

কেন্দ্রীয় হিসাব বিভাগ

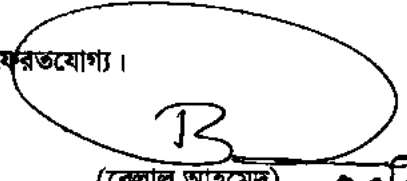
বিষয়ঃ ২০১৭-১৮ অর্থ বছরের নিরীক্ষিত আর্থিক প্রতিবেদন ব্যাংকের ওয়েব সাইটে প্রকাশ প্রসঙ্গে।

উপর্যুক্ত বিষয়ে বাংলাদেশ ব্যাংক এর ২৫-০৬-২০০৩ তারিখের বিআরপিডি সার্কুলার নং-১৪ মোতাবেক ব্যাংকের নিরীক্ষিত ও অনুমোদিত আর্থিক প্রতিবেদন ব্যাংকের ওয়েব সাইটে প্রদর্শন করার নির্দেশনা রয়েছে।

০২। এমতাবস্থায়, ব্যাংকের ২০১৭-১৮ অর্থবছরের পর্ষদের অনুমোদিত ও স্বাক্ষরিত বার্ষিক নিরীক্ষিত প্রতিবেদনটি অত্র ব্যাংকের ওয়েব সাইটের হোম পেজে প্রদর্শনের নিমিত্তে আইসিটি সিস্টেম কার্ডস এন্ড মোবাইল ব্যাংকিং বিভাগকে অনুরোধ করা হলো।

সংযুক্তিঃ ২০১৭-১৮ অর্থ বছরের বার্ষিক নিরীক্ষিত আর্থিক প্রতিবেদনের মূলকপি (যেরতযোগ্য)।

উপ-মহাব্যবস্থাপক
আইসিটি সিস্টেম কার্ডস এন্ড মোবাইল ব্যাংকিং বিভাগ
বিকেবি, প্রকা, ঢাকা।


(বেলাল আহমেদ)
উপমহাব্যবস্থাপক

অভ্যঃপত্র নং-প্রকা/হি(শাখা-১)/১৪(বিএস)/২০১৯-২০২০/১৬

তারিখঃ ০৩-০৭-২০১৯

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

Head Office, Motijheel, Dhaka-1000

For the year ended June 30, 2018

AUDITORS

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

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

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

Report on the Financial Statements

We have audited the accompanying financial statements of Bangladesh Krishi Bank ("the Bank"), which comprise the Balance Sheet as at 30 June 2018 and the Profit and Loss Account, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements and Internal Controls

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements of the Bank.



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

Basis for Qualified Opinion

1. Included in Note 9.4.1 to the financial statements is credit balance of BDT 278,411,896 relating to Inter Branch Transaction Accounts. No reconciliation was provided to us in this regard.
2. As per Note 14.4 to the financial statements, the bank's capital adequacy ratio on June 30, 2018 was -41.16%, because of negative core capital amounting to BDT 65,524,601,338. The shortfall in amount of capital was BDT 79,367,295,486.
3. As per Note 13.5 to the financial statements, Provision of BDT 5,706,200,000 on Other Assets has been maintained by the bank. However, the shortfall of provision on Other Assets was BDT 4,630,400,000 as per Bangladesh Bank. If the provision was made the loss would have increased by BDT 4,630,400,000.
4. As per BAS 12 Income Taxes, it is mandatory for an entity liable to tax to recognize deferred tax liability/asset. However, deferred tax liability/asset was not recognized in the financial statements of the Bank.

Opinion

In our opinion, except for the matters discussed in the Basis for Qualified Opinion paragraph, the financial statements give a true and fair view of the financial position of the Bank as at 30 June 2018 and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards as explained in note 2.1.

Report on Other Legal and Regulatory Requirements

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

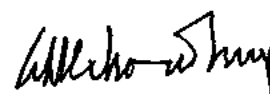
- (a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Control:



- i) internal audit, internal control and risk management arrangements of the Bank as disclosed in note 2.24 of the financial statements appeared to be moderately adequate;
- ii) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities;
- (c) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us;
- (d) the balance sheet and the profit and loss account dealt with by the report are in agreement with the books of account, except in immaterial instances;
- (e) the expenditure incurred was for the purposes of the Bank's business.
- (f) the financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as with related guidance issued by Bangladesh Bank;
- (g) adequate provisions have been made for advances which are, in our opinion, doubtful of recovery;
- (h) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (i) the information and explanation required by us have been received and found satisfactory; and
- (j) we have reviewed over 50% of the risk weighted assets of the Bank relating to the branches selected by Bangladesh Bank and we have spent around 2610 person hours for the audit of the books and accounts of the Bank.



(Masih Muhith Haque & Co.)
Chartered Accountants



(Aziz Halim Khair Choudhury)
Chartered Accountants

Date: June 16, 2019
Place: Dhaka

BANGLADESH KRISHI BANK
BALANCE SHEET
AS AT 30 JUNE 2018

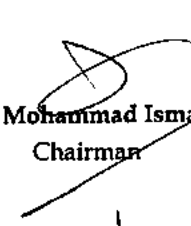
Particulars	Note	30 June 2018 Taka	30 June 2017 Taka
<u>Property and Assets</u>			
Cash	3	24,726,793,314	20,060,031,207
Cash in Hand (Including Foreign Currencies)		2,026,767,599	1,371,439,680
Balance with Bangladesh Bank & its Agent Bank(s) (Including Foreign Currencies)		22,700,025,715	18,688,591,527
Balance with Other Banks & Financial Institutions	4	3,284,561,644	3,186,904,848
In Bangladesh		2,326,767,974	2,970,405,066
Outside Bangladesh		957,793,670	216,499,782
Money at call and short notice	5	-	-
Investments	6	112,642,000	41,859,000
Government Securities		78,203,000.00	7,420,000
Other Investments		34,439,000	34,439,000
Loans and Advances	7	200,246,953,110	193,672,569,346
Loans, Cash Credits, Overdrafts etc.		194,510,836,046	187,041,217,361
Bills Purchased and Discounted		5,736,117,064	6,631,351,985
Fixed Assets Including Premises, Furniture & Fixtures	8	6,500,421,176	6,545,652,973
Other Assets	9	18,305,362,070	17,420,492,747
Non-Banking Assets	10	324,750,852	327,688,702
Total Assets		253,501,484,167	241,255,198,824
<u>Liabilities and Capital</u>			
<u>Liabilities</u>			
Borrowing from Other Banks, FI and Agents	11	28,960,119,169	26,845,265,392
In Bangladesh		28,526,255,827	26,318,728,012
Outside Bangladesh		433,863,342	526,537,380
Deposits and Other Accounts	12	241,832,573,254	227,371,942,290
Current and Contingency Accounts		19,744,373,114	17,115,683,629
Bills Payable		1,127,869,152	1,131,069,200
Savings Deposit		60,861,391,493	56,429,340,190
Fixed Deposit		160,098,939,495	152,695,849,271
Other Liabilities	13	42,733,616,142	44,809,014,977
Total Liabilities		313,526,308,565	299,026,222,659
<u>Capital/ Owners' Equity</u>			
Paid-up Capital	14	9,000,000,000	9,000,000,000
Re-Capitalization	14.3	6,500,000,000	2,500,000,000
Statutory Reserve	15	232,306,342	232,306,342
Other Reserve	16	6,087,910,798	6,108,939,948
Retained Earnings Surplus/ (Deficit)	17	(81,845,041,539)	(75,612,270,126)
Total Capital/ Owners' Equity		(60,024,824,399)	(57,771,023,836)
Total Liabilities and Owners' Equity		253,501,484,167	241,255,198,824




BANGLADESH KRISHI BANK
OFF BALANCE SHEET ITEMS
AS AT 30 JUNE 2018

Particulars	Note	30 June 2018 Taka	30 June 2017 Taka
Contingent Liabilities:		5,937,148,058	7,066,546,903
Acceptance for Constituents Liabilities (Letter of Credit)	18	5,836,258,408	6,971,134,963
Outstanding Customers Liabilities Guarantees	18.1	100,889,650	95,411,940
Bills for Collection		-	-
Others		-	-
Other Commitments:			
Documentary Credits and Short Term Trade Related Transactions		-	-
Forward Assets Purchased and Forward Deposits Placed		-	-
Undrawn note Issuance and Revolving Underwriting Facilities		-	-
Undrawn Formal Standby Facilities, Credit Lines and Other Commitments		-	-
Total		-	-
Total Off-Balance Sheet Items		5,937,148,058	7,066,546,903

Accompanying notes form an integral part of these financial statements


Mohammad Ismail
Chairman



Md. Ali Hossain Prodhan
Managing Director


Mohammad Shafiqul Azam
Director


Md. Nasir Uddin Ahmed
Director



Md. Fashiar Rahman
Director


Sayed Kamruzzaman (Mahbub)
Director



Muhammad Maududur Rashid Safdar
Director


Dr. AKM Munirul Haque
Director


Md. Saiful Islam
Director


Sheikh Mahmood Kamal
General Manager

Signed in terms of our separate report of even date annexed.


Masih Muhith Haque & Co.
Chartered Accountants

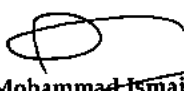

Aziz Halim Khair Choudhury
Chartered Accountants

Dated : June 16, 2019
Dhaka

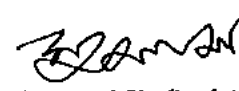
BANGLADESH KRISHI BANK
PROFIT AND LOSS ACCOUNT
For the year ended on 30 June 2018

Particulars	Note	30 June 2018 Taka	30 June 2017 Taka
Interest Income	19	13,347,898,819	15,697,256,354
Less :Interest Expense on Deposit & Borrowings	20	(12,767,987,470)	(13,604,780,585)
Net Interest Income		579,911,350	2,092,475,769
Income from Investment	21	1,080,000	1,080,000
Commission, Exchange & Brokerage	22	147,981,225	191,513,027
Other Receipts	23	767,238,979	864,072,185
Total Operating Income		1,496,211,553	3,149,140,981
Salary & Allowance	24	8,364,979,008	8,475,461,060
Rent, Taxes, Insurance, Lighting etc.	25	378,290,298	360,368,124
Legal Charges	26	1,196,056	1,747,585
Postage, Telegram, Telephone & Stamps	27	58,898,055	48,298,766
Auditor's Fees	28	1,017,125	941,500
Stationery, Printing & Advertisement	29	51,140,128	52,825,542
Pay & Allowances of Managing Director	30	1,349,190	1,349,193
Director's Fees	31	2,079,200	2,097,600
Depreciation & Repairs of Bank Property	32	279,240,359	226,527,911
Other Expenditure	33	593,554,884	443,497,669
Total Operating Expenditure		9,731,744,303	9,613,114,950
Profit / (Loss) Before Provision :		(8,235,532,749)	(6,463,973,968)
Provision for Loans & Advances		(2,062,612,680)	(805,291,001)
Provision for Diminution in Value of Investment		-	-
Other Provision		-	-
Total Provision		(2,062,612,680)	(805,291,001)
Total Profit/(Loss) before taxes		(6,172,920,069)	(5,658,682,967)
Provision for Income Tax		85,556,553	-
Net Profit/(Loss) After Tax		(6,258,476,622)	(5,658,682,967)
Appropriations:			
Statutory Reserve		-	-
General Reserve		-	-
Dividend		-	-
Retained Surplus		(6,258,476,622)	(5,658,682,967)
Earnings Per Share (EPS)		-	-

Accompanying notes form an integral part of these financial statements


Mohammad Ismail
Chairman



Md. Ali Hossain Erudhania
Managing Director


Mohammad Shafiqul Azam
Director



Md. Nasir Uddin Ahmed
Director

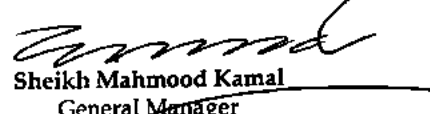

Md. Fashiar Rahman
Director


Sayed Kamruzzaman (Mahbub)
Director



Muhammad Maududur Rashid Safdar
Director

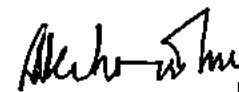

Dr. AKM Munirul Haque
Director


Md. Saiful Islam
Director


Sheikh Mahmood Kamal
General Manager

Signed in terms of our separate report of even date annexed.


Masih Muhith Haque & Co.
Chartered Accountants


Aziz Halim Khair Choudhury
Chartered Accountants

Dated : June 16, 2019
Dhaka

BANGLADESH KRISHI BANK
CASH FLOW STATEMENT
For the year ended on 30 June 2018

Particulars	Note	30 June 2018 Taka	30 June 2017 Taka
A. Cash flow from operating activities:			
Interest Received	35	9,309,469,259	9,990,111,202
Interest Paid	36	(8,284,943,017)	(8,222,050,506)
Dividend Received	21	1,080,000	1,080,000
Fees and Commission Receipts	22	147,981,225	191,513,027
Cash Paid to Employees	24	(8,364,979,008)	(8,475,461,060)
Cash Paid to Suppliers	37	(40,009,059)	(44,384,592)
Receipt from Other Operating Activities	23	767,238,979	864,072,185
Paid for Other Operating Activities	38	(1,064,817,978)	(800,271,005)
Recovery from Written-Off Loans & Advances		35,700,000	36,874,000
Income Tax Paid(at source)		(16,193,828)	(25,099,017)
Cash generated from operating activities		(7,509,473,428)	(6,483,615,766)
Increase/(decrease) in operating assets and liabilities			
Loans and Advances to Customers		(1,542,774,939)	(2,203,300,000)
Other Assets		(881,931,473)	1,275,749,101
Other Liabilities		(2,075,398,835)	(1,516,726,668)
Deposits From Customers		9,977,586,511	10,628,374,000
		5,477,481,264	8,184,096,433
Net Cash Flow from Operating Activities(A)		(2,031,992,164)	1,700,480,667
B. Cash Flows From Investing Activities			
(Purchase)/Sales of Securities and Bond (Others)		-	-
(Purchase)/Sale of Securities (Government)		2,521,000	(1,213,000)
(Purchase)/Sale of Property, Plant and Equipments		(192,242,934)	(270,231,087)
Net cash Flow from Investing Activities		(189,721,934)	(271,444,087)
C. Cash Flows from Financing Activities			
Paid up Capital/Re-capitalization		4,000,000,000	-
Dividend Paid		-	-
(Payments)/Receipt from Borrowings		2,986,133,000	(1,200,000,000)
Net Cash Flow from Financing Activities		6,986,133,000	(1,200,000,000)
D. Net Increase/(Decrease) in Cash (A+B+C)		4,764,418,902	229,036,580
F. Cash and Cash Equivalents at the Beginning of the Year		23,246,936,056	23,017,899,475
G. Cash and Cash Equivalents at the End of the Year(D+F)	34	28,011,354,958	23,246,936,056

Accompanying notes form an integral part of these financial statements

Mohammad Ismail
Chairman

Md. Ali Hossain Frodhania
Managing Director

Mohammad Shafiqul Azam
Director

Md. Nasir Uddin Ahmed
Director

Md. Fashiar Rahman
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General Manager

Signed in terms of our separate report of even date annexed.

Masih Muhith Haque & Co.
Chartered Accountants

Aziz Halim Khair Choudhury
Chartered Accountants

Dated : June 16, 2019
Dhaka

BANGLADESH KRISHI BANK
STATEMENT OF CHANGES IN EQUITIES
For the year ended as on 30 June 2018

Particulars	Amount in Taka						
	Paid-Up Capital	Re-capitalization	Statutory Reserve	Revaluation Reserve	Other Reserves	Profit/ (Loss)	Total Amount
Balance as at July 01, 2017	9,000,000,000	2,500,000,000	232,306,342	5,520,806,090	588,133,858	(75,612,270,126)	(57,771,023,836)
Prior year adjustment	-	-	-	-	-	4,676,058	4,676,058
Restated opening balance	9,000,000,000	2,500,000,000	232,306,342	5,520,806,090	588,133,858	(75,607,594,068)	(57,766,347,778)
Related Balance due to Changes of Accounting Policy	-	-	-	-	-	-	-
Increased/ Decreased due to Revaluation of Assets or Devaluation of Currency	-	-	-	-	-	-	-
Revaluation Reserve	-	-	-	(21,029,151)	-	21,029,151	-
Re-Capitalization	-	4,000,000,000	-	-	-	-	4,000,000,000
Net Profit / (Loss)	-	-	-	-	-	(6,258,476,622)	(6,258,476,622)
Dividend	-	-	-	-	-	-	-
Increased of Capital	-	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-
Balance as at June 30, 2018	9,000,000,000	6,500,000,000	232,306,342	5,499,776,939	588,133,858	(81,845,041,539)	(60,024,824,399)

Accompanying notes form an integral part of these financial statements.

Mohammad Ismail
Chairman

Md. Nasir Uddin
Director

Muhammad Masudur Rashid Safdar
Director

Md. Ali Hossain Prodhania
Managing Director

Md. Fashiar Rahman
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General Manager

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Md. Saifur Islam
Director

Masih Muhith Haque & Co.
Chartered Accountants
Dated : June 16, 2019
Dhaka

Signed in terms of our separate report of even date annexed.

Aziz Halim Khair Choudhury
Chartered Accountants

BANGLADESH KRISHI BANK

Liquidity Statement

Maturity Analysis of Assets & Liabilities as at 30 June 2018

Amount in Taka

Particulars	upto 1 month	1- 3 months	3 -12 months	1-5 years	More than 5 years	Total
Assets						
a) Cash	2,026,767,599	-	-	-	-	2,026,767,599
b) Balance with Bangladesh Bank & its Agent Banks and Other Banks & Financial Institutions	23,910,812,685	1,997,040,000	2,400,000	12,000,000	62,334,674	25,984,587,359
c) Investments	4,899,000	-	-	73,304,000	34,439,000	112,642,000
d) Loans & Advances	8,009,878,124	16,019,756,249	56,069,146,871	100,123,476,555	20,024,695,311	200,246,953,110
e) Fixed Assets Including Premises, Furniture & Fixtures	-	-	-	-	6,500,421,176	6,500,421,176
f) Other Assets	-	3,144,387,131	4,716,580,696	3,133,318,273	7,311,075,971	18,305,362,070
g) Non- Banking Assets	-	-	97,425,256	227,325,597	-	324,750,852
Total Assets	33,952,357,408	21,161,183,379	60,885,552,823	103,569,424,425	33,932,966,132	253,501,484,167
Liabilities						
a) Borrowing from Bangladesh Bank, Other Banks And Agents	-	3,000,000,000	1,646,400,000	8,232,000,000	16,081,719,169	28,960,119,169
d) Deposits	14,961,848,880	15,774,279,334	47,125,755,448	116,217,853,597	46,624,966,843	240,704,704,101
c) Other Accounts	11,278,692	22,557,383	56,393,458	225,573,830	812,065,790	1,127,869,152
d) Provision and Other Liabilities	-	1,445,416,435	2,890,832,870	10,117,915,046	28,279,451,791	42,733,616,142
e) Equity	-	-	-	-	-	-
Total Liabilities	14,973,127,571	20,242,253,152	51,719,381,776	134,793,342,473	91,798,203,592	313,526,308,565
Net Liquidity Mismatch	18,979,229,837	918,930,228	9,166,171,047	(31,223,918,049)	(57,865,237,462)	(60,024,824,398)
Cumulative Net Mismatch	18,979,229,837	19,898,160,064	29,064,331,112	(2,159,586,936)	(60,024,824,398)	(60,024,824,398)



BANGLADESH KRISHI BANK
Notes to the Financial Statement
For the year ended 30 June 2018

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 1031 branches operating all over Bangladesh except Rajshahi and Rangpur division.

1.2 Principal Activities

The Bank provides all kinds of commercial banking services to its customers 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 fating & 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 for its branches and offices. The bank has a vision to expand and to modernize the IT platform and information systems gradually. Notwithstanding the level of computerization, the security requirements of information systems are Universal and significant to the sustainability of the IT platforms. Accordingly, the bank requires policies to secure IT setup as well as information and to set standards for IT operations.

2.0 Significant accounting policies and basis of preparation of financial statements

2.01 Statement of Compliance

The financial statements of the Bank for the year ended 30 June 2018 have been prepared under the historical cost convention and in accordance with Bangladesh Financial Reporting Standards (BFRSs), the "First Schedule" (section-38) of the Bank Companies Act 1991(amended in 2013), as amended by the BRPD Circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, the Companies Act, 1994, and other laws and rules applicable in Bangladesh. Where the requirement of provisions and circulars issued by Bangladesh Bank differ with those of the regulatory authorities and accounting standards, the provisions and circulars issued by Bangladesh Bank shall prevail.

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



2.01.01 Investment in shares

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

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

2.01.02 Provision on loans and advances

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

Bangladesh Bank: As per BRPD Circular no. 14 dated 23 September 2012 and BRPD Circular no. 19 dated 27 December 2012 BRPD circular no. 05 & 16 dated 29 May 2013 & 18 November 2014 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. BAS 39 not specifically in line with those prescribes such Provision policies.

2.01.03 Financial instruments - presentation and disclosure:

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

2.01.04 Financial guarantees

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

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

2.01.05 Cash and cash equivalents

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



2.01.06 Non-banking assets

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

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

2.01.07 Cash flow statement

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

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

2.01.08 Balance with Bangladesh Bank: (CRR)

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

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

2.01.09 Loans and advance net of provision

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

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

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

2.02 Basis of measurement

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

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

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

2.03 Going concern

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

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

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

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

2.06 Comparative information

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

2.07 Foreign currency transaction and Commitments

a) Foreign currencies transaction

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

b) Commitments

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

2.08 Statement of cash flows

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



2.09 Statement of changes in equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth. Statement of changes in equity has been prepared in accordance with **Bangladesh Accounting Standard-1 "Presentation of Financial Statements"** and relevant guidelines of Bangladesh Bank.

2.10 Liquidity statement

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

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

2.11 Accounting for contingent liabilities and contingent assets

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

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

2.12 Assets and basis of their valuation

2.12.01 Cash and cash equivalents

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



2.12.02 Investments

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

a) Value of investments has been shown as under:

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

2.12.03 Loans, advances and provisions

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

Interest on loans and advances

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

Provision for loans and advances

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

Rate of provision

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



Presentation of loans and advances

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

Written off loans and advances

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

2.12.04 Property, plant and equipments

a) Recognition

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

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

b) Depreciation

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

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

2.12.05 Other assets

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

Provision for other assets

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

2.12.06 Non-Banking Assets

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



2.13 Liabilities and provision

2.13.01 Borrowings from other banks, financial institutions and agents

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

2.13.02 Deposits and other accounts

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

2.13.03 Other liabilities

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

2.13.04 Deferred and Penal Interest Reserve Account

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

2.13.05 Employee benefit scheme

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

Superannuation fund:

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

2.13.06 Provision for taxation

Provision for current income tax has been made at the rate for individual assessee as prescribed in the Finance Act, 2018 of the accounting profit made by the BKB after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance-1984 in compliance with IAS-12 "Income Taxes".

2.14 Capital Expenditure Commitment

There is no capital expenditure on contingent contract or commitment as at June 30, 2018.



2.15 Off Balance Sheet items

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

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

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

2.16 Revenue recognition

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

2.16.01 Interest income

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

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

2.16.02 Investment income

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

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



2.16.03 Fee and commission income

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

2.16.04 Dividend Income:

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

2.16.05 Other operating income

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

2.16.06 Interest paid on deposits and borrowings

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

2.16.07 Other expenses

Expenses incurred by the bank are recognized on accrual basis.

2.16.08 Other comprehensive income

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

2.17 Reporting period

These financial statements of the bank and its subsidiary cover one financial year from 01 July 2017 to 30 June 2018.

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

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

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



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

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

2.19 Regulatory & legal compliance

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

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

2.20 Approval of financial statements

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



2.21 Events after the reporting period

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

2.22 Litigation

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

2.23 Written Off

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

2.24 Risk Management

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

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

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

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

2.24.1 Credit Risk:

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



2.24.2 Asset Liability/ Balance Sheet Risk:

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

2.24.3 Foreign Exchange Risk:

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

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

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

2.24.4 Internal Control & Compliance Risk:

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

2.24.5 Money Laundering Risk:

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

2.24.6 IT Risk:

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

2.25 Directors responsibility on statements

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



2.26 Related Party Transactions

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

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

2.27 Law Suit Position

- a) 02 Writ Suits, 114 Artho Rine Suits are filled during the period and no Writ Suits, 80 Artho Rine Suits are settled during the period from 01 July 2017 to 30 June 2018.
- b) 115 Writ Suits, 02 Insolvency Suits & 1436 Artho Rine Suits are unsettled as on 30 June, 2018.

2.28 Post balance sheet event

No post balance sheet event occurred from 01 July 2017 to 31 October 2018 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 13 employees. Total Tk. 371.73 lac are involved in these frauds & 141.17 lac amount is realized from that fraud during the period.

In addition from the beginning to 30 June, 2018 total 36 frauds and forgeries were committed in the bank & Tk. 2784.00 lac are involved of that cases and total realized amount are Tk. 1252.00 lac.

2.30 General

- a) Wherever consider necessary certain accounts of Financial Year 2017-2018 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.



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Aziz Halim Khair Chowdhury
Dhaka.
Chartered Accountants

Ref.	Notes	Amount in Taka		
		30-06-2018	30-06-2017	
3.3	Disclosures Regarding Maintenance of CRR & SLR			
3.3.1	Cash Reserve Requirement (CRR)			
	Cash Reserve Requirement (CRR) have been calculated and maintained in accordance with section 33 of Bank Companies Act 1991 (amended 2013) and MPD circular no.1 dated 23 June 2014.			
	As per Monetary Policy Department (MPD) circular No. 01 dated 23 June 2014 of Bangladesh Bank (effective from 24 June 2014), all scheduled banks are required to maintain CRR of minimum 6.0% on daily basis and 5.5% on bi-weekly basis based on weekly average demand and time liabilities of two months prior to current month (i.e. CRR of June 2017 will be based on weekly average balance of April 2017 as per Banking Regulation and Policy Department (BRPD) circular no. 12 dated 06 September 1998). However, Bangladesh Krishi Bank (BKB) has been maintaining its CRR according to the policy.			
	According to the circular no. 01 of MPD, BB issued dated 03.04.2018 at now it has been decided to refix this CRR at 5.5 percent on bi-weekly average basis with a provision of minimum 5.0 percent on daily basis effective from 15 april, 2018.			
	Average Time & Demand Liabilities	233,616,212,500	221,317,448,500	
	Required reserve @ 5.5%	12,848,891,688	14,385,634,153	
	Actual reserve Maintained	18,586,764,988	14,554,169,140	
	Surplus/(Shortfall)	5,737,873,301	168,534,987	
	*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. Bangladesh Krishi Bank is a specialised bank of the government, hence the bank has been exempt from this compliance requirement of Bangladesh Bank as disclosed in its annual report.			
4	Balance With Other Banks and Financial Institutions			
	In Bangladesh	4.1	2,326,767,974	2,970,405,066
	Outside Bangladesh	4.2	957,793,670	216,499,782
			3,284,561,644	3,186,904,848
4.1	In Bangladesh			
	Current Deposits		175,251,782	96,852,479
	Short Term Deposits		77,741,518	46,789,033
	Fixed Deposits		2,073,774,674	2,826,763,554
			2,326,767,974	2,970,405,066
4.1.1	In Current Deposits			
	Janata Bank		85,340,831	39,214,677
	Rupali Bank Ltd.		41,110,492	12,876,396
	Agrani Bank Ltd.		26,869,563	30,440,262
	Pubali Bank Ltd		2,277,802	1,788,492
	Trust bank (ATM)		167,609	2,894,694
	The City Bank Ltd		1,176	1,176
	Islami Bank (Bd.) Ltd		6,724,260	5,176,843
	Shajalal Islami Bank Ltd		6,426,865	-
	Mutual Trust Bank Ltd		-	1,441,577
	DBBL (Mobile banking)		2,192	3,213
	BRAC Bank Ltd (Bkash)		3,013,075	3,015,150
	National Bank Ltd		3,317,917	-
			175,251,782	96,852,479



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
4.1.2	Short Term Deposits		
	Janata Bank	25,798,400	8,592,762
	Rupali Bank Ltd.	15,845,067	14,324,448
	Agrani Bank Ltd.	33,130,561	21,846,378
	Pubali Bank Ltd	-	2,025,445
	Mutual Trust Bank Ltd	2,967,490	-
		<u>77,741,518</u>	<u>46,789,033</u>
4.1.3	In Fixed Deposits		
	ICB Islamic Bank Ltd	76,734,674	76,763,554
	Estern Bank Ltd	-	1,000,000,000
	ICB	-	500,000,000
	BRAC	-	250,000,000
	The City Bank Ltd	1,000,000,000	1,000,000,000
	Standard Bank Ltd	497,040,000	-
	Markentile Bank Ltd	500,000,000	-
		<u>2,073,774,674</u>	<u>2,826,763,554</u>

4.2 Outside Bangladesh (Debit balance with NOSTRO Accounts)

Mashreq Bank PSC, Newyork	799,485,635	-
Bank of Tokyo Mitsubishi Ltd. Tokyo	4,229,206	2,464,023
Sonali Bank, Calcutta (ACU Dollar)	52,165,933	30,796,736
Summit Bank Ltd	2,661,602	1,291,234
Arab Bangladesh Bank Ltd. Mumbai (ACU Dollar)	53,518,661	34,012,268
Hypovereins Bank(EURO)	-	22,731,921
Nepali Grindlaze Bank.(Nepal Aque Dollar)	-	1
Standard Chartered bank, NY(USD)	-	2,210,774
Al-Rajhi Banking & Inv. Corp. Riadh Saudia Arabia	-	300
Habib Metro bank(ACUD)	4,882,180	17,049,793
*Standard Chartered bank, Kalauta	7,233,127	3,509,107
Sonali Bank, UK (USD)	-	12,500,099
Habib AG Juric Bank, CHF	10,915,701	4,545,253
Habib American bank, NY (USA)	-	47,216,422
Sonali Bank Ltd. UK-London	-	26,332,238
Habib AG Juric Bank, EURO	18,463,376	1,997,135
RBB, Nepal	4,238,247	9,842,479
	<u>957,793,670</u>	<u>216,499,782</u>

4.2.1 Currency-wise Grouping

Currencies	Amount in FC	Exchange Rate	Amount in Taka (30-06-18)
USD	11,090,668.26	83.3300	924,185,386
EURO	212,437.59	86.912	18,463,376
CHF	136,093.61	80.2073	10,915,701
YEN	5,517,555.43	0.7665	4,229,206
			<u>957,793,670</u>

*Included in the balance of SCB, Kalauta USD 43,101 or equivalent to Rs. 2,341,913 has been frozen as per kolkata high court's order (Reg: Ga No. 939 of 2013 dated 21st March, 2013).



Ref.	Notes	Amount in Taka		
		30-06-2018	30-06-2017	
4.3	Maturity grouping of Balance with Other Banks and Financial Institutions			
	On demand	1,133,045,451	313,352,261	
	Not more than one month	77,741,518	46,789,033	
	More than 1 months but less than 3 months	1,997,040,000	2,750,000,000	
	More than 3 months but less than 1 year	2,400,000	2,400,000	
	More than 1 year but less than 5 years	12,000,000	12,000,000	
	More than 5 years	62,334,674	62,363,554	
		<u>3,284,561,644</u>	<u>3,186,904,848</u>	
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	78,203,000	7,420,000
	Other investments	6.2	34,439,000	34,439,000
			<u>112,642,000</u>	<u>41,859,000</u>
6.1	Government securities			
	i) Treasury bill		-	-
	ii) National Investment Bond		-	-
	iii) Bangladesh Bank Bill		-	-
	iv) Govt. Notes/Bonds		73,304,000	-
	v) Prize Bond		4,899,000	7,420,000
	vi) Others		-	-
	v) Repo		-	-
			<u>78,203,000</u>	<u>7,420,000</u>
6.2	Other Investments			
	i) Share	6.2.1	31,439,000	31,439,000
	ii) Debenture & Bond		-	-
	iii) Other investment		3,000,000	3,000,000
	iv) Gold etc		-	-
			<u>34,439,000</u>	<u>34,439,000</u>
6.2.1	Ordinary Shares			
	Quoted (publicly traded)		31,439,000	31,439,000
	Unquoted		-	-
			<u>31,439,000</u>	<u>31,439,000</u>
6.3	Maturity grouping of Investments			
	Upto 3 months		4,899,000	7,420,000
	Over 3 months but below 1 year		-	-
	Over 1 year but below 5 years		73,304,000	-
	Over 5 years		34,439,000	34,439,000
			<u>112,642,000</u>	<u>41,859,000</u>
6.4	Provision Required For Investment Ordinary Shares			
	i) Provision required for diminution in value of Investment		16,033,890	15,405,110
	ii) Last year provision		18,549,010	18,549,010
	iii) Provision made during the year		-	-
	iv) Transfer from provision for unclassified loans & advances		-	-
	Total Provision Held		<u>18,549,010</u>	<u>18,549,010</u>
	iv) Provision excess/(shortfall)		2,515,120	3,143,900
6.5	Net Investment On Ordinary Share			
	Gross investment		31,439,000	31,439,000
	Less: provision for investment		18,549,010	18,549,010
			<u>12,889,990</u>	<u>12,889,990</u>



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
7	Loans and Advances		
	Loans, Cash Credits, Overdrafts etc.	194,510,836,046	187,041,217,361
	Bills Purchased and Discounted	5,736,117,064	6,631,351,985
		200,246,953,110	193,672,569,346
7.1	Maturity Grouping of Loans and Advances		
	Loans and advances are repayable :		
	Receivable on demand	8,009,878,124	7,746,902,774
	With in 3 months	16,019,756,249	15,493,805,548
	With in 3 months to 12 months	56,069,146,871	54,228,319,417
	With in 1 year to 5 years	100,123,476,555	96,836,284,673
	More than 5 years	20,024,695,311	19,367,256,935
		200,246,953,110	193,672,569,346
7.2	Loans, Cash Credits, Overdrafts etc. (including bills purchased and discounted)		
	In Bangladesh	200,246,953,110	193,672,569,346
	Outside Bangladesh	-	-
		200,246,953,110	193,672,569,346
7.2.1	In Bangladesh		
	Loans	166,187,066,087	161,356,709,425
	Cash Credits	28,323,769,958	25,684,507,936
	Bills Purchased & discounted	5,736,117,064	6,631,351,985
		200,246,953,110	193,672,569,346
7.2.2	Outside Bangladesh		
	Bangladesh Krishi Bank does not sanction any loans & advances outside the country.		
7.3	Loans, Cash credits, Overdrafts etc. including bills purchased and discounted (category wise)		
	Loans	7.3.1 166,187,066,087	161,356,709,425
	Cash Credits	7.3.2 28,323,769,958	25,684,507,936
	Bills Purchased & discounted	7.3.3 5,736,117,064	6,631,351,985
		200,246,953,110	193,672,569,346
7.3.1	Loans		
	Crop loan	111,782,970,927	110,719,711,504
	Fishery loan	11,090,500,000	11,387,900,000
	Livestock	11,154,200,000	11,017,100,000
	Irrigation Equipment	487,100,000	508,500,000
	Agro Industry Loan	789,200,000	732,600,000
	Socio Economic Activities	3,752,600,000	3,861,500,000
	Staff Loans	10,448,095,160	10,555,997,921
	Ready Made Garments (RMG)	3,015,300,000	2,858,200,000
	Textiles	3,945,600,000	3,337,200,000
	Transport, storage & communication	168,000,000	168,100,000
	SME	9,553,500,000	6,209,900,000
		166,187,066,087	161,356,709,425
7.3.2	Cash Credits		
	Cash Credits	28,323,769,958	25,684,507,936
		28,323,769,958	25,684,507,936



Ref.	Notes	Amount in Taka																																	
		30-06-2018	30-06-2017																																
7.3.3	Bills Purchased & Discounted																																		
	Foreign documentary bill purchased	5,736,117,064	6,631,351,985																																
		<u>5,736,117,064</u>	<u>6,631,351,985</u>																																
7.3.3.1	Bills Purchased & discounted																																		
	In Bangladesh	-	-																																
	Outside Bangladesh	5,736,117,064	6,631,351,985																																
		<u>5,736,117,064</u>	<u>6,631,351,985</u>																																
7.3.3.2	Maturity Grouping of Bills Purchased & Discounted																																		
	Payable within 1 month	4,118,566,064	4,723,800,000																																
	Over 1 month but less than 3 months	796,200,000	896,200,000																																
	Over 3 months but less than 6 months	462,300,000	562,300,000																																
	6 months or more	359,051,000	449,051,985																																
		<u>5,736,117,064</u>	<u>6,631,351,985</u>																																
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 capital)																																		
	i) Advances to allied concern of directors	-	-																																
	ii) Advances to Chief Executive and other Senior Executive	-	-																																
	iii) Advances to customers (loan amount more than 10% of bank's total paid-up capital): Note : 7.4.2																																		
	Number of client	6	14																																
	Loan amount	8,979,200,000	17,650,400,000																																
	Classified loan therein:																																		
	Sub Standard (SS)	-	-																																
	Doubtful (DF)	-	-																																
	Bad/ Loss (BL)	5,627,400,000	9,662,400,000																																
	Measures taken for recovery of classified loan :																																		
	Bank as a whole takes following steps to recover its classified loans and advances:																																		
	ii) Sending letters and reminder to customer.																																		
	iii) Recovery cell including top management level holds discussion with the clients to recover the loans.																																		
	iv) Maintaining special recovery arrangement through loan fair, client gathering, recovery campaign, etc.																																		
	v) Legal proceedings and quick settlement.																																		
	vi) Providing incentives to employee for cash recovery from classified and written-off loans																																		
7.4.2	Large Loans details (loan amount more than 10% of bank's total paid up capital)																																		
	<table border="1"> <thead> <tr> <th>Name of borrower</th><th>Outs. in crore</th><th>Types of Loan</th><th>Status</th></tr> </thead> <tbody> <tr> <td>M/s Fair Yarn Processing Mills Ltd</td><td>313.53</td><td>CC</td><td>BL</td></tr> <tr> <td>Bangladesh Chemicals Ind. Corp. (BCIC)</td><td>129.21</td><td>CC/LTR</td><td>UC</td></tr> <tr> <td>M/s Padma Bleaching & Dying Ltd</td><td>147.72</td><td>CC/Project</td><td>BL</td></tr> <tr> <td>M/s Multazim Spinning Mills Ltd</td><td>108.74</td><td>CC/Project</td><td>UC</td></tr> <tr> <td>M/s Anika Enterprise</td><td>101.49</td><td>CC/Project</td><td>BL</td></tr> <tr> <td>M/s Bay Agro Ind. Ltd</td><td>97.23</td><td>LTR</td><td>UC</td></tr> <tr> <td>Total</td><td>897.92</td><td></td><td></td></tr> </tbody> </table>	Name of borrower	Outs. in crore	Types of Loan	Status	M/s Fair Yarn Processing Mills Ltd	313.53	CC	BL	Bangladesh Chemicals Ind. Corp. (BCIC)	129.21	CC/LTR	UC	M/s Padma Bleaching & Dying Ltd	147.72	CC/Project	BL	M/s Multazim Spinning Mills Ltd	108.74	CC/Project	UC	M/s Anika Enterprise	101.49	CC/Project	BL	M/s Bay Agro Ind. Ltd	97.23	LTR	UC	Total	897.92				
Name of borrower	Outs. in crore	Types of Loan	Status																																
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M/s Bay Agro Ind. Ltd	97.23	LTR	UC																																
Total	897.92																																		
	N.B. 01(one) loan status is sub-standard out of total 08 loans & advances of BCIC.																																		
7.4.3	Industry Wise Distribution of Loans and Advances(Excluding Staff Loans)																																		
	Textiles	3,945,600,000	3,594,100,000																																
	Transport	168,000,000	250,000,000																																
	Food (Industry & Trade)	7,224,400,000	8,504,900,000																																
	Export & Import credit	11,484,400,000	14,721,800,000																																
	Rural credit	164,018,593,774	153,485,637,493																																
	Ready Made Garments (RMG)	3,015,300,000	2,560,100,000																																
		<u>189,856,293,774</u>	<u>183,116,537,493</u>																																



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
7.4.4	Geographical Area Wise Loans and Advances (Excluding Staff Loans)		
	Dhaka	59,216,093,774	63,209,298,292
	Chittagong	37,211,100,000	38,206,739,620
	Sylhet	11,023,400,000	11,027,515,855
	Khulna	30,513,300,000	30,142,079,905
	Barisal	19,036,800,000	18,925,374,558
	Mymensingh	32,855,600,000	32,161,427,767
		189,856,293,774	193,672,435,997
7.5	Classification Status of Loans & Advances		
	Unclassified		
	i) Standard (including staff loans)	160,378,683,251	150,014,077,320
	ii) Special Mention Account (SMA)	516,901,894	499,781,268
	Sub-total	160,895,585,145	150,513,858,588
	Classified		
	i) Sub-Standard	4,224,923,338	4,728,132,584
	ii) Doubtful	2,305,029,856	3,361,659,573
	iii) Bad	32,821,414,771	35,068,885,319
	Sub-total	39,351,367,965	43,158,677,476
	Grand total	200,246,953,110	193,672,536,064
7.6	Movement of classified Loans & Advances		
	Opening classified loans & advances	43,158,677,476	48,413,000,000
	Less:		
	Cash recovery & adjustment	11,371,600,000	11,740,300,000
	Write off	-	-
	Interest waiver	-	10,522,000
	Re-scheduling	5,648,400,000	2,915,100,000
		17,020,000,000	14,665,922,000
	Add: Newly classified loans & advances during the year	13,212,690,489	9,411,599,476
	Closing balance of classified loans & advances	39,351,367,965	43,158,677,476
7.7	Details of Provision required and held for loans and advances		
	Provision required:		
	For unclassified loan		
	Standard	1,451,484,224	2,914,227,746
	SMA	4,628,465	4,497,623
	sub-total:	1,456,112,689	2,918,725,369
	For classified loan		
	Substandard	302,993,066	317,170,561
	Doubtful	168,725,002	607,028,390
	Bad/loss	20,351,861,839	20,612,460,303
	sub-total:	20,823,579,907	21,536,659,254
	Total:	22,279,692,596	24,455,384,623
	Provision maintained/held:		
	For unclassified loan	13.3.1 1,456,112,689	2,918,725,369
	For classified loan	13.3.2 20,936,659,254	21,536,659,254
	Total:	22,392,771,943	24,455,384,623
	Provision excess/(shortfall)	113,079,347	-
7.8	Net Loans and Advances		
	Gross loans & advances	200,246,953,110	193,672,536,064
	Less: interest suspense	7,683,966,441	7,652,416,051
	Less: total provision held	22,392,771,943	24,455,384,623
		170,170,214,726	161,564,735,390



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
7.9	Particulars of Loans and Advances		
	1. Debts considered good in respect which the banking company is fully secured	30,649,900,000	30,009,600,000
	2. Debts considered good for which the banking company holds no security other than the debtor's personal guarantee.	125,089,070,927	120,791,111,504
	3. Debts considered good and secured by personal undertakings of one or more parties in addition to the personal guarantee of the debtor's	10,448,095,160	10,555,997,921
	4. Debts considered bad or doubtful not provided for. (Total classified loans and advances less provision)	<u>166,187,066,087</u>	<u>161,356,709,425</u>
	5. Debts due by directors or officers of the banking company or any of these either separately or jointly with any other person.	-	-
	6. Debts due by companies or firms in which the directors of Banking company have interests as directors, partners or managing agents or, in the case of private companies as members.	-	-
	7. Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking companies or any of them either separately or jointly with any other person.	-	-
	8. Maximum total amount of advances including temporary advances granted during the year to the companies or firms in whom the directors of the banking company have interests as directors, partners or managing agents or in the case of private companies as members.	-	-
	9. Due from banking companies	-	-
	10. Amount of classified loan on which interest has not been charged	39,351,367,965	43,158,677,476
	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	35,700,000	55,522,000
	14. 30.06.18 Balance of written off loan	2,215,898,000	2,251,598,000
	15. The amount of written off loan for which law suit has been filed.	2,215,898,000	2,251,598,000
8	Fixed Assets including Premises, Furniture & Fixtures		
	Land	4,756,076,000	4,756,076,000
	Buildings	1,024,948,875	1,051,051,467
	Motor Vehicles	39,338,354	70,149,864
	Furniture & Fixtures	125,850,597	119,162,708
	Office Equipments	49,917,198	41,925,049
	Office Machinery	351,638,239	373,950,739
	Electrical Equipment	152,651,912	133,337,146
		<u>6,500,421,176</u>	<u>6,545,652,973</u>

Fixed assets schedule has been provided in Annexure - B.

Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
9	Other Assets		
	Income generating	-	-
	Non income generating	18,305,362,070	17,420,492,747
		<u>18,305,362,070</u>	<u>17,420,492,747</u>
9.1	Ageing of Other Assets		
	Upto 6 months	7,418,167,827	8,293,613,593
	More than 6 months but less than 1 year	442,800,000	1,860,247,299
	More than 1 year but less than 2 years	32,548,265	139,700,000
	More than 2 years but less than 3 years	95,684,545	185,200,000
	More than 3 years	10,316,161,434	6,941,731,855
		<u>18,305,362,070</u>	<u>17,420,492,747</u>
	Non Income Generating		
	Stamps	14,035,110	14,174,134
	Stationery	88,927,371	94,916,883
	Accrued Interest Receivable on staff loans & advances	4,345,215,496	4,466,198,028
	Advance, Deposit & Pre-Payments 9.2	86,368,614	38,551,057
	Sundry debtors (Accounts Receivable) 9.3	11,036,095,086	10,073,061,008
	Suspense Account 9.4	2,734,720,393	2,733,591,638
		<u>18,305,362,070</u>	<u>17,420,492,747</u>
9.2	Advance, Deposits & Pre-Payments		
	Traveling Advance	1,451,742	1,820,848
	Advance against Salary	1,565,916	1,196,572
	Other Advances to Staff	1,012,063	1,858,913
	Advance against Supply	49,757,612	77,062
	Security Deposits	6,837,807	6,835,305
	Prepaid Expenses	25,661,461	26,679,556
	Advance against Foreign Loan	82,013	82,800
	Income tax refundable	-	-
		<u>86,368,614</u>	<u>38,551,057</u>
9.3	Sundry debtors (Accounts Receivable)		
	Interest remitted on pre-liberation agri. loans & advances	39,975,318	39,976,028
	Interest remitted on crop loans	17,239,459	404,400
	Interest Remitted on weavers credit in 1988	54,742,497	54,783,207
	Interest Remitted on weavers credit in 1995	75,468,906	75,744,568
	Remissionable loan transfer account	305,912,055	305,780,930
	Remissionable interest against industrial & commercial loan	623,453,729	682,824,380
	Remissionable agricultural loan	131,529,901	132,360,441
	Losses against remission of interest and others	573,733,389	573,736,116
	Remitted interest of loan account which disbursed upto 30.06.90	26,897,055	27,145,887
	Loom board credit	1,082,102	1,899,943
	Prize against classified loan recovery	12,073,042	18,548,979
	20% interest remission of classified loan for four years	67,397,229	67,358,906
	Receivable from RAKUB	1,265,620,162	1,223,318,799
	Protested bill	19,014,755	18,063,842
	Provision for land and building	8,813,566	12,583,588



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
	Remission of agricultural Loan (1st claim)	69,912,710	63,131,854
	Food procurement program	90,727,592	2,664,834
	Retired Army pension	777,600,898	588,009,331
	Remissionable interest on swanirvar credit program	4,720,949	4,950,722
	Payable on pension Account	56,997,178	45,284,857
	Benevolent grant after death	2,162,237	2,975,121
	Miscellaneous	1,483,353,888	849,257,200
	Provision for others expenditure	424,047,540	394,619,107
	Receivable from Govt. against remissionable 40% of sick frozen	32,918,075	32,917,099
	Interest Remitted up to Tk.5000	349,936,105	349,855,131
	Legal charges against written off loan	5,019,474	5,099,073
	50% of remitted Agri. loan upto Tk.5000/- Bank's share	8,062,819	8,021,893
	Reconstruction of Accounts	5,310,750	5,679,805
	SIDOR affected agricultural Loan	28,412,566	28,258,315
	Govt. subsidy against S.T.W.	(31,931,810)	(31,802,737)
	Wage Earners bond	11,489,969	10,072,820
	Business development	1,067,471	294,600
	Interest Remitted upto TK.5000	190,557	-
	Receivable from Government (note: 9.3.1)	4,493,142,955	4,479,241,968
		11,036,095,086	10,073,061,008
9.3.1	Receivable from Government		
	*Receivable from Govt. against provision of first classification in 1990-91	-	-
	Income Tax Refundable	1,181,006,167	1,164,812,339
	Receivable against Excess Interest of double amount of the principal loan	3,312,136,788	3,314,429,629
		4,493,142,955	4,479,241,968
9.4	Details of Suspense Account		
	Fishery credit project	444,996	469,045
	Central Godown A/C (Maintenance)	370,341	370,341
	Grameen Bank	9,505	9,505
	D D paid in Suspense Accounts	682,148,746	759,658,910
	Western Union Remittance	28,472,365	36,006,011
	Ex-advice Foreign DD suspense	6,398,107	3,488,076
	Xpress Money	13,045,026	13,073,193
	IME	3,007,528	11,791,865
	Trans Fast	8,398,245	13,100,325
	Electronic money (bkash mobile banking)	(5,715,000)	(5,227,223)
	Electronic money (DBBL)	7,315,000	7,721,255
	Sanchay patra	1,510,370,601	1,422,567,480
	Sanchay patra (block)	615,223,070	901,866,646
	Ex-advice payment for BEFT	123,532,963	84,141,354
	RIA Money Transfer (USA)	10,342,011	1,325,402
	AL Ansari Exchange (Cash Express)	914,941	503,955
	NBL Money Transfer Spot Cash	512,550	708,085
	Marchantrade, SPOT CASH	4,114,334	-
	Provu Money Transfer Spot Cash	3,037,367	-
	Interest reMax Money Sdn. Bhd, Malaysia	142,018	-
	IBTA interest receivable account	1,012,500	-
	Demonotised Notes	35,073	-
	Balance of Inter branch transaction accounts	(278,411,896)	(517,982,588)
		2,734,720,393	2,733,591,638

Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017

9.4.1 Inter Branch Transaction Accounts

Account head of IBTA	30-06-2018	30-06-2017
111_BKB Due to Branch	6,511,355,684	6,031,653,917
1110_On line BKB General acc	39,511,728	986,569,136
1111_BKB Exchange house General acc	(213,638,580)	(18,298,163)
1112_BKB-DBBL General acc	10,567,376	10,953,330
1113_BKB-B Cash General acc	(420,912,044)	(109,475,096)
1114_BKB General Account	38,085,961	727,195,614
1115_RTGS General account	1,220,064,849	(702,739,868)
1116_Bkash Regional General Account	(98,701,888)	(22,176,472)
112_BKB Due to head office	(6,148,692,850)	(6,215,351,257)
113_BKB General a/c	407,568,725	(113,968,699)
115_BKB Regional a/c	(2,810,659,512)	(1,634,290,288)
116_BKB Divisional a/c	(229,707,244)	(513,910,704)
117_BKB General a/c	1,289,976,420	817,532,899
118_BKB Exchange House General Account	1,265,586	332,237,774
119_BKB General a/c	125,503,891	(93,914,710)
	<u>(278,411,896)</u>	<u>(517,982,588)</u>

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 (%)	30.06.2018
Other assets for 0-6 months	7,418,167,827	0%	-
Other assets for 6-12 months	442,800,000	50%	221,400,000
Other assets for more than 12 months	5,492,983,149	100%	5,492,983,149
Protested bill	19,014,755	100%	19,014,755
Legal charges against written off loan	5,019,474	100%	5,019,474
*Claim to the Government as excess interest on double amount of principal loan.	3,312,136,788	0%	-
Receivable from RAKUB	1,265,620,162	0%	-
	<u>17,955,742,153</u>		<u>5,738,417,377</u>

* 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		10,513,540,099	9,126,879,154
ii) Provision required		5,738,417,377	4,882,325,876
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)		<u>5,706,200,000</u>	<u>5,706,200,000</u>
v) Provision excess/(shortfall)		(32,217,377)	823,874,124

10 Non-Banking Assets

Income generating		-	-
Non income generating	10.1	324,750,852	327,688,702
		<u>324,750,852</u>	<u>327,688,702</u>



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
10.1	Non income generating		
	Assets acquired in settlement of loans & advances	324,750,852	327,688,702
		<u>324,750,852</u>	<u>327,688,702</u>
	The Bank acquired mortgaged land & buildings in settlement of loans & advances.		
10.2	Ageing of non-banking assets		
	Upto 6 months	-	-
	More than 6 months but less than 1 year	97,425,256	98,306,611
	More than 1 year but less than 2 years	129,900,341	131,075,481
	More than 2 years but less than 3 years	97,425,256	98,306,611
	More than 3 years	-	-
		<u>324,750,852</u>	<u>327,688,702</u>
11	Borrowing from Other Banks, Financial Institutions & Agents		
	In Bangladesh 11.1	28,526,255,827	26,318,728,012
	Outside Bangladesh 11.2	433,863,342	526,537,380
		<u>28,960,119,169</u>	<u>26,845,265,392</u>
11.1	Borrowing in Bangladesh		
	From Government 11.1.1	2,102,631,402	1,291,865,959
	From Bangladesh Bank 11.1.2	26,423,624,426	25,026,862,053
		<u>28,526,255,827</u>	<u>26,318,728,012</u>
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	810,765,443	-
		<u>2,102,631,402</u>	<u>1,291,865,959</u>
11.1.2	Borrowings from Bangladesh Bank:		
	From the beginning Bangladesh Krishi Bank borrows from Bangladesh Bank as re-finance for imbursement of agricultural loans provided to farmers. The re-finance was sanctioned by BB under 3 categories.		
	Short Term Loan 11.1.2.1	374,706,136	12,380,825,739
	Medium Term Loan 11.1.2.2	-	5,182,852,000
	Long Term Loan 11.1.2.3	-	778,303,000
	Interest Payable	-	6,684,881,314
	Re-finance (block)	23,048,918,290	-
	Demand Loan	3,000,000,000	-
		<u>26,423,624,426</u>	<u>25,026,862,053</u>
11.1.2.1	Short-Term Loan		
	30 BK-1	-	2,202,723,364
	31 BK-1	-	2,040,571,000
	33 BK-1	-	1,700,000,000
	34 BK-1	-	2,000,000,000
	37 BK-1	-	3,400,000,000
	38 BK-1	-	1,000,000,000
	Re-finance under 10 taka a/c holder	374,706,136	37,531,375
	Sub Total	<u>374,706,136</u>	<u>12,380,825,739</u>



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
	11.1.2.2 Mid-Term Loan		
	30 BK - 2	-	335,000,000
	31 BK - 2	-	294,652,000
	31 BK - 3	-	17,000,000
	33 BK - 2	-	880,000,000
	33 BK - 4	-	43,700,000
	33 BK- 5	-	112,500,000
	34 BK- 2	-	330,000,000
	34 BK- 3	-	2,070,000,000
	34 BK- 6	-	100,000,000
	37 BK- 2	-	500,000,000
	38 BK- 3	-	500,000,000
	Sub Total	-	5,182,852,000
	11.1.2.3 Long-Term Loan		
	30 BK - 5	-	23,000,000
	30 BK Rubber - 1	-	7,066,000
	31 BK - 5	-	29,237,000
	31 BK - Rubber - 1	-	10,000,000
	33 BK- 3	-	109,000,000
	33 BK- 6 (Tea)	-	95,000,000
	33 BK- R-1	-	5,000,000
	34 BK - 4	-	330,000,000
	34 BK - 5	-	160,000,000
	34 BK - RI	-	10,000,000
	Sub Total	-	778,303,000
11.1.3	Security wise grouping		
	Secured by Government	28,526,255,827	26,318,728,012
	Unsecured	-	-
		28,526,255,827	26,318,728,012
11.1.4	Maturity wise grouping		
	Repayable on demand	-	-
	others	28,526,255,827	26,318,728,012
		28,526,255,827	26,318,728,012
11.2	Outside Bangladesh		
	Credit Balances with NOSTRO Accounts	11.2.1 168,897,031	260,262,069
	Borrowings from International Financial Institutions	11.2.2 264,966,311	266,275,311
		433,863,342	526,537,380
11.2.1	Credit Balances with NOSTRO Accounts		
	Mashreq Bank PSC, Newyork	-	242,353,093
	ICICI Bank LTD. Mumbai India	153,773,283	17,908,976
	Habib American bank, NY (USA)	15,123,748	-
		168,897,031	260,262,069
11.2.2	Borrowings from International Financial Institutions :		
	Bangladesh Krishi Bank receives funds from various International Financial Institutions (IFIs) through Ministry of Finance for lending to lesser/under developed economic sectors.		
	ADB 329 BAN (SF)	509,404	509,404
	ADB - 1067	233,007,135	233,007,135
	IFAD 280 BAN	1,146,600	2,455,600
	ODA Grant (Machine)	17,986,851	17,986,851
	E E C Grant	11,146,900	11,146,900
	STABESK/ Complex Fund	974,245	974,245
	ASCAP / ILO Grant	195,175	195,175
		264,966,311	266,275,311



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
11.2.3	Security wise grouping		
	Secured by Government	264,966,311	266,275,311
	Unsecured	-	-
		<u>264,966,311</u>	<u>266,275,311</u>
11.2.4	Maturity wise grouping		
	Repayable on demand	-	-
	others	264,966,311	266,275,311
		<u>264,966,311</u>	<u>266,275,311</u>
12	Deposits & others accounts		
	Current & Contingency accounts	12.1 19,744,373,114	17,115,683,629
	Bills Payable	12.2 1,127,869,152	1,131,069,200
	Savings deposit	12.3 60,861,391,493	56,429,340,190
	Fixed deposit	12.4 160,098,939,495	152,695,849,271
		<u>241,832,573,254</u>	<u>227,371,942,290</u>
12.1	Current & other accounts		
	Current Deposits	11,766,874,838	10,121,977,907
	Hajj deposit	414,666,408	61,219,381
	ODA Revolving Fund	308,807,345	141,938,748
	Call Deposits	33,363,226	-
	Dorment Accounts	147,115,643	147,509,876
	Guarantee Account Cash Collateral(current)	238,681	1,064,294
	Guarantee Account Cash Collateral(savings)	17,666	-
	Guarantee Accounts Cash Collateral (Fixed)	4,211,928	-
	Special Deposits	42,443,318	34,619,015
	Special Blocked Account	24,658,622	38,318
	SND (Short Term Deposit Account)	6,388,973,441	5,444,933,165
	Marginal Deposit Account	406,374,171	480,037,798
	Customers F.C A/C	37,292,695	241,296,058
	Customers N/F/C, A/C(USD)	-	13,529,583
	Exporters F.C A/C	21,284,350	20,137,529
	Account of U.A.E Exchange Co.	147,979,467	407,381,956
	Resident Foreign Currency Deposit	20,000	-
	Accounts Payable F.C (WES)	51,315	-
		<u>19,744,373,114</u>	<u>17,115,683,629</u>
12.2	Bills Payable		
	Payment Orders Outstanding	838,036,349	691,022,593
	Demand Draft Payable	506,733,481	546,705,147
	Telegraphic transfer payable	(216,315,049)	(107,495,477)
	Mail Transfer Payable	(709,848)	633,138
	Demand Draft Payable on Ex-advice	124,220	203,800
		<u>1,127,869,152</u>	<u>1,131,069,200</u>
12.3	Savings bank deposits		
	Savings deposits	60,861,391,493	56,429,340,190
		<u>60,861,391,493</u>	<u>56,429,340,190</u>



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
12.4	Fixed deposits		
12.4.1	Term-wise breakdown of fixed deposits is as follows:		
	Less than 3 months	407,514,314	1,006,109,680
	More than 3 months but less than 6 months	17,320,180,000	14,772,871,000
	More than 6 months but less than 1 year	11,547,158,000	17,079,478,000
	More than 1 year but less than 2 years	75,470,033,000	63,091,405,000
	More than 2 years but less than 3 years	11,748,312,000	13,993,833,000
	BKB double porfit scheme (6 years)	15,635,935,000	14,585,320,000
	BKB double porfit scheme (8 years)	3,557,852,000	3,893,629,000
	BKB monthly porfit scheme (5 years)	2,843,345,000	3,645,127,000
	BKB monthly porfit scheme (3/5 years)	1,811,607,000	1,996,435,000
	BKB retirement savings scheme	269,894,000	284,900,000
		140,611,830,314	134,349,107,680
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	7,183,810	27,060,146
	BKB Savings Pension Scheme	16,179,856	13,583,902
	Teacher Deposit Scheme	246,445	501,074
	Small saving scheme	4,858,655	5,195,279
	Hajj Savings Scheme	14,919,970	6,542,383
	Education Savings Scheme	2,721,535	4,007,373
	BKB Sanchya Scheme	2,694,620,257	4,611,755,659
	Krishion Krishionery Sanchya Scheme	137,746,137	110,828,651
	Monthly/ Quarterly benefit Scheme	165,858,148	121,706,657
	BKB Monthly Savings Scheme	16,364,547,720	13,375,883,337
	Student savings scheme	78,226,648	69,677,129
		19,487,109,181	18,346,741,591
	Total deposits	160,098,939,495	152,695,849,271
12.5	Maturity grouping of deposits & other accounts		
	Repayable on demand	5,883,437,419	5,060,988,954
	Repayable within 1 month	9,078,411,461	8,211,822,917
	Over 1 month but within 3 months	15,774,279,334	15,014,444,300
	Over 3 month but within 1 year	47,125,755,448	48,781,151,057
	Over 1 year but within 5 years	116,217,853,597	105,298,536,076
	Over 5 years	47,605,720,352	44,857,489,110
	More than 10 years	147,115,643	147,509,876
		241,832,573,254	227,371,942,290
12.6	List of Top 10(Ten) depositors:	Amount in crore	
	Petro Bangla	751.96	849.87
	REB	670.37	603.09
	BCIC	816.51	745.86
	Civil Aviation	463.60	433.63
	Petro Bangla related	844.84	853.43
	Chittagong Port Authority	474.22	428.39
	BRDB	168.28	155.61
	Fertilizer Chemical and Pharmaceuticals	914.64	423.71
	Bridge Authority	212.40	291.97
	IGR	335.41	339.58
		5,652.23	5,125.14



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
13	Other Liabilities		
	Interest Payable on Fixed Deposits	2,746,622,006	2,317,442,723
	Security Deposits of contractors	105,187,710	103,259,473
	Outstanding loan from Rupali Bank	136,847,336	137,841,167
	Interest Payable on Foreign Loans	-	2,765,601
	Payable accounts	13.1 3,781,540,860	4,338,782,044
	Deferred Credit Interest Uncollected	13.2 7,683,966,441	7,652,416,051
	Provision for loans & advances	13.3 22,392,771,943	24,455,384,623
	Provision for investment in shares	13.4 18,549,010	18,549,010
	Provision for other assets	13.5 5,706,200,000	5,706,200,000
	Provision for off balance sheet items	13.6 70,665,469	70,665,469
	Provision for Taxation	13.7 91,265,369	5,708,816
		<u>42,733,616,142</u>	<u>44,809,014,977</u>
13.1	Accounts Payable		
	Cash Excess	4,355,742	27,481,620
	Deputationists Accounts	572,165	123,112
	Undisbursed Emoluments to Staff	3,540,907	2,655,811
	Reconstruction on Loan Accounts	3,759,370	2,899,054
	Recovery of BRRFC Loans	2,040	117,516
	Recovery of BRRFC Staff Loans	146,700,745	7,265,609
	Employees provident fund	7,079,121	1,912,409
	Employees Security Deposits	11,120,968	8,678,562
	Miscellaneous	1,179,118,568	1,535,361,057
	Income Tax Deducted from the Contractors Bills	15,786,820	7,570,367
	Cost of Revenue Stamp Realised	4,275,491	9,041,432
	Realised Loan Of Polly Progati Prokolpa	191,930,441	190,724,816
	Premium due for EFAS	629,533	1,179,466
	Deduction of Levey on deposit Interest	1,214,605	1,090,729
	Development Levey (4%) Flood	79,852	2,353,987
	Deduction at source tax	94,161,323	66,556,001
	Payable pension fund	242,355	2,321,884
	Excise Duty	6,126,604	11,768,035
	Financial benefit for dairy farm in Private sector	19,950,085	20,000,000
	Subscription for Benevolent fund	1,819,653	1,411,056
	Service charge deduction from Swanirvar Programme	5,950,328	4,802,528
	Deposit of check/payorder from outsider trainee	757,402	(1,243,753)
	Provision for land & building	4,223,703	7,993,725
	Provision for others expenditures	445,718,701	424,721,889
	ODA Revolving fund	(35,781,532)	(35,784,806)
	Post-flood Rehabilitation Tax on intt.of deposit	84,916	40,379
	Hand Loom Board Credit.	2,973,544	3,775,496
	E.E.C Revolving Fund	47,869,956	43,477,889
	E.C. Revolving fund	48,909,585	54,704,679
	Payable intt. on E.C Revolving Fund.	13,611,352	14,365,787
	Payable intt. on E.E.C Revolving Fund	2,132,076	2,007,852
	Amt. of rent/lease/sale of asset acquired unsettled	8,352,245	9,338,948
	Treasury Bond Received from Govt.	73,304,000	-
	Agro. based industry loan's recycle Fund	-	811,049,557
	Community wise Asset Management Project	31,830	165,753
	Service charge on CIB online	27,065,919	20,428,778
	Western Union Common Marketing	10,050,238	10,294,408



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
	Realised VAT from BACH	175,961	14,234,369
	Realised VAT & commission for BB	202,189	136,646
	Sanchay patra	1,349,754,999	1,031,639,476
	SWIFT charges	484,129	152,321
	FDR Account (Foreign Exchange)	2,916,378	-
	Income tax deduction from staff	40,854,553	16,216,578
	Income Tax realised from staff (for the year:2011-12 & 2012-13)	960,091	1,578,819
	VAT deduction at Source	653,756	530,384
	Taxes of office house paid	146,810	79,365
	Xpress Money	28,286	-
	Foreign Exchange back to back L/c	37,643,055	3,233,678
	Incidental Charges	-	328,777
		3,781,540,860	4,338,782,044
13.2	Interest suspense account		
	Opening balance	7,652,416,051	7,953,776,369
	Add : Transferred during the year	2,358,450,390	2,773,386,682
	Less: Realized during the year	2,283,100,000	2,612,414,000
	Less : Adjustment during the year	43,800,000	462,333,000
	Closing Balance	7,683,966,441	7,652,416,051
13.3	Provision for Loans and Advances		
	General provision (for unclassified)	1,456,112,689	2,918,725,369
	Specific provision (for classified)	20,936,659,254	21,536,659,254
	Total provision held	22,392,771,943	24,455,384,623
	Required provision	22,279,692,596	24,455,384,623
	Provision excess/(shortfall)	113,079,347	-
13.3.1	General Provision (for unclassified)		
	Opening balance	2,918,725,369	2,555,516,548
	Transfer from/(to) Diminution in Value of Investments	-	-
	Transfer from/(to) specific provision	-	363,208,821
	Adjustment to remission of interest of staff loans	-	-
	Transfer to retained earnings	(1,462,612,680)	-
	Transfer from/(to) off balance sheet items	-	-
	Provision held	1,456,112,689	2,918,725,369
	Required provision	1,456,112,689	2,918,725,369
	Provision excess/(shortfall)	-	-
13.3.2	Specific Provision (for classified)		
	Opening balance	21,536,659,254	22,742,182,828
	Recoveries of amounts previously written off	-	-
	Specific provision made during the year	-	-
	Interest remission of staff loans & advances	-	(21,971,283)
	Transfer from/(to) provision for unclassified loans & advances	-	(363,208,821)
	Transfer from/(to) off balance sheet items	-	(15,052,469)
	Transfer to retained earnings	(600,000,000)	(805,291,001)
	Provision held	20,936,659,254	21,536,659,254
	Required provision	20,823,579,907	21,536,659,254
	Provision excess/(shortfall)	113,079,347	-



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017

As per BRPD Circular # 14 dated September 23, 2012 (revised BRPD Circular # 5, dated May 29, 2013) of Bangladesh Bank, required provision is Tk. 2227,96,92,596/- against loans & advances, and Bangladesh krishi bank has also maintained the same. So there is no provision shortfall/surplus during the period. For details calculation, please refer to Annexure -'F'

13.4 Provision for Diminution in Value of Investments

Opening balance	18,549,010	18,549,010
Provision made during the year	-	-
Transfer from/(to) provision for unclassified loans & advances	-	-
Provision at end of the year	18,549,010	18,549,010
Less: Required provision for investment	16,033,890	15,405,110
Provision Excess/(Shortfall)	2,515,120	3,143,900

Provisions for diminution in value of investments has been maintained fully in accordance with Bangladesh Bank DOS circular no. 04 dated November 24, 2011 & as per the letter # DOS(SR) 1153/161/2012-427 dated December 30, 2012. (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	70,665,469	55,613,000
Add/(less): provision made/(released) during the year	-	-
Transfer from/(to) during the year (loan & adv)	-	15,052,469
Provision held	70,665,469	70,665,469
Required provision	59,371,481	70,665,469
Provision Excess/(Shortfall)	11,293,988	-

Provision for off balance sheet items is required Tk. 5,93,71,481 and its fully maintained as per BRPD circular # 10, dated 23 September 2012.

13.7 Provision for Taxation

Opening Balance	5,708,816	5,708,816
Add: Provision made during the year	85,556,553	-
Less: Adjustment made during the year	-	-
Total provision held	91,265,369	5,708,816

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 2017-2018.



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
14.	Share Capital		
14.1	Authorised Capital	15,000,000,000	15,000,000,000
		<u>15,000,000,000</u>	<u>15,000,000,000</u>
14.2	Issued, Subscribed and Paid-up Capital	9,000,000,000	9,000,000,000
		<u>9,000,000,000</u>	<u>9,000,000,000</u>
14.3	Re-capitalization		
	Opening balance	2,500,000,000	2,500,000,000
	Received during the Year	4,000,000,000	-
		<u>6,500,000,000</u>	<u>2,500,000,000</u>
This is related to fund received from the Government as Re-capitalization amount of Tk. 250.00 crore during the Financial Year 2013-2014 and Tk. 400.00 crore during the Financial year 2017-2018.			
14.4	Capital Adequacy		
Details of the capital requirement & capital surplus/(shortfall) of the Bank as per requirement of Section 13(2) of the Bank Company Act 1991 (amended in 2013) and BRPD circular No. 35 dated 29 December 2010.			
	Core Capital (Tire I)	14.4.1 (65,524,601,338)	(63,291,829,926)
	Supplementary capital (Tier-II)	14.4.2 2,076,755,852	4,093,552,056
	Regulatory capital	<u>(63,447,845,486)</u>	<u>(59,198,277,870)</u>
	Required capital (10% of total risk weighted assets)	14.4.3 15,919,450,000	14,381,046,762
	Capital surplus/(shortfall)	<u>(79,367,295,486)</u>	<u>(73,579,324,632)</u>
	Capital Adequacy Ratio (CAR)		
	Core capital (Tier-I)	-41.16%	-44.01%
	Supplementary capital (Tier-II)	1.30%	2.85%
		<u>-39.86%</u>	<u>-41.16%</u>
14.4.1	Core Capital (Tire I)		
	Paid-up Capital	9,000,000,000	9,000,000,000
	Re-capitalization	6,500,000,000	2,500,000,000
	Statutory Reserve	232,306,342	232,306,342
	Legal Reserve	588,133,859	588,133,858
	Retained Earnings	<u>(81,845,041,539)</u>	<u>(75,612,270,126)</u>
		<u>(65,524,601,338)</u>	<u>(63,291,829,926)</u>
14.4.2	Supplementary capital (Tier-II)		
	General provision on unclassified loans including OBS items	1,526,778,158	2,989,390,838
	Asset revaluation reserve (up to 50%)	2,749,888,470	2,760,403,045
		<u>4,276,666,628</u>	<u>5,749,793,883</u>
	Less : Regulatory adjustments		
	Revaluation Reserves for fixed assets, securities & equity securities	2,199,910,776	1,656,241,827
	Other adjustments	-	-
		<u>2,076,755,852</u>	<u>4,093,552,056</u>



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
14.4.3	Required capital		
	Total assets (including Off-balance sheet amount)	259,438,632,225	248,321,745,727
	Risk weighted assets	159,194,500,000	143,810,467,622
	Required capital (10% of risk weighted assets)	15,919,450,000	14,381,046,762
14.4.3.1	Break up of Risk weighted assets		
	Credit risk:		
	On-balance sheet	155,373,600,000	138,515,360,000
	Off-balance sheet	609,400,000	716,150,000
		155,983,000,000	139,231,510,000
	Market risk	179,300,000	420,907,622
	Operation risk	3,032,200,000	4,158,050,000
		159,194,500,000	143,810,467,622
15	Statutory Reserve		
	Opening balance	232,306,342	232,306,342
	Add: Transfer from current year	-	-
		232,306,342	232,306,342
16	Other Reserves		
	General Reserve	437,713,494	437,713,493
	Contingency Reserve	90,000,000	90,000,000
	Exchange Rate Fluctuation	3,000,000	3,000,000
	Reserve for Insurance Fund	1,420,365	1,420,365
	Reserve for Bank Building and Staff Quarter	56,000,000	56,000,000
	Asset Revaluation Reserve	5,499,776,939	5,520,806,090
		6,087,910,798	6,108,939,948
16.1	Assets Revaluation Reserve		
	Opening balance carried forward	5,520,806,090	5,541,835,241
	Addition during the year	-	-
	Transferred to retained earnings	(21,029,151)	(21,029,151)
	Closing balance	5,499,776,939.00	5,520,806,090
17	Retained earnings Account		
	Balance carried forward*	(75,612,270,126)	(70,040,032,493)
	Prior year adjustment	4,676,058	65,416,183
	Re-stated opening balance	(75,607,594,068)	(69,974,616,310)
	Profit/(Loss) generated during the year 2017-2018	(6,258,476,622)	(5,658,682,967)
	Transferred from asset revaluation reserve account	21,029,151	21,029,151
		(81,845,041,539)	(75,612,270,126)
17.1	Prior year adjustment		
	Exchange Fluction Account	-	65,416,183
	Excess depreciation charged on banking application software for the year 2016-2017	4,676,058	-
		4,676,058	65,416,183



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
18	Contingent Liabilities		
	Letters of guarantee	18.1 100,889,650	95,411,940
	Irrevocable letters of credit	5,836,258,408	6,971,134,963
	Bills for collection	-	-
		<u>5,937,148,058</u>	<u>7,066,546,903</u>
18.1	Letters of Guarantee		
	Claims lodged with the bank company, which is not recognized as loan guarantee issued favoring:	-	-
	Director	-	-
	Government	-	-
	Bank & other financial institutions	100,889,650	95,411,940
	Others	-	-
		<u>100,889,650</u>	<u>95,411,940</u>
19	Interest Income		
	Interest on Loans & advances(excluding staff loans & advances)	12,845,134,777	15,046,967,718
	Interest on Deposits to other banks	170,299,572	232,908,992
	Interest on staff loans & advances	332,464,470	417,379,644
		<u>13,347,898,819</u>	<u>15,697,256,354</u>
20.	Interest expense on Deposits & Borrowings		
	Deposit Pension Scheme	67,808,229	111,308,065
	BKB-Double Benefit Scheme	1,801,820,974	-
	Hazz Deposit Scheme	3,311,615	-
	Student Savings Account	2,422,992	-
	Farmer Savings Account	3,541,218	-
	Matikata Savings Account	1,302,153	-
	Monthly /Quarterly Benefit Scheme	117,195,797	-
	BKB Savings Pension Scheme	22,189,997	28,261,321
	Teacher savings scheme	688,928	9,419,250
	Small savings scheme	6,530,972	16,563,718
	Education Deposit Scheme	6,763,537	11,530,151
	BKB Sanchay Scheme	389,862,631	444,637,166
	Krishan Krishony Sanchay Scheme	12,106,256	15,014,442
	BKB monthly/Quarterly Profit Scheme	298,726,348	265,094,864
	Excess interest paid for fixed deposits	116,331,099	-
	BKB monthly savings scheme	1,145,293,765	801,215,940
	Marginal Deposit Against L/C	1,805,470	-
	Fixed Deposit(FDR)	7,008,155,363	6,646,613,362
	Short Notice Deposit(SND)	73,883,321	69,294,883
	Savings Deposit (Urban)	690,389,059	507,151,072
	Savings Deposit (Rural)	967,373,378	3,722,686,194
	Interest paid to Bangladesh Bank for re-finance & demand loan	30,105,282	955,765,154
	Interest paid to other bank & FI	176,576	225,003
	Interest paid on loans of IFI	202,508	-
		<u>12,767,987,470</u>	<u>13,604,780,585</u>
21.	Income from investment		
	Dividend received from Grameen Bank	1,080,000	1,080,000
	Dividend received from ICB Islamic Bank Ltd	-	-
		<u>1,080,000</u>	<u>1,080,000</u>



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
22	Commission, Exchange & Brokerage		
	Commission and Exchange	101,331,235	107,490,148
	Commission on L/C	37,621,683	66,233,182
	Inter branch online commission	446,870	1,568,893
	Commission on Mobile banking(DBBL)	-	339,208
	Commission on Mobile banking(Bkash)	-	12,767
	Commission on RTGS	2,924,273	1,214,773
	SMS Service charge	863,400	-
	Commission on ATM	892,107	10,288,453
	Commission on Bach	134,183	137,662
	Commission received from Western Union	3,767,474	4,227,942
		147,981,225	191,513,027
23	Other Receipts		
	Fees and Other Charges	66,031,600	80,422,862
	Search Fees	31,893,489	30,426,846
	Appraisals Fees	5,796,066	5,964,367
	Sale Proceeds of Forms	21,950,127	24,034,499
	Rent Received	584,067	709,768
	Income from Sale of other Assets	164,112	-
	Miscellaneous income	349,900,728	500,540,378
	Gain from Foreign Exchange Transaction	49,588,620	3,757,923
	Swift Fees	6,245,095	-
	Service Charges/ Account maintenance Fee	235,085,074	218,215,542
		767,238,979	864,072,185
24	Salary & Allowance		
	Salary of Officers	2,508,820,135	2,589,512,993
	Salary and Wages (Staff)	530,559,262	598,872,619
	Housing / House Allowance	1,254,855,206	1,305,481,227
	Overtime Allowance to employees	14,009,173	13,887,462
	Other Allowance	313,954,575	300,487,940
	Expenses for encashment of earned leave/privilege	461,113,005	669,980,304
	Staff Welfare and Recreation Expenses	420,159,510	420,816,832
	Rest & Recreation	129,989,363	-
	Medical Services	167,789,032	176,492,006
	Bank Contribution to Employees P.F	413,171,375	252,453,442
	Expenses on borrowed staff	867,578	-
	Bonus to staff (Festival)	489,303,553	913,640,378
	Exgratia to staff	308,821,270	-
	Contribution to Superannuation Fund	1,351,565,971	1,233,835,858
		8,364,979,008	8,475,461,060
25	Rent, Tax and Insurance		
	Electricity & Water Charges	48,740,125	47,217,254
	Rentals	169,271,358	161,597,815
	Vat paid on Rentals	25,390,704	17,113,437
	Rate & taxes	5,464,455	6,665,701
	Insurance	99,580,476	99,597,629
	Rent for Staff Bus	24,598,680	23,839,179
	Rent for rental Car	5,244,500	4,337,110
		378,290,298	360,368,124



Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
26	Legal Charges		
	Legal charges	1,196,056	1,747,585
	(Including stamps, power of attorney & notary public expenses)		
		<u>1,196,056</u>	<u>1,747,585</u>
27	Postage, Telegram & Stamps		
	Postage & Telegram	4,278,450	4,348,035
	Expenses on Telephone (Office)	9,603,775	9,925,580
	Expenses on Telephone (Residence)	1,062,908	1,117,481
	Charges for internet	43,952,923	32,907,671
		<u>58,898,055</u>	<u>48,298,766</u>
28	Auditor's Fees		
	Statutory audit	1,017,125	941,500
		<u>1,017,125</u>	<u>941,500</u>
29	Stationery, Printing & Advertisement		
	Stationery and supplies (Printing)	22,620,184	27,687,721
	Stationery and supplies (Local purchased)	17,388,875	16,696,871
	Advertisement and Publicity	10,803,190	8,440,951
	Advertising & Publicity(Others)	327,879	-
		<u>51,140,128</u>	<u>52,825,542</u>
30	Pay & Allowances of Managing Director		
	Basic salary	818,299	854,310
	Allowances	530,891	494,883
		<u>1,349,190</u>	<u>1,349,193</u>
31	Director's Fees		
	Board meeting	1,830,800	1,784,800
	Executive committee meeting	-	18,400
	Audit committee meeting	138,000	184,000
	Risk management meeting	110,400	110,400
		<u>2,079,200</u>	<u>2,097,600</u>
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)	11,696,996	3,229,677
	Repair & maintenance expenses for building	5,505,485	3,619,000
	Repair & maintenance (office equipment)	5,565,063	2,744,440
	Fuel expenses for motor car & other vehicles	11,074,366	12,345,097
	Repair & maintenance of motor car and other vehicles	6,980,546	8,377,095
	Cost of spare parts & materials for motor car	943,173	-
	Depreciation	237,474,730	196,212,602
		<u>279,240,359</u>	<u>226,527,911</u>



Ref.	Notes	Amount in Taka		
		30-06-2018	30-06-2017	
33	Other Expenditure			
	Employees Benevolence	3,510,077	1,530,747	
	Traveling & Tour	95,385,244	83,818,843	
	Liveries for Class four employees	7,809,440	8,289,249	
	Employees Travelling expense Transfer	14,236,390	9,602,733	
	Training Expenses	16,234,324	13,176,944	
	Field level workshop/conference	5,778,555	4,919,841	
	Honoraria Rewards and Grand	21,269,847	31,140,481	
	Incentive paid for deposit collection	58,200	1,439,825	
	Conveyance Charge	13,439,880	12,313,666	
	Awards and donation	9,126,647	1,742,019	
	Business Development	10,758,890	20,100,550	
	Customer Conference	1,445,946	2,702,226	
	Losses on Dead Stock	4,273,586	119,015	
	Books Purchases for Library	118,918	248,126	
	Commission Expenses and other Charge	104,843,015	43,441,419	
	Generator fuel cost	9,526,098	6,616,898	
	Charges for remete on us (NRSB) for LPO	88,931	-	
	RTGS charges	305	-	
	Recuritment Expense	42,344,000	190,000	
	Computer Services Charge	34,594,217	27,289,658	
	Death Relief Grant	23,118,523	25,322,140	
	Miscellaneous Expenses	41,027,525	20,702,014	
	Papers Bill and house Building Loan Reg.	25,474,420	26,951,556	
	Remissions on loans & others	103,751,869	95,844,191	
	Tax & levy paid for Hazz deposit	145,301	412,208	
	Swift expenses	4,904,447	5,314,713	
	Batch Commission	290,290	268,608	
		593,554,884	443,497,669	
34	Closing Cash and Cash Equivalents			
	Cash in hand	3.1	2,026,767,599	1,371,439,680
	Balance with Bangladesh Bank and Sonali Bank	3.2	22,700,025,715	18,688,591,527
	Balance with other bank and financial institutions	4	3,284,561,644	3,186,904,848
	Money at call and short notice		-	-
	Closing cash and cash equivalents		28,011,354,958	23,246,936,056
35	Interest Received in Cash			
	Interest received from loans & advances		9,224,319,473	9,757,202,210
	Interest on Deposits to other banks	19	85,149,786	232,908,992
			9,309,469,259	9,990,111,202
36	Interest Paid by Cash			
	Interest paid on Deposits		8,279,377,017	7,004,550,506
	Interest Paid to Bangladesh Bank		5,566,000	1,217,500,000
	Interest paid on Loans from International financial institutes		-	-
			8,284,943,017	8,222,050,506
37	Cash Paid to Suppliers			
	Stationery and supplies (Printing)		22,620,184	27,687,721
	Stationery and supplies (Local)		17,388,875	16,696,871
			40,009,059	44,384,592



38 Cash Paid for Other Operating Activities

Ref.	Notes	Amount in Taka	
		30-06-2018	30-06-2017
	Rent, Taxes, Insurance, Lighting etc.	25 378,290,298	360,368,124
	Legal Charges	26 1,196,056	1,747,585
	Postage, Telegram, Telephone & Stamps	27 58,898,055	48,298,766
	Advertisement and Publicity	29 10,803,190	8,440,951
	Pay & Allowances of Managing Director	30 1,349,190	1,349,193
	Director's Fees	31 2,079,200	2,097,600
	Repairs & Maintenances	32 41,765,629	30,315,309
	Other Expenditure	33 570,436,361	347,653,478
		<u>1,064,817,978</u>	<u>800,271,005</u>



43. 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, BSS(Hons)	Director	Chairman
2	Mr. Md.Nasir Uddin Ahmed, B.Com.(Hons), M.Com.(Finance)	Director	Member
3	Mr. Md. Fashiar Rahman, MSS(Engineering)	Director	Member
4	Mr. A.K.M Amirul Monjur	DGM	Member Secretary

During the year 2017-2018, 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 2017-2018.
- Reviewed performance of internal audit 2017-2018.
- 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 2017-2018.
- Reviewed existing risk management procedures along with implementation of core risk management guidelines and advised the managements to implement the same more effectively.

44. Related Party Disclosures:

Name of the Directors and their interest in the bank:

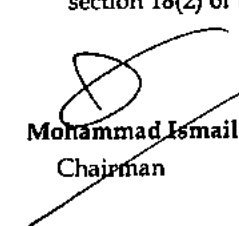
SL.	Name	Designation	Share Holding on 30.06.2018(In Taka)	Share Holding on 30.06.2017 (In Taka)
1	Mr. Mohammad Ismail	Chairman	Nil	Nil
2	Mr. Md. Ali Hossain Prodhania	Managing Director	Nil	Nil
3	Mr. Mohammad Shafiqul Azam	Director	Nil	Nil
4	Mr. Abul Mansur Md. Faizullah	Director	Nil	Nil
5	Mr. Muhammad Maududur Rashid Safdar	Director	Nil	Nil
6	Mr. Md.Nasir Uddin Ahmed	Director	Nil	Nil
7	Mr.DR A K M Munirul Haque	Director	Nil	Nil
8	Mr. Md. Fashiar Rahman	Director	Nil	Nil
9	Mr. Md. Syed kamruzzaman (Mahbub)	Director	Nil	Nil
10	Mr. Mohammad Mohsin	Director	Nil	Nil

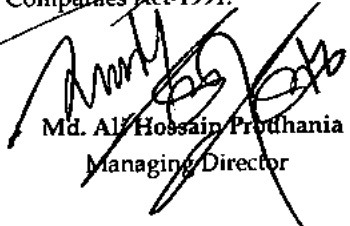


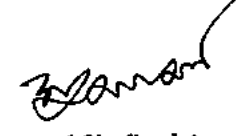
45. Name of Directors and their interest in different entities:

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

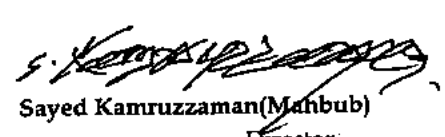

Mohammad Ismail
Chairman

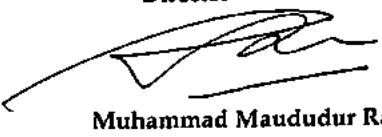

Md. Ali Hossain Prodhania
Managing Director



Mohammad Shafiqul Azam
Director



Md. Nasir Uddin Ahmed
Director


Md. Fashiar Rahman
Director


Sayed Kamruzzaman (Mahbub)
Director



Muhammad Maududur Rashid Safdar
Director

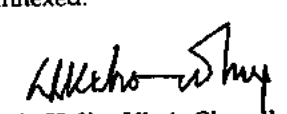

Dr. AKM Munirul Haque
Director


Md. Saiful Islam
Director


Sheikh Mahmood Kamal
General Manager

Signed in terms of our separate report of even date annexed.


Masih Muhith Haque & Co.
Chartered Accountants


Aziz Halim Khair Choudhury
Chartered Accountants

Dated : June 16, 2019
Dhaka

Annexure 'A'

Investment in Shares
As at 30 June 2018

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	4.90	15,405,110	10.00	31,439,000	(16,033,890)
Total			15,405,110		31,439,000	(16,033,890)



Annexure -'B'

Fixed assets Schedule

Sl no.	Particulars	Cost				% of Depreciation	Depreciation			Written down value as on 30.06.2018
		Opening as on 01.07.2017 (WDV)	Addition during the year	Disposal during the year	Total cost		Opening Accumulated	Charged during the year	Total Depreciation	
1	2	3		5	6	7	8	9	10	11
1	Land	4,756,076,000	-	-	4,756,076,000	-	-	-	-	4,756,076,000
2	Building	1,051,051,468	4,426,023	-	1,055,477,491	2.5	344,302,641	30,528,615	374,831,256	1,024,948,875
3	Motor Vehicles	70,149,864	-	14	70,149,850	20	296,575,447	30,811,496	327,386,943	39,338,354
4	Furniture & Fixtures	119,394,455	22,824,837	-	142,219,292	10	178,046,410	16,368,694	194,415,104	125,850,598
5	Office Equipments	41,693,302	19,559,903	-	61,253,205	15	95,345,339	11,336,008	106,681,347	49,917,197
6	Office Machineries	373,950,739	76,992,339	-	450,943,078	15	390,290,276	99,304,839	489,595,115	351,638,239
7	Electrical Equipments	133,337,145	68,439,845	-	201,776,990	20	188,756,401	49,125,078	237,881,479	152,651,912
	Total	6,545,652,973	192,242,947	14	6,737,895,906		1,493,316,514	237,474,730	1,730,791,244	6,500,421,176



Annexure- 'C'

Maturity Analysis of Outstanding entries of foreign currency dealings
As on 30-06-2018

As per Local Book

Period of Un-adjustment	Debit		Credit		Remarks
	Entries No.	Amount (USD)	Entries No.	Amount (USD)	
Less than 3 months	-	-	1	36,404	No provision has been kept against the unadjusted amount.
More than 3 months but less than 6 months	-	-	-	-	
More than 6 months but less than 9 months	-	-	-	-	
More than 9 months but less than 12 months	-	-	-	-	
12 months and above	-	-	-	-	
Total	-	-	1	36,404	

As per Correspondent 's book

Period of Un-adjustment	Debit		Credit		Remarks
	Entries No.	Amount (USD)	Entries No.	Amount (USD)	
Less than 3 months	10	309,497	110	2,159,750.00	No provision has been kept against the unadjusted amount.
More than 3 months but less than 6 months	-	-	28	384,133.00	
More than 6 months but less than 9 months	-	-	33	578,661	
More than 9 months but less than 12 months	-	-	-	-	
12 months and above	-	-	-	-	
Total	10	309,497	171	3,122,544.00	



Annexure - 'D'

Schedule of Branch Unadjustment account

Due to head office (112)

Year	Debit		Credit		Total	
	Entries	Amount TK.	Entries	Amount TK.	Entries	Amount TK.
	16	97,594	33	4,430,803	49	4,528,396

BKB General accounts (113)

Year	Debit		Credit		Total	
	Entries	Amount TK.	Entries	Amount TK.	Entries	Amount TK.
	15	1,900,000	18	553,878	33	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	2	84,602	2	118,000	4	202,602
2010	0	-	2	420,000	2	420,000
Total :	3	97,602	4	538,000	7	635,602

BKB general accounts (119)

Year	Debit		Credit		Total	
	Entries	Amount TK.	Entries	Amount TK.	Entries	Amount TK.
2011	280	18,097,625	123	6,679,588	403	24,777,213
2012	415	24,388,813	154	7,837,589	569	32,226,402
2013	602	27,498,439	251	11,000,864	853	38,499,303
2014	211	8,670,770	174	6,326,368	385	14,997,138
Total :	1508	78,655,648	702	31,844,408	2210	110,500,056

BKB general accounts (1114)

Year	Debit		Credit		Total	
	Entries	Amount TK.	Entries	Amount TK.	Entries	Amount TK.
2014	1103	216,416,551	1167	213,499,485	2270	429,916,036
2015	4140	509,966,201	4486	740,163,448	8626	1,250,129,649
2016	8901	1,399,133,483	9074	1,301,221,160	17975	2,700,354,643
2017	32376	14,678,367,001	27105	12,369,514,823	59481	27,047,881,824
2018	10446	6,493,645,092	8991	7,336,175,276	19437	13,829,820,368
Total :	56966	23,297,528,328	50823	21,960,574,192	107789	45,258,102,520



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	3	85,000	4	95,000
2003	4	45,225	1	9,463	5	54,688
2004	6	109,460	4	70,000	10	179,460
2005	9	270,112	12	177,000	21	447,112
2006	21	353,315	19	263,000	40	616,315
2007	19	500,319	173	2,579,535	192	3,079,854
2008	23	416,006	142	2,340,098	165	2,756,104
2009	25	793,298	61	1,171,014	86	1,964,312
2010	41	1,253,793	55	1,141,646	96	2,395,439
2011	135	3,421,028	1367	26,546,053	1502	29,967,081
2012	170	6,132,799	844	16,993,159	1014	23,125,958
2013	33	725,960	16	461,197	49	1,187,157
2014	0	-	64	1,500,620	64	1,500,620
Total :	488	14,057,314	2761	53,337,785	3249	67,395,099

BKB Exchange General A/c (1111)

Year	Debit		Credit		Total	
	Entries	Amount TK.	Entries	Amount TK.	Entries	Amount TK.
2013	8	172,307	23	652,296	31	824,603
2014	61	3,264,636	111	3,312,661	172	6,577,297
2015	227	8,092,047	948	29,229,516	1175	37,321,563
2016	9549	308,777,979	17804	534,002,886	27353	842,780,865
2017	12839	509,749,975	74880	2,343,180,834	87719	2,852,930,809
2018	1361	43,698,940	22604	734,026,936	23965	777,725,876
Total :	24045	873,755,885	116370	3,644,405,129	140415	4,518,161,014

G.Total	83041	24,266,092,369	170711	25,695,684,196	253752	49,961,776,565
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Annexure - 'E'

Year wise Income tax provision & assessment are as under:

Financial year	Assessment Year	Tax provision as per accounts	Assessed Tax as per Tax authority	Short/ Excess (paid during the year)	Remarks Profit/Loss as per calculation
1994-95	1995-96	-	(192.67)	-	(165.07)
1995-96	1996-97	-	(271.06)	-	(238.76)
1996-97	1997-98	-	(180.30)	-	(157.71)
1997-98	1998-99	-	(200.60)	-	(206.14)
1998-99	1999-00	-	(224.85)	-	(227.68)
1999-00	2000-01	-	(215.84)	-	(264.06)
2000-01	2001-02	-	(19.99)	-	2.91
2001-02	2002-03	-	(225.75)	-	(192.07)
2002-03	2003-04	-	(125.80)	-	(133.28)
2003-04	2004-05	-	(209.43)	-	(140.76)
2004-05	2005-06	-	(245.09)	-	(184.40)
2005-06	2006-07	-	(177.70)	2.37(T.T.)	(177.26)
2006-07	2007-08	-	3.07	1.45(T.T.)	(148.77)
2007-08	2008-09	-	(196.64)	-	(196.64)
2008-09	2009-10	-	(1.49)	-	nil
2009-10	2010-11	-	assessed but under Appeal	-	nil
2010-11	2011-12	-	Awaiting assessment	-	(154.28)
2011-2012	2012-2013		Awaiting assessment		(140.40)
2012-2013	2013-2014		Awaiting assessment		(2,991.05)
2013-2014	2014-2015		Awaiting assessment		(215.25)
2014-2015	2015-2016		Awaiting assessment		(565.87)
2016-2017	2017-2018		Awaiting assessment		(565.87)
2017-2018	2018-2019		Awaiting assessment		(625.85)



Annexure 'F'

Calculation of required provision for loans and advances as of 30-06-2018

Sector	Total Outstanding	Un-Classified UC		Classified			Total Classified (CI)
		Standard	SMA	Sub-Standard (SS)	Doubtful (DF)	Bad / Loss (BL)	
Continuous	31,309,468,210	21,711,410,528	422,799,989	416,600,630	494,294,199	8,264,362,864	9,175,257,693
Demand loans	11,533,582,890	2,764,368,438	4,294,982	223,001,081	77,621,604	8,464,296,785	8,764,919,470
Term loan (upto 5 years)	23,740,455,931	13,522,623,822	89,806,923	72,901,495	76,347,170	9,978,776,521	10,128,025,186
Term loan (over 5 years)	-	-	-	-	-	-	-
STAC & MC	123,215,350,919	111,932,185,303	-	3,512,420,132	1,656,766,883	6,113,978,601	11,283,165,616
Staff Loan	10,448,095,160	10,448,095,160	-	-	-	-	-
TOTAL 30TH JUNE 2018	200,246,953,110	160,378,683,251	516,901,894	4,224,923,338	2,305,029,856	32,821,414,771	39,351,367,965
TOTAL 30TH JUNE 2017	193,672,536,064	150,014,077,320	499,781,268	4,728,132,584	3,361,659,573	35,068,885,319	43,158,677,476

Sector	Base of Provision				Amount of Provision Required	Amount of Interest suspense
	Un-Classified (SMA)	Sub-Standard (SS)	Doubtful (DF)	Bad / Loss (BL)		
Continuous	422,799,989	104,157,696	95,563,176	2,194,785,427	2,435,821,724	764,041,565
Demand loans	4,294,982	223,000,418	77,621,604	8,156,464,712	8,267,562,232	623,995,941
Term loan (upto 5 years)	89,806,923	368,349,001	15,724,669	3,817,269,594	4,730,122,047	1,759,815,350
Term loan (over 5 years)	-	-	-	-	-	-
STAC & MC	-	3,277,832,868	1,485,405,534	5,488,742,106	6,846,225,878	4,536,113,585
Staff Loan	-	-	-	-	-	-
TOTAL 30TH JUNE 2018	516,901,894	3,973,339,983	1,674,314,983	19,657,261,839	22,279,731,881	7,683,966,441
TOTAL 30TH JUNE 2017	499,781,268	4,064,808,784	2,295,722,330	20,612,460,303	24,455,384,623	7,652,416,051



Highlights

Tk. In crore

Sl. No.	Particulars	Amount in Taka	
		2017-18	2016-17
1	Paid up capital	900.00	900.00
2	Re-capitalization	650.00	250.00
3	Total Capital	(6,002.48)	(5,777.10)
4	Capital Shortfall	7,936.73	7,357.93
5	Total Assets	25,350.15	24,125.52
6	Total Deposits	24,070.47	22,624.96
7	Total Loans and Advances	20,024.70	19,367.26
8	Contingent Liabilities and other Commitments	593.71	706.65
9	Credit Deposit Ratio	83.19%	85.60%
10	Percentage of classified loans against total loans and advances	19.65%	22.28%
11	Profit after tax and provision	(625.85)	(565.87)
12	Amount of classified loan	3,935.14	4,315.87
13	Provision maintained: i) for loans & advances	2,239.28	2,445.54
	ii) for diminution of share value	1.60	1.54
	iii) for OBS items	5.94	7.07
	iv) for other assets	570.62	570.62
14	Provision surplus/(shortfall): i) for loans & advances	11.31	-
	ii) for diminution of share value	0.25	-
	iii) for OBS items	1.13	-
	iv) for other assets	-	-
15	Cost of Fund	9.92%	9.88%
16	Interest Earning Assets	16,089.56	15,051.39
17	Non-Performing Assets	9,260.59	9,074.13
18	Return on Investment (loans & advances) (ROI)	6.67%	8.11%
19	Return on assets (ROA) after tax	-2.47%	-2.35%
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)	-10.43%	-9.80%

