



AHMED ZAKER & Co.
CHARTERED ACCOUNTANTS



Pinaki & Company

Auditors' Report
and
Financial Statements
of
Bangladesh Krishi Bank
83-85, Motijheel C/A, Dhaka
As on June 30, 2020

Auditor's

Ahmed Zaker & Co.
Chartered Accountants
Green City edge (Level 10)89, Kakrail,
Dhaka-1000, Bangladesh.

Pinaki & Company
Chartered Accountants
Ahsandell, 2/A, Mymensingh Road.
Shahbag, Dhaka, Bangladesh

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

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Bangladesh Krishi Bank which comprise the Balance Sheet as at 30 June 2020 and the profit and loss accounts, statements of changes in equity and the statement cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial position of the bank as at 30 June 2020, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2 to the financial statements.

Basis for Qualified Opinion

1. As per Note 14.4 of the financial statements, the bank's capital adequacy ratio as at June 30, 2020 was showing a negative figure (41.68%), because of negative core Capital amounting to BDT 84,468,504,221 (8446.85 Crore). The shortfall in amount of capital was BDT 102,279,105,260 (10,227.91 Crore).
2. Included in Note 9.4.1, the financial statements have shown unreconciled debit balance of BDT 1,470,778,901 (147.08 Crore) relating to Inter Branch Transaction Accounts.
3. Interest was not charged on borrowings from Government and loan from international financial organization. Interest on loan from government borrowings BDT: 160,865,271 and interest on loan from ADB BDT 14,016,086 for the current year were not accrued. If we consider the interest expenses, bank's loss will be increased by the interest expense BDT: 174,881,357 (17.48 Crore). This is also a violation of IAS & IFRS.
4. As per IAS-12 Income Taxes, it is mandatory for an entity liable to tax to recognize deferred tax liability / assets. However, deferred tax liability / assets were not recognized in the financial statement of the bank. In addition to IFRS 16 (Leases) need be implemented.

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





Matters of Emphasis

1. We draw attention to the matter disclosed in note- 4.1.3 & 6.2.1 in Fixed Deposit & Investment in Quoted Share of ICB Islamic Bank Ltd. amount of BDT 76,706,484 & 31,439,000 respectively for long no income earned on said investment but yearly charge is deducted from these balances.
2. We draw attention to the matter disclosed in note-7 the bank should have been written off 24.08% of loan BDT 10,446,118,299 (1,044.61 Crore) of the total outstanding loan BDT 43,374,326,056 (4,337.43 Crore) on the basis of 20 branches (List of branches provided by Ministry of finance) which was not done. CL analysis as per relative circular provided by Bangladesh Bank.
3. The bank has shown fixed assets WDV BDT 7,929,286,741 as on June 30, 2020. But the existence of those fixed assets could not be verified due to incomplete maintenance of fixed assets register. The assets identification number of each assets in register, location & user of assets, etc. was not found in the fixed assets register. Yearend fixed assets counting should be carried out each year.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We summarize below the key audit matters in arriving at our audit opinion above, together with our key audit procedures to address those matters and as required for public interest entities. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters.

The key audit matters are discussed below together with an explanation of how the risk and our audit response was tailored to address these specific areas.

Loans & Advances	
Key Audit Matters	Our response to the risk
<p><u>Classification of Loan</u></p> <p>The classification of Loans & Advances is determined by specific Bangladesh Bank's circulars which have wide ranging effect on the financial position and performance of the Bank, namely through provisioning requirements.</p> <p>Furthermore, the calculation of RWA (Risk Weighted Assets) is, to some extent, dependent on the classification of Loans & Advances which ultimately impact the CRAR (Capital to Risk Weighted Assets) – a significant indicator of Bank's health under the BASEL – III regime.</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Tested the investment appraisal, loans disbursement procedures, monitoring and recovery process; • Identified of loss events, including early warning and default warning indicators; • Reviewed quarterly Bank's Classification of Investment (CL); <p>Furthermore, we have assessed the Loans & Advances application receipt, assessment,</p>



Furthermore the recognition and measurement of these Loans & Advances are dictated by Bangladesh Bank's circulars namely BRPD circular 14 dated-23.09.2012, BRPD circular 19 dated-27.12.2012, BRPD circular 05 dated- 29.05.2013, BRPD circular 16 dated-18.11.2014, BRPD circular 08 dated-02.08.2015, BRPD circular 12 dated-20.08.2017, BRPD circular 15 dated-27.09.2017, BRPD circular 01 dated-03.01.2018, BRPD circular 01 dated-20.02.2018, BRPD circular 03 dated-21.04.2019 respectively which limits the fair implementation of respective IFRSs.

Measurement of Provision

The process for estimating the provision for Loans & Advances portfolio associated with credit risk is significant and complex.

For the individual analysis, these provisions consider the estimates of future business performances and the market value of collateral provided for credit transactions.

For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation.

At year end, the Bank reported total Loans & Advances of Taka 237,857,529,454 (23,785.75 Crore) and provision against Loans & Advances of Taka 18,833,653,178 (1,883.37 Crore).

The Bank's disclosures about provisioning of Loans & Advances are included in note 2.01.02 & 2.12.03.

documentation and authorization process against Bank's policy and Bangladesh Bank's requirements.

As part of our process, we have also reviewed the loan files, bank statements, assessed the adequacy of collateral.

Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

We tested the design and operating effectiveness of key controls focusing on the following:

- Tested the control designed by management to ensure compliance of Bangladesh Bank Circulars relating to provision requirement and provision calculations.
- Tested the controls regarding the proper reporting of provision in (CL) and others.
- Tested the controls relating to proper authorization and compliance of Bangladesh Bank Circulars for write-off of investment.
- Our substantive procedures in relation to the provision for Investments portfolio comprised the following:
- Reviewed the adequacy of the Bank's general and specific provisions;
- Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information;

Finally assessed the appropriateness and presentation of disclosures against relevant



	accounting standards and Bangladesh Bank guidelines.
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IT systems and controls	
Key Audit Matters	Our response to the risk
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our area of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensure that IT dependent and application-based controls are operating effectively.</p> <p>The Bank's disclosures relating to its IT systems and controls are included in note 2.24.04 & 2.24.6 of the financial statements.</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Bank's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p> <p>Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.</p>

Legal & Regulatory Matters	
Key Audit Matters	Our response to the risk
<p>We focused on this area because the Bank operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>Significant Legal & Regulatory matters pertaining to the Bank were:</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the legal provision and contingencies process.</p> <p>We enquired those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p>





<ul style="list-style-type: none">• Compliance of rules & regulations, including submission of returns to various regulators;• Maintenance of regulatory capital, reserves & provisions; and• Litigation (cases) filed on behalf of or against the Bank including any provisioning requirements. <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>The Bank's disclosures relating to its Legal & Regulatory Matters are included in the related policy note.</p>	<p>We also enquired Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p>
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Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Going Concern

We are required to report if we have anything material to add or draw attention to in relation to the note 2.03 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Bank's use of that basis for a period of at least twelve months from the date of approval of the financial statements. There appears to be a going concern issue for foreseeable future.

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

Management is responsible for the preparation and fair presentation of the financial statements of the Bank in accordance with IFRSs as explained in note 3.21 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error. The Bank Company Act, 1991 (amended up to 2018) and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-





assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

This assignment has been jointly performed by 2 firms. For the professional convenience leading to timely completion of it, the firms mutually agreed to divide the work with the consent of BKB, among themselves as follows: Pinaki & Company Chartered Accountants got Assets & Income while Ahmed Zaker & Co. Chartered Accountants was allotted Liabilities & Expenditure side. However, the joint & several responsibilities of the firms remain with both the firms.

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

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in

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our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

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

Other Information:

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Bank Company Act, 1991(amended up to 2018) and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) To the extent noted during the course of our audit work performed on the basis stated under the Auditor's 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 antifraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:





- (iii) In our opinion, proper books of accounts as required by law have been kept by the Bank so far as it appeared from our examination of those books;
- (iv) The records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (v) The expenditures incurred were for the purpose of the Bank's business for the year;
- (vi) The financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (vii) Adequate provisions have been made for Loan and advance, other assets and off-balance sheet items which are in our opinion, doubtful of recovery;

M. Zayed Ali Mridha, FCA
Partner
ICAB Enrol. No. 478
Ahmed Zaker & Co
Chartered Accountants

Mohan Adhikari, FCA
Partner
ICAB Enrol. No. 1729
Pinaki & Company
Chartered Accountants

Dhaka,
Dated: May 06, 2021

DVC NO. 2106021729A5887284

DVC No.: 2106020478A5543360

BANGLADESH KRISHI BANK
BALANCE SHEET
AS AT 30 JUNE 2020

Particulars	Note	Amount in Taka	
		30 June 2020	30 June 2019
Property and Assets			
Cash	3	17,814,912,898	18,897,194,491
Cash in Hand (Including Foreign Currencies)		1,740,536,527	2,099,354,545
Balance with Bangladesh Bank & its Agent Bank(s) (Including Foreign Currencies)		16,074,376,371	16,797,839,947
Balance with Other Banks & Financial Institutions	4	835,478,980	960,714,153
In Bangladesh		491,467,165	243,872,902
Outside Bangladesh		344,011,815	716,841,251
Money at call and short notice	5	-	-
Investments	6	116,554,000	125,379,000
Government Securities		82,115,000	88,440,000
Other Investments		34,439,000	36,939,000
Loans and Advances	7	237,857,529,454	219,227,164,449
Loans, Cash Credits, Overdrafts etc.		232,027,085,288	213,332,424,096
Bills Purchased and Discounted		5,830,444,166	5,894,740,354
Fixed Assets	8	7,929,286,742	8,010,476,129
Other Assets	9	24,039,165,673	20,465,071,978
Non-Banking Assets	10	322,287,120	334,552,963
Total Assets		<u>288,915,214,867</u>	<u>268,020,553,164</u>
Liabilities and Capital			
Liabilities			
Borrowing from Other Banks, FI and Agents	11	45,519,572,094	33,215,340,251
In Bangladesh		45,255,752,383	32,951,520,540
Outside Bangladesh		263,819,711	263,819,711
Deposits and Other Accounts	12	276,953,347,910	257,338,199,942
Current and Contingency Accounts		23,351,735,567	23,504,988,082
Bills Payable		1,150,471,317	1,210,027,299
Savings Deposit		74,212,594,295	67,109,953,889
Fixed Deposit		178,238,546,730	165,513,230,671
Other Liabilities	13	44,077,712,419	42,950,620,783
Total Liabilities		366,550,632,423	333,504,160,976
Capital/ Owners' Equity			
Paid-up Capital	14.2	9,000,000,000	9,000,000,000
Re-Capitalization	14.3	6,500,000,000	6,500,000,000
Statutory Reserve	15	232,306,342	232,306,342
Other Reserve	16	7,421,220,524	7,421,220,524
Retained Earnings Surplus/(Deficit)	17	(100,788,944,422)	(88,637,134,678)
Total Capital/ Owners' Equity		<u>(77,635,417,556)</u>	<u>(65,483,607,812)</u>
Total Liabilities and Owners' Equity		<u>288,915,214,867</u>	<u>268,020,553,164</u>



BANGLADESH KRISHI BANK
OFF BALANCE SHEET ITEMS
AS AT 30 JUNE 2020

Particulars	Note	Amount in Taka	
		30 June 2020	30 June 2019
Contingent Liabilities:		7,922,343,261	12,115,653,354
Acceptance for Constituents Liabilities (Letter of Credit)	18	7,826,881,541	12,032,665,217
Outstanding Customers Liabilities Guarantees	18.1	95,461,720	82,988,137
Bills for Collection		-	-
Others		-	-
Other Commitments:			
Documentary Credits and Short Term Trade Related		-	-
Forward Assets Purchased and Forward Deposits Placed		-	-
Undrawn note Issuance and Revolving Underwriting		-	-
Undrawn Formal Standby Facilities, Credit Lines and Other Commitments		-	-
Total		-	-
Total Off-Balance Sheet Items		7,922,343,261	12,115,653,354

Accompanying notes 1 to 38 form an integral part of these financial statements

Md. Nasiruzzaman
Chairman

Md. Ali Hossain Prodhania
Managing Director

Mohammad Shafiqul Azam
Director

Md. Nurul Islam
Director

Md. Saiful Islam
Director

Md. Hamidur Rahman
Director

Md. Asadullah
Director

Mrityunjoy Saha
Director

Md. Didarul Islam Mozumder
General Manager

M. Zabed Ali Mridha, FCA
Partner
ICAB Enrol. No. 478
Ahmed Zaker & Co.
Chartered Accountants

Mohan Adhikari, FCA
Partner
ICAB Enrol. No. 1729
Pinaki & Company
Chartered Accountants

DVC No. 2106021729 AS 887284

Dhaka, Bangladesh.
Date: May 06, 2021

DVC No.: 2106020478 AS 543360



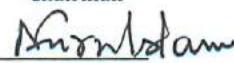
BANGLADESH KRISHI BANK
PROFIT AND LOSS ACCOUNT
For the year ended on 30 June 2020

Particulars	Notes	Amount in Taka	
		30 June 2020	30 June 2019
Interest Income	19	11,827,422,348	13,455,980,755
Less :Interest Expense on Deposit & Borrowings	20	(15,825,309,571)	(14,423,355,410)
Net Interest Income		(3,997,887,223)	(967,374,655)
Income from Investment	21	1,080,000	1,080,000
Commission, Exchange & Brokerage	22	200,919,582	196,393,239
Other Receipts	23	722,219,396	810,775,321
Total Operating Income		(3,073,668,245)	40,873,905
Salary & Allowance	24	8,114,086,198	8,039,450,430
Rent, Taxes, Insurance, Lighting etc.	25	414,869,766	408,104,689
Legal Charges	26	854,057	1,424,483
Postage, Telegram, Telephone & Stamps	27	57,934,101	64,564,999
Auditor Fee	28	1,030,400	976,000
Stationary, Printing & Advertisement	29	52,103,847	60,111,461
Pay & Allowances of Managing Director	30	1,607,220	1,607,220
Director's Fees	31	2,050,400	1,840,000
Depreciation & Repairs of Bank Property	32	265,629,547	270,983,975
Other Expenditure	33	1,131,466,114	548,270,202
Total Operating Expenditure		10,041,631,650	9,397,333,459
Profit / (Loss) Before Provision :		(13,115,299,896)	(9,356,459,554)
Provision for Loans & Advances		(780,000,000)	(2,650,000,000)
Provision for Diminution in Value of Investment		-	-
Other Provision		-	-
Total Provision		(780,000,000)	(2,650,000,000)
Total Profit / (Loss) before taxes		(12,335,299,896)	(6,706,459,554)
Provision for Income Tax		76,509,848	86,785,376
Net Profit/(Loss) After Tax		(12,411,809,744)	(6,793,244,929)
Appropriations:			
Statutory Reserve		-	-
General Reserve		-	-
Dividend		-	-
Retained Surplus		(12,411,809,744)	(6,793,244,929)
Earnings Per Share (EPS)		-	-

Accompanying notes 1 to 38 form an integral part of these financial statements



Md. Nasiruzzaman
Chairman



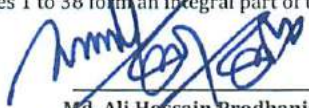
Md. Nurul Islam
Director



Md. Asadullah
Director



M. Zabeed Ali Mridha, FCA
Partner
ICAB Enrol. No. 478
Ahmed Zaker & Co.
Chartered Accountants



Md. Ali Hossain Prodhania
Managing Director



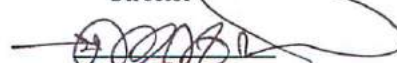
Md. Saiful Islam
Director



Mrityunjoy Saha
Director



Mohammad Shafiqul Azam
Director



Md. Hamdur Rahman
Director



Md. Didarul Islam Mgzumder
General Manager



Mohan Adhikari, FCA
Partner
ICAB Enrol. No. 1729
Pinaki & Company
Chartered Accountants

Dhaka, Bangladesh.
Date: May 06, 2021

DVC No.: 2106020478AS543360

DVC No. 2106021729AS887284



BANGLADESH KRISHI BANK
STATEMENT OF CHANGES IN EQUITIES
For the year ended as on 30 June 2020

Particulars	Paid-Up Capital	Re-capitalization	Statutory Reserve	Revaluation Reserve	Other Reserves	Profit/ (Loss)	Total Amount
Balance as at 01 July, 2019	9,000,000,000	6,500,000,000	232,306,342	6,833,086,665	588,133,858	(88,637,134,678)	(65,483,607,813)
Prior year adjustment	-	-	-	-	-	260,000,000	260,000,000
Restated opening balance	9,000,000,000	6,500,000,000	232,306,342	5,499,776,939	588,133,858	(88,377,134,678)	(65,223,607,813)
Increased/ Decreased due to Revaluation of Assets or Devaluation of Currency	-	-	-	-	-	-	-
Revaluation Reserve	-	-	-	-	-	-	-
Re-Capitalization	-	-	-	-	-	-	-
Net Profit / (Loss)	-	-	-	-	-	(12,411,809,744)	(12,411,809,744)
Dividend	-	-	-	-	-	-	-
Increased of Capital	-	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-
Balance as at 30 June, 2020	9,000,000,000	6,500,000,000	232,306,342	5,499,776,939	588,133,858	(100,788,944,422)	(77,635,417,557)


Accompanying notes 1 to 38 form an integral part of these financial statements.


Md. Nasiruzzaman
Chairman

Md. Nasiruzzaman
Chairman


Md. Ali Hossain Prodhan
Managing Director

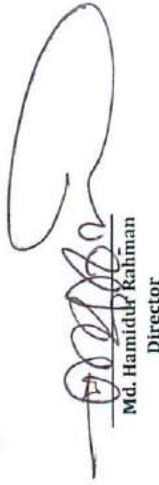
Md. Ali Hossain Prodhan
Managing Director


Mohammad Shafiqul Azam
Director

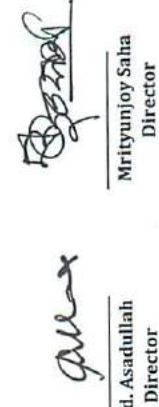
Mohammad Shafiqul Azam
Director


Md. Nurul Islam
Director

Md. Nurul Islam
Director


Md. Hamidur Rahman
Director

Md. Hamidur Rahman
Director


Md. Asadullah
Director

Md. Asadullah
Director


Md. Didarul Islam Mozumder
General Manager

Md. Didarul Islam Mozumder
General Manager





BANGLADESH KRISHI BANK
CASH FLOW STATEMENT
For the year ended on 30 June 2020

Particulars	Note	Amount in Taka	
		30 June 2020	30 June 2019
A. Cash flow from operating activities:			
Interest Received	35	9,702,102,000	10,637,978,924
Interest Paid	36	(9,839,359,906)	(9,095,207,737)
Dividend Received	21	1,080,000	1,080,000
Fees and Commission Receipts	22	200,919,582	196,393,239
Cash Paid to Employees	24	(8,114,086,198)	(8,039,450,430)
Cash Paid to Suppliers	37	(46,242,348)	(48,297,588)
Receipts from Other Operating Activities	23	722,219,396	810,775,321
Payments for Other Operating Activities	38	(1,632,044,239)	(1,066,893,476)
Recovery from Written-Off Loans & Advances		42,500,000	100,000,000
Income Tax Paid(at source)		4,529,109	(18,300,247)
activities		(8,958,382,604)	(6,521,921,993)
Increase/(decrease) in operating assets and liabilities			
Loans and Advances to Customers		(17,544,594,261)	(18,980,211,340)
Other Assets		(3,561,827,853)	(2,159,709,907)
Other Liabilities		1,127,091,636	217,004,641
Deposits From Customers		15,564,149,089	15,440,300,000
		(4,415,181,389)	(5,482,616,606)
Net Cash Flow from Operating Activities(A)		(13,373,563,993)	(12,004,538,599)
B. Cash Flows From Investing Activities			
(Purchase)/Sales of Securities and Bond (Others)		-	-
(Purchase)/Sale of Securities (Government)		8,825,000	(10,237,000)
(Purchase)/Sale of Property, Plant and Equipments		(147,009,618)	(393,891,797)
Net cash Flow from Investing Activities		(138,184,618)	(404,128,797)
C. Cash Flows from Financing Activities			
Paid up Capital/Re-capitalization		-	-
Dividend Paid		-	-
(Payments)/Receipt from Borrowings		12,304,231,842	4,255,221,083
Net Cash Flow from Financing Activities		12,304,231,842	4,255,221,083
D. Net Increase/(Decrease) in Cash (A+B+C)		(1,207,516,768)	(8,153,446,313)
F. Cash and Cash Equivalents at the Beginning of the Year		19,857,908,645	28,011,354,958
G. Cash and Cash Equivalents at the End of the Year(D+F)	34	18,650,391,876	19,857,908,645

Accompanying notes 1 to 38 form an integral part of these financial statements

Md. Nasiruzzaman
Chairman

Md. Ali Hossain Prodhania
Managing Director

Mohammad Shafiqul Azam
Director

Md. Nurul Islam
Director

Md. Saiful Islam
Director

Md. Hamidur Rahman
Director

Md. Asadullah
Director

Mrityunjoy Saha
Director

Md. Didarul Islam Mazumder
General Manager





BANGLADESH KRISHI BANK

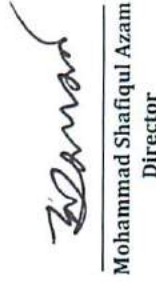
Liquidity Statement

Maturity Analysis of Assets & Liabilities as at 30 June 2020

Amount in Taka						
Particulars	upto 1 month	1- 3 months	3 -12 months	1-5 years	More than 5 years	Total
Assets						
a) Cash	1,740,536,527	-	-	-	-	1,740,536,527
b) Balance with other Banks	5,993,468,040	24,380,826	-	-	10,902,006,484	16,909,855,351
c) Investment	6,311,000	-	-	73,304,000	36,939,000	116,554,000
d) Loans & Advances	9,514,301,178	21,407,177,651	66,600,108,247	118,928,764,727	21,407,177,651	237,857,529,454
e) Land Building & Other Fixed Assets	-	-	-	-	7,929,286,742	7,929,286,742
f) Other Assets	-	5,240,645,960	7,860,968,940	3,281,265,232	7,656,285,541	24,039,165,673
g) Non-Banking Assets	-	-	96,686,136	225,600,984	-	322,287,120
Total Assets	17,244,616,745	26,672,204,437	74,557,763,323	122,508,934,943	47,931,695,418	288,915,214,867
Liabilities						
a) Borrowing from Bangladesh Bank, Other Banks And Agents	-	4,000,000,000	1,646,400,000	8,232,000,000	31,641,172,094	45,519,572,094
d) Deposits	14,143,988,056	19,016,287,337	57,669,842,289	115,069,458,792	69,903,300,118	275,802,876,593
c) Other Accounts	11,504,713	23,009,426	57,523,566	230,094,263	828,339,348	1,150,471,317
d) Provision and Other Liabilities	-	1,913,950,603	3,827,901,207	13,397,654,224	24,938,206,385	44,077,712,419
e) Equity	-	-	-	-	-	-
Total Liabilities	14,155,492,770	24,953,247,367	63,201,667,061	136,929,207,280	127,311,017,945	366,550,632,423
Net Liquidity Mismatch	3,089,123,976	1,718,957,070	11,356,096,262	(14,420,272,336)	(79,379,322,528)	(77,635,417,555)
Cumulative Net Mismatch	3,089,123,976	4,808,081,046	16,164,177,309	1,743,904,972	(77,635,417,555)	(77,635,417,555)


Md. Nasiruzzaman
Chairman

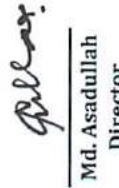

Md. Ali Hossain Prodhan
Managing Director


Mohammad Shafiqul Azam
Director


Md. Nurul Islam
Director


Md. Saiful Islam
Director


Md. Hamidur Rahmar
Director


Md. Asadullah
Director


Mrityunjay Saha
Director


Md. Didarul Islam Mazumder
General Manager





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 (As amended in 2013). The Head Office is situated at Krishi Bank Bhaban, 83-85 Motijheel Commercial Area, Dhaka - 1000. It has 1038 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 including accepting deposits, extending loans & advances, discounting & purchasing bills, remittances, money transfer, foreign exchange transaction, guarantee, commitments etc. Generally it provides loans & advances to individuals and corporate bodies related to:

- i) Production of Crops (including its related industries)
- ii) Purchase of Irrigation machinery and equipment
- iii) Development of horticulture
- iv) Pisciculture (Fisheries)
- v) Animal husbandry (Beef fattening & dairy farming)

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 partially for some of its branches and offices, some branches are operated in off-line computerized system and some branches are operated manually. The bank has a vision to expand and to modernize the IT platform and information systems gradually for its all branches. 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 2020 have been prepared under the "First Schedule" (section-38) of the Bank Companies Act 1991 (amended in 2018), as amended by the BRPD Circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, the Companies Act, 1994, International Accounting Standards (IAS) & International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) 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 IFRSs in order to comply with the rules and regulation of Bangladesh Bank which are disclosed below:

2.01.01 Investment in shares

IFRSs: As per requirements of IFRS-9 Investment in shares which are actively traded on a quoted market are designated at fair value (market price) through profit or loss (FVTPL). Gains or losses arising from a change in the fair value of such financial assets are recognized in the statement of profit or loss and other comprehensive income.

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

Bangladesh Bank: Provision for loans and advances is made on the basis of period-end review by the management following instructions contained in Bangladesh Bank BRPD Circular no. 7 dated 6 December 2005, BRPD Circular no. 14 dated 23 September 2012, BRPD Circular no. 19 dated 27 December 2012, BRPD Circular no. 5 dated 29 May 2013, BRPD Circular no. 16 dated 18 November 2014, BRPD Circular no. 8 dated 2 August 2015. Provisions and interest suspense are separately shown under other liabilities as per First Schedule of Bank Company Act 1991 (amended up to 2018). Rate of Provision for Unclassified Loans and Advances respectively a general provision at 0.25% to 5% under different categories of unclassified loans (good/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 and BRPD Circular no. 14 dated 23 September 2012, a general provision at 1% should be provided for all off-balance sheet exposures. IAS 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 IFRS 9. As such some disclosure and presentation requirements of IFRS 9 and IAS 32 cannot be made in the accounts.

2.01.04 Financial Guarantees

IFRSs: As per IAS-39 financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are 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

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

2.01.06 Non banking assets

IFRSs: No indication of non-banking assets are found in any IFRSs.

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

IFRSs: 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: The statement of cash flows has been prepared in accordance with the guideline 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)

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

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

2.01.09 Loans and advance net of provision

IFRSs: 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 international Accounting Standards (IASs) and international Financial Reporting Standards (IFRSs)]

2.02 Basis of measurement

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

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.

Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' at present value using amortization concept.

Land & Buildings is recognized at cost at the time of acquisition and subsequently measured at fair value as per IAS-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.

As per President order no.-27 dated 31.03.1973 of Bangladesh Krishi Bank No provision of law relating to the winding up of banking companies shall apply to the Bank and the Bank shall not be wound up save by order in writing of the Government and in such manner as the Government may direct.

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 International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) 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 IAS-21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are 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 International Accounting Standard (ISA-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 International Accounting Standard (ISA-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
Unquoted 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 Equipment's

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 IAS-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.

Depreciation

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

Category of fixed assets

Rate of Depreciation

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, IAS-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. 150.00 Crore has been transferred to Superannuation Fund.





2.13.06 Provision for taxation

As per Income Tax Ordinance 1984, section 82c provision has been kept Taka 8,67,85,376 for minimum tax @ 0.6% for turnover or total income earned by the bank during the financial year 2018-2019.

2.14 Capital Expenditure Commitment

There is no capital expenditure on contingent contract or commitment as at June 30, 2020.

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 Requirement	Bank's	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 IAS-18 "Revenue" as well as Bangladesh Bank guidelines.

2.16.01 Interest income

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

- 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

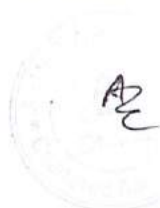
Other comprehensive income is presented in financial statements in accordance with IAS-1: **Presentation of financial statements**. No other comprehensive income is recognized during the year.

2.17 Reporting period

These financial statements of the bank cover one financial year from 01 July 2018 to 30 June 2020.

2.18 Compliance report on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRS)

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

Name of the International Accounting Standards (IASs)	IAS 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
International Financial Reporting Standard (IFRSs)	IFRS 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
Financial Instruments	9	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 IAS / IFRS as marked above. As such the bank has departed from those contradictory requirements of IAS/IFRS 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:

- a) The Bank Companies Act, 1991 (as amended 2013)
- b) Rules & regulations issued by Bangladesh Bank
- c) The Income-tax Ordinance, 1984
- d) 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 IAS 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 doing 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 from 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; a
- 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 International Accounting Standards (IAS-24) "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and 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) 13 Writ Suits, 40 Artho Rine Suits are filled during the period and 20 Writ Suits, 131 Artho Rine Suits are settled during the period from 01 July 2019 to 30 June 2020.
- b) 92 Writ Suits, 02 Insolvency Suits & 1247 Artho Rine Suits are unsettled as on 30 June, 2020.

2.28 Post balance sheet event

No post balance sheet event occurred from July, 2019 to September, 2020 so far, the available book and records and information gathered.

2.29 Disclosures of frauds and forgeries by bank employees

During the financial year 03 frauds have been committed by 03 employees. Total Tk. 105.82 Lac are involved in these frauds & 16.01 Lac amounts is realized from that fraud during the period.

In addition, from the beginning to 30 June, 2020 total 38 frauds and forgeries were committed in the bank & Tk. 2830.00 Lac are involved of that cases and total realized amount are Tk. 1852.00 Lac.

2.30 General

- a) Wherever consider necessary certain accounts of Financial Year 2019-2020 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.





Notes	Particulars	Ref. Notes	Amount in Taka	
			30 June 2020	30 June 2019
3	Cash			
	Cash in Hand (Including Foreign Currencies)	3.1	1,740,536,527	2,099,354,545
	Balance with Bangladesh Bank & its Agent Bank(s) (Including Foreign Currencies)	3.2	16,074,376,371	16,797,839,947
			17,814,912,898	18,897,194,491
3.1	Cash in Hand (Including Foreign Currencies)			
	Local Currency		1,708,855,140	2,059,543,956
	Foreign Currency	3.1.1	2,050,042	9,359,525
	Q-Cash (ATM)		6,000,000	709,371
	Electronic Money	3.1.2	23,631,345	27,476,693
	ATM cash account(ICT, card section)		-	2,265,000
			1,740,536,527	2,099,354,545
3.1.1	Currency-wise Grouping			
	Currencies	Amt in FC (30-06-20)	Exchange Rate	Amount in Taka
	USD	24,247	84.5500	2,050,042
				2,050,042
3.1.2	Electronic Money:			
	DBBL mobile banking		18,031,445	21,794,077
	Bkash mobile banking		5,599,900	5,682,616
			23,631,345	27,476,693
3.2	Balance with Bangladesh Bank & its Agent Bank(s) (Including Foreign Currencies)			
	Bangladesh Bank :			
	In Local Currency	3.2.1	12,263,066,307	13,929,010,325
	In Foreign Currency (Clearing Account)	3.2.2	189,175,147	255,858,738
			12,452,241,454	14,184,869,063
	Sonali Bank		3,622,134,917	2,612,970,884
			16,074,376,371	16,797,839,947
3.2.1	Local Currency in Bangladesh Bank			
	Motijheel Office		12,228,466,421	13,846,380,230
	Chittagong Office		4,263,066	22,988,480
	Sylhet Office		24,337,712	5,410,626
	Barisal Office		4,694,059	31,056,705
	Khulna Office		1,305,049	23,174,284
			12,263,066,307	13,929,010,325
3.2.2	Currency-wise Grouping			
	Currencies	Amt in FC (30-06-20)	Exchange Rate	Amount in Taka
	USD	1,743,475	84.5500	147,410,798
	GBP	369,511.36	103.7968	38,354,097
	EURO	35,958.11	94.8396	3,410,253
				189,175,147
3.3	Disclosures Regarding Maintenance of CRR & SLR			
3.3.1	Cash Reserve Requirment (CRR)			
	Cash Reserve Requirment (CRR) have been calculated and maintained in accordance with section 33 of Bank Companies Act 1991 (amended 2013) and MPD circular no.3 dated 09 April 2020.			
	As per Monetary Policy Department (MPD) circular No. 03 dated 09 April 2020 of Bangladesh Bank (effective from 15 April 2020), all scheduled banks are required to maintain CRR of minimum 3.5% on daily basis and 4.0% on bi-weekly basis based on weekly average demand and time liabilities of two months prior to current month. Bangladesh Krishi Bank (BKB) has been maintaining its CRR according to the BB policy. The CRR maintained and requirment are as follows:			
	Average Time & Demand Liabilities		269,383,300,000	242,773,591,000
	Required Reserve(4.00%)		10,825,300,000	13,630,000,000
	Actual reserve Maintained		11,040,000,000	14,040,000,000
	Surplus/(Shortfall)		214,700,000	410,000,000

*As per Bangladesh Bank statements.





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	491,467,165	243,872,902
Outside Bangladesh	4.2	344,011,815	716,841,251
		835,478,980	960,714,153
4.1 In Bangladesh			
Current Deposits	4.1.1	390,379,854	137,239,937
Short Term Deposits	4.1.2	24,380,826	29,926,252
Fixed Deposits	4.1.3	76,706,484	76,706,714
		491,467,165	243,872,902
4.1.1 In Current Deposits			
Janata Bank		42,199,473	58,626,871
Rupali Bank Ltd.		18,192,806	27,140,567
Agrani Bank Ltd.		23,778,652	32,013,421
Pubali Bank Ltd		4,313,897	2,686,378
Trust bank (ATM)		29,899	29,899
The City Bank Ltd		-	1,176
Islami Bank (Bd.) Ltd		38,687,051	8,708,038
Shajalal Islami Bank Ltd		-	4,355,561
DBBL (Mobile banking)		1,502	1,502
BRAC Bank Ltd (Bkash)		67	68
Standard Bank Ltd		261,619,590	1,273,941
National Bank Ltd		1,556,917	2,402,517
		390,379,854	137,239,937
4.1.2 Short Term Deposits			
Janata Bank		5,168,533	8,417,785
Rupali Bank Ltd.		3,341,595	3,491,896
Agrani Bank Ltd.		14,476,075	13,061,075
Pubali Bank Ltd		517,323	402,995
Mutual Trust Bank Ltd		877,301	4,552,501
		24,380,826	29,926,252
4.1.3 In Fixed Deposits			
ICB Islamic Bank Ltd		76,706,484	76,706,714
The City Bank Ltd		-	-
Standard Bank Ltd		-	-
Markentile Bank Ltd		-	-
		76,706,484	76,706,714
4.2 Outside Bangladesh (Debit balance with NOSTRO Accounts)			
Bank of Tokyo Mitsubishi Ltd. (JPY), Japan		3,756,012	4,566,819
Mashreq Bank PSC (dollar), Newyork		84,825,827	411,641,525
Sonali Bank, Calcutta (ACU Dollar)		16,842,230	40,342,638
Summit Bank Ltd (ACUD), Karachi		1,341,787	2,647,576
Arab Bangladesh Bank Ltd. Mumbai (ACU Dollar)		25,262,084	31,857,351
Standard Chartered bank (SCB) ACU dollar, Mumbai, India		120,937,897	54,382,899
ICICI Bank Ltd. (ACU), Mumbai, India		2,388,009	4,821,763
Habib Metro bank(ACUD)		3,669,470	7,217,854
Habib AG Zurich Bank, CHF		20,593,135	18,201,161
Habib American bank (dollar), NewYork		39,683,099	89,988,789
Habib AG Zurich Bank (Euro)		14,569,983	42,236,980
RBB (ACUD), Nepal		10,142,283	8,935,896
		344,011,815	716,841,251
4.2.1 Currency-wise Grouping			
Currencies	Amount in FC (30-06-20)	Exchange Rate	Amount in Taka
USD	3,608,429.16	84.5500	305,092,686
EURO	153,627.63	94.8396	14,569,983
CHF	231,102.32	89.10830	20,593,135
JPH	4,768,933.00	0.78760	3,756,012
			344,011,816





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

On demand	6,311,000	854,081,188
Not more than one month	-	29,926,252
More than 1 months but less than 3 months	-	-
More than 3 months but less than 1 year	-	-
More than 1 year but less than 5 years	73,304,000	-
More than 5 years	36,939,000	76,706,714
	116,554,000	960,714,153

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	82,115,000	88,440,000
Other investments	6.2	34,439,000	36,939,000
		116,554,000	125,379,000

6.1 Government securities

i) Treasury bill	-	-
ii) National Investment Bond	-	-
iii) Bangladesh Bank Bill	-	-
iv) Govt. Notes/Bonds	73,304,000	73,304,000
v) Prize Bond	6,311,000	15,136,000
vi) Others	2,500,000	-
v) Repo	-	-
	82,115,000	88,440,000

6.2 Other Investments

i) Share	31,439,000	31,439,000
ii) Debenture & Bond	-	-
iii) Other investment	3,000,000	5,500,000
iv) Gold etc	-	-
	34,439,000	36,939,000

6.2.1 Ordinary Shares

Quoted (publicly traded)	31,439,000	31,439,000
Unquoted	3,000,000	-
	34,439,000	31,439,000

* 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.

6.3 Maturity grouping of Investments

Upto 3 months	6,311,000	15,136,000
Over 3 months but below 1 year	-	-
Over 1 year but below 5 years	73,304,000	73,304,000
Over 5 years	36,939,000	36,939,000
	116,554,000	125,379,000

6.4 Provision Required For Investment

Ordinary Shares

i) Provision required for diminution in value of Investment	22,636,080	18,863,400
ii) Last year provision	18,863,400	18,549,010
iii) Provision made during the year	-	-
iv) Transfer from provision for unclassified loans & advances	3,772,680	314,390
Total Provision Held	22,636,080	18,863,400
iv) Provision excess/(shortfall)	-	-

6.5 Net Investment On Ordinary Share

Gross investment	34,439,000	31,439,000
Less: provision for investment	22,636,080	18,863,400
	11,802,920	12,575,600

7 Loans and Advances

Loans, Cash Credits, Overdrafts etc.	232,027,085,288	213,332,424,096
Bills Purchased and Discounted	5,830,444,166	5,894,740,354
	237,857,529,454	219,227,164,449





7.1 Maturity Grouping of Loans and Advances

Loans and advances are repayable :

Receivable on demand

With in 3 months

With in 3 months to 12 months

With in 1 year to 5 years

More than 5 years

9,514,301,178	8,769,086,578
21,407,177,651	17,538,173,156
66,600,108,247	61,383,606,046
118,928,764,727	109,613,582,225
21,407,177,651	21,922,716,445
237,857,529,454	219,227,164,449

7.2 Loans, Cash Credit and Overdraft etc. (including bills purchased and discounted)

In Bangladesh

Outside Bangladesh

237,857,529,454	219,227,164,449
-	-
237,857,529,454	219,227,164,449

7.2.1 In Bangladesh

Loans

Cash Credit

Overdrafts

Bills Purchased & discounted

7.3.1

7.3.2

7.3.3

194,682,582,225	178,728,188,146
37,344,503,063	34,604,235,950
-	-
5,830,444,166	5,894,740,354
237,857,529,454	219,227,164,449

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

Cash Credit

Bills Purchased & discounted

7.3.1

7.3.2

7.3.3

194,682,582,225	194,609,890,751
37,344,503,063	34,604,235,950
5,830,444,166	5,834,789,676
237,857,529,454	235,048,916,377

7.3.1 Loans

Crop loan

Fishery loan

Livestock

Irrigation Equipment

Agro Industry Loan

Socio Economic Activities

Staff Loans

Ready Made Garments (RMG)

Textiles

Transport, storage & communication

SME

122,732,833,296	137,399,777,976
13,785,500,000	12,569,300,000
15,659,200,000	13,315,800,000
491,700,000	494,400,000
583,000,000	658,800,000
4,120,000,000	101,200,000
13,307,324,990	11,946,112,775
3,646,877,976	2,890,600,000
68,345,963	2,859,200,000
52,400,000	86,600,000
20,235,400,000	12,288,100,000
194,682,582,225	194,609,890,751

7.3.2 Cash Credit

Cash Credit

37,344,503,063	34,604,235,950
37,344,503,063	34,604,235,950

7.3.3 Bills Purchased & Discounted

Local bill purchased

Inland bill purchased

Foreign documentary bill purchased

7.3.3.1

-	-
-	-
5,830,444,166	5,834,789,676
5,830,444,166	5,834,789,676

7.3.3.1 Foreign documentary bill purchased

In Bangladesh

Outside Bangladesh

-	-
5,830,444,166	5,834,789,676
5,830,444,166	5,834,789,676

7.3.3.2 Maturity Grouping of Bills Purchased & Discounted

Payable within 1 month

Over 1 month but less than 3 months

Over 3 months but less than 6 months

6 months or more

5,830,444,166	4,407,582,354
-	913,612,000
-	573,546,000
-	-
5,830,444,166	5,894,740,354



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

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):

Number of client

Loan amount

Classified loan therein:

Sub Standard (SS)

Doubtful (DF)

Bad/Loss (BL)

7.4.2

20

21,585,200,000

20

21,194,300,000

8,471,000,000

8,471,000,000

6,796,600,000

6,796,600,000

Measures taken for recovery of classified loan :

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

i) Sending letters and reminder to the customer.

ii) Recovery cell including top management level holds discussion with the clients to recover the loans.

iii) Maintaining special recovery arrangement through loan fair, client gathering, recovery campaign, etc.

iv) Legal proceedings and quick settlement.

v) 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	Limit	Status
Fair Yarn Processing Ltd	340.16	313.53	BL
BCIC, BCIC BHABAN DHAKA	302.05	800.00	UC
Padma Bliching and dying Ltd	174.98	89.86	UC
Abul khayer leaf Tobacco ldt	121.20	95.00	UC
Mono Packaging Ltd	120.90	59.26	BL
Fiaz enterprize	108.68	50.00	BL
Anika Enterprize	101.54	92.71	BL
Multajim spinning Mills Ltd	97.35	133.00	UC
Pran Dairy Ltd	95.86	100.00	UC
Hossen Enterprize	84.91	50.00	UC
S A Oil Refinary	84.65	78.37	BL
Rahman Tarding	61.40	56.08	BL
MS Paharika Farms Ltd	47.88	37.28	UC
Royal Plastic	43.79	21.20	UC
Saad Musa Fabrics	38.16	45.00	UC
Abbas Trading	29.77	29.77	BL
National Tea co Ltd	135.04	137.00	UC
Bay Agro Ind Ltd	58.46	31.50	UC
Jaber & Jubayer febrics	70.87	70.87	UC
Jemine Foods ltd	40.87	40.00	UC
Total	2158.52	2330.43	

7.4.3 Industry Wise Distribution of Loans and Advances(Excluding Staff Loans):

Textiles

Transport

Food (Industry & mfg)

Export & Import credit

Rural credit

Ready Made Garments (RMG)

3,947,100,000

52,500,000

10,640,900,000

9,933,300,000

197,001,404,464

2,975,000,000

224,550,204,464

2,859,200,000

86,600,000

11,158,200,000

9,559,000,000

180,727,451,674

2,890,600,000

207,281,051,674

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

Dhaka

Chittagong

Sylhet

Khulna

Barisal

Mymensingh

72,462,604,464

42,339,400,000

13,131,500,000

38,149,000,000

22,218,900,000

36,248,800,000

224,550,204,464

66,373,051,674

40,143,900,000

12,153,700,000

33,722,100,000

20,424,200,000

34,464,100,000

207,281,051,674





7.5 Classification Status of Loans & Advances

Unclassified

- i) Standard (including staff loans)
- ii) Special Mention Account (SMA)

Sub-total

Classified

- i) Sub-Standard
- ii) Doubtful
- iii) Bad

Sub-total

Grand total

205,285,388,183	182,710,329,349
5,245,079,434	855,942,017
210,530,467,617	183,566,271,366
1,482,403,795	2,631,894,786
1,015,964,543	1,279,282,487
24,828,693,499	31,749,715,810
27,327,061,837	35,660,893,083
237,857,529,454	219,227,164,449

7.6 Movement of classified Loans & Advances

Opening classified loans & advances

Less:

Cash recovery & adjustment

Write off

Interest waiver

Re-scheduling

Add: Newly classified loans & advances during the year

Closing balance of classified loans & advances

35,660,893,083	39,351,367,965
4,555,900,000	10,850,300,000
6,053,000,000	-
8,282,000,000	21,050,700,000
18,890,900,000	31,901,000,000
8,436,161,837	3,759,893,083
27,327,061,837	35,660,893,083

7.7 Details of Provision required and held for loans and advances

Provision required:

For unclassified loan

Standard

SMA

sub-total:

For classified loan

Substandard

Doubtful

Bad/loss

sub-total:

Total:

Provision maintained/held:

For unclassified loan

13.3.1

For classified loan

13.3.2

Total:

Provision excess/(shortfall)

1,824,258,827	1,634,662,613
33,683,600	7,694,069
1,857,942,427	1,642,356,682
69,956,145	126,998,119
84,533,761	73,815,633
16,225,661,771	17,494,725,916
16,380,151,677	17,695,539,668
18,238,094,104	19,337,896,350
1,857,942,427	1,642,356,682
16,975,710,751	18,024,332,139
18,833,653,178	19,666,688,821
595,559,074	328,792,471

7.8 Net Loans and Advances

Gross loans & advances

Less: interest suspense

Less: total provision held

237,857,529,454	219,227,164,449
11,042,375,244	9,248,404,041
18,833,653,178	19,666,688,821
207,981,501,032	190,312,071,587

7.9 Particulars of Loans and Advances

1. Debts considered good in respect which the banking company is fully secured

2. Debts considered good for which the banking company holds no security other than the debtor's personal guarantee.

3. Debts considered good and secured by personal undertakings of one or more parties in addition to the personal guarantee of the debtor's

4. Debts considered bad or doubtful not provided for. (Total classified loans and advances less provision)

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.

34,287,023,939	32,874,700,000
147,088,233,296	133,907,375,371
13,307,324,990	11,946,112,775
194,682,582,225	178,728,188,146





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	27,327,061,837	35,660,893,083
11. Amount written off during the year	-	-
12. Total written off Loan from beginning to the end	3,692,164,000	3,692,164,000
13. Amount realized/adjusted against previous written off	42,500,000	100,000,000
14. 30.06.18 Balance of written off loan	2,073,400,000	2,115,898,000
15. The amount of written off loan for which law suit has been filed.	2,073,400,000	2,115,898,000

8 Fixed Assets including premises, furniture & fixtures

Land	6,440,330,000	6,440,330,000
Building	651,940,102	663,580,660
Motor Vehicles	132,686,232	142,644,901
Furniture & Fixtures	131,248,347	146,017,978
Office Equipments	60,986,577	61,587,619
Office Machineries	379,509,505	401,378,914
Electrical Equipments	132,585,979	154,936,059
	7,929,286,742	8,010,476,129

Fixed assets schedule detail in Annexure - B.

9 Other Assets

Income generating	-	-
Non income generating	24,039,165,673	20,465,071,978
	24,039,165,673	20,465,071,978

9.1 Ageing of Other Assets

Upto 6 months	12,276,907,335	10,775,571,977
More than 6 months but less than 1 year	824,707,565	671,000,000
More than 1 year but less than 2 years	1,928,545,656	1,691,100,000
More than 2 years but less than 3 years	2,073,304,000	1,196,200,000
More than 3 years	6,935,701,118	6,131,200,000
	24,039,165,673	20,465,071,977

Income Generating

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

Non Income Generating

Stamps	14,442,503	3,863,592
Stationery	119,154,452	114,263,636
Accrued Interest Receivable on staff loans & advances	4,143,691,687	4,145,446,628
Advance, Deposit & Pre-Payments	69,958,926	38,224,662
Sundry debtors (Accounts Receivable)	13,374,521,332	13,437,387,565
Suspense Account	6,317,396,773	2,725,885,896
	24,039,165,673	20,465,071,978

9.2 Advance, Deposit & Pre-Payments

Traveling Advance	4,726,500	2,596,434
Advance against Salary	1,105,549	930,100
Other Advances to Staff	641,351	139,135
Advance against Supply	1,320,704	113,612
Security Deposits	37,160,029	7,055,139
Prepaid Expenses	24,918,975	27,340,586
Advance against Foreign Loan	85,818	49,656
	69,958,926	38,224,662





9.3 Sundry debtors (Accounts Receivable)

Remissioned interest of loan account which disbursed upto 30.06.90	19,614,391	19,276,131
Provision for others expenditure	453,580,877	335,827,492
Provision for land and building	8,869,889	13,167,393
Wage Earners bond	12,799,963	8,184,153
50% of remitted Agri. loan upto Tk.5000/- Bank's share	8,121,122	9,296,335
Remissionable interest against industrial & commercial loan	468,109,568	513,921,878
Remission of agricultural Loan (1st claim)	65,310,113	63,508,728
Interest Remitted on weavers credit in 1988	54,694,352	54,719,747
Interest remitted on crop loans	521,624	48,035,566
Interest remitted on pre-liberation agri. loans & advances	40,338,805	42,322,933
Business development	-	349,534
Govt. subsidy against S.T.W.	(31,236,180)	(28,960,148)
CBL money tr. SDN BHD Malayasia(a/c credit	841,453	898,730
SBL cash /instant cash		
Receivable from RAKUB	1,003,569,616	1,196,166,986
SIDOR affected agricultural Loan	28,171,925	28,150,413
Legal charges against written off loan	4,707,048	4,763,919
Interest Remission up to Tk.5000	350,645,428	350,733,754
40% interest Receivable from Govt. against sick freezing food industry	33,159,770	33,479,958
20% interest remission of classified loan for four years	67,471,305	67,957,365
Prize against classified loan recovery under MIRACLE prog.	7,351,114	8,951,820
Loom board credit	1,122,165	1,498,939
Benevolent grant after death	2,385,355	1,683,643
Protested bill	40,693,461	25,515,588
Pension paid Account for BKB staff	99,871,443	59,968,488
Remissionable interest on weavers credit in 1995	75,502,372	75,284,536
Remissionable interest on swanirvar credit program	4,961,240	5,370,047
Losses against remissioned of interest and others	573,812,101	573,731,889
Remissionable interest of agricultural loan	131,307,612	131,916,847
Remissionable loan account	306,253,372	305,791,444
Retired Army pension	814,943,171	740,745,421
Food procurement program	87,573,992	155,318,504
Miscellaneous	4,118,234,367	4,073,117,674
Reconstruction of Accounts	4,858,225	5,039,344
Receivable from Government(note:9.3.1)	4,516,360,274	4,511,652,515
	13,374,521,332	13,437,387,565

9.3.1 Receivable from Government

Income Tax Refundable	1,203,835,524	1,199,306,415
Receivable against Excess Interest of double amount of the principal	3,312,524,750	3,312,346,100
	4,516,360,274	4,511,652,515

9.4 Details of Suspense Account

Aquaculture development ADB 3rd credit	444,996	444,996
Central Godown A/C (Maintenance)	370,341	370,341
Grameen Bank	9,505	9,505
D D paid in Suspense Accounts	504,206,087	479,394,842
Western Union Remittance	85,138,190	44,099,437
Ex-advice Foreign DD suspense	2,969,526	5,408,260
Xpress Money	9,735,260	18,779,524
IME	1,600,672	1,713,459
Trans Fast remittance	35,764,876	16,441,439
Electronic money (bkash mobile banking)	(4,677,000)	(4,683,000)
Electronic money (DBBL)	(36,683)	(361,431)
Sanchay patra	1,349,586,454	1,149,194,606
Miscellaneous Sanchay patra (block)	965,403,495	826,786,504
Ex-advice payment for BEFT	127,725,361	157,166,863
RIA Money Transfer (USA)	29,848,953	23,540,179
AL Ansari Exchange(Cash Express)	1,162,509	817,571
NBL Money Transfer Spot Cash	3,495,843	2,056,050
Marchantrade, SPOT CASH	8,744,442	9,320,830
Provu Money Transfer Spot Cash	9,919,512	7,412,462
Interest reMax Money Sdn. Bhd, Malaysia	339,939	65,084
IBTA interest receivable account	191,263,041	88,485,171
Demonotised Notes	2,212	108,247
Interest receivable on personal loan(salary earners)	-	37,978
Interest receivable on past due personal loan(salary earners)	-	119,153
Placid NK Corporation(Placid Express), USA	1,357,042	410,983





Brac Saajan exchange Ltd.	20,000	26,100
Govt. special 4% interest subsidy loan(moshla, dal,tailbiz,bhutta)	(1,136)	6,269
Govt. special Interest on agri. Loan 5% special(hill tracts)	12,639	(33,715)
Govt. special Interest on agri. Loan 5% special(hill tracts) Interest	603	39,637
Govt. special Interest on agri. Loan 5% special(hill tracts) Interest	2,699,910	344,222
Agrani remittance house pvt. Ltd. Singapore	11,940,453	6,848,836
Money Gram	42,993,283	8,577,111
IBP(Inland bill purchase)	50,633	9,059
First Security Islami Exchange Itali S.R.I.	646,169	-
Remitix Limited(Mukuru) UK	22,311,365	-
Aftab Currency Exchange Ltd UK	2,764	-
Daytona Capital Management Ltd(Hello Paisa)	1,037,869	-
EFTN net settlement account	(12,292,238)	-
Clearing net settlement account	23,666,931	-
Cash Incentive on wage earner's remittance	62,021,267	-
Southeast exchange Co.(S. Africa Proprietary ltd)	2,921,994	-
COVID-19 blocked account	688,767,427	-
COVID-19 Interest-reimbursement account	24,281,379	-
Receivable from remaining amount of interest blocked a/c	651,161,986	-
Balance of Inter branch transaction accounts 9.4.1	1,470,778,901	(117,070,677)
	6,317,396,773	2,725,885,896

9.4.1 Inter Branch Transaction Accounts

Account head of IBTA	30-06-2020	30-06-2019
111-Due from branches	6,968,714,383	6,134,910,030
1110-BKB On-line General Account	1,276,141	(44,655,503)
1111-BKB Exchange House General Account	(941,547,387)	(251,099,064)
1112-Mobile Banking BKB General Account (DBBL)	(8,885,205)	(27,764,844)
1113-Mobile Banking BKB General Account (BKASH)	(359,786,970)	(12,723,908)
1114-BKB General Account	1,514,565,588	(148,457,559)
1115-RTGS BKB General Account (IBTA)	202,418,833	26,899,773
1116-BKASH Regional General Account	(9,508,399)	(309,493,004)
1118-BKB IBTA general a/c for Cash Incentive on wage earner's remittance	(8,921,744)	-
112-Due to Head Office (BLOCK)	(6,139,771,417)	(6,142,384,974)
113-BKB General Account (BLOCK)	216,847,471	155,238,907
115-BKB Regional General A/C	(900,220,616)	(986,956,026)
116-BKB Divisional General A/C	(251,797,384)	(56,484,315)
117-BKB General Account (BLOCK)	759,571,175	991,949,029
118-BKB Exchange House General Account (BLOCK)	127,170,694	(1,497,218,542)
119-BKB Central General Account	300,653,738	2,051,169,324
	1,470,778,901	(117,070,677)

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 (%)	30.06.2020
Other assets for 0-6 months	12,276,907,335	0%	-
Other assets for 6-12 months	824,707,565	0%	-
Other assets for more than 12 months	4,409,090,028	100%	4,409,090,028
Protested bill	1,003,569,616	100%	1,003,569,616
Legal charges against written off loan	4,961,240	100%	4,961,240
*Claim to the Government as excess interest on double amount of principal loan.	3,312,524,750	0%	-
Income Tax Refundable	1,203,835,524	0%	-
Receivable from RAKUB	1,003,569,616	0%	-
	24,039,165,673		5,417,620,884

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 2019-2020.

* 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.

9.6 Classification of other assets and provision therein

i) Amount classified	9,549,891,959	10,111,441,607
ii) Provision required	5,706,153,900	5,706,153,900
iii) Last year provision 13.5	5,706,200,000	5,706,200,000
iv) Add: Provision made during the year	-	-
Total provision held(iii+iv)	5,706,200,000	5,706,200,000
v) Provision excess/(shortfall)	46,100	46,100





10 Non-Banking Assets			
Income generating		-	-
Non income generating	10.1	322,287,120	334,552,963
		322,287,120	334,552,963
10.1 Non income generating			
*Assets acquired in settlement loans & advances		322,287,120	334,552,963
		322,287,120	334,552,963
* 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		96,686,136	100,365,889
More than 1 year but less than 2 years		128,914,848	133,821,185
More than 2 years but less than 3 years		96,686,136	100,365,889
More than 3 years		-	-
		322,287,120	334,552,963
11 Borrowing from Other Banks, Financial Institutions & Agents			
In Bangladesh	11.1	45,255,752,383	32,951,520,540
Outside Bangladesh	11.2	263,819,711	263,819,711
		45,519,572,094	33,215,340,251
11.1 Borrowing in Bangladesh			
From Government	11.1.1	2,102,933,851	2,102,631,402
From Bangladesh Bank	11.1.2	38,152,818,532	25,798,889,138
From Other Bank	11.1.3	5,000,000,000	5,050,000,000
		45,255,752,383	32,951,520,540
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
Sigma Consortium Loan (Fund for sick industries)		20,400,000	20,400,000
Gharre Fera		50,000,000	50,000,000
Fund for Disbursement under Agro Based Industries		1,186,998,000	1,186,998,000
Revolving fund of Agro Based Industrial Loans		811,067,892	810,765,443
		2,102,933,851	2,102,631,402
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. There-finance was sanctioned by BB under 3 categories.			
Re-finance under 10 taka a/c holder	11.1.2.1	396,602,854	396,322,155
* Re-finance (block)	11.1.2.2	19,756,215,677	21,402,566,984
Re-finance		10,000,000,000	-
Demand Loan		8,000,000,000	4,000,000,000
		38,152,818,532	25,798,889,138
11.1.2.1 Short Term Loan			
Re-finance under 10 taka a/c holder		396,602,854	396,322,155
		396,602,854	396,322,155
11.1.2.2 * Re-finance (block): Refinance overdues as on the dated 22-10-2017 principal amount of taka 1812,62,60,697.31 and interest amount of taka 656,90,08,898.67 are transferred to block accounts as per decision of Bangladesh Bank. These amounts that Will be paid by 30th semi annual installments from dec/2017 to jun/2032. Each installment amount is taka 82,31,75,653.18 which is contained by principal amount of taka 60,42,08,689.91 and interest amount of taka 21,89,66,963.26.			
Block Re-finance Loan			
Opening (Principal)		15,709,425,938	16,917,843,317
Opening (Interest)		5,693,141,046	6,131,074,972
Total		21,402,566,983	23,048,918,290
Payment during the year		1,646,351,306	1,646,351,306
Outstandind at the end of the year		19,756,215,677	21,402,566,984
11.1.3 Borrowings from Other Bank:			
Notice borrowing :			
Agrani bank ltd		1,000,000,000	250,000,000
		1,000,000,000	250,000,000





Term borrowing :

Agrani bank ltd
Unitd Commerce Bank ltd
Sonali bank ltd
Standard bnak ltd
NRBC
Uttra bank ltd
Pubali bank ltd

-	1,000,000,000
-	2,000,000,000
2,000,000,000	1,000,000,000
-	800,000,000
1,000,000,000	-
500,000,000	-
500,000,000	-
4,000,000,000	4,800,000,000
5,000,000,000	5,050,000,000

11.2 Outside Bangladesh

Borrowings from International Financial Institutions

11.2.1

263,819,711	263,819,711
263,819,711	263,819,711

11.2.1 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)
ADB - 1067
I FAD 280 BAN
ODA Grant (Machine)
E E C Grant
STABESK/ Complex Fund
ASCAP / ILO Grant

509,404	509,404
233,007,135	233,007,135
-	-
17,986,851	17,986,851
11,146,900	11,146,900
974,245	974,245
195,175	195,175
263,819,711	263,819,711

11.2.2 Security wise grouping

Secured by Government
Unsecured

263,819,711	263,819,711
-	-
263,819,711	263,819,711

11.2.3 Maturity wise grouping

Repayable on demand
others

-	-
263,819,711	263,819,711
263,819,711	263,819,711

12 Deposits & others accounts

Current & Contingency accounts
Bills Payable
Savings deposit
Fixed deposit

12.1
12.2
12.3
12.4.2

23,351,735,567	23,504,988,082
1,150,471,317	1,210,027,299
74,212,594,295	67,109,953,889
178,238,546,730	165,513,230,671
276,953,347,910	257,338,199,942

12.1 Current & other accounts

Current Deposits
Hajj deposit
ODA Revolving Fund
Call Deposits
Dorment Accounts
Guarantee Account Cash Collateral(current)
Guarantee Account Cash Collateral(savings)
Guarantee Accounts Cash Collateral (Fixed)
Special Deposits
Special Blocked Account
SND (Short Term Deposit Account)
Marginal Deposit Account
Customers F.C A/C
Exporters F.C. A/C
Account of U.A.E Exchange Co.
Resident Foreign Currency Deposit
Accounts Payable F.C (WES)

11,818,740,188	13,727,189,160
204,846,766	159,760,267
53,402,688	59,621,812
609,305	116,256,862
142,544,265	139,535,636
149,821	989,323
263,646	46,245
-	-
42,848,875	63,221,477
6,654,310	4,910,910
10,496,104,956	8,594,273,226
333,451,239	437,455,235
52,083,720	6,854,303
52,761,872	28,621,789
147,222,602	165,758,021
-	121,300
51,315	372,515
23,351,735,567	23,504,988,082





12.2 Bills Payable

Payment Orders Outstanding
Demand Draft Payable
Telegraphic transfer payable
Mail Transfer Payable
Demand Draft Payable on Ex-advice

703,259,704	779,740,776
527,277,242	507,989,323
(81,570,096)	(77,814,603)
1,467,967	462,902
36,500	(351,100)
1,150,471,317	1,210,027,299

12.3 Savings bank deposits

Savings deposits

74,212,594,295	67,109,953,889
74,212,594,295	67,109,953,889

12.4 Fixed deposits

12.4.1 Term-wise breakdown of fixed deposits is as follows:

Less than 3 months
More than 3 months but less than 6 months
More than 6 months but less than 1 year
More than 1 year but less than 2 years
More than 3 years *

925,716,000	859,430,433
21,057,293,000	19,018,563,000
14,348,771,000	21,014,991,000
69,363,217,065	89,713,291,000
29,101,517,178	13,156,245,000
134,796,514,243	143,762,520,433

* There are included the deposits those duration more than 3 (three) years and more.

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
BKB Savings Pension Scheme
Teacher Deposit Scheme
Small saving scheme
Hajj Savings Scheme
Education Savings Scheme
BKB Sanchya Scheme
Krishion Krishionery Sanchya Scheme
Monthly/ Quarterly benefit Scheme
BKB Monthly Savings Scheme
Student savings scheme
BKB Doubl Benefit Scheme
BKB Monthly/Quarterly Profit Scheme
BKB Retired Saving Scheme
Quarterly Profit Savings Scheme
BKB Doubl Profit Scheme
BKB Monthly Profit earning Project
BKB Millionier Scheme
BKB Monthly Deposit Scheme
BKB Lakhapathi scheme
Cash Incentive on wage earner's remittance

6,055,496	6,624,028
8,884,487	9,357,336
266,919	341,919
4,858,578	4,526,718
7,302,406	7,003,968
2,919,221	2,518,620
273,824,788	389,602,604
94,777,904	137,165,476
136,859,699	157,810,934
22,094,637,735	19,459,082,002
97,694,330	80,949,184
5,360,909,022	707,033,713
1,558,777,809	146,528,005
30,186,707	16,100,555
7,028,391,132	283,006,311
3,836,518,900	133,253,333
258,131,221	-
1,143,517,871	90,744,686
1,275,894,818	70,832,406
142,720,606	48,228,442
78,902,840	-
43,442,032,487	21,750,710,238
178,238,546,730	165,513,230,671

Total deposits

12.5 Maturity grouping of deposits & other accounts

Repayable on demand
Repayable within 1 month
Over 1 month but within 3 months
Over 3 month but within 1 year
Over 1 year but within 5 years
Over 5 years
More than 10 years

5,909,370,094	6,863,594,580
10,834,617,963	10,315,860,544
21,016,287,337	18,578,557,824
57,669,842,289	60,166,540,167
135,069,458,792	130,567,079,274
46,311,227,170	30,707,031,918
142,544,265	139,535,636
276,953,347,910	257,338,199,942

12.6 List of Top 10(Ten) depositors:

Petro Bangla
BCIC
Dhaka WASA
Chittagong Port Authority
IGR(Department of Registration)
RRDB
Civil Aviation
Security Printing Press Corporation
BIWTC
REB

Amount in crore	
1,108.78	1,295.04
756.29	897.44
732.90	617.95
455.98	463.01
440.12	481.30
367.39	616.28
360.56	362.58
257.35	185.39
289.04	258.33
275.09	1,275.56
5,043.50	6,452.88





13 Other Liabilities

Interest Payable on Fixed Deposits	
Security Deposits of contractors	
Outstanding loan from Rupali Bank	
Payable accounts	13.1
Interest suspense account	13.2
Provision for loans & advances	13.3
Provision for Diminution in Value of Investments	13.4
Provision for other assets	13.5
Provision for off balance sheet items	13.6
Provision for Taxation	13.7

3,973,207,303	3,389,442,480
111,134,957	118,884,127
128,625,457	138,560,511
3,884,163,073	4,364,370,124
11,042,375,244	9,248,404,041
18,833,653,178	19,666,688,821
22,636,080	18,863,400
5,706,200,000	5,706,200,000
121,156,534	121,156,534
254,560,593	178,050,745
44,077,712,419	42,950,620,783

13.1 Accounts Payable

Cash Excess	
Deputationists Accounts	
Undisbursed Emoluments to Staff	
Reconstruction on Loan Accounts	
Recovery of BRRFC Loans	
Recovery of BRRFC Staff Loans	
Employees provident fund	
Employees Security Deposits	
Miscellaneous	
Income Tax Deducted from the Contractors Bills	
Cost of Revenue Stamp Realised	
Realised Loan Of Polly Progati Prokolpa	
Deduction of Levey on deposit Interest	
Development Levey (4%) Flood	
Deduction at source tax	
Outstanding DD/TT/PO	
Payable pension fund	
Excise Duty	
Financial benefit for transport in dairy farm	
Subscription for Benevolent fund	
Service charge deduction from Swanirvar Programme	
Deposit of check/payorder from outsider trainee	
Provision for land & building	
Provision for others expenditures	
ODA Revolving fund	
Post-flood Rehabilitation Tax on intt.of deposit	
Hand Loom Board Credit.	
E.E.C Revolving Fund	
E.C. Revolving fund	
Payable intt. on E.C Revolving Fund.	
Payable intt. on E.E.C Revolving Fund	
Amt. of rent/lease/sale of asset acquired unsettle	
Community wise Asset Management Project	
Service charge on CIB online	
Western Union Common Marketing	
Realised VAT from BACH	
Realised VAT & commission for BB	
Sanchay patra	
SWIFT charges	
FDR Account (Foreign Exchange)	
Income tax deduction from staff	
Income Tax realised from staff (for the year:2011-12 & 2012-13)	
Tax deduction from fees for Profe. & Tech. services	
Foreign Exchange back to back L/c	
Taxes of office house paid	
Xpress Money	
VAT deduction from fees for Profe. & Tech. services	
Tax deduction from the Certain services	
VAT deduction from the Certain services	
Tax deduction from L/C	
Vat deduction from L/C	
VAT of office house rent paid	
Contribution to national Exchequer	

835,669	1,752,826
3,239,143	231,349
6,434,641	9,446,003
3,593,854	3,746,732
83,952	150,135
913,827	102,733
1,771,124	1,719,471
20,226,570	14,294,500
1,905,548,803	2,234,374,782
9,983,136	15,792,879
7,654,095	6,873,889
112,150,880	174,213,497
980,504	1,372,493
187,859	1,606,099
107,647,786	95,869,938
436,906	3,430
449,275	217,664
10,254,194	11,261,672
20,041,307	20,042,295
1,195,208	1,910,399
9,870,014	4,649,774
79,918	75,388
4,279,448	8,577,530
481,317,880	310,252,118
(35,766,385)	(35,735,101)
15,077	105,247
4,722,003	4,035,159
43,472,706	43,478,105
54,704,614	54,707,113
14,365,788	14,365,787
1,846,581	1,847,295
8,635,010	8,498,666
130,180	500
102,463,391	41,530,288
9,513,769	11,195,833
1,578,233	817,671
(16,284)	25,069
630,239,136	1,120,512,152
236,682	496,970
8,112,134	145,210
43,972,023	37,116,495
1,687,624	1,070,496
109,138	13,643
9,864,521	44,629,056
379,026	209,178
3,780	23,789
98,143	121,978
38,711	88,079
70,633	68,328
3,142	(1,200)
9,923	88,047
1,160,639	794,691
(1,746,864)	(1,746,891)





Fund for issuing DD infavour of American Exp bank	
Deduction levy from intt. on Saving & FD	
Supervised Credit Project	
Post Charge (Foreign Exchange)	
RIA	
IBTA nterest payable account	
Int. payable on Quaterly Profit Savings Scheme	
Int. payable on BKB Millionier Scheme	
Int. payable on BKB Doubl Profit Scheme	
Int. payable on BKB Monthly Deposit Scheme	
Int. payable on BKB Lakhapathi scheme	
Balance of Inoperative Deposit Accounts	
SMS Transaction Notification Charges	
Premium due for EFAS	
Int. payable on BKB Monthly Profit earning Project	
Int. payable on Savings deposit(VGD)	

442,006	1,091,212
303,799	7,140
1,318,302	151,076
70,668	150,675
75,000	455
166,407,356	87,828,110
82,612,780	4,546,282
1,287,908	139,110
17,496,157	2,031,169
1,053,122	1,372,017
702,074	9,524
-	4,108
128,410	-
629,533	-
2,519,415	-
37,478	-
3,884,163,073	4,364,370,124

13.2 Interest suspense account

Opening balance	
Add : Transferred during the year	
Less: Realized during the year	
Less : Adjustment during the year	
Closing Balance	

9,248,404,041	7,683,966,441
3,772,908,000	4,009,938,600
1,745,077,000	2,192,590,000
233,859,797	252,911,000
11,042,375,244	9,248,404,041

13.3 Provision for Loans and Advances

General provision (for unclassified)	13.3.1
Specific provision (for classified)	13.3.2
Total provision held	
Required provision (consolidated by bank)	
Required provision (calculated by B.B.)	
Provision excess/(shortfall)	

1,857,942,427	1,642,356,682
16,975,710,751	18,024,332,139
18,833,653,178	19,666,688,821
18,238,094,104	19,337,896,350
18,608,172,104	19,414,970,350
225,481,074	251,718,471

As per BRPD Circular # 14 dated September 23,2012 (revised BRPD Circular # 5, dated May 29,2013) of Bangladesh Bank, Bangladesh krishi bank has maintained as required the provision against loans & advances. For details calculation , please refer to Annexure -'F'

13.3.1 General Provision (for unclassified)

Opening balance	
Transfer from/(to) Diminution in Value of Investments	
Transfer from specific provision for loans	
Adjustment to remission of interest of staff loans	
Transfer to retained earnings	
Transfer from/(to) off balance sheet items	
Provision held	
Required provision	
Provision excess/(shortfall)	

1,642,356,682	1,456,112,689
-	-
264,848,708	211,521,660
(49,262,963)	(25,277,667)
-	-
-	-
1,857,942,427	1,642,356,682
1,857,942,427	1,642,356,682
-	-

13.3.2 Specific Provision (for classified)

Opening balance	
Recoveries of amounts previously written off	
Specific provision made during the year	
Transfer to unclassified loans & advances	
Transfer to Diminution in Value of Investments	
Transfer to off balance sheet items	
Transfer to Profit & Loss account	
Provision held	
Required provision	
Provision excess/(shortfall)	

18,024,332,139	20,936,659,254
-	-
-	-
(264,848,708)	(211,521,660)
(3,772,680)	(314,390)
-	(50,491,065)
(780,000,000)	(2,650,000,000)
16,975,710,751	18,024,332,139
16,380,151,677	17,772,613,668
595,559,074	251,718,471

13.4 Provision for Diminution in Value of Investments

Opening balance	
Provision made during the year	
Transfer from specific provision for loans	
Provision at end of the year	
Less: Required provision for investment	
Provision Excess/(Shortfall)	

18,863,400	18,549,010
-	-
3,772,680	314,390
22,636,080	18,863,400
22,636,080	18,863,400
-	-





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 .
(See the Annexure-A)

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)	5,706,200,000	5,706,200,000
Provision Excess/(Shortfall)	-	-

13.6 Provision for Off-balance Sheet Exposures

Opening Balance	121,156,534	70,665,469
Add/(less): provision made/(released) during the year	-	-
Transfer from specific provision for loans	-	50,491,065
Provision held	121,156,534	121,156,534
Required provision	79,223,433	121,156,534
Provision Excess/(Shortfall)	41,933,101	-

As per BRPD circular # 10, dated 23 September 2012 provision for off balance sheet items is required Tk.12,11,56,534 and its fully maintained.

13.7 Provision for Taxation

Opening Balance	178,050,745	91,265,369
Add: Provision made during the year	76,509,848	86,785,376
Less: Adjustment made during the year	-	-
Total provision held	254,560,593	178,050,745

As per Income Tax Ordinance 1984, section 82c provision has been kept for minimum tax @ 0.6% for turnover or total income earned by the bank for the financial year 2019-2020.

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

Opening balance	6,500,000,000	6,500,000,000
Received during the Year	-	-
	<u>6,500,000,000</u>	<u>6,500,000,000</u>

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 (Tier I)	14.4.1	(84,468,504,221)	(72,316,694,477)
Supplementary capital (Tier-II)	14.4.2	1,979,098,961	2,446,821,882
Regulatory capital		(82,489,405,260)	(69,869,872,595)
Required capital (10% of total risk weighted assets)	14.4.3	19,789,700,000	18,962,710,000
Capital surplus/(shortfall)		(102,279,105,260)	(88,832,582,595)
Capital Adequacy Ratio (CAR)			
Core capital (Tier-I)		-42.68%	-38.14%
Supplementary capital (Tier-II)		1.00%	1.29%
		-41.68%	-36.85%

14.4.1 Core Capital (Tier I)

Paid-up Capital	9,000,000,000	9,000,000,000
Re-capitalization	6,500,000,000	6,500,000,000
Statutory Reserve	232,306,342	232,306,342
Legal Reserve	588,133,859	588,133,859
Retained Earnings	(100,788,944,422)	(88,637,134,678)
	(84,468,504,221)	(72,316,694,477)





14.4.2 Supplementary capital (Tier-II)

General provision on unclassified loans
including OBS items
Asset revaluation reserve (up to 50%)

Less : Regulatory adjustments
Revaluation Reserves for fixed assets, securities & equity securities
Other adjustments

1,979,098,961	1,763,513,216
3,416,543,333	3,416,543,333
5,395,642,294	5,180,056,549
3,416,543,333	2,733,234,666
-	-
1,979,098,961	2,446,821,883

14.4.3 Required capital

Total assets (including Off-balance sheet
amount)

Risk weighted assets

Required capital (10% of risk weighted assets)

14.4.3.1

296,837,558,129	280,136,206,519
197,897,000,000	189,627,100,000
19,789,700,000	18,962,710,000

14.4.3.1 Break up of Risk weighted assets

Credit risk:

On-balance sheet

Off-balance sheet

Market risk

Operation risk

194,194,200,000	184,821,300,000
955,900,000	1,413,400,000
195,150,100,000	186,234,700,000
429,900,000	464,100,000
2,317,000,000	2,928,300,000
197,897,000,000	189,627,100,000

15 Statutory Reserve

Opening balance

Add: Transfer from current year

232,306,342	232,306,342
-	-
232,306,342	232,306,342

16 Other Reserves

General Reserve

Contingency Reserve

Exchange Rate Fluctuation

Reserve for Insurance Fund

Reserve for Bank Building and Staff Quarter

Asset Revaluation Reserve

16.1

437,713,494	437,713,494
90,000,000	90,000,000
3,000,000	3,000,000
1,420,365	1,420,365
56,000,000	56,000,000
6,833,086,665	6,833,086,665
7,421,220,524	7,421,220,524

16.1 Assets Revaluation Reserve

Opening balance carried forward

Addition during the year

Transferred to retained earnings

Closing balance

6,833,086,665	5,499,776,939
-	1,333,309,726
-	-
6,833,086,665	6,833,086,665

17 Retained earnings Account

Balance carried forward

Prior year adjustment

Re-stated opening balance

Profit/(Loss) generated during the year

Transferred from asset revaluation reserve account

17.1

(88,637,134,678)	(81,845,041,535)
260,000,000	1,151,786
(88,377,134,678)	(81,843,889,749)
(12,411,809,744)	(6,793,244,929)
-	-
(100,788,944,422)	(88,637,134,678)

17.1 Prior year adjustment

Excess depreciation charged by ICT operation department for the year
2017-2018

Exgratia charged as expenses for the year 2018-19 but disallowed by
the ministry

-	1,151,786
260,000,000	-
260,000,000	1,151,786

18 Contingent Liabilities

Letters of guarantee

Irrevocable letters of credit

Bills for collection

18.1

95,461,720	82,988,137
7,826,881,541	12,032,665,217
-	-
7,922,343,261	12,115,653,354





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
Others

-	-
-	-
-	-
-	-
95,461,720	82,988,137
-	-
95,461,720	82,988,137

19 Interest Income

Interest on Loans & advances(excluding staff loans & advances)
Interest on Deposits to other banks
Interest on staff loans & advances

11,501,287,539	12,917,559,037
75,962,282	211,362,410
250,172,527	327,059,308
11,827,422,348	13,455,980,755

20. Interest expense on Deposits & Borrowings

Deposit Pension Scheme
BKB-Double Benefit Scheme
Hazz Deposit Scheme
Student Savings Account
Farmer Savings Account
Matikata Savings Account
Monthly /Quarterly Benefit Scheme
BKB Savings Pension Scheme
Teacher savings scheme
Small savings scheme
Education Deposit Scheme
BKB Sanchay Scheme
Krishan Krishony Sanchay Scheme
BKB monthly/Quarterly Profit Scheme
Excess interest paid for fixed deposits
BKB monthly savings scheme
Marginal Deposit Against L/C
Fixed Deposit(FDR)
Short Notice Deposit(SND)
Savings Deposit (Urban)
Savings Deposit (Rural)
Bangladesh Bank demand loan
Other bank & FI
International Financial Institution (IFI)
Quarterly Profit Savings Scheme
BKB Millionier Scheme
BKB Double Profit Scheme
Quarterly Profit Savings Scheme
BKB Lakhpathi scheme
Employees Provident Fund
Employees Security Deposit
Int. Paid on BKB Monthly Profit earning Project
Int. Paid on Savings deposit(VGD)

0	41,098,653
536,090,903	1,851,263,170
68,989	124,923
5,046,174	2,892,053
5,997,334	2,026,798
9,379,165	5,484,578
8,895,880	64,090,771
1,107,246	5,384,851
28,686	1,446,165
291,515	16,698,023
204,345	1,692,301
51,623,918	227,944,138
3,350,881	7,076,816
171,465,559	184,348,208
419,849	107,289,221
1,505,953,378	1,421,460,327
1,940,587	-
9,197,852,667	7,975,210,825
202,384,565	169,232,004
777,288,174	650,140,082
1,070,948,231	1,044,271,346
557,066,775	138,709,902
352,535,417	53,845,522
-	33,920
527,129,335	13,213,037
42,156,908	1,154,826
316,512,809	46,588,135
45,438,172	10,802,473
9,600,398	248,717
374,921,984	379,134,992
4,790,104	448,632
37,712,595	-
7,107,029	-
15,825,309,571	14,423,355,410

Total

21. Income from investment

Dividend received from Grameen Bank
Dividend received from ICB Islamic Bank Ltd

1,080,000	1,080,000
-	-
1,080,000	1,080,000

22 Commission, Exchange & Brokerage

Commission and Exchange
Commission on L/C
Inter branch online commission
Commission on RTGS
SMS Service charge
Commission on ATM
Commission on Bach
Commission received from Western Union

94,280,119	106,400,389
70,512,917	68,416,123
667,812	646,736
6,411,070	4,626,258
9,265,823	2,729,202
12,620,620	6,971,087
645,487	264,495
6,515,734	6,338,948
200,919,582	196,393,239





23 Other Receipts		
Fees and Other Charges	76,255,260	78,432,891
Search Fees	43,593,861	43,717,394
Appraisals Fees	5,337,554	5,616,190
Sale Proceeds of Forms	26,951,679	25,206,553
Rent Received	215,770	329,483
Income from Sales of other Assets	104,595	7,791,703
Miscellaneous income	182,810,656	212,874,097
Gain from Foreign Exchange Transaction	198,139,625	175,330,147
Service Charges/Accounts maintenance Fee	188,810,396	261,476,863
	722,219,396	810,775,321
24 Salary & Allowance		
Salary of Officers	2,635,540,099	2,570,350,116
Salary and Wages (Staff)	345,676,670	421,302,702
Housing / House Allowance	1,233,169,299	1,243,232,731
Overtime Allowance to employees	12,416,180	13,388,758
Other Allowance	408,809,608	383,413,898
Expenses for encashment of earned leave/privilege	343,503,740	403,075,874
Staff Welfare(lunch)	365,454,862	412,665,947
Rest & Recreation	16,114,491	44,474,900
Medical Services	172,327,161	168,936,217
Bank Contribution to Employees P.F	570,220	119,900,000
Expenses on borrowed staff	3,435,775	1,881,538
Bonus to staff (Festival)	475,577,581	492,890,546
Exgratia to staff	1,350,566	262,465,774
Contribution to Superannuation Fund	2,100,044,296	1,500,446,429
BKB integrity award	58,410	1,000,000
BKB research & innovation	37,240	25,000
	8,114,086,198	8,039,450,430
25 Rent, Tax and Insurance		
Electricity & Water Charges	53,417,495	54,761,204
Rentals	190,394,222	182,031,147
Vat paid on Rentals	25,405,481	23,471,114
Rate & taxes	5,392,493	5,381,497
Insurance	119,460,788	111,683,185
Rent for Staff Bus	14,032,032	22,589,528
Rent for rental Car	6,767,256	8,187,013
	414,869,766	408,104,689
26 Legal Charges		
Legal charges	854,057	1,424,483
(Including stamps, power of attorney & notary public expenses)		
	854,057	1,424,483
27 Postage, Telegram & Stamps		
Postage & Telegram	5,010,303	5,602,302
Expenses on Telephone (Office)	7,691,792	9,002,648
Expenses on Telephone (Residence)	516,297	790,765
Charges for internet	44,715,709	49,169,285
	57,934,101	64,564,999
28 Auditor's Fees		
Statutory audit	1,030,400	976,000
	1,030,400	976,000
29 Stationery, Printing & Advertisement		
Stationery and supplies (Printing)	27,027,397	29,205,689
Stationery and supplies (Local purchased)	19,214,952	19,091,899
Advertisement and Publicity	5,580,505	11,597,184
Advertising & Publicity(Others)	280,994	216,689
	52,103,847	60,111,461
30 Pay & Allowances of Managing Director		
Basic salary	936,000	936,000
Allowances	671,220	671,220
	1,607,220	1,607,220





31 Director's Fees

Board meeting
Executive committee meeting
Audit committee meeting
Risk management meeting

1,874,400	1,591,600
-	-
96,800	138,000
79,200	110,400
2,050,400	1,840,000

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 expenses (for general)
Repair & maintenance expenses for building
Repair & maintenance (office equipment)
Fuel expenses for motor car & other vehicles
Repair & maintenance of motor car and other vehicles
Cost of spare parts & materials for motor car
Depreciation on Furniture & Fixtures
Depreciation on Office Equipments
Depreciation on Office Machineries
Depreciation on Electrical Equipments
Depreciation on Motor Vehicles
Depreciation on Building

8,496,871	10,593,450
5,551,524	2,446,223
4,530,716	3,936,738
12,616,611	13,515,890
5,894,336	6,841,339
340,483	586,059
45,562,904	45,059,861
10,714,001	12,332,550
96,867,282	95,750,668
43,256,925	43,207,755
15,081,224	19,689,337
16,716,670	17,024,105
265,629,547	270,983,975

33 Other Expenditure

Employees Benevolence
Employees Travelling expense-Tour
Liveries for Class four employees
Employees Travelling expense -Transfer
Training Expenses
Training Institution Expense
Field level workshop/conference
Honoraria Rewards and Grand
Incentive paid for deposit collection
Conveyance Charge
Awards and donation
Business Development
Customer Conference
Losses on Dead Stock
Books Purchases for Library
Commission Expenses and other Charge
Generator fuel cost
Charges for remete on us (NRSB) for LPO
RTGS charges
Computer Services Charge
Death Relief Grant
Miscellaneous Expenses
Papers Bill and house Building Loan Reg.
Remissions on loans & others
Tax & levy paid for Hazz deposit
Swift expenses
Batch Commission
Outsourcing of data entry
Recruitment expenses
Verification of clients NID informations
Special Pronodona for COVID-19

4,952,497	5,531,709
100,985,074	111,505,760
6,399,615	7,045,930
8,145,103	12,871,199
16,130,472	-
3,968,291	9,411,952
4,069,041	4,658,564
16,579,086	15,681,376
-	265,945
14,192,460	14,080,494
4,773,357	2,281,324
12,752,406	14,817,188
2,935,335	3,038,588
1,094,521	1,510,390
124,819	60,787
59,554,384	55,905,823
13,120,230	12,242,527
98,345	78,470
-	5,000
33,189,040	45,434,822
19,748,466	8,435,000
55,685,168	52,789,303
70,495,691	24,888,504
151,773,969	139,296,614
538,894	8,000
3,862,933	5,000,709
347,419	812,209
-	612,015
58,429,986	-
250,001	-
467,269,512	-
1,131,466,114	548,270,202

34 Closing Cash and Cash Equivalents

Cash in hand	3.1
Balance with Bangladesh Bank and Sonali Bank	3.2
Balance with other bank and financial institution	4
Money at call and short notice	
Closing cash and cash equivalents	

1,740,536,527	2,099,354,545
16,074,376,371	16,797,839,947
835,478,980	960,714,153
-	-
18,650,391,877	19,857,908,645





35 Interest Received in Cash			
Opening uncollected interest		56,080,301,391	53,652,961,560
Add: Interest Charged during the year		11,827,422,348	13,455,980,755
		67,907,723,738	67,108,942,315
Less: Cash received during the year		9,702,102,000	10,637,978,924
Less: Adjusted during the year		388,377,000	390,662,000
Closing uncollected interest		57,817,244,738	56,080,301,391
36 Interest Paid by Cash			
Interest paid on Deposits		9,695,209,796	8,956,463,915
Interest Paid to Bangladesh Bank		144,150,109	138,709,902
Interest paid on Loans from International financial institutes		-	33,920
		9,839,359,906	9,095,207,737
37 Cash Paid to Suppliers			
Stationery and supplies (Printing)		27,027,397	29,205,689
Stationery and supplies (Local)		19,214,952	19,091,899
		46,242,348	48,297,588
38 Cash Paid for Other Operating Activities			
Rent, Taxes, Insurance, Lighting etc.	25	414,869,766	408,104,689
Legal Charges	26	854,057	1,424,483
Postage, Telegram, Telephone & Stamps	27	57,934,101	64,564,999
Advertisement and Publicity	29	5,580,505	11,597,184
Pay & Allowances of Managing Director	30	1,607,220	1,607,220
Director's Fees	31	2,050,400	1,840,000
Repairs & Maintenances	32	37,430,542	37,919,698
Other Expenditure	33	1,111,717,648	539,835,202
		1,632,044,239	1,066,893,476



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. Fashiar Rahman	Director	Member
4	Mr. A.K.M Amirul Monjur	DGM	Member Secretary

During the year 2019-2020, the audit committee of the board conducted 05 (five) 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 2019-2020.
- Reviewed performance of internal audit 2019-2020.
- 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 2019-2020.

f) 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 30.06.2020 (In Taka)	Share Holding on 30.06.2019 (In Taka)
1	Mr. Md. Nasiruzzaman	Chairman	Nil	Nil
2	Mr. Md. Ali Hossain Prodhania	Managing Director	Nil	Nil
3	Mr. Mohammad Shafiqul Azam	Director	Nil	Nil
4	Mr. Md. Nurul Islam	Director	Nil	Nil
5	Mr. Md. Saiful Islam	Director	Nil	Nil
6	Mr. Md. Hamidur Rahman	Director	Nil	Nil
7	Mr. Md. Asadullah	Director	Nil	Nil
8	Mr.Mrityunjy Saha	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 Companies Act-1991:	Nil
Loan and advances to Directors and their related concern:	Nil
Business other than banking business with any related concern of the Directors as per section 18(2) of the Bank Companies Act-1991:	Nil

Nil

Nil

Nil

Nil

Nil





BANGLADESH KRISHI BANK

Investment in Shares

As at 30 June 2020

Annexure 'A'

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	2.80	8,802,920	10.00	31,439,000	(22,636,080)
Total			8,802,920		31,439,000	(22,636,080)





BANGLADESH KRISHI BANK

Fixed assets Schedule

For the year ended on 30 June 2020

Annexure 'B'

Sl no.	Particulars	Cost				% of Depreciation	Depreciation			Written down value as on 30.06.2020
		Opening as on 01.07.2019	Addition during the year	Revaluation during the year	Adjustment during the year		Opening Accumulated	Charged during the year	Total Depreciation	
1	2	3	4	5	6	8	9	10	11	12
1	Land	6,440,330,000			-	-	-	-	-	6,440,330,000
2	Building	663,580,660	5,035,476		-	2.5	391,855,361	16,716,670	408,572,031	651,940,101
3	Motor Vehicles	142,644,901	5,122,555		-	20	332,360,994	15,081,224	347,442,217	132,686,232
4	Furniture & Fixtures	146,017,978	30,793,273		-	10	239,474,965	45,562,904	285,037,869	131,248,347
5	Office Equipments	61,587,619	10,112,960		-	15	119,013,898	10,714,001	129,727,899	60,986,577
6	Office Machineries	401,378,914	74,997,873		-	15	584,193,996	96,867,282	681,061,278	379,509,505
7	Electrical Equipments	154,936,059	20,906,845		-	20	281,089,234	43,256,925	324,346,159	132,585,979
	Total	8,010,476,129	146,968,982	-	-		1,947,988,448	228,199,005	2,176,187,454	7,929,286,741





BANGLADESH KRISHI BANK
Maturity Analysis of Outstanding entries of foreign currency dealings
As on 30-06-2020
As per Local Book

Annexure- 'C'

Period of Un-adjustment	Debit		Credit		Remarks
	Entries No.	Amount (USD)	Entries No.	Amount (USD)	
Less than 3 months	51	3,392,796	21	519,821	No provision has been kept against the unadjusted amount.
More than 3 months but less than 6 months	1	43,864	1	925	
More than 6 months but less than 9 months	-	-	1	365	
More than 9 months but less than 12 months	-	-	-	-	
12 months and above	-	-	-	-	
Total	52	3,436,660	23	521,111	

As per Correspondent 's book

Period of Un-adjustment	Debit		Credit		Remarks
	Entries No.	Amount (USD)	Entries No.	Amount (USD)	
Less than 3 months	9	344,353	62	2,708,971	No provision has been kept against the unadjusted amount.
More than 3 months but less than 6 months	10	113,745	17	666,677	
More than 6 months but less than 9 months			7	277,924	
More than 9 months but less than 12 months	-	-	9	48,175	
12 months and above	-	-	4	13,219	
Total	19	458,098	99	3,714,966	





BANGLADESH KRISHI BANK
Schedule of Branch Unadjustment account

Due to head office (112)

Annexure - 'D'

Year	Debit		Credit		Total	
	Entries	Amount TK.	Entries	Amount TK.	Entries	Amount TK.
	15	92,074	31	4,430,747	46	4,522,821

BKB General accounts (113)

Year	Debit		Credit		Total	
	Entries	Amount TK.	Entries	Amount TK.	Entries	Amount TK.
	15	1,900,000	23	553,878	38	2,453,878

BKB general accounts (117)

Year	Debit		Credit		Total	
	Entries	Amount TK.	Entries	Amount TK.	Entries	Amount TK.
2007	1	13,000	0	-	1	13,000
2009	0	-	2	118,000	2	118,000
2012	1	49,602	0	-	1	49,602
Total :	2	62,602	2	118,000	4	180,602

BKB general accounts (119)

Year	Debit		Credit		Total	
	Entries	Amount TK.	Entries	Amount TK.	Entries	Amount TK.
2011	105	7,680,817	36	2,131,732	141	9,812,549
2012	151	10,950,212	45	2,400,552	196	13,350,764
2013	245	11,011,868	81	3,390,206	326	14,402,074
2014	91	3,930,352	45	1,535,915	136	5,466,267
Total :	592	33,573,249	207	9,458,405	799	43,031,654



**AHMED ZAKER & Co.**

CHARTERED ACCOUNTANTS

BKB general accounts (1114)

**Pinaki & Company**

Year	Debit		Credit		Total	
	Entries	Amount TK.	Entries	Amount TK.	Entries	Amount TK.
2014	81	15,445,680	65	25778515	146	41224195
2015	574	34,461,886	199	31909959	773	66371845
2016	700	85,258,039	683	80740609	1383	165998648
2017	2015	227,911,899	1302	220879338	3317	448791237
2018	1957	279373821	1780	332769433	3737	612143254
2019	10898	1041326998	6853	1150640930	17751	2191967928
2020	6807	1124498280	7056	1450179485	13863	2574677765
Total :	23032	2,808,276,603	17938	3,292,898,269	40970	6,101,174,872

BKB general accounts (118)

Year	Debit		Credit		Total	
	Entries	Amount TK.	Entries	Amount TK.	Entries	Amount TK.
2001	1	26,000	0	-	1	26,000
2002	1	10,000	2	55,000	3	65,000
2003	2	17,885	0	-	2	17,885
2004	1	13,500	2	45,000	3	58,500
2005	2	24,492	10	152,000	12	176,492
2006	10	233,505	12	238,000	22	471,505
2007	11	233,959	159	2,454,334	170	2,688,293
2008	10	188,396	105	1,686,833	115	1,875,229
2009	7	264,969	56	1,092,205	63	1,357,174
2010	9	363,000	23	425,154	32	788,154
2011	10	137,308	932	18,029,822	942	18,167,130
2012	10	252,679	568	9,760,330	578	10,013,009
2013	7	71,052	5	98,000	12	169,052
2014	0	-	63	1,495,620	63	1,495,620
Total :	81	1,836,745	1937	35,532,298	2018	37,369,043

BKB Exchange General A/c (1111)

Year	Debit		Credit		Total	
	Entries	Amount TK.	Entries	Amount TK.	Entries	Amount TK.
2016	1	20,000	0	-	1	20,000
2017	45	1,253,283	2	236,314	47	1,489,597
2018	299	12,070,503	60	2,273,586	359	14,344,089
2019	11795	628,251,723	22103	877,068,415		
2020	10896	522,730,742	145155	7,129,649,401	156051	7,652,380,143
Total :	23036	1,164,326,251	167320	8,009,227,716	156458	7,668,233,829

G.Total	46773	4,010,067,524	187458	11,352,219,313	200333	13,856,966,699
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BANGLADESH KRISHI BANK
Year wise Income tax provision & assessment are as under:

Annexure - 'E'

Financial year	Assessment Year	Tax provision as per accounts	Assessed Tax as per Tax authority	Cash paid/adjusted with AIT	Remarks Profit/Loss as per audited report
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	-	-	-	nil
2010-11	2011-12	-	47.17	-	(154.28)
2011-2012	2012-2013	-	7.43	-	(140.40)
2012-2013	2013-2014	-	4.02	-	(389.70)
2013-2014	2014-2015	-	2.80	-	(2,991.05)
2014-2015	2015-2016	0.57	121.40	-	(215.25)
2015-2016	2016-2017	-	7.01	-	(678.74)
2016-2017	2017-2018	-	7.90	-	(565.87)
2017-2018	2018-2019	8.56	Awaiting assessment	-	(625.85)
2018-2019	2019-2020	8.68	Awaiting assessment	-	(679.32)
2019-2020	2020-2021	7.65	Return not submitted	-	(1,241.18)





BANGLADESH KRISHI BANK

Calculation of required provision for loans and advances as of 30-06-2020

Annexure 'F'

Sector	Total Outstanding	Un-Classified UC		Classified			Total Classified (CL)
		Standard	SMA	Sub-Standard (SS)	Doubtful (DF)	Bad / Loss (BL)	
Continuous	36,914,714,207	30,098,025,747	170,666,089	417,773,055	273,403,926	5,954,845,390	6,646,022,371
Demand loans	10,898,470,354	3,149,597,029	6,937,248	37,173,736	315,500	7,704,446,841	7,741,936,077
Fixed loan	31,207,845,670	19,091,645,663	5,067,476,097	124,736,894	129,870,184	6,794,116,832	7,048,723,910
STAC & MC	145,529,174,233	139,638,794,754		902,720,110	612,374,933	4,375,284,436	5,890,379,479
Staff Loan	13,307,324,990	13,307,324,990					-
TOTAL 30TH JUNE, 2020	237,857,529,454	205,285,388,183	5,245,079,434	1,482,403,795	1,015,964,543	24,828,693,499	27,327,061,837
TOTAL 30TH JUNE, 2019	219,227,164,449	182,710,329,349	855,942,017	2,631,894,786	1,279,282,487	31,749,715,810	35,660,893,083

Sector	Base of Provision				Amount of Provision Required	Amount of Actual Provision	Amount of Interest suspense
	Un-Classified (SMA)	Sub-Standard (SS)	Doubtful (DF)	Bad / Loss (BL)			
Continuous	170,666,089	86,403,296	61,327,781	1,607,488,819	1,864,027,138	2,004,664,669	589,897,015
Demand loans	6,937,248	24,906,287	91,313	6,957,794,263	6,994,386,519	7,522,100,539	392,142,315
Fixed loan	3,394,020,162	32,422,623	54,450,320	3,732,560,737	3,987,665,792	4,288,528,081	3,828,127,999
STAC & MC	-	824,194,080	531,981,029	3,927,817,952	5,392,014,655	5,798,832,569	6,232,207,915
Staff Loan	-	-	-	-	-	-	-
TOTAL 30TH JUNE, 2020	3,571,623,499	967,926,286	647,850,443	16,225,661,771	18,238,094,104	19,614,125,858	11,042,375,244
TOTAL 30TH JUNE, 2019	855,942,017	1,781,112,586	944,271,854	17,494,725,916	19,414,970,350	19,666,688,821	9,248,404,041





Year wise break up of refundable tax(AIT)

Financial year	Ass. year	30-06-2020	30-06-2019
1990-91	1991-92	488,445,155	488,445,155
1991-92	1992-93	163,008,161	163,008,161
1993-94	1994-95	11,125,000	11,125,000
1996-97	1997-98	32,625,000	32,625,000
1997-98	1998-99	29,000,000	29,000,000
1998-99	1999-00	29,000,000	29,000,000
1999-00	2000-01	29,000,000	29,000,000
2000-01	2001-02	29,000,000	29,000,000
2001-02	2002-03	35,513,600	35,513,600
2002-03	2003-04	46,909,959	46,909,959
2003-04	2004-05	35,113,252	35,113,252
2004-05	2005-06	16,883,290	16,883,290
2006-07	2007-08	8,415,960	8,415,960
2007-08	2008-09	26,313,260	26,313,260
2008-09	2009-10	14,886,945	14,886,945
2009-10	2010-11	22,025,505	22,025,505
2010-11	2011-12	7,250,000	7,250,000
2012-13	2013-14	39,715,318	39,715,318
2013-14	2014-15	9,427,890	9,427,890
2014-15	2015-16	56,163,402	56,163,402
2015-16	2016-17	25,099,017	25,099,017
2016-17	2017-18	9,891,625	9,891,625
2017-18	2018-19	16,193,828	16,193,828
2018-19	2019-20	18,300,248	18,300,248
2019-20	2020-21	4,529,109	-
	Total	1,203,835,524	1,199,306,415



Highlights

Tk. In crore

Sl. No.	Particulars	Amount in Taka	
		2019-2020	2018-2019
1	Paid up capital	900.00	900.00
2	Re-capitalization	650.00	650.00
3	Total Capital	(7,763.54)	(6,548.36)
4	Capital Shortfall	10,227.91	8,883.26
5	Total Assets	28,891.52	26,802.06
6	Total Deposits	27,580.29	25,612.82
7	Total Loans and Advances	23,785.75	21,922.72
8	Contingent Liabilities and other Commitments	792.23	1,211.57
9	Credit Deposit Ratio	86.24%	85.59%
10	Percentage of classified loans against total loans and advances	12%	17%
11	Profit/(Loss) after tax and provision	(1,241.18)	(679.32)
12	Amount of classified loan	2,732.71	3,566.09
13	Provision maintained: i) for loans & advances	1,883.37	1,966.67
	ii) for diminution of share value	2.26	1.89
	iii) for OBS items	7.92	12.12
	iv) for other assets	570.62	570.62
14	Provision surplus/(shortfall): i) for loans & advances	22.55	25.17
	ii) for diminution of share value	-	-
	iii) for OBS items	4.19	-
	iv) for other assets	-	-
15	Cost of Fund	9.78%	9.84%
16	Interest Earning Assets	21,053.05	18,356.63
17	Non-Performing Assets	7,838.47	8,445.43
18	Return on Investment (loans & advances) (ROI)	4.97%	6.14%
19	Return on assets (ROA) after tax	-4.30%	-2.53%
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)	-15.99%	-10.37%

