts have been rounded off to the nearest Taka.



Ref.	Notes	Amount in Taka																					
		30-06-2017	30-06-2016																				
3	Cash																						
	Cash in Hand (Including Foreign Currencies)	1,371,439,680	738,388,861																				
	Balance with Bangladesh Bank & its Agent Bank(s) (Including Foreign Currencies)	18,688,591,527	18,699,960,284																				
		20,060,031,207	19,438,349,145																				
3.1	Cash in Hand (Including Foreign Currencies)																						
	Local Currency	1,286,344,040	721,154,843																				
	Foreign Currency	3,358,659	1,260,368																				
	Q-Cash (ATM)	1,647,150	15,973,650																				
	Electronic Money 3.1.1	73,867,417	-																				
	ATM cash account (ICT, card section)	6,222,415	-																				
		1,371,439,680	738,388,861																				
3.1.1	Electronic Money:																						
	DBBL mobile banking	63,560,226																					
	Bkash mobile banking	10,307,191																					
		73,867,417	-																				
3.2	Balance with Bangladesh Bank & its Agent Bank(s) (Including Foreign Currencies)																						
	Bangladesh Bank :																						
	In Local Currency	14,740,198,093	13,459,853,307																				
	In Foreign Currency (Clearing Account)	285,383,640	320,121,696																				
		15,025,581,733	13,779,975,003																				
	Sonali Bank	3,663,009,794	4,919,985,281																				
		18,688,591,527	18,699,960,284																				
3.2.1	Local Currency in Bangladesh Bank																						
	Motijheel Office	14,689,284,034	13,410,580,413																				
	Chittagong Office	17,555,598	15,683,444																				
	Sylhet Office	3,856,761	4,671,323																				
	Barisal Office	8,892,227	11,569,435																				
	Khulna Office	20,609,474	17,348,692																				
		14,740,198,093	13,459,853,307																				
3.2.2	Currency-wise Grouping																						
	<table border="1"> <thead> <tr> <th>Currencies</th><th>Amt in FC (30-06-17)</th><th>Exchange Rate</th><th>Amount in Taka</th></tr> </thead> <tbody> <tr> <td>USD</td><td>3,447,113.19</td><td>80.855</td><td>278,716,337</td></tr> <tr> <td>GBP</td><td>27,501.90</td><td>104.5216</td><td>2,874,543</td></tr> <tr> <td>EURO</td><td>41,226.19</td><td>91.9988</td><td>3,792,760</td></tr> <tr> <td></td><td></td><td></td><td>285,383,640</td></tr> </tbody> </table>	Currencies	Amt in FC (30-06-17)	Exchange Rate	Amount in Taka	USD	3,447,113.19	80.855	278,716,337	GBP	27,501.90	104.5216	2,874,543	EURO	41,226.19	91.9988	3,792,760				285,383,640		
Currencies	Amt in FC (30-06-17)	Exchange Rate	Amount in Taka																				
USD	3,447,113.19	80.855	278,716,337																				
GBP	27,501.90	104.5216	2,874,543																				
EURO	41,226.19	91.9988	3,792,760																				
			285,383,640																				
3.3	Disclosures Regarding Maintenance of CRR & SLR																						
3.3.1	Cash Reserve Requirement (CRR)																						
	Cash Reserve Requirement (CRR) have been calculated and maintained in accordance with section 33 of Bank Companies Act 1991 (amended upto 2013) and MPD circular no.1 dated 23 June 2014.																						
	As per Monetary Policy Department (MPD) circular No. 01 dated 23 June 2014 of Bangladesh Bank (effective from 24 June 2014), all scheduled banks are required to maintain CRR of minimum 6.0% on daily basis and 6.5% on bi-weekly basis based on weekly average demand and time liabilities of two months prior to current month (i.e. CRR of June 2017 will be based on weekly average balance of April 2017 as per Banking Regulation and Policy Department (BRPD) circular no. 12 dated 06 September 1998). However, Bangladesh Krishi Bank (BKB) has been maintaining its CRR according to policy.																						
	Average Time & Demand Liabilities	221,317,448,500	204,540,375,500																				
	Required reserve @ 6.5%	14,385,634,153	13,295,124,408																				
	Actual reserve Maintained	14,554,169,140	13,884,700,000																				
	Surplus/(Shortfall)	168,534,987	589,575,593																				

*As per Bangladesh Bank statements.



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016

3.3.2 Statutory Liquidity Ratio (SLR)

As per MPD circular No. 02 dated 10 December 2013 and Department of Offsite Supervision (DOS) circular No. 01 dated 19 January 2014 of Bangladesh Bank (Effective from 01 February 2014), all scheduled banks are required to maintain SLR at minimum 13.5% on daily basis based on weekly average demand and time liabilities of two months prior to current month. But the specialised banks continued to remain exempt from maintaining SLR. Bangladesh Krishi Bank is a specialised bank of the government, hence the bank has been exempt from this compliance requirement of Bangladesh Bank.

4 Balance With Other Banks and Financial Institutions

In Bangladesh	4.1	2,970,405,066	2,723,695,598
Outside Bangladesh	4.2	216,499,782	777,862,764
		3,186,904,848	3,501,558,362

4.1 In Bangladesh

Current Deposits		96,852,479	99,702,733
Short Term Deposits		46,789,033	43,205,431
Fixed Deposits		2,826,763,554	2,580,787,434
		2,970,405,066	2,723,695,598
Electronic Money(DBBL mobile banking)		-	68,011,587
Electronic Money(Bkash mobile banking)		-	9,980,382
		2,970,405,066	2,801,687,567

4.1.1 In Current Deposits

Janata Bank		39,214,677	31,042,939
Rupali Bank Ltd.		12,876,396	15,286,717
Agrani Bank Ltd.		30,440,262	34,226,337
Pubali Bank Ltd		1,788,492	6,657,449
Trust bank (ATM)		2,894,694	1,304
Standard Chartered		-	22,138
The City Bank Ltd		1,176	2,676
BRAC Bank Ltd		-	2,520,013
Islami Bank (Bd.) Ltd		5,176,843	2,076,167
Shajalal Islami Bank Ltd		-	5,588,395
Mutual Trust Bank Ltd		1,441,577	2,278,600
DBBL (Mobile banking)		3,213	-
BRAC Bank Ltd (Bkash)		3,015,150	-
		96,852,479	99,702,733

4.1.2 Short Term Deposits

Janata Bank		8,592,762	23,218,738
Rupali Bank Ltd.		14,324,448	3,731,853
Agrani Bank Ltd.		21,846,378	15,749,396
Pubali Bank Ltd		2,025,445	505,445
		46,789,033	43,205,431

4.1.3 In Fixed Deposits

ICB Islamic Bank Ltd		76,763,554	80,787,434
Estern Bank Ltd		1,000,000,000	2,500,000,000
ICB		500,000,000	-
BRAC		250,000,000	-
The City Bank Ltd		1,000,000,000	-
		2,826,763,554	2,580,787,434



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016

4.2 Outside Bangladesh

(Debit balance with NOSTRO Accounts)

Bank of Tokyo Mitsubishi Ltd. Tokyo	2,464,023	1,313,796
Sonali Bank, Calcutta (ACU Dollar)	30,796,736	29,899,101
Summit Bank Ltd	1,291,234	1,253,226
Arab Bangladesh Bank Ltd. Mumbai (ACU Dollar)	34,012,268	36,757,721
Hypovereins Bank(EURO)	22,731,921	8,538,328
Nepali Grindlaze Bank.(Nepal Aque Dollar)	1	1
Standard Chartered bank, NY(USD)	2,210,774	-
ICICI Bank LTD. Mumbai India	-	37,513,451
Al-Rajhi Banking & Inv. Corp. Riadh Saudia Arabia	300	8,971,356
Habib Metro bank(ACUD)	17,049,793	679,160
Standard Chartered bank, Kalauta	3,509,107	3,405,815
Sonali Bank, UK (USD)	12,500,099	46,591,390
Habib AG Juric Bank,	4,545,253	3,835,366
Habib American bank, NY (USA)	47,216,422	591,799,664
Sonali Bank Ltd. UK-London	26,332,238	1,414,700
Habib AG Juric Bank, Switzerland (euro)	1,997,135	2,542,895
RBB, Nepal	9,842,479	1,202,237
Commerz Bank,AG,Frunkfurt,Germany(EURO)	-	2,144,558
	216,499,782	777,862,764

Currency-wise Grouping

Currencies	Amt in FC (30-06-17)	Exchange Rate	Amount in Taka
USD	2,130,497.20	80.8550	172,261,351
CHF	53,713.00	84.6211	4,545,253
YEN	3,408,525.00	0.7229	2,464,023
GBP	119,593.45	104.5216	12,500,099
EURO	268,797.60	91.9988	24,729,057
			216,499,782

4.3 Balance with Other Banks and Financial Institutions (according to remaining maturity grouping)

On demand	313,352,261	877,565,496
Not more than one month	46,789,033	43,205,431
More than 1 months but less than 3 months	2,750,000,000	2,500,000,000
More than 3 months but less than 1 year	2,400,000	-
More than 1 year but less than 5 years	12,000,000	-
More than 5 years	62,363,554	80,787,434
	3,186,904,848	3,501,558,362

5 Money at call and short notice

There is no deposit under money at call & short notice with other banks or financial institutions.

6 Investment

Government securities	6.1	7,420,000	6,207,000
Other investments	6.2	34,439,000	34,439,000
		41,859,000	40,646,000

6.1 Government securities

i) Treasury bill	-	-
ii) National Investment Bond	-	-
iii) Bangladesh Bank Bill	-	-
iv) Govt. Notes/Bonds	-	-
v) Prize Bond	7,420,000	6,207,000
vi) Others	-	-
v) Repo	-	-
	7,420,000	6,207,000



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016
6.2	Other Investments		
	i) Share	31,439,000	31,439,000
	ii) Debenture & Bond	-	-
	iii) Other investment	3,000,000	3,000,000
	iv) Gold etc	-	-
		<u>34,439,000</u>	<u>34,439,000</u>
6.2.1	Ordinary Shares		
	Quoted (publicly traded)	31,439,000	31,439,000
	Unquoted	-	-
		<u>31,439,000</u>	<u>31,439,000</u>
<p>* Investment in quoted shares has been valued at fair value as on the reporting date. As per Bangladesh Bank DOS circular No. 04 dated 24 November 2011, provisions for diminution value of shares will be made on the difference of cost and market price, details of which are provided in Annexure - A.</p>			
6.3	Maturity grouping of Investments		
	Upto 3 months	7,420,000	6,207,000
	Over 3 months but below 1 year	-	-
	Over 1 year but below 5 years	-	-
	Over 5 years	34,439,000	34,439,000
		<u>41,859,000</u>	<u>40,646,000</u>
6.4	Provision Required For Investment		
	Ordinary Shares		
	i) Provision required for diminution in value of Investment	15,405,110	18,549,010
	ii) Last year provision	18,549,010	14,776,330
	iii) Provision made during the year	-	-
	iv) Transfer from provision for unclassified loans & advances	-	3,772,680
	Total Provision Held	<u>18,549,010</u>	<u>18,549,010</u>
	iv) Provision excess/(shortfall)	3,143,900	-
6.6	Net Investment On Ordinary Share		
	Gross investment	31,439,000	31,439,000
	Less: provision for investment	18,549,010	18,549,010
		<u>12,889,990</u>	<u>12,889,990</u>
7	Loans and Advances		
	Loans, Cash Credits, Overdrafts etc.	187,041,217,361	179,752,749,225
	Bills Purchased and Discounted	6,631,351,985	6,667,243,620
		<u>193,672,569,346</u>	<u>186,419,992,845</u>
7.1	Maturity Grouping of Loans and Advances		
	Loans and advances are repayable :		
	Receivable on demand	7,746,902,774	7,456,799,714
	With in 3 months	15,493,805,548	14,913,599,428
	With in 3 months to 12 months	54,228,319,417	52,197,597,997
	With in 1 year to 5 years	96,836,284,673	93,209,996,423
	More than 5 years	19,367,256,935	18,641,999,285
		<u>193,672,569,346</u>	<u>186,419,992,845</u>
7.2	Loans, Cash Credit and Overdraft etc. (including bills purchased and discounted)		
	In Bangladesh	193,672,569,346	186,419,992,845
	Outside Bangladesh	-	-
		<u>193,672,569,346</u>	<u>186,419,992,845</u>



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016
7.2.1	In Bangladesh		
	Loans	161,356,709,425	156,173,642,365
	Cash Credit	25,684,507,936	23,579,106,860
	Overdrafts	-	-
	Bills Purchased & discounted	6,631,351,985	6,667,243,620
		<u>193,672,569,346</u>	<u>186,419,992,845</u>
7.2.2	Outside Bangladesh		
	Bangladesh Krishi Bank does not sanction any loans & advances outside the country.		
7.3	"Loans, Cash credit and overdraft including bills purchased and discounted (loan category wise)"		
	Loans	161,356,709,425	156,173,642,365
	Cash Credit	25,684,507,936	23,579,106,860
	Bills Purchased & discounted	6,631,351,985	6,667,243,620
		<u>193,672,569,346</u>	<u>186,419,992,845</u>
7.3.1	Loans	-	-
	Crop loan	110,719,711,504	105,346,981,526
	Fishery loan	11,387,900,000	11,018,000,000
	Livestock	11,017,100,000	10,554,900,000
	Irrigation Equipment	508,500,000	544,800,000
	Agro Industry Loan	732,600,000	1,196,100,000
	Socio Economic Activities	3,861,500,000	3,874,500,000
	Staff Loans	10,555,997,921	10,466,260,839
	Ready Made Garments (RMG)	2,858,200,000	3,209,100,000
	Textiles	3,337,200,000	3,611,900,000
	Transport, storage & communication	168,100,000	271,700,000
	SME	6,209,900,000	6,079,400,000
		<u>161,356,709,425</u>	<u>156,173,642,365</u>
7.3.2	Cash Credit		
	Cash Credit	25,684,507,936	23,579,106,860
		<u>25,684,507,936</u>	<u>23,579,106,860</u>
7.3.3	Bills Purchased & Discounted		
	Local bill purchased	-	-
	Inland bill purchased	-	-
	Foreign documentary bill purchased	6,631,351,985	6,667,243,620
		<u>6,631,351,985</u>	<u>6,667,243,620</u>
7.3.3.1	Bills Purchased & discounted		
	In Bangladesh	-	-
	Outside Bangladesh	6,631,351,985	6,667,243,620
		<u>6,631,351,985</u>	<u>6,667,243,620</u>
7.3.3.2	Maturity Grouping of Bills Purchased & Discounted		
	Payable within 1 month	4,723,800,000	4,908,500,000
	Over 1 month but less than 3 months	896,200,000	786,300,000
	Over 3 months but less than 6 months	562,300,000	487,500,000
	6 months or more	449,051,985	484,943,620
		<u>6,631,351,985</u>	<u>6,667,243,620</u>



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016

7.4 Loans and Advances On The Basis Of Significant Concentration

7.4.1 Loans and advances to Directors, Executive and customers group (loan amount more than 10% of bank's total paid up -up)

i) Advances to allied concern of directors			-
ii) Advances to Chief Executive and other Senior Executive			
iii) Advances to customers (loan amount more than 10% of bank's total paid-up capital): Note : 7.4.2			
Number of client	14		10
Loan amount	17,650,400,000		17,130,200,000
Classified loan therein:			
Sub Standard (SS)	-		1,279,600,000
Doubtful (DF)	-		-
Bad/Loss (BL)	9,662,400,000		11,204,900,000
	<u>9,662,400,000</u>		<u>12,484,500,000</u>

Measures taken for recovery of classified loan :

Bank as a whole takes following steps to recover its classified loans and advances:

- ii) Sending letters and reminder to customer.
- iii) Recovery cell including top management level holds discussion with the clients to recover the loans.
- iv) Maintaining special recovery arrangement through loan fair, client gathering, recovery campaign, etc.
- v) Legal proceedings and quick settlement.
- vi) Providing incentives to employee for cash recovery from classified and written-off loans

7.4.2 Large Loans details (loan amount more than 10% of bank's total paid up capital)

Name of borrower	Outs. in crore	Types of Loan	Status
Bangladesh Chemicals Ind. Corp. (BCIC)	3,038,300,000	CC	UC
M/s Fair Yarn Processing Mills Ltd	2,737,800,000	CC/LTR	BL
M/s S Alam Group	1,477,500,000	CC/LTR	BL
M/s Padma Bleaching & Dying Ltd	1,445,800,000	CC/Project	UC
M/s Keya Yarn Mills Ltd	1,333,800,000	CC	BL
M/s Mono Group	1,263,800,000	CC/LTR	BL
M/s Multazim Spaining Mills Ltd	1,211,400,000	CC/Project	UC
M/s Anika Enterprise	1,014,900,000	CC/Project	BL
M/s Bay Agro Ind. Ltd	957,500,000	CC/Project	UC
M/s Afil Agro Ltd	874,700,000	Project	UC
M/s Hossen Enterprise	691,400,000	CC	BL
M/s Raman Trading	627,200,000	CC	BL
M/s Fiaz Enterprise	516,000,000	CC/LTR	BL
M/s National Tea Co.Ltd.	460,300,000	CC/Project	UC
Total	<u>17,650,400,000</u>		

7.4.3 Industry Wise Distribution of Loans and Advances

Textiles	3,594,100,000	3,611,900,000
Transport	250,000,000	271,700,000
Food (Industry & Trade)	8,504,900,000	18,319,207,717
Export & Import credit	14,721,800,000	13,148,200,000
House Building	10,555,998,571	10,056,085,128
Rural credit	153,485,637,493	137,803,800,000
Ready Made Garments (RMG)	2,560,100,000	3,209,100,000
	<u>193,672,536,064</u>	<u>186,419,992,845</u>

7.4.4 Geographical Area Wise Loans and Advances (Excluding Staff Loans)

Dhaka	63,209,298,292	87,245,400,000
Chittagong	38,206,739,620	34,523,300,000
Sylhet	11,027,515,855	9,703,000,000
Khulna	30,142,079,905	27,493,800,000
Barisal	18,925,374,558	16,988,200,000
Mymensingh	32,161,427,767	-
	<u>193,672,435,997</u>	<u>175,953,700,000</u>



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016
7.5	Classification Status of Loans & Advances		
	Unclassified		
	i) Standard (including staff loans)	150,014,077,320	137,425,048,976
	ii) Special Mention Account (SMA)	499,781,268	581,965,186
	Sub-total	150,513,858,588	138,007,014,162
	Classified		
	i) Sub-Standard	4,728,132,584	5,215,451,516
	ii) Doubtful	3,361,659,573	2,886,226,999
	iii) Bad	35,068,885,319	40,311,300,168
	Sub-total	43,158,677,476	48,412,978,683
	Grand total	193,672,536,064	186,419,992,845
7.6	Movement of classified Loans & Advances		
	Opening classified loans & advances	48,413,000,000	43,100,637,135
	Less:		
	Cash recovery & adjustment	11,740,300,000	13,265,200,000
	Write off	-	1,261,000
	Interest waiver	10,522,000	64,069,352
	Re-scheduling	2,915,100,000	13,952,024,000
		14,665,922,000	27,282,554,352
	Add: Newly classified loans & advances during the year	9,411,599,476	32,594,917,217
	Closing balance of classified loans & advances	43,158,677,476	48,413,000,000
7.7	Details of Provision required and held for loans and advances		
	Provision required for loans and advances		
	For unclassified loan		
	Standard	2,914,227,746	2,662,403,414
	SMA	4,497,623	5,635,675
		2,918,725,369	2,668,039,089
	For classified loan		
	Substandard	317,170,561	229,202,308
	Doubtful	607,028,390	254,767,075
	Bad/loss	20,612,460,303	24,111,600,415
		21,536,659,254	24,595,569,798
	Total required provision	24,455,384,623	27,263,608,887
	Provision maintained		
	For unclassified loan	2,918,725,369	2,555,516,548
	For classified loan	21,536,659,254	22,742,182,828
	Total provision held	24,455,384,623	25,297,699,376
	Provision excess/(shortfall)	-	(1,965,909,511)
7.8	Net Loans and Advances		
	Gross loans & advances	193,672,536,064	186,419,992,845
	Less: interest suspense	7,652,416,051	7,953,776,369
	Less: provision for loans and advances	24,455,384,623	25,297,699,376
		161,564,735,390	153,168,517,100
7.9	Particulars of Loans and Advances		
	1. Debts considered good in respect which the banking company is fully secured	30,009,600,000	30,406,500,000
	2. Debts considered good for which the banking company holds no security other than the debtor's personal guarantee.	120,791,111,504	115,300,881,526
	3. Debts considered good and secured by personal undertakings of one or more parties in addition to the personal guarantee of the debtor's	10,555,997,921	10,466,260,839
	4. Debts considered bad or doubtful not provided for. (Total classified loans and advances less provision)		-
		161,356,709,425	156,173,642,365



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016

5. Debts due by directors or officers of the banking company or any of these either separately or jointly with any other person.

- -

6. Debts due by companies or firms in which the directors of Banking company have interests as directors, partners or managing agents or, in the case of private companies as members.

- -

7. Maximum total amount of advances including temporary advances 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.

- -

8. Maximum total amount of advances including temporary advances granted during the year to the companies or firms in whom the directors of the banking company have interests as directors, partners or managing agents or in the case of private companies as members.

- -

9. Due from banking companies

- -

10. Amount of classified loan on which interest has not been charged

43,158,677,476 48,412,978,683

11. Amount written off during the year

1,261,000

12. Total written off Loan from beginning to the end

3,692,164,000 3,693,461,000

13. Amount realized/adjusted against previous written off

55,522,000 66,361,783

14. 30.06.17 Balance of written off loan

2,251,598,000 2,316,377,402

15. The amount of written off loan for which law suit has been filed.

2,251,598,000 2,316,377,402

8 Fixed Assets including premises, furniture & fixtures

Land

4,756,076,000 4,756,076,000

Building

1,051,051,467 1,075,698,552

Motor Vehicles

70,149,864 65,925,833

Furniture & Fixtures

119,162,708 120,645,515

Office Equipments

41,925,049 46,436,194

Office Machineries

373,950,739 299,575,790

Electrical Equipments

133,337,146 107,276,604

6,545,652,973 6,471,634,488

Fixed assets schedule detail in Annexure - B.

9 Other Assets

Income generating

- -

Non income generating

17,420,492,747 18,178,259,260

17,420,492,747 18,178,259,260

9.1 Ageing of Other Assets

Upto 6 months

8,293,613,593 3,234,502,820

More than 6 months but less than 1 year

1,860,247,299 2,354,587,861

More than 1 year but less than 2 years

139,700,000 1,219,245,000

More than 2 years but less than 3 years

185,200,000 1,869,509,000

More than 3 years

6,941,731,855 9,500,414,579

17,420,492,747 18,178,259,260

Income Generating

Bangladesh Krishi Bank has no subsidiary company. So no investment is made therein.

Non Income Generating

Stamps

14,174,134 14,443,828

Stationery

94,916,883 97,026,565

Accrued Interest Receivable on staff loans & advances

4,466,198,028 4,390,293,617

Advance, Deposit & Pre-Payments

9.2 38,551,057 1,205,971,364

Sundry debtors (Accounts Receivable)

9.3 10,073,061,008 11,460,447,257

Suspense Account

9.4 2,733,591,638 1,010,076,629

17,420,492,747 18,178,259,260



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016
9.2	Advance, Deposit & Pre-Payments		
	Traveling Advance	1,820,848	1,872,928
	Advance against Salary	1,196,572	1,955,801
	Other Advances to Staff	1,858,913	173,794
	Advance against Supply	77,062	14,480,416
	Security Deposits	6,835,305	6,854,798
	Prepaid Expenses	26,679,556	25,568,897
	Advance against Foreign Loan	82,800	144,016
	Income tax refundable		1,154,920,714
		38,551,057	1,205,971,364
9.3	Sundry debtors (Accounts Receivable)		
	Interest remitted on pre-liberation agri. loans & advances	39,976,028	39,976,028
	Interest remitted on crop loans	404,400	18,513,926
	Interest Remitted on weavers credit in 1988	54,783,207	131,823,648
	Interest Remitted on weavers credit in 1995	75,744,568	-
	Remissionable loan transfer account	305,780,930	307,068,278
	Remissionable interest against industrial & commercial loan	682,824,380	896,681,610
	Remissionable agricultural loan	132,360,441	-
	Losses against remission of interest and others	573,736,116	573,741,181
	Remitted interest of loan account which disbursed upto 30.06.90	27,145,887	33,893,595
	Loom board credit	1,899,943	755,164
	Prize against classified loan recovery	18,548,979	123,536,829
	20% interest remission of classified loan for four years	67,358,906	67,820,787
	Receivable from RAKUB	1,223,318,799	1,283,400,000
	Protested bill	18,063,842	17,917,254
	Provision for land and building	12,583,588	18,238,784
	Remission of agricultural Loan (1st claim)	63,131,854	63,131,854
	Food procurement program	2,664,834	50,935,078
	Retired Army pension	588,009,331	406,944,303
	Remissionable interest on swanirvar credit program	4,950,722	5,192,345
	Payable on pension Account	45,284,857	41,457,690
	Benevolent grant after death	2,975,121	1,796,952
	Miscellaneous	849,257,200	1,380,964,770
	Provision for others expenditure	394,619,107	540,860,838
	Receivable from Govt. against remissionable 40% of sick frozen food industry	32,917,099	32,880,724
	Interest Remitted up to Tk.5000	349,855,131	349,855,113
	Legal charges against written off loan	5,099,073	4,846,145
	50% of remitted Agri. loan upto Tk.5000/- Bank's share	8,021,893	10,381,209
	Reconstruction of Accounts	5,679,805	4,993,876
	SIDOR affected agricultural Loan	28,258,315	28,228,763
	Govt. subsidy against S.T.W.	(31,802,737)	(31,005,882)
	Wage Earners bond	10,072,820	250,121,106
	Business development	294,600	1,024,825
	IBTA Interest receivable account	-	90,835,466
	Receivable from Government (note: 9.3.1)	4,479,241,968	4,713,634,998
		10,073,061,008	11,460,447,257
9.3.1	Receivable from Government		
	* Receivable from Govt. against provision of first classification in 1990-91	-	1,400,805,527
	Income Tax Refundable	1,164,812,339	-
	Receivable against Excess Interest of double amount of the principal loan	3,314,429,629	3,312,829,471
		4,479,241,968	4,713,634,998



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016

9.4 Details of Suspense Account

Fishery credit project		469,045	497,219
Central Godown A/C (Maintenance)		370,341	370,341
Grameen Bank		9,505	9,505
D D paid in Suspense Accounts		759,658,910	725,650,061
Western Union Remittance		36,006,011	37,955,142
Ex-advice payment for Foreign Exchange		-	1,445,385
Ex-advice Foreign DD suspense		3,488,076	2,679,106
Xpress Money		13,073,193	17,361,382
IME		11,791,865	12,272,745
Trans Fast		13,100,325	9,934,796
Electronic money (bkash mobile banking)		(5,227,223)	(957,609)
Electronic money (DBBL)		7,721,255	(22,484,964)
Sanchay patra		1,422,567,480	1,529,361,260
Sanchay patra (block)		901,866,646	-
Ex-advice payment for BEFT		84,141,354	105,827,591
RIA Money Transfer (USA)		1,325,402	-
AL Ansari Exchange (Cash Express)		503,955	-
NBL Money Transfer Spot Cash		708,085	-
Balance of Inter branch transaction accounts	9.4.1	(517,982,588)	(1,409,845,331)
		2,733,591,638	1,010,076,629

9.4.1 Inter Branch Transaction Accounts

Account head of IBTA	30-06-2017	30-06-2016
111_BKB Due to Branch	6,031,653,917	6,031,653,917
1110_On line BKB General acc	986,569,136	497,082,673
1111_BKB Exchange house General acc	(18,298,163)	44,729,708
1112_BKB-DBBL General acc	10,953,330	(4,373,049)
1113_BKB-B Cash General acc	(109,475,096)	(142,930,779)
1114_BKB General Account	727,195,614	(1,162,817,567)
1115_RTGS General account	(702,739,868)	(196,899,080)
1116_Bkash Regional General Account	(22,176,472)	(134,193,613)
112_BKB Due to head office	(6,215,351,257)	(6,142,898,067)
113_BKB General a/c	(113,968,699)	150,876,455
115_BKB Regional a/c	(1,634,290,288)	(1,727,060,038)
116_BKB Divisional a/c	(513,910,704)	(1,168,725,311)
117_BKB General a/c	817,532,899	1,770,146,047
118_BKB Exchange House General Account	332,237,774	500,487,997
119_BKB General a/c	(93,914,710)	275,075,376
	(517,982,588)	(1,409,845,331)

The above figures represent the accumulated balance of all branches & head office of BKB.

9.5 Particulars of required provision of other assets

	Base for provision	Rate (%)	30.06.2017
Other assets for 0-6 months	8,293,613,593	0%	-
Other assets for 6-12 months	1,860,247,299	50%	930,123,649
Other assets for more than 12 months	2,668,802,227	100%	2,668,802,227
*Claim to the Government as excess interest on double amount of principal loan.	3,314,429,629	0%	-
Receivable from RAKUB	1,283,400,000	100%	1,283,400,000
	17,420,492,747		4,882,325,876

The amounts relating to claims from government of Bangladesh have not been provided on as per meeting held for finalization of the bank's audited financial statements for the year 2015-16 dated 20.12.2016.

* Interest receivable from staff loans & advances are included in other assets. However this amount is fully secured and as such no provision has been maintained on this amount.



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016
9.6	Classification of other assets and provision therein		
	i) Amount classified	9,126,879,154	11,891,228,148
	ii) Provision required	4,882,325,876	11,260,500,000
	iii) Last year provision	5,706,200,000	5,706,200,000
	iv) Add: Provision made during the year	13.6	-
	Total provision held(iii+iv)	5,706,200,000	5,706,200,000
	v) Provision excess/(shortfall)	823,874,124	(5,554,300,000)
10	Non-Banking Assets		
	Income generating	-	-
	Non income generating	10.1	
		327,688,702	320,348,680
		327,688,702	320,348,680
10.1	Non income generating		
	*Assets acquired in settlement loans & advances	327,688,702	320,348,680
		327,688,702	320,348,680
	* Bank acquired the land & building in settlement of mortgage loans & advances.		
10.2	Ageing of non-banking assets		
	Upto 6 months	-	-
	More than 6 months but less than 1 year	98,306,611	185,685,112
	More than 1 year but less than 2 years	131,075,481	74,565,420
	More than 2 years but less than 3 years	98,306,611	60,098,148
	More than 3 years	-	-
		327,688,702	320,348,680
11	Borrowing from Other Banks, Financial Institutions & Agents		
	In Bangladesh	11.1	
	Outside Bangladesh	11.2	
		26,318,728,012	28,037,892,365
		526,537,380	444,919,541
		26,845,265,392	28,482,811,906
11.1	Borrowing in Bangladesh		
	From Government	11.1.1	
	From Bangladesh Bank	11.1.2	
		1,291,865,959	1,291,865,959
		25,026,862,053	26,746,026,406
		26,318,728,012	28,037,892,365
11.1.1	Borrowings from Government		
	Before Liberation	32,652,959	32,652,959
	After Liberation :		
	Fund for Thana Bonayan Kormosuchi	1,815,000	1,815,000
	Fund for Disbursement under Agro Based Industries	1,186,998,000	1,186,998,000
	Sigma Consortium Loan (Fund for sick industries)	20,400,000	20,400,000
	Gharre Fera	50,000,000	50,000,000
		1,291,865,959	1,291,865,959
11.1.2	Borrowings from Bangladesh Bank:		
	From the beginning Bangladesh Krishi Bank borrows from Bangladesh Bank as re-finance for imbursement of agricultural loans provided to farmers. The re-finance was sanctioned by BB under 3 categories.		
	Short Term Loan	11.1.2.1	
	Medium Term Loan	11.1.2.2	
	Long Term Loan	11.1.2.3	
	Interest Payable		
	Demand Loan		
		12,380,825,739	13,255,148,000
		5,182,852,000	5,440,418,000
		778,303,000	808,883,364
		6,684,881,314	6,941,577,042
		-	300,000,000
		25,026,862,053	26,746,026,406



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016
11.1.2.1 Short-Term Loan			
29 BK -1		-	364,577,000
30 BK -1		2,202,723,364	2,750,000,000
31 BK -1		2,040,571,000	2,040,571,000
33 BK- 1		1,700,000,000	1,700,000,000
34 BK- 1		2,000,000,000	2,000,000,000
37 BK- 1		3,400,000,000	3,400,000,000
38 BK- 1		1,000,000,000	1,000,000,000
Re-finance under 10 taka a/c holder		37,531,375	-
Sub Total		12,380,825,739	13,255,148,000
11.1.2.2 Mid-Term Loan			
29 BK - 2		-	257,566,000
30 BK - 2		335,000,000	335,000,000
31 BK - 2		294,652,000	294,652,000
31 BK - 3		17,000,000	17,000,000
33 BK - 2		880,000,000	880,000,000
33 BK - 4		43,700,000	43,700,000
33 BK- 5		112,500,000	112,500,000
34 BK- 2		330,000,000	330,000,000
34 BK- 3		2,070,000,000	2,070,000,000
34 BK- 6		100,000,000	100,000,000
37 BK- 2		500,000,000	500,000,000
38 BK- 3		500,000,000	500,000,000
Sub Total		5,182,852,000	5,440,418,000
11.1.2.3 Long-Term Loan			
29 BK - 5		-	18,704,364
29 BK Rubber-1		-	11,876,000
30 BK - 5		23,000,000	23,000,000
30 BK Rubber - 1		7,066,000	7,066,000
31 BK - 5		29,237,000	29,237,000
31 BK - Rubber - 1		10,000,000	10,000,000
33 BK- 3		109,000,000	109,000,000
33 BK- 6 (Tea)		95,000,000	95,000,000
33 BK- R-1		5,000,000	5,000,000
34 BK - 4		330,000,000	330,000,000
34 BK - 5		160,000,000	160,000,000
34 BK - RI		10,000,000	10,000,000
Sub Total		778,303,000	808,883,364
11.1.3 Security wise grouping			
Secured by Government		26,318,728,012	28,037,892,365
Unsecured		-	-
		26,318,728,012	28,037,892,365
11.1.4 Maturity wise grouping			
Repayable on demand		-	-
others		26,318,728,012	28,037,892,365
		26,318,728,012	28,037,892,365
11.2 Outside Bangladesh			
Credit Balances with NOSTRO Accounts	11.2.1	260,262,069	177,335,229
Borrowings from International Financial Institutions	11.2.2	266,275,311	267,584,311
		526,537,380	444,919,541



Ref.	Notes	Amount in Taka		
		30-06-2017	30-06-2016	
11.2.1 Credit Balances with NOSTRO Accounts				
	Mashreq Bank PSC, Newyork	242,353,093	121,209,792	
	Standard Chartered bank, Newyork	-	56,125,437	
	ICICI Bank LTD. Mumbai India	17,908,976	-	
		260,262,069	177,335,229	
11.2.2 Borrowings from International Financial Institutions :				
	Bangladesh Krishi Bank receives funds from various International Financial Institutions (IFIs) through Ministry of Finance for lending to lesser/under developed economic sectors.			
	ADB 329 BAN (SF)	509,404	509,404	
	ADB - 1067	233,007,135	233,007,135	
	I FAD 280 BAN	2,455,600	3,764,600	
	ODA Grant (Machine)	17,986,851	17,986,851	
	E E C Grant	11,146,900	11,146,900	
	STABESK/ Complex Fund	974,245	974,245	
	ASCAP / ILO Grant	195,175	195,175	
		266,275,311	267,584,311	
11.2.3 Security wise grouping				
	Secured by Government	266,275,311	267,584,311	
	Unsecured	-	-	
		266,275,311	267,584,311	
11.2.4 Maturity wise grouping				
	Repayable on demand	-	-	
	others	266,275,311	267,584,311	
		266,275,311	267,584,311	
12 Deposits & others accounts				
	Current & Contingency accounts	12.1	17,124,362,191	31,863,521,552
	Bills Payable	12.2	1,131,069,200	1,147,737,235
	Savings deposit	12.3	56,429,340,190	50,313,993,979
	Fixed deposit	12.4	152,695,849,271	128,499,066,545
			227,380,620,852	211,824,319,311
12.1 Current & other accounts				
	Current Deposits		10,121,977,907	8,288,841,553
	Hajj deposit		61,219,381	89,710,884
	ODA Revolving Fund		141,938,748	53,899,417
	Call Deposits		-	39,322,516
	Dorment Accounts		147,509,876	148,485,427
	Guarantee Account Cash Collateral(current)		1,064,294	774,610
	Guarantee Account Cash Collateral(savings)		-	41,387
	Special Deposits		34,619,015	35,353,800
	Employees Security Deposits		8,678,562	9,617,294
	Special Blocked Account		38,318	4,850,319
	SND (Short Term Deposit Account)		5,444,933,165	5,382,917,110
	Marginal Deposit Account		480,037,798	384,046,452
	Customers F.C A/C		241,296,058	18,021,198
	Customers N/F/C, A/C(USD)		13,529,583	-
	Exporters F.C A/C		20,137,529	11,730,562
	Account of U.A.E Exchange Co.		407,381,956	461,938,766



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016
	Deposit Pension Scheme	-	8,537,727
	BKB Savings Pension Scheme	-	18,757,226
	Teacher Deposit Scheme	-	856,602
	Small Saving Scheme	-	6,276,539
	Hajj Savings Scheme	-	3,688,279
	Education Savings Scheme	-	10,856,156
	BKB Sanchay Scheme	-	6,534,902,169
	Krishion/ Krishionery Sanchay Scheme	-	94,110,047
	Monthly/Quarterly benefit Scheme	-	135,375,696
	BKB Monthly Savings Scheme	-	10,035,778,769
	Student Savings Scheme	-	84,831,047
		17,124,362,191	31,863,521,552
12.2	Bills Payable		
	Payment Orders Outstanding	691,022,593	476,473,843
	Demand Draft Payable	546,705,147	789,020,006
	Telegraphic transfer payable	(107,495,477)	(121,479,291)
	Mail Transfer Payable	633,138	2,395,250
	Demand Draft Payable on Ex-advice	203,800	1,327,427
		1,131,069,200	1,147,737,235
12.3	Savings bank deposits		
	Savings deposits	56,429,340,190	50,313,993,979
		56,429,340,190	50,313,993,979
12.4	Fixed deposits		
12.4.1	Term-wise breakdown of fixed deposits is as follows:		
	Less than 3 months	1,006,109,680	576,172,545
	More than 3 months but less than 6 months	14,772,871,000	14,400,729,000
	More than 6 months but less than 1 year	17,079,478,000	10,620,894,000
	More than 1 year but less than 2 years	63,091,405,000	66,097,395,000
	More than 2 years but less than 3 years	13,993,833,000	14,671,812,000
	BKB double porfit scheme (6 years)	14,585,320,000	13,456,034,000
	BKB double porfit scheme (8 years)	3,893,629,000	3,282,817,000
	BKB monthly porfit scheme (5 years)	3,645,127,000	3,095,698,000
	BKB monthly porfit scheme (3/5 years)	1,996,435,000	1,988,956,000
	BKB retirement savings scheme	284,900,000	308,559,000
		134,349,107,680	128,499,066,545
12.4.2	Some deposit schemes are adopted by BKB for motivation of savings to the people of various economic sectors specially rural areas. Such as :		
	Deposit Pension Scheme	27,060,146	8,537,727
	BKB Savings Pension Scheme	13,583,902	18,757,226
	Teacher Deposit Scheme	501,074	856,602
	Small saving scheme	5,195,279	6,276,539
	Hajj Savings Scheme	6,542,383	3,688,279
	Education Savings Scheme	4,007,373	10,856,156
	BKB Sanchya Scheme	4,611,755,659	6,534,902,169
	Krishion Krishionery Sanchya Scheme	110,828,651	94,110,047
	Monthly/ Quarterly benefit Scheme	121,706,657	135,375,696
	BKB Monthly Savings Scheme	13,375,883,337	10,035,778,769
	Student savings scheme	69,677,129	84,831,047
		18,346,741,591	16,933,970,257
		152,695,849,271	128,499,066,545



12.5 Maturity grouping of deposits & other accounts

Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016
	Repayable on demand	5,060,988,954	3,370,825,313
	Repayable within 1 month	8,211,822,917	5,056,237,970
	Over 1 month but within 3 months	15,014,444,300	12,640,594,925
	Over 3 month but within 1 year	48,781,151,057	48,455,613,877
	Over 1 year but within 5 years	105,298,536,076	84,270,632,830
	Over 5 years	44,866,167,672	57,881,928,969
	More than 10 years	147,509,876	148,485,427
		227,380,620,852	211,824,319,311

13 Other Liabilities

	Employees provident fund	1,912,409	7,136,878
	Exchange Fluctuation Account	-	65,416,183
	Income Tax Adjustment	-	47,028,848
	Interest Payable on Fixed Deposits	2,317,442,723	2,855,796,194
	Security Deposits of contractors	103,259,473	82,877,653
	Outstanding loan from Rupali Bank	137,841,167	147,611,708
	Interest Payable on Foreign Loans	2,765,601	5,531,186
	Payable accounts	13.1	4,328,191,074
	Deferred Credit Interest Uncollected	13.2	7,652,416,051
	Provision for loans & advances	13.3	24,455,384,623
	Provision for investment in shares	13.4	18,549,010
	Provision for other assets	13.5	5,706,200,000
	Provision for off balance sheet items	13.6	70,665,469
	Provision for Taxation	13.7	5,708,816
		44,800,336,415	46,317,063,083

13.1 Accounts Payable

	Cash Excess	27,481,620	27,851,662
	Deputationists Accounts	123,112	27,730
	Undisbursed Emoluments to Staff	2,655,811	3,334,969
	Reconstruction on Loan Accounts	2,899,054	3,260,903
	Recovery of BRRFC Loans	117,516	11,055,704
	Recovery of BRRFC Staff Loans	7,265,609	-
	Miscellaneous	1,535,272,842	1,693,383,099
	Income Tax Deducted from the Contractors Bills	7,570,367	17,156,768
	Cost of Revenue Stamp Realised	9,041,432	6,283,355
	Realised Loan Of Polly Progati Prokolpa	190,724,816	232,133,054
	Premium due for EFAS	1,179,466	978,416
	Deduction of Levey on deposit Interest	1,090,729	1,454,759
	Development Levey (4%) Flood	2,353,987	576,182
	Deduction at source tax	66,311,188	79,526,130
	Outstanding DD/TT/PO	61,970	105,130
	Payable pension fund	2,321,884	130,172,634
	Excise Duty	11,768,035	32,156,139
	Financial benefit for dairy farm in Private sector	20,000,000	20,018,482
	Subscription for Benevolent fund	1,411,056	606,698
	Service charge deduction from Swanirvar Programme	4,802,528	2,072,186
	Deposit of check/payorder from outsider trainee	(1,243,753)	-
	Provision for land & building	7,993,725	9,598,270
	Provision for others expenditures	424,721,889	552,693,350



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016
	ODA Revolving fund	(35,784,806)	(35,815,088)
	Post-flood Rehabilitation Tax on intt.of deposit	40,379	-
	Hand Loom Board Credit.	3,775,496	2,124,833
	E.E.C Revolving Fund	43,477,889	43,507,036
	E.C. Revolving fund	54,704,679	
	Payable intt. on E.C Revolving Fund.	14,365,787	37,975,797
	Payable intt. on E.E.C Revolving Fund	2,007,852	8,402,213
	Amt. of rent/lease/sale of asset acquired unsettled	9,338,948	48,154,157
	Agro. based industry loan's recycle Fund	811,049,557	749,614,114
	Interest on agro. based industry loan's recycle Fund	23,300	-
	Community wise Asset Management Project	165,753	26,418,698
	1.50% Payable intt. on Project Fund of CWAMP	2,945	2,012,838
	Service charge on CIB online	20,428,778	13,453,412
	Western Union Common Marketing	10,294,408	10,408,218
	Realised VAT from BACH	14,234,369	2,637,707
	Realised VAT & commission for BB	136,646	149,314
	Sanchay patra	1,031,639,476	286,170,238
	SWIFT charges	152,321	274,465
	Risk fund for consumer credit	-	3,720,815
	Income tax deduction from staff	16,216,578	19,905,240
	Tax deduction from fees for Profe. & Tech. services	190,413	160,882
	VAT deduction from fees for Profe. & Tech. services	11,651	1,500
	Tax deduction from the Certain services	54,400	191,550
	VAT deduction from the Certain services	8,205	1,147,760
	Tax deduction from L/C	-	8,562,346
	Vat deduction from L/C	1,370	144,707
	Taxes of office house paid	79,365	(3,927,779)
	VAT of office house rent paid	509,158	812,971
	Xpress Money	-	603,332
	Foreign Exchange back to back L/c	3,233,678	11,023,264
	Incidental Charges	328,777	176,536
	IBTA payments	-	5,661,166
	Income Tax deducted from staff(2011-12 & 2012-13)	1,578,819	
		4,328,191,074	4,068,117,862
13.2	Interest suspense account		
	Opening balance	7,953,776,369	7,223,378,686
	Add : Transferred during the year	2,773,386,682	2,856,067,659
	Less: Realized during the year	2,612,414,000	2,010,704,000
	Less : Adjustment during the year	462,333,000	114,965,976
	Closing Balance	7,652,416,051	7,953,776,369
13.3	Provision for Loans and Advances		
	General provision (for unclassified)	2,918,725,369	2,555,516,548
	Specific provision (for classified)	21,536,659,254	22,742,182,828
	Total provision held	24,455,384,623	25,297,699,376
	Required provision for loans and advances(as per CL-1)	24,455,384,623	27,263,608,887
	Provision excess/(shortfall)	-	(1,965,909,511)



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016

13.3.1 General Provision (for unclassified)

Opening balance	2,555,516,548	2,552,528,953
Transfer from/(to) Diminution in Value of Investments	-	-
Transfer from/(to) specific provision	363,208,821	-
Adjustment to remission of interest of staff loans	-	(12,875,207)
Transfer to retained earnings	-	-
Transfer from/(to) off balance sheet items	-	15,862,802
Provision held	2,918,725,369	2,555,516,548

13.3.2 Specific Provision (for classified)

Opening balance	22,742,182,828	22,742,182,828
Recoveries of amounts previously written off	-	-
Specific provision made during the year	-	-
Interest remission of staff loans & advances	(21,971,283)	-
Transfer from/(to) provision for unclassified loans & advances	(363,208,821)	-
Transfer from/(to) off balance sheet items	(15,052,469)	-
Transfer to retained earnings	(805,291,001)	-
Provision held	21,536,659,254	22,742,182,828

As per BRPD Circular # 14 dated September 23,2012 (revised BRPD Circular # 5, dated May 29,2013) of Bangladesh Bank, required provision is Tk. 2445,53,84,623/- against loans & advances, and Bangladesh krishi bank has also maintained the same. So there is no provision shortfall/surplus during the period. For details calculation , please refer to Annexure -'F'

13.4 Provision for Diminution in Value of Investments

Opening balance	18,549,010	18,549,010
Provision made during the year	-	-
Transfer from/(to) provision for unclassified loans & advances	-	-
Provision at end of the year	18,549,010	18,549,010
Less: Required provision for investment	15,405,110	18,549,010
Provision Excess/(Shortfall)	3,143,900	-

Provisions for diminution in value of investments has been maintained fully in accordance with Bangladesh Bank DOS circular no. 04 dated November 24, 2011 & as per the letter # DOS(SR) 1153/161/2012-427 dated December 30, 2012 .

13.5 Provision Maintained for Other Assets

Opening balance	5,706,200,000	5,706,200,000
Add : Addition during the year	-	-
Less : Adjustment during the year	-	-
Total provision held	5,706,200,000	5,706,200,000
Less: Required provision for other assets (assessed by Bangladesh Bank)	10,336,600,000	11,260,500,000
Provision Excess/(Shortfall)	(4,630,400,000)	(5,554,300,000)



Ref.	Notes	Amount in Taka		
		30-06-2017	30-06-2016	
13.6	Provision for Off-balance Sheet Exposures			
	Opening Balance	55,613,000	71,475,802	
	Add/(less): provision made/(released) during the year	-	-	
	Transfer from/(to) during the year (loan & adv)	15,052,469	(15,862,802)	
	Provision held	70,665,469	55,613,000	
	Required provision	70,665,469	71,475,802	
	Provision Excess/(Shortfall)		(15,862,802)	
	Provision for off balance sheet items is required Tk. 7,06,65,469/- and its fully maintained as per BRPD circular # 10, dated 23 September 2012.			
13.7	Provision for Taxation			
	Opening Balance	5,708,816	5,708,816	
	Add: Provision made during the year	-	-	
	Less: Adjustment made during the year	-	-	
	Total provision held	5,708,816	5,708,816	
	No provision has been maintained for income tax during the year, since huge loss was incurred by the bank during the financial year 2016-2017.			
14.	Share Capital			
14.1	Authorised Capital	15,000,000,000	15,000,000,000	
		15,000,000,000	15,000,000,000	
14.2	Issued, Subscribed and Paid-up Capital	9,000,000,000	9,000,000,000	
		9,000,000,000	9,000,000,000	
14.3	Re-capitalization	2,500,000,000	2,500,000,000	
		2,500,000,000	2,500,000,000	
	This relates to fund received from the government worth BDT 250.00 coreas re- capitalization during the Financial Year 2016-2017.			
14.4	Capital Adequacy			
	Details of the capital requirement & capital surplus/(shortfall) of the Bank as per requirement of Section 13(2) of the Bank Company Act 1991 (amended in 2013) and BRPD circular No. 35 dated 29 December 2010.			
	Core Capital (Tire I)	14.4.1	(63,291,829,926)	(65,239,801,803)
	Supplementary capital (Tier-II)	14.4.2	4,093,552,056	4,292,800,000
	Regulatory capital		(59,198,277,870)	(60,947,001,803)
	Required capital (10% of total risk weighted assets)	14.4.3	14,381,046,762	13,918,180,000
	Capital surplus/(shortfall)		(73,579,324,632)	(74,865,181,803)
	Capital Adequacy Ratio (CAR)			
	Core capital (Tier-I)		-44.01%	-46.87%
	Supplementary capital (Tier-II)		2.85%	3.08%
			-41.16%	-43.79%



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016
14.4.1	Core Capital (Tire I)		
	Paid-up Capital	9,000,000,000	9,000,000,000
	Re-capitalization	2,500,000,000	2,500,000,000
	Statutory Reserve	232,306,342	232,306,342
	Legal Reserve	588,133,858	588,133,858
	Retained Earnings	(75,612,270,126)	(70,040,032,493)
		(63,291,829,926)	(57,719,592,292)
	Less : Provision shortfall for other assets	-	7,520,209,511
		(63,291,829,926)	(65,239,801,803)
14.4.2	Supplementary capital (Tier-II)		
	General provision on unclassified loans including OBS items	2,989,390,838	2,623,900,000
	Asset revaluation reserve (up to 50%)	2,760,403,045	2,781,500,000
		5,749,793,883	5,405,400,000
	Less : Regulatory adjustments		
	Revaluation Reserves for fixed assets, securities & equity securities	1,656,241,827	1,112,600,000
	Other adjustments	-	-
		4,093,552,056	4,292,800,000
14.4.3	Required capital		
	Total assets (including Off-balance sheet amount)	248,321,745,727	239,787,868,591
	Risk weighted assets	143,810,467,622	139,181,800,000
	Required capital (10% of risk weighted assets)	14,381,046,762	13,918,180,000
14.4.3.1	Break up of Risk weighted assets		
	Credit risk:		
	On-balance sheet	138,515,360,000	134,402,500,000
	Off-balance sheet	716,150,000	538,600,000
		139,231,510,000	134,941,100,000
	Market risk	420,907,622	341,300,000
	Operation risk	4,158,050,000	3,899,400,000
		143,810,467,622	139,181,800,000
15	Statutory Reserve		
	Opening balance	232,306,342	232,306,342
	Add: Transfer from current year	-	-
		232,306,342	232,306,342
16.1	Other Reserves		
	General Reserve	437,713,493	437,713,493
	Contingency Reserve	90,000,000	90,000,000
	Exchange Rate Fluctuation	3,000,000	3,000,000
	Reserve for Insurance Fund	1,420,365	1,420,365
	Reserve for Bank Building and Staff Quarter	56,000,000	56,000,000
	Asset Revaluation Reserve	5,520,806,090	5,541,835,241
		6,108,939,948	6,129,969,099
16.1.1	Assets Revaluation Reserve		
	Opening revaluation gain	5,541,835,241	5,562,864,392
	Less: Transferred to retained earnings	(21,029,151)	(21,029,151)
	Add: addition during the year	-	-
	Closing balance	5,520,806,090	5,541,835,241



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016
17	Retained earnings Account		
	Balance carried forward	(70,040,032,493)	(63,273,624,332)
	Prior year adjustment	65,416,183	-
	Restated opening balance	(69,974,616,310)	(63,273,624,332)
	Profit/(Loss) generated during the year	(5,658,682,967)	(6,787,437,312)
	Transferred from asset revaluation reserve	21,029,151	21,029,151
		(75,612,270,126)	(70,040,032,493)
17.1	Prior year adjustment		
	Exchange Fluction Account	65,416,183	-
18	Contingent Liabilities		
	Letters of guarantee	95,411,940	84,124,260
	Irrevocable letters of credit	6,971,134,963	5,254,963,582
	Bills for collection	-	-
		7,066,546,903	5,339,087,842
18.1	Letters of Guarantee		
	Claims lodged with the bank company, which is not recognized as loan	-	-
	Money for which the bank is contingently liable in respect of guarantee issued favoring:	-	-
	Director	-	-
	Government	-	-
	Bank & other financial institutions	95,411,940	84,124,260
	Others	-	-
		95,411,940	84,124,260
19	Interest Income		
	Interest on Loans & advances(excluding staff loans & advances)	15,046,967,718	13,689,287,453
	Interest on Deposits to other banks	232,908,992	259,029,615
	Interest on staff loans & advances	417,379,644	469,769,729
		15,697,256,354	14,418,086,797
20.	Interest expense on Deposits & Borrowings		
	Savings	3,722,686,194	12,183,649,014
	Savings (urban)	507,151,072	-
	FDR	6,646,613,362	-
	SND	69,294,883	-
	Deposit Pension Scheme	111,308,065	36,322,897
	BKB Savings Pension Scheme	28,261,321	18,645,314
	Teacher savings scheme	9,419,250	1,410,896
	Small savings scheme	16,563,718	6,077,614
	Education Paid on Sanchay Scheme	11,530,151	15,745,632
	BKB Sanchay Scheme	444,637,166	544,558,483
	Krishan Krishony Sanchay Scheme	15,014,442	15,134,707
	Monthly/ Quarterly benefit Scheme	265,094,864	178,716,017
	BKB monthly savings scheme	801,215,940	-
	Bangladesh Bank	955,765,154	1,206,457,284
	International financial institutions	225,003	51,850
		13,604,780,585	14,206,769,708
21.	Income from investment		
	Dividend received from Grameen Bank	1,080,000	1,080,000
	Dividend received from ICB Islamic Bank Ltd	-	-
		1,080,000	1,080,000



Ref.	Notes	Amount in Taka	
		30-06-2017	30-06-2016
27	Postage, Telegram & Stamps		
	Postage & Telegram	4,348,035	4,383,169
	Expenses on Telephone (Office)	9,925,580	9,846,240
	Expenses on Telephone (Residence)	1,117,481	1,519,516
	Charges for internet	32,907,671	23,758,627
		48,298,766	39,507,552
28	Auditor's Fees		
	Statutory audit	941,500	932,000
		941,500	932,000
29	Stationery, Printing & Advertisement		
	Stationery and supplies (Printing)	27,687,721	26,354,046
	Stationery and supplies (Local)	16,696,871	16,432,857
	Advertisement and Publicity	8,440,951	5,195,040
		52,825,542	47,981,943
30	Pay & Allowances of Managing Director		
	Basic salary	854,310	919,226
	Allowances	494,883	407,033
		1,349,193	1,326,259
31	Director's Fees		
	Board meeting	1,784,800	1,445,150
	Executive committee meeting	18,400	
	Audit committee meeting	184,000	-
	Risk management meeting	110,400	120,000
		2,097,600	1,565,150
Remuneration for Chairman & Directors is BDT 8000 per meeting for attendance. No other financial benefits are extended to Board of Directors (as per section 18(1) of the Banking Companies Act(Amendment) 2013 excluding above fees.			
32	Depreciation & Repairs of Bank Property		
	Repair & Maintenance cost (General)	3,229,677	3,691,821
	Repair & Maintenance cost of building	3,619,000	3,428,105
	Repair & Maintenance (office Equipment)	2,744,440	4,385,061
	Fuel expenses for motor car & other vehicles	12,345,097	8,610,700
	Repair & Maintenance of Motor car and other Vehicles	8,377,095	13,497,663
	Depreciation	196,212,602	169,143,298
		226,527,911	202,756,648
33	Other Expenditure		
	Employees Benevolence	1,530,747	2,883,749
	Traveling & Tour	83,818,843	80,277,945
	Liveries for Class four employees	8,289,249	9,093,684
	Employees Travelling expense Transfer	9,602,733	14,033,947
	Training Expenses	13,176,944	5,794,698
	Field level workshop/conference	4,919,841	5,928,855
	Honoraria Rewards and Grand	31,140,481	29,311,275
	Incentive paid for deposit collection	1,439,825	19,456,992
	Conveyance Charge	12,313,666	11,803,347



Ref.	Notes	Amount in Taka		
		30-06-2017	30-06-2016	
	Awards and donation	1,742,019	3,211,142	
	Business Development	20,100,550	19,133,132	
	Customer Conference	2,702,226	2,823,809	
	Losses on Dead Stock	119,015	52,984	
	Books Purchases for Library	248,126	146,686	
	Computer Services Charge	27,289,658	21,009,414	
	Death Relief Grant	25,322,140	17,305,190	
	Miscellaneous Expenses	20,702,014	28,200,304	
	Papers Bill and house Building Loan Reg.	26,951,556	27,776,759	
	Remissions on loans & others	95,844,191	67,831,062	
	Commission Expenses and other Charge	43,441,419	22,396,064	
	Generator fuel cost	6,616,898	5,859,316	
	Batch Commission	268,608	208,134	
	Tax & levy paid for Hazz deposit	412,208	851,757	
	Swift expenses	5,314,713	3,821,888	
	Recuritment Expense	190,000	-	
		443,497,669	399,212,133	
34	Closing Cash and Cash Equivalents			
	Cash in hand	3.1	1,371,439,680	738,388,861
	Balance with Bangladesh Bank and Sonali Bank	3.2	18,688,591,527	18,699,960,284
	Balance with other bank and financial institutions	4	3,186,904,848	3,579,550,331
	Money at call and short notice		-	-
	Closing cash and cash equivalents		23,246,936,056	23,017,899,476
35	Interest Received in Cash			
	Interest received from loans & advances		9,757,202,210	8,907,777,568
	Interest on Deposits to other banks	19	232,908,992	250,452,365
			9,990,111,202	9,158,229,933
36	Interest Paid in Cash			
	Interest paid on Deposits		7,004,550,506	7,856,541,027
	Interest Paid to Bangladesh Bank		1,217,500,000	1,400,797,426
	Interest paid on Loans from International financial institutes		-	-
			8,222,050,506	9,257,338,453
37	Cash Paid to Suppliers			
	Stationery and supplies (Printing)		27,687,721	26,354,046
	Stationery and supplies (Local)		16,696,871	16,432,857
			44,384,592	42,786,903
38	Cash Paid for Other Operating Activities			
	Rent, Taxes, Insurance, Lighting etc.	25	360,368,124	327,648,098
	Legal Charges	26	1,747,585	1,518,504
	Postage, Telegram, Telephone & Stamps	27	48,298,766	39,507,552
	Advertisement and Publicity	29	8,440,951	5,195,040
	Pay & Allowances of Managing Director	30	1,349,193	1,326,259
	Director's Fees	31	2,097,600	1,565,150
	Repairs & Maintenances	32	30,315,309	20,115,687
	Other Expenditure	33	347,653,478	344,878,734
			800,271,005	741,755,024



39. Audit Committee of the Board of Directors:

In compliance to Bangladesh Bank's Circular, The audit committee of the Board of Directors consisted of the following 04(four) members of the Board:

Sl.	Name	Status with the Bank	Status with the Committee
1	Mr. Mohammad Shafiqul Azam	Director	Chairman
2	Mr. Md.Nasir Uddin Ahmed	Director	Member
3	Mr. Md. Kamruzzaman	Director	Member
4	Mr. A.K.M Amirul Monjur	DGM	Member Secretary

During the year 2016-2017, the audit committee of the board conducted 7 (seven) meetings in which the following important issues were reviewed/discussed along with others:

- Oversee the financial reporting process & liquidity position of the bank at regular basis.
- Reviewed internal & external auditors findings on the irregularities both major & significance at different branches of the bank and reference those to the Board with appropriate recommendation for decision, reviewed draft & audited financial statements for the year 2015-2016.
- Reviewed performance of internal audit 2015-2016.
- Reviewed the reconciliation performance of inter branch transaction accounts and advised the management to keep it regular.
- Reviewed the audit rating by internal audit on Anti Money Laundering of all branches for the year 2015-2016.
- Reviewed existing risk management procedures along with implementation of core risk management guidelines and advised the managements to implement the same more effectively.

40. Related Party Disclosures:

Name of the Directors and their interest in the bank:

Sl.	Name	Designation	Share Holding on 30.06.2017(In Taka)	Share Holding on 30.06.2016 (In Taka)
1	Mr. Mohammad Ismail	Chairman	Nil	Nil
2	Mr. Md. Ali Hossain Prodhania	Managing Director	Nil	Nil
3	Mr. Mohammad Shafiqul Azam	Director	Nil	Nil
4	Mr. Abul Mansur Md. Faizullah	Director	Nil	Nil
5	Mr. Md.Nasir Uddin Ahmed	Director	Nil	Nil
6	Mr. Md. Kamruzzaman	Director	Nil	Nil
7	Mr. Md. Fashiar Rahman	Director	Nil	Nil
8	Mr. Md. Kamruzzaman (Mahbub)	Director	Nil	Nil
9	Mr. Md. Abdul Aziz	Director	Nil	Nil
10	Mr. Muhammad Maududur Rashid Safdar	Director	Nil	Nil



41. Name of Directors and their interest in different entities:

SL.	Name	Designation	Entities where they have interest as the owner/ MD	Share/Guarantee Interest with other Organization
1	Mr. Mohammad Ismail	Chairman	Nil	Nil
2	Mr. Md. Ali Hossain Prodhania	Managing Director	Nil	Nil
3	Mr. Mohammad Shafiqul Azam	Director	Nil	Nil
4	Mr. Abul Mansur Md. Faizullah	Director	Nil	Nil
5	Mr. Md. Nasir Uddin Ahmed	Director	Nil	Nil
6	Mr. Md. Kamruzzaman	Director	Nil	Nil
7	Mr. Md. Fashiar Rahman	Director	Nil	Nil
8	Mr. Md. Syed kamruzzaman (Mahbub)	Director	Nil	Nil
9	Mr. Md. Abdul Aziz	Director	Nil	Nil
10	Mr. Muhammad Maududur Rashid Safdar	Director	Nil	Nil

Significant contracts where Bank is a party and wherein Directors have interest:

Nil

Shares issued to Directors and Executive without consideration or exercisable at discount:

Nil

Lending to related parties is effected as per requirement of section 27(1) of the Bank

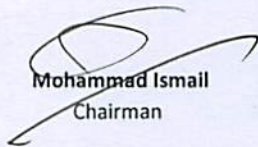
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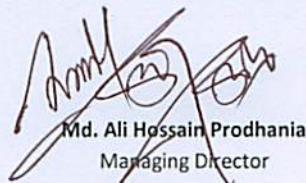
Loan and advances to Directors and their related concern:

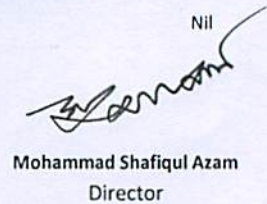
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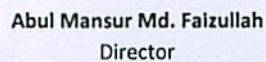
Business other than banking business with any related concern of the Directors as per section 18(2) of the Bank Companies Act-1991:

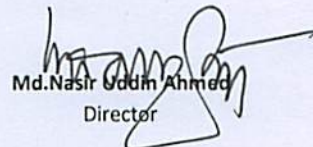
Nil

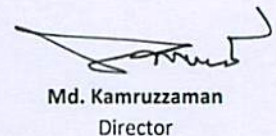

Mohammad Ismail
Chairman


Md. Ali Hossain Prodhania
Managing Director

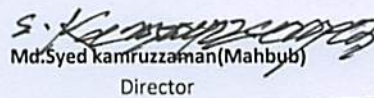

Mohammad Shafiqul Azam
Director

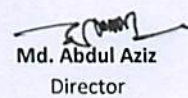

Abul Mansur Md. Faizullah
Director

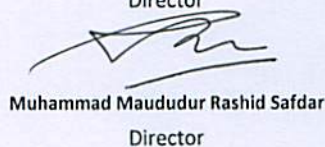

Md. Nasir Uddin Ahmed
Director

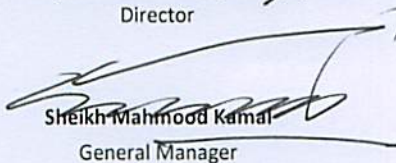

Md. Kamruzzaman
Director


Md. Fashiar Rahman
Director

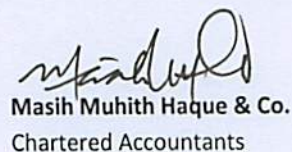

Md. Syed kamruzzaman (Mahbub)
Director

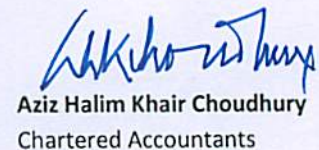

Md. Abdul Aziz
Director


Muhammad Maududur Rashid Safdar
Director


Sheikh Mahmood Kamal
General Manager

Date : March 13, 2018
Dhaka


Masih Muhith Haque & Co.
Chartered Accountants


Aziz Halim Khair Choudhury
Chartered Accountants

Annexure 'A'

Investment in Shares
As at 30 June 2017

Particulars	Number of Shares	Market Price per Share/Taka	Total market price/ Taka	Cost per Share	Total cost/Taka	Surplus(+) /diminution(-)
Shares (quoted)						
ICB islami bank ltd	3,143,900	5.10	16,033,890	10.00	31,439,000	(15,405,110)
Total			16,033,890		31,439,000	(15,405,110)



Annexure -'B'

Fixed assets Schedule

Sl no.	Particulars	Cost/WDV					% of Depreciation	Depreciation			Written down value as on 30.06.2017
		Opening as on 01.07.2016 (WDV)	Addition during the year	Appreciation during the year	Adjustment during the year	Total cost		Opening Accumulated	Charged during the year	Total depreciation	
1	2	3		4	5	6	7	8	9	10	11
1	Land	4,756,076,000	-	-	-	4,756,076,000	-	-	-	-	4,756,076,000
2	Building	1,075,698,552	5,655,196	-	-	1,081,353,748	2.5	314,000,361	30,302,280	344,302,641	1,051,051,468
3	Motor Vehicles	65,925,833	23,358,501	-	-	89,284,334	20	277,440,977	19,134,470	296,575,447	70,149,864
4	Furniture & Fixtures	120,645,515	8,733,253	-	-	129,378,768	10	167,830,350	10,216,060	178,046,410	119,162,708
5	Office Equipments	46,436,194	7,854,961	-	-	54,291,155	15	82,979,233	12,366,106	95,345,339	41,925,049
6	Office Machineries	299,575,790	182,424,086	-	-	481,999,876	15	282,241,139	108,049,137	390,290,276	373,950,739
7	Electrical Equipments	107,276,604	42,205,090	-	-	149,481,694	20	172,611,852	16,144,549	188,756,401	133,337,145
	Total	6,471,634,488	270,231,087	-	-	6,741,865,575		1,297,103,912	196,212,602	1,493,316,514	6,545,652,973



Annexure- 'C'

Maturity Analysis of Outstanding entries of foreign currency dealings
As on 30-06-2017

As per Local Book

Period of Un-adjustment	Debit		Credit		Remarks
	Entries No.	Amount (USD)	Entries	Amount (USD)	
Less than 3 months	1	25,860.00	-	-	No provision has been kept against the unadjusted amount.
More than 3 months but less than 6	-	-	-	-	
More than 6 months but less than 9	-	-	-	-	
More than 9 months but less than 12 months	-	-	-	-	
12 months and above	-	-	-	-	
Total	1	25,860.00	-	-	

As per Correspondent 's book

Period of Un-adjustment	Debit		Credit		Remarks
	Entries No.	Amount (USD)	Entries	Amount (USD)	
Less than 3 months	20	442,767	119	243,964.00	No provision has been kept against the unadjusted amount.
More than 3 months but less than 6	-	-	33	507,200.00	
More than 6 months but less than 9	-	-	34	426,951	
More than 9 months but less than 12 months	-	-	6	115,694	
12 months and above	-	-	-	-	
Total	20	442,767	192	1,293,809.00	



Annexure - 'D'

Schedule of Branch Unadjustment account

Due to head office (112)				Amount in core	
Year	Debit		Credit		Total
	Entries	Amount TK.	Entries	Amount TK.	Amount TK.
	16	97,594	33	4,430,803	4,528,396

BKB General accounts (113)					
Year	Debit		Credit		Total
	Entries	Amount TK.	Entries	Amount TK.	Amount TK.
	15	1,900,000	18	553,878	2,453,878

BKB general accounts (117)					
Year	Debit		Credit		Total
	Entries	Amount TK.	Entries	Amount TK.	Amount TK.
2003	-	-	1	400,000	400,000
2007	1	13,000	-	-	13,000
2008	1	11,569	2	1,100,000	1,111,569
2009	6	735,557	2	118,000	853,557
2010	5	583,595	15	5,148,325	5,731,920
2011	2	313,500	-	-	313,500
2012	4	121,929	-	-	121,929
Total :	19	1,779,150	20	6,766,325	8,545,475

BKB general accounts (119)					
Year	Debit		Credit		Total
	Entries	Amount TK.	Entries	Amount TK.	Amount TK.
2011	527	31,155,515	234	19,940,413	51,095,928
2012	794	47,032,256	351	25,654,972	72,687,228
2013	1,168	60,254,792	460	19,804,512	80,059,305
2014	502	24,432,807	328	12,136,062	36,568,869
2015	228	4,474,425	127	8,093,598	12,568,023
1992	1	164,085	1	164,085	328,170
2016	3	2,710	9	376,551	379,261
Total :	3,223	167,516,590	1,510	86,170,193	253,686,783

BKB general accounts (1114)					
Year	Debit		Credit		Total
	Entries	Amount TK.	Entries	Amount TK.	Amount TK.
2014	1,717	395,895,869	1,834	397,557,442	793,453,312
2015	7,678	1,369,762,517	8,601	2,037,287,596	3,407,050,113
2016	25,368	7,344,622,927	24,076	7,527,831,456	
2017	11,877	11,907,152,776	12,677	11,606,931,458	23,514,084,234
Total :	46,640	21,017,434,089	47,188	21,569,607,951	27,714,587,658



BKB general accounts (118)

Year	Debit		Credit		Total	
	Entries	Amount TK.	Entries	Amount TK.	Entries	Amount TK.
2001	1	26,000	-	-	1	26,000
2002	1	10,000	3	85,000	4	95,000
2003	4	45,225	1	9,463	5	54,688
2004	6	109,460	4	70,000	10	179,460
2005	9	270,112	12	177,000	21	447,112
2006	21	353,315	19	263,000	40	616,315
2007	19	500,319	173	2,579,535	192	3,079,854
2008	23	416,006	142	2,340,098	165	2,756,104
2009	25	793,298	61	1,171,014	86	1,964,312
2010	43	1,293,793	56	1,161,646	99	2,455,439
2011	135	3,421,028	1,367	26,546,053	1,502	29,967,081
2012	171	6,157,882	844	16,993,159	1,015	23,151,042
2013	33	725,960	16	461,197	49	1,187,157
2014	-	-	64	1,500,620	64	1,500,620
2015	-	-	1	20,000	1	20,000
2016	1	60,380	-	-	1	-
Total :	492	14,182,777	2,763	53,377,785	3,255	67,500,183

BKB Exchange General A/c (1111)

Year	Debit		Credit		Total	
	Entries	Amount TK.	Entries	Amount TK.	Entries	Amount TK.
2013	300	9,134,382	3,550	118,354,016	3,850	127,488,398
2014	1,519	48,755,865	21,926	725,476,410	23,445	774,232,275
2015	1,977	57,584,386	27,661	854,205,217	29,638	911,789,603
2016	259	76,185,499	78,043	2,304,302,524	78,302	2,380,488,023
2017	944	28,538,047	23,671	724,354,445	24,615	752,892,493
Total :	4,999	220,198,180	154,851	4,726,692,612	159,850	4,946,890,792

G.Total	55,404	21,423,108,381	206,383	26,447,599,547	212,343	32,998,193,166
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Annexure - 'E'

Year wise Income tax provision & assessment are as under:

Financial year	Assessment Year	Tax provision as per accounts	Assessed Tax as per Tax authority	Short/ Excess (paid during the year)	Remarks Profit/Loss as per calculation
1994-95	1995-96	-	(192.67)	-	(165.07)
1995-96	1996-97	-	(271.06)	-	(238.76)
1996-97	1997-98	-	(180.30)	-	(157.71)
1997-98	1998-99	-	(200.60)	-	(206.14)
1998-99	1999-00	-	(224.85)	-	(227.68)
1999-00	2000-01	-	(215.84)	-	(264.06)
2000-01	2001-02	-	(19.99)	-	2.91
2001-02	2002-03	-	(225.75)	-	(192.07)
2002-03	2003-04	-	(125.80)	-	(133.28)
2003-04	2004-05	-	(209.43)	-	(140.76)
2004-05	2005-06	-	(245.09)	-	(184.40)
2005-06	2006-07	-	(177.70)	2.37(T.T.)	(177.26)
2006-07	2007-08	-	3.07	1.45(T.T.)	(148.77)
2007-08	2008-09	-	(196.64)	-	(196.64)
2008-09	2009-10	-	(1.49)	-	Nil
2009-10	2010-11	-	assessed but under Appeal	-	Nil
2010-11	2011-12	-	Awaiting assessment	-	(154.28)
2011-2012	2012-2013	-	Awaiting assessment	-	(140.40)
2012-2013	2013-2014	-	Awaiting assessment	-	(2,991.05)
2013-2014	2014-2015	-	Awaiting assessment	-	(215.25)
2014-2015	2015-2016	-	Awaiting assessment	-	(678.74)
2015-2016	2016-2017	-	Awaiting assessment	-	(565.87)



Annexure 'F'

Calculation of required provision for loans and advances as of 30-06-2017

Sector	Total Outstanding	Un-Classified UC		Classified			Total Classified (CL)
		Standard	SMA	Sub-Standard (SS)	Doubtful (DF)	Bad / Loss (BL)	
Continuous	28,931,703,015	19,162,624,620	433,937,302	362,472,306	372,717,582	8,599,951,205	9,335,141,093
Demand loans	14,391,578,710	4,667,039,332	12,478,297	1,385,617	112,419,940	9,598,255,524	9,712,061,081
Term loan (upto 5 years)	23,949,144,129	12,219,083,049	53,365,669	74,145,257	1,523,890,730	10,078,659,424	11,676,695,411
Term loan (over 5 years)	-	-	-	-	-	-	-
STAC & MC	115,844,112,395	103,409,332,504	-	4,290,129,404	1,352,631,321	6,792,019,166	12,434,779,891
Staff Loan	10,555,997,815	-	-	-	-	-	-
TOTAL 30TH JUNE, 2017	193,672,536,064	139,458,079,505	499,781,268	4,728,132,584	3,361,659,573	35,068,885,319	43,158,677,476
TOTAL 30TH JUNE, 2016	186,419,992,845	137,425,048,976	581,965,186	5,215,451,516	2,886,226,999	40,311,300,168	48,412,978,683

Sector	Base of Provision				Amount of Provision Required	Amount of Interest suspense
	Un-Classified (SMA)	Sub-Standard (SS)	Doubtful (DF)	Bad / Loss (BL)		
Continuous	433,937,302	85,399,403	72,264,333	2,194,675,455	2,410,631,657	904,722,218
Demand loans	12,478,297	207,843	90,888,836	9,226,383,591	9,318,664,754	719,689,642
Term loan (upto 5 years)	53,365,669	17,958,169	930,718,546	3,156,623,054	3,847,921,997	1,585,706,024
Term loan (over 5 years)	-	-	-	-	3	-
STAC & MC	-	3,961,243,369	1,201,850,615	6,034,778,203	8,878,166,215	4,442,298,167
Staff Loan	-	-	-	-	-	-
TOTAL 30TH JUNE, 2017	499,781,268	4,064,808,784	2,295,722,330	20,612,460,303	24,455,384,626	7,652,416,051
TOTAL 30TH JUNE, 2016	581,965,186	4,085,184,465	1,505,498,330	24,111,600,415	27,263,608,890	7,223,378,686



Highlights

Tk. In crore

Sl. No.	Particulars	Amount in Taka	
		2016-2017	2015-2016
1	Paid up capital	900.00	900.00
2	Re-capitalization	250.00	250.00
3	Total Capital	(5,777.10)	(5,217.78)
4	Capital Shortfall	7,357.93	7,486.52
5	Total Assets	24,125.52	23,444.88
6	Total Deposits	22,624.96	21,067.66
7	Total Loans and Advances	19,367.26	18,642.00
8	Contingent Liabilities and other Commitments	706.65	533.91
9	Credit Deposit Ratio	85.60%	88.49%
10	Percentage of classified loans against total loans and advances	22.28%	25.97%
11	Profit after tax and provision	(565.87)	(678.74)
12	Amount of classified loan	4,315.87	4,841.30
13	Provision maintained: i) for loans & advances	2,445.54	2,529.77
	ii) for diminution of share value	1.54	1.85
	iii) for OBS items	7.07	5.56
	iv) for other assets	570.62	570.62
14	Provision surplus/(shortfall): i) for loans & advances	(9.84)	(196.59)
	ii) for diminution of share value	-	-
	iii) for OBS items	-	-
	iv) for other assets	(463.04)	(555.43)
15	Cost of Fund	9.88%	10.79%
16	Interest Earning Assets	15,051	13,801
17	Non-Performing Assets	9,074.13	9,644.18
18	Return on Investment (loans & advances) (ROI)	8.11%	7.73%
19	Return on assets (ROA) after tax	-2.35%	-2.90%
20	Income from Investment	0.11	0.11
21	Income per share (EPS)	N/A	N/A
22	Earning per share (EPS)	N/A	N/A
23	Return on equity (ROE)	-9.80%	-13.01%

