

**Independent Auditors' Report to the
Shareholders of BASIC Bank Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BASIC Bank Limited (the Bank), which comprise the balance sheet as at 31 December 2020 and profit and loss account, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Bank as at 31 December 2020, and of its financial performance and its cash flows for the year then ended as per Bangladesh Bank Letter No. DBI-2(UB-5)/2536/2021-781, Dated 22 April 2021 and Letter No. DBI-2 (UB-5)/2536/2021-771, Dated 20 April 2021 and in accordance with International Financial Reporting Standards (IFRS) as explained in note 2.1.

Basis for Opinion

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

Emphasis of matter

We draw attention to the following matters disclosed in the financial statements. Our opinion, however, is not modified in respect of those matters.

- Note 14.3 to the financial statements which describe the risk-weighted assets and capital ratios as defined in Basel Capital Accord which shows that the Bank has failed to maintain required capital.
- Notes 7, 7.7, 13.1 and 34 to the financial statements which describe the total loans and advances and provision thereon.



- Total required provision as per External Auditor is Tk. 5,779.33 crore. Bangladesh Bank also agreed with the External Auditor. The Bank has maintained provision of Tk. 2,363.46 crore during the year. The difference is Tk. 3,415.87 crore. The difference will be adjusted by next four (04) succeeding years (2021 to 2024) as per Letter No. DBI-2(UB-5)/2536/2021-781, Dated 22 April 2021 and Letter No. DBI-2 (UB-5)/2536/2021-771, Dated 20 April 2021 of Bangladesh Bank which is disclosed in Note 7.7 of the FS. The justification behind not maintaining the required provision was the insufficiency of the bank's capital/equity to maintain required provision.
- The Bank has provided us a list of 61 (Sixty-one) loan clients/accounts files of the Bank of its Gulshan, Shantinagar, Dilkusha, Babubazar, Main Branch of Dhaka and Agrabad branch of Chittagong. Most of the said loans and advances of the Bank were sanctioned and disbursed/renewed during the period from 2010-2014 without complying with relevant policies, procedures of the Bank, the rules and regulations of the Bangladesh Bank, etc. Investigation on all of those loan clients/accounts files is still being carried out by Anti-Corruption Commission, Bangladesh. In the interest of said investigation, the Bank has informed us that all those files containing original documents, records, instruments, etc. were seized and taken by the Anti-Corruption Commission, Bangladesh. However, during our audit period we have been given access to the files containing original documents, records, instruments, etc. and have verified the aforesaid files. Total loan and advance made to those 61 (Sixty-one) loan clients/accounts files stands at BDT 3,123.34 crore as on 31 December 2020.
Out of those clients, 56 (Fifty-six) clients, amounting to BDT 2,738.93 crore, which includes 2 (Two) rescheduled loans, have become bad/loss within the year 2020. And remaining 5 (Five) clients amounting to BDT 384.41 crore, which have been also rescheduled upon receiving NOC of Bangladesh Bank, have subsequently been classified as bad/loss after 31 December, 2020.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Our assessed key audit matters and how we addressed those matters are outlined below:

Description of key audit matters	Our response to key audit matters
Measurement of provision for loans and advances	
The process for estimating the provision for loans and advances associated with credit risk is significant and complex.	We tested the design and operating effectiveness of key controls focusing on the following:
For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions. For the collective analysis, these provisions are manually processed that deals with	<ul style="list-style-type: none"> • Credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators;

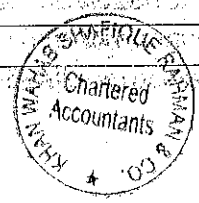
<p>voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation.</p> <p>At the year end, the Bank reported total loans and advances of BDT 149,125 million (2019: BDT 151,770 million) and provision for loans and advances of BDT 23,634.63 million (2019: BDT 23,388 million) respectively.</p> <p>Provision has been maintained by the Bank in accordance with Bangladesh Bank approval vide its Letter No. DBI-2(UB-5)/2536/2021-781 Dated 22 April 2021 and Letter No. DBI-2 (UB-5)/2536/2021-771 Dated 20 April 2021.</p>	<ul style="list-style-type: none"> • Reviewed quarterly Classification of Loans (CL); <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines; • Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. <p>Finally, compared the amount of provision requirement as determined by Bangladesh Bank inspection team to the actual amount of provision maintained</p>
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See note no 7, 7.7, 13.1 and 34 to the financial statements.

Valuation of treasury bills and treasury bond

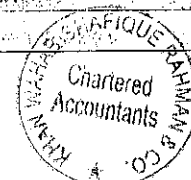
<p>The classification and measurement of Treasury Bills and Treasury Bond require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of Treasury Bills and Treasury Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.</p>	<p>We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and bonds.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and bonds valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
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See note no 6.1.1 and 6.1.2 to the financial statements



Impairment assessment of unquoted investments	
In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques which may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.	<p>We have assessed the processes and controls put in place by the Company to ensure all major investment decisions are undertaken through a proper due diligence process</p> <p>We tested a sample of investments valuation as at 31 December 2020 and compared our results to the recorded value.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note no 6.2 to the financial statements	
Measurement of deferred tax assets	
The Bank reported net deferred tax assets totaling BDT 720 million (2019: BDT 689 million) as at 31 December 2020. Significant judgment is required in relation to measurement of deferred tax assets as their recoverability is dependent on foreseeable of future probably over a number of years as referred in note 36 to the financial statements	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of deferred tax assets and assumption used in estimating Bank's taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for estimation of future taxable income. Finally, we assessed the appropriateness and presentation of disclosures against IAS 12-Income Tax.</p>
See note 36 to the financial statements	
IT systems and controls	
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p>

Legal and regulatory matters	
<p>We focused on this area because the Bank operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Bank's best estimate for existing legal matters that have a probable and estimable impact on the Bank's financial position.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p>
Implementation of IFRS 16 Leases	
<p>IFRS 16 modifies the accounting treatment of operating leases at inception, with the recognition of a right of use (ROU) on the leased asset and of a liability for the lease payments over the lease contract term. With respect to operating leases of premises used by the Bank, at inception of the lease, the less or receives a right of using the premises, in exchange of a lease debt, using an implicit discount rate</p> <p>Our key audit matter was focused on all leasing arrangements within the scope of IFRS 16 are identified and appropriately included in the calculation of the transitional impact and specific assumptions applied to determine the discount rates for lease are inappropriate.</p>	<p>In responding to the identified key audit matter, we completed the following audit procedures:</p> <p>Assessed the design and implementation of key controls pertaining to the determination of the IFRS 16 Leases impact on the financial statements of the Bank;</p> <p>Assessed the appropriateness of the discount rates applied in determining lease liabilities;</p> <p>Verified the accuracy of the underlying lease data by agreeing to original contract and checked the accuracy of the IFRS 16 calculations through recalculation of the expected IFRS 16 adjustment; and</p> <p>Assessed whether the disclosures within the financial statements are appropriate in light of the requirements of IFRS.</p>
<p>See notes no 5, 25 and 31 to the financial statements</p>	



Reporting on Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report, if we conclude that there is material misstatement therein, we are required to request management and those charged with governance to correct the material misstatement.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Bank audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our



report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

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

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) to the extent noted during the course of our audit work performed on the basis stated under the 'Auditors' 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 'Management's Responsibility' section for the financial statements and internal control:
 - (i) internal audit, internal control and risk management arrangements of the Bank, as disclosed in the financial statements appeared to be materially 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 other than matter disclosed in the financial statements.
- (c) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books;
- (d) the balance sheet and profit and loss account of the Bank together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (e) the financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and International Financial Reporting Standards (IFRSs) as explained in note 2.1 as well as with related guidance issued by Bangladesh Bank.
- (f) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (g) Provision has been maintained by the Bank in accordance with Bangladesh Bank approval vide it's Letter No. DBI-2(UB-5)/2536/2021-781 Dated 22 April 2021 and Letter No. DBI-2(UB-5)/2536/2021-771 Dated 20 April 2021.
- (h) the information and explanations required by us have been received and found satisfactory;
- (i) the expenditures incurred were for the purpose of the Bank's business for the year;



- (j) we have reviewed over 80% of the risk weighted assets of the Bank and we have spent around 4,500 person hours for the audit of the books and account of the Bank' and;
- (k) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has not been maintained adequately during the year as stated in note 14.3 to the financial statements.

Dated, Dhaka
June 27, 2021

Khan Wahab Shafique Rahman & Co.

Khan Wahab Shafique Rahman & Co.

Chartered Accountants

Signed by: S M Tanjilur Rahman ACA

Partner

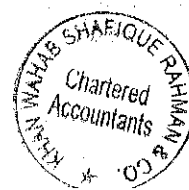
Enrolment No.: 1885

DVC Code: 2106281885AS255721



BASIC Bank Limited
Balance Sheet
As at 31 December 2020

	Note	Amount of Taka	
		31.12.2020	31.12.2019
PROPERTY AND ASSETS			
Cash:	3	11,620,429,781	9,736,800,790
Cash in hand (including foreign currencies)		965,559,539	1,043,761,176
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)		10,654,870,242	8,693,039,614
Balance with other banks & financial institutions:	4	1,398,683,243	954,554,343
In Bangladesh		532,334,645	523,134,107
Outside Bangladesh		866,348,598	431,420,236
Money at Call and Short Notice	5	1,500,000,000	2,560,000,000
Investments:	6	26,258,606,497	24,481,354,672
Government		24,912,975,062	23,143,584,445
Others		1,345,631,435	1,337,770,227
Loans & Advances:	7	149,125,944,182	151,769,614,423
Loans, Cash Credit & Overdraft etc.		148,588,751,177	150,940,965,694
Bills purchased & discounted		537,193,005	828,648,729
Fixed assets including premises, furniture and fixtures	8	414,925,076	472,707,444
Other assets	9	6,335,736,807	4,917,075,336
Non-banking Assets	10	23,858,490	23,858,490
Total Assets:		196,678,184,076	194,915,965,498
LIABILITIES AND CAPITAL			
Borrowings from other banks, financial Institutions and agents	11	8,454,517,572	7,315,442,850
Deposits and other accounts:	12	139,714,950,632	138,307,345,934
Current Accounts and other Accounts		7,386,679,727	5,843,292,956
Bills Payable		852,394,757	923,023,079
Savings Bank Deposits		7,202,598,235	7,337,426,904
Fixed Deposits		124,273,277,913	124,203,602,995
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
Other liabilities	13	44,815,590,903	42,286,035,205
Total Liabilities:		192,985,059,107	187,908,823,989
Capital/Shareholders' Equity			
Paid up Capital	14.2	10,846,982,500	10,846,982,500
Statutory Reserve	15	2,224,690,642	2,224,690,642
Other Reserve	16	27,664,294,236	27,260,129,552
Surplus in Profit and Loss A/C	17	(37,042,842,409)	(33,324,661,185)
Total Shareholders' Equity		3,693,124,969	7,007,141,509
Total Liabilities and Shareholders' Equity		196,678,184,076	194,915,965,498



OFF-BALANCE SHEET ITEMS

CONTINGENT LIABILITIES:

Acceptances and Endorsements
 Letters of Guarantee
 Irrevocable Letters of Credit
 Bills for Collection
 Other Contingent Liabilities
Total:

Note	Amount of Taka	
	31.12.2020	31.12.2019

18

2,014,684,146	2,271,977,150
4,030,633,234	4,518,967,440
7,050,758,325	5,823,383,718
324,870,764	804,119,453
1,090,839,725	920,389,617
14,511,786,194	14,338,837,378

OTHER COMMITMENTS:

Documentary credit and short term trade-related transactions

 Forward assets purchased and forward deposits placed
 Undrawn note issuance and revolving underwriting facilities

 Undrawn formal standby facilities, credit lines and other commitments
Total:

-	-
-	-
-	-
-	-
-	-

Total Off-Balance Sheet items including contingent liabilities:

14,511,786,194	14,338,837,378
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These financial statements should be read in conjunction with the annexed notes.


 Managing Director



 Director


 Director


 Chairman

Signed as per our annexed report on same date.

Dated, Dhaka
 June 27, 2021

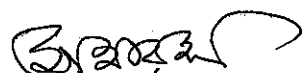

 Khan Wahab Shafique Rahman & Co.
 Chartered Accountants
 Signed by: S M Tanjilur Rahman ACA
 Partner
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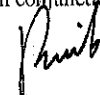


BASIC Bank Limited
Profit & Loss Account
For the year ended 31 December 2020


	Note	Amount in Taka	
		2020	2019
Interest income	19	4,565,159,807	6,087,774,376
Interest paid on deposits and borrowings etc.	20	(8,770,015,143)	(8,470,737,709)
Net interest income		(4,204,855,336)	(2,382,963,333)
Investment income	21	2,427,825,589	1,406,178,017
Commission, exchange and brokerage	22	663,690,825	852,996,783
Other operating income	23	116,276,112	142,167,395
Total operating income		3,207,792,526	2,401,342,195
		(997,062,810)	18,378,862
Salary and allowances	24	1,966,898,718	2,379,651,283
Rent, taxes, insurance, electricity etc.	25	330,504,674	339,050,134
Legal & professional expenses	26	17,001,845	20,348,427
Postage, stamp, telecommunication etc.	27	18,964,503	40,649,685
Stationery, Printings, Advertisements etc.	28	29,920,955	33,392,824
Managing Director's salary and fees	29	5,226,820	2,363,871
Directors' fees	30	2,457,400	2,898,000
Auditors' fees		920,000	920,000
Charges on loan losses		-	-
Depreciation of bank's assets	31	79,252,935	62,420,150
Repair of bank's assets	32	28,966,648	36,784,352
Other expenses	33	225,949,571	166,433,455
Total operating expenses		2,706,064,069	3,084,912,181
Profit/(Loss) before provision		(3,703,126,879)	(3,066,533,319)
Provision (excess provision) for loan	34	221,622,010	-
Provision (excess provision) for Off Balance Sheet Exposures	34	4,817,474	-
Provision for other assets	34	(91,541,907)	-
Provision for Investment	34	(134,897,577)	182,772,575
Provision for Balance with other Banks and Financial Institutions	34	-	-
Total provision		-	182,772,575
Total Profit/(Loss) before taxes		(3,703,126,879)	(3,249,305,894)
Provision for Current Tax	35	46,637,714	120,407,461
Provision for Deferred Tax	36	(31,583,369)	(100,679,504)
Net Profit/(Loss) after Taxation		(3,718,181,224)	(3,269,033,852)
Appropriations:			
Statutory Reserve	37	-	-
General Reserve	37	-	-
Dividends etc.	37	-	-
Retained surplus		(3,718,181,224)	(3,269,033,852)
Earning Per Share (EPS)	39	(3.43)	(3.01)

These financial statements should be read in conjunction with the annexed notes.


Managing Director


Director


Director


Chairman

Signed as per our annexed report on same date.


Khan Wahab Shafique Rahman & Co.

Chartered Accountants

Signed by: S M Tanjilur Rahman ACA
Partner

Enrolment No.: 1885

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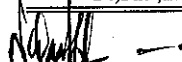
Dated, Dhaka
June 27, 2021

BASIC Bank Limited
Statement of Cash Flow
For the year ended 31 December 2020

	2020 Taka	2019 Taka
<u>Cash flows from operating activities</u>		
Interest receipts in cash	5,962,731,103	7,355,774,121
Interest payments	(8,916,861,528)	(8,264,284,971)
Dividends receipts	47,452,841	41,995,774
Fee and commission receipts in cash	663,690,825	852,996,783
Recoveries of loans previously written off	25,005,000	27,822,534
Cash payments to employees	(1,926,460,334)	(2,508,218,644)
Cash payments to suppliers	(29,920,955)	(33,392,824)
Income taxes paid	(130,448,132)	(36,871,289)
Receipts from other operating activities (item- wise)	91,979,197	114,342,575
Payments for other operating activities (item-wise)	(624,764,641)	(607,084,053)
Operating profit before changes in operating assets and liabilities	(4,837,596,624)	(3,056,919,993)
<u>Increase/Decrease in operating assets and liabilities</u>		
Statutory deposits	-	-
Purchase/sale of trading securities	(1,373,087,141)	(654,021,073)
Loans & advances to customers	2,643,670,241	198,438,718
Other assets (item-wise)	(351,586,352)	388,597,181
Deposits from other banks	(4,641,400)	208,079,162
Deposits from customers	1,412,246,098	6,277,683,840
Other liabilities (item-wise)	2,661,856,999	626,848,717
Net cash from operating activities	150,861,821	3,988,706,552
<u>Cash flows from investing activities</u>		
Proceeds from Sale of Securities	-	-
Cash Payments for Purchase of Securities	-	-
Purchase of property, plant & equipment	(22,283,622)	(246,839,328)
Sales of property, plant & equipment	104,970	150,059
Net cash from investing activities	(22,178,652)	(246,689,269)
<u>Cash flows from financing activities</u>		
Increase/(Decrease) of Long Term Borrowing	1,139,074,722	(701,333,733)
Receipt from Government	-	-
Conversion of borrowing into reserve	-	-
Payment of Dividend	-	-
Net cash from financing activities	1,139,074,722	(701,333,733)
Net increase/decreasing cash	1,267,757,891	3,040,683,550
Effects of Exchange Rate Changes on Cash and Cash Equivalent	-	-
Cash and cash equivalents at beginning period	13,251,355,133	10,210,671,584
Cash and cash equivalents at end of period	14,519,113,024	13,251,355,133
<u>Analysis of cash and cash equivalents at end of period</u>		
Cash	11,620,429,781	9,736,800,790
Balance with other banks & financial institutions	1,398,683,243	954,554,343
Money at call on Short Notice	1,500,000,000	2,560,000,000
	14,519,113,024	13,251,355,133

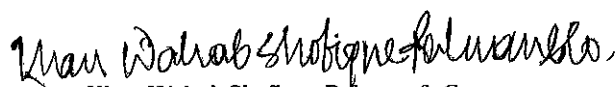

Managing Director


Director


Director


Chairman

Dated, Dhaka
June 27, 2021


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: S M Tanjilur Rahman ACA
Partner

Enrolment No.: 1885
DVC Code: 2106281885AS255721



BASIC Bank Limited

Statement of Changes in Equity
For the year ended 31 December 2020

Particulars	Paid-up Capital	Statutory Reserve	Other Reserve					Sub-Total	Profit and Loss	Total
			Non-cumulative irredeemable preference share	General Reserve	Share Money deposit	Investment Revaluation Reserve				
Balance as at 01 January 2020	Taka 10,846,982,500	Taka 2,224,690,642	1,205,000,000	Taka 40,000,000	26,000,000,000	Taka 15,129,552	Taka 27,260,129,552	Taka (33,324,661,185)	Taka 7,007,141,509	
Net Profit for the Year	-	-	-	-	-	-	-	(3,718,181,224)	(3,718,181,224)	
Increase/ (decrease) of Investment Revaluation Reserve during the year	-	-	-	-	-	404,164,684	404,164,684	-	404,164,684	
Transferred to Other Reserve	-	-	-	-	-	-	-	-	-	
Cash Dividend Paid during the year	-	-	-	-	-	-	-	-	-	
Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	
Issue of share capital	-	-	-	-	-	-	-	-	-	
Share Money received during the year	-	-	-	-	-	-	-	-	-	
Issuance of bonus share	-	-	-	-	-	-	-	-	-	
Transferred to Statutory Reserve	-	-	-	-	-	-	-	-	-	
Free Reserve	-	-	-	-	-	-	-	-	-	
Balance as at 31 December 2020	10,846,982,500	2,224,690,642	1,205,000,000	40,000,000	26,000,000,000	419,294,236	27,664,294,236	(37,042,842,409)	3,693,124,969	

These financial statements should be read in conjunction with the annexed notes.


Managing Director

Director

Director

Chairman



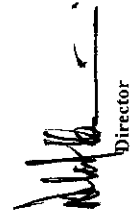
BASIC Bank Limited
Liquidity Statement
(Asset and Liability Maturity Analysis)
As at 31 December 2020

(Amount in Taka)

Particulars	Up to 01 month	1 - 3 months	3 - 12 months	1 - 5 years	More than 5 years	Total
Assets:						
Cash in hand	965,559,539	-	-	-	10,654,870,242	11,620,429,781
Balance with other banks and financial institutions	902,893,404	65,414,167	-	430,375,672	-	1,398,683,243
Money at call on short notice	1,500,000,000	-	-	-	-	1,500,000,000
Investment	552,741,700	88,400,000	2,564,903,147	12,373,600,000	10,678,961,650	26,258,606,497
Loans and Advances	31,432,900,000	1,509,100,000	17,696,600,000	39,827,800,000	58,659,544,182	149,125,944,182
Fixed assets including premises, furniture & fixtures	-	-	2,993,476	72,964,468	338,967,133	414,925,077
Other assets	-	68,942,115	22,553,121	2,493,503,826	3,750,737,744	6,335,736,806
Non-banking assets	-	-	-	-	23,858,490	23,858,490
Total Assets	35,354,094,643	1,731,856,282	20,287,049,744	55,198,243,966	84,106,939,441	196,678,184,076
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	1,000,500,000	3,001,100,000	2,005,200,000	27,200,000	2,420,517,572	8,454,517,572
Deposits & Other accounts	23,954,400,000	29,045,800,000	57,921,400,000	26,957,200,000	1,836,150,632	139,714,950,632
Provision and other liabilities	304,000,000	726,000,000	2,090,800,000	23,443,187,298	18,251,603,605	44,815,590,903
Total Liabilities	25,258,900,000	32,772,900,000	62,017,400,000	50,427,587,298	22,508,271,809	192,985,059,107
Net Liquidity Gap	10,095,194,643	(31,041,043,718)	(41,730,350,256)	4,770,656,668	61,598,667,632	3,693,124,969


Managing Director


Director


Director


Chairman



BASIC Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2020

1. The Bank and its activities

1.1 Corporate information

BASIC Bank Limited ("the Bank") was incorporated as a banking company in 1989 under the erstwhile Companies Act, 1913 and governed by the Bank Companies Act, 1991 (amended 2013). In 2001 the Bank changed its earlier name 'Bank of Small Industries and Commerce Bangladesh Limited' and registered the new name with the Registrar of Joint Stock Companies and Firms. Initially the Bank started its operation as a joint venture organization of the then BCC foundation, a welfare trust in Bangladesh and the Government of the People's Republic of Bangladesh. On 4 June 1992 the Government of Bangladesh took over 70% shares held by the then BCC Foundation and became the sole owner of the Bank. It operates with 72 branches in Bangladesh. The registered office of the Bank is located at 73 Motijheel C/A, Dhaka-1000.

1.2 Objectives

The Memorandum and Articles of Association of BASIC Bank Limited stipulate that at least fifty percent of its loanable fund shall be used for financing Small and Medium Scale Industries. The principal activities of the bank is unique in blending development financing and commercial banking.

2. Basis of preparation and significant accounting policies

Basis of preparation

2.1 Statement of compliance

The financial statements of the Bank are prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Bank Companies Act 1991 (amended 2013), the rules and regulations issued by Bangladesh Bank and the Companies Act 1994. In case any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of IFRS, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRS are as follows:

i) Investment in shares and securities

IFRS: As per requirements of IAS 39 investment in shares and securities generally falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or revaluation reserve respectively.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognised at cost.

ii) Revaluation gains/losses on Government securities

IFRS: As per requirement of IAS 39 where securities will fall under the category of Held for Trading (HFT), any change in the fair value of held for trading assets is recognised through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method and interest income is recognised through the profit and loss account.

Bangladesh Bank: HFT securities are revalued on the basis of marked to market at every week end and at year end. Any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

iii) Provision on loans and advances/investments

IFRS: As per IAS 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 that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per BRPD Circular No. 14 dated 23 September 2012, BRPD Circular No. 15 dated 23 September 2012, BRPD Circular No. 06 dated 29 May 2013, BRPD Circular No. 05 dated 16 May 2019, BRPD Circular No. 03 dated 21 April 2019, BRPD Circular No. 16 dated 21 July 2020 and BRPD Circular No. 17 dated 28 September 2020; a general provision at 0.25% to 5% under different categories of unclassified loans has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 5%, 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% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IAS 39.

iv) Recognition of interest in suspense

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

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

v) Other comprehensive income

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

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

vi) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in BAS 39. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.

vii) Repo Transactions

IFRS: When an entity sells a financial asset and simultaneously entered into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for a deposit, and the underlying asset continues to be recognised in the entities financial statements. These transaction will be treated as loan and the difference between selling price and repurchase price will be treated as interest expenses.

Bangladesh Bank: As per BRPD guidelines, when a bank sells a financial assets and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo and stock lending), the agreement is accounted for a normal sales transactions and the financial assets are derecognised in the seller's book and a recognised in the buyers book.

viii) Financial guarantees

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

Bangladesh Bank: As per BRPD 14, financial guarantees such as letter of credit, letter of guarantee and acceptance will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin.

ix) Cash and cash equivalent

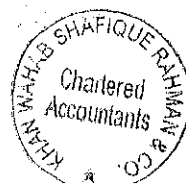
IFRS: Cash and cash equivalent items should be reported as cash item as per IAS 7.

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

x) Non-banking asset

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

Bangladesh Bank: As per BRPD 14, there must exist a face item named non-banking asset.



xi) Cash flow statement

IFRS: The cash flow statement can be prepared using either the direct method or the 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 14, cash flow is the mixture of direct and indirect methods.

xii) Balance with Bangladesh Bank (Cash Reserve Requirement)

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

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

xiii) Presentation of intangible asset

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

Bangladesh Bank: There is no regulation for intangible assets in BRPD 14.

xiv) Off-balance sheet items

IFRS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD 14, off balance sheet items (e.g. Letter of Credit, Letter of Guarantee, Acceptance, etc.) must be disclosed separately on the face of the balance sheet.

xv) Loans and advances net of provision

IFRS: Loans and advances should be presented net of provision.

Bangladesh Bank: As per BRPD 14, provision on loans and advances are presented separately as liability and can not be netted of against loans and advances.

2.2 Use of estimates and judgments

The preparation of the financial statements of the Bank in conformity with IFRSs require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized and presented in the financial statements of the Bank are included in following notes/statements:

- a) Note 13.1, 13.2, 13.3, 13.4 & 13.5 Provision for loans and advances, off balance sheet exposure, other assets, investments and balance with other banks & NBFIs.
- b) Note 31 Depreciation
- c) Note 35 Current tax liabilities
- d) Note 36 Deferred tax asset
- e) Liquidity statement

2.3 Foreign currency transaction

a) Foreign currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Bank operates, i.e. the functional currency. The financial statements of the Bank are presented in Taka which is the Bank's functional and presentation currency.

b) Foreign currencies translation

Foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per IAS-21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at weighted average rate of inter bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are initially translated into equivalent US Dollar at buying rates taken from Reuters and then retranslated from US Dollar into equivalent Taka in the same specified above.



c) Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in Taka terms at the rate of exchange ruling on the date of giving commitment or taking liability.

d) Transaction gains and losses

Foreign exchange differences (rates at which transactions were initially recorded and the rate prevailing on the reporting date/date of settlements) of the monetary items are recognized in the profit and loss account.

2.4 Cash flow Statement

Statements of Cash flow has been prepared in accordance with International Accounting Standard (IAS) 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.

2.5 Liquidity statement

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

- i) Balance with other Banks and financial institutions, money at call on short notice, etc. are on the basis of their maturity term;
- ii) Investments are on the basis of their respective maturity;
- iii) Loans and advances are on the basis of their repayment schedule;
- iv) Fixed assets are on the basis of their useful lives;
- v) Other assets are on the basis of their realization/amortization;
- vi) Borrowing from other Banks, financial institutions & agents, etc. are as per their maturity/ repayment terms;
- vii) Deposits & other accounts are on the basis of their maturity term & past trend of withdrawal by the depositors; and
- viii) Provisions and other liabilities are on the basis of their payment/adjustments schedule.

2.6 Statement of changes in equity

Statement of Changes in Equity has been prepared in accordance with IAS 1 "Presentation of Financial Statements" and following the guidelines of Bangladesh Bank BRPD circular no.14 dated 25th June 2003.

2.7 Reporting period

These financial statements cover one calendar year from 01 January 2020 to 31 December 2020.

2.8 Offsetting

Financial assets and financial liabilities are offsetted and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.9 Assets and basis of their valuation

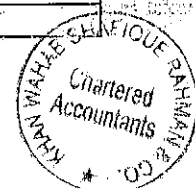
2.9.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the Bank management for its short term commitments.

2.9.2 Loans, advances and provisions

Loans and advances are stated in the balance sheet on gross basis. General provisions on unclassified loans and contingent assets, 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 instructions contained in BRPD Circular No. 14 dated 23 September 2012, BRPD Circular No. 15 dated 23 September 2012, BRPD Circular No. 06 dated 29 May 2013, BRPD Circular No. 05 dated 16 May 2019, BRPD Circular No. 03 dated 21 April 2019, BRPD Circular No. 16 dated 21 July 2020 and BRPD Circular No. 17 dated 28 September 2020. The rates for provisions are stated below:

Particulars		Provision Rate
General provision on		
a.	Consumer Financing (House Financing)	1%
b.	Consumer Financing (Loans to Professional)	2%
c.	Consumer Financing (Other than house finance and loans to professional)	2%
d.	Small and Medium Enterprise Financing (SMEF)	0.25%



e.	Short Term Agriculture & Micro Credit	1%
f.	Loans to BHs/ MBs/ Sds against Shares etc	2%
g.	All other Credit	1%
h.	Special Mention Account	0.25%; 1%
Specific provision on		
a.	Substandard Loans and Advances	
	i. Short Term Agri Credit & Micro Credit	5%
	ii. Other than Short Term Agri Credit & Micro Credit	5%, 20%
b.	Doubtful Loans and Advances	
	i. Short Term Agri Credit & Micro Credit	5%
	ii. Other than Short Term Agri Credit & Micro Credit	5%, 20, 50%
c.	Bad & Loss Loans and Advances	100%

2.9.3 Investments

Investments have been initially recognised at cost, including acquisition charges associated with the investment. Premiums have been amortised and discount accredited, using the effective or historical yield method. The investment in government securities (Treasury bills & bonds) are classified into Held to Maturity (HTM) & Held for Trading (HFT) as per Bangladesh Bank's guidelines contained in DOS Circular Letter No. 05 dated 26 May 2008 as amended vide DOS Circular Letter No. 05 dated 28 January 2009, DOS Circular No. 06 dated 15 July 2010 & DOS Circular Letter No.01 dated 19 January 2014. Same procedures are followed for investment in Bangladesh Bank Bill. Reclassification of HTM securities into HFT securities are also done in compliance with Bangladesh Bank's guidelines.

Held to Maturity (HTM)

Held-to-maturity investments are non-derivative assets with fixed or determinable payments and fixed maturity that the entity has the positive intent and ability to hold to maturity, and which are not designated at fair value through profit or loss or as available for sale. These are measured at amortized value at each year end by taking into account any premium or discount on acquisition. Any increase/decrease in value for amortization of such investments is transferred to revaluation reserve account and shown in the statement of changes of equity. The gains on such security at the time of maturity of the security are credited to income account.

Held for Trading (HFT)

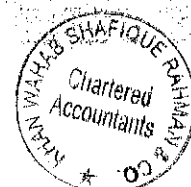
The securities under this category are the securities acquired by the Bank with the intention to trade by taking advantages of short term price/interest movement. The government securities (Treasury Bills/Bangladesh Bank Bills) under "Held for Trading" category are amortized and measured at present value on the basis of marking to market method weekly. The resulting gains & losses are transferred to profit and loss account and then gains arising from marking to market are instantly transferred to other reserve account from profit and loss account. The government securities (Treasury Bond) under "Held for Trading" category are measured at present value on the basis of marking to market method weekly. The resulting gains are transferred to other reserve account & losses are transferred to profit and loss account. The gains/(losses) arising on maturity or sale of such securities are credited/(debited) to profit and loss account.

Value of investments has been enumerated as follows:

Investment class	Initial recognition	Measurement after initial recognition	Recording of changes
Bangladesh Bank Bill/ Treasury Bill /Bond (HTM)	Cost	Amortised value	Both increase and decrease in value are transferred to revaluation reserve account.
Bangladesh Bank Bill/ Treasury Bill (HFT)	Cost	Market value	Both gains & losses are transferred to profit and loss account; gains arising from marking to market are instantly transferred to other reserve account from profit and loss account.
Treasury Bond (HFT)	Cost	Market value	Increase in value to equity and decrease in value to P&L account.
Prize Bond	Face value	None	None
Subordinated Bond	Cost	None	None
Shares	Cost	Lower of cost and market value	Any loss, charged in P&L account. Realized gain, recognized in P&L accounts. Unrealized gain, not recognized in accounts.

Investment in listed (quoted) securities

These securities are bought and held primarily for the purpose of selling them in future or hold for dividend income. These are reported at cost. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment has been made properly.



Investment in unlisted (unquoted) securities

Subordinated Bond is reported at cost and shares are reported at lower of cost and market value.

Other Investments

Other investments like prize bond is also eligible for SLR, which is shown at face value.

Investment and related income

- a) Income on investments other than shares is accounted for on accrual basis concept; and
- b) Dividend income on investment in shares is accounted for in the year when right has been established.

2.9.4 Fixed assets

Recognition and measurement

Items of fixed assets are measured at cost less accumulated depreciation as per BAS 16 "Property, Plant and Equipment". Cost includes expenditures that are directly attributable to the acquisition of assets. Subsequent costs is capitalized only when it is probable that the future economic benefits associated with the costs will flow to the entity. Ongoing repairs and maintenance is expensed as incurred.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

Depreciation

Items of fixed assets are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use. Depreciation is charged for the year at the following rates on reducing balance method on all fixed assets other than vehicles, software and all fixed assets of ATM related on which straight line depreciation method is followed:

Category of fixed assets	Rate	Method of Depreciation
Furniture and fixtures	10%	Reducing balance method
Machinery and Equipment*	20%	Reducing balance method
Computer and Copier*	20%	Straight line method
Vehicles (straight line)	25%	Straight line method
Leasehold buildings	1%	Straight line method over the lease hold period

* In the schedule of fixed assets both machinery & equipment and computer & copier are shown under the head of equipment and computer.

For additions during the year, depreciation is charged for the remaining days of the year and for disposal depreciation is charged up to the date of disposal.

On disposal of fixed assets, the cost and accumulated depreciation are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the profit and loss account, which is determined with reference to the net book value of the assets and net sale proceeds.

2.9.5 Intangible assets

- a) An intangible asset is recognised if it is probable that the future economic benefits that are attributable to the assets will flow to the entity and the cost of the asset can be measured reliably in accordance with IAS 38: "Intangible Assets".

Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditure that are incurred in customizing the software for its intended use. Subsequent expenditure on intangible asset is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

- b) Software represents the value of computer application software licensed for use of the Bank, other than software applied to the operation software system of computers. Intangible assets are carried at its cost, less accumulated amortization and any impairment losses.
- c) Software is amortized using the straight line method over the estimated useful life of 5 (five) years commencing from the date of the application software is available for use over the best estimate of its useful economic life.

2.9.6 Other assets

Other assets include all balance sheet accounts 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.



2.9.7 Receivables

Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

2.9.8 Inventories

Inventories measured at the lower of cost and net realizable value.

2.9.9 Leasing

Leases are classified as finance leases whenever the "terms of the lease" transfer substantially all the risks and rewards of ownership to the lessee as per IAS-17 " Leases". All other leases are classified as operating leases as per IAS-17 "Leases". Operating lease are rental agreements and all installments are charged to the income statement.

2.9.10 Non-banking assets

The bank has not acquired any non-banking assets in exchange for loan during the period of financial statements. The bank acquired non-banking assets of land valuing at Tk. 82,19,490 and building valuing at Tk. 1,56,39,000; Total Tk. 2,38,58,490 in exchange for loan in 2019.

2.9.11 Reconciliation of inter-bank and inter-branch account

Accounts with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may affect the financial statements significantly.

Un-reconciled entries / balances in the case of inter-branch transactions as on the reporting date are not material.

2.10 Share capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

2.11 Statutory reserve

Bank Companies Act, 1991 requires the Bank to transfer 20% of its current year's profit before tax to reserve until such reserve equals to its paid up capital and share premium account.

2.12 Deposits and other accounts

Deposits by customers & banks are recognized when the Bank enters into contractual provisions of arrangements with the counterparties, which is generally on trade date, & initially measured at the consideration received.

2.13 Borrowings from other banks, financial institutions and agents

Borrowed funds include call money deposits, borrowings, re-finance borrowings and other term borrowings from banks, Financial Institutions & other Organizations. They are stated in the balance sheet at amounts payable. Interest paid / payable on these borrowings is charged to the income statements.

2.14 Basis for valuation of liabilities and provisions

2.14.1 Provision for current taxation

Provision for current income tax has been made as per prescribed rate in the Finance Ordinance, 2020 on the gross receipts/accounting profit made by the Bank after considering some of the add backs to income and disallowances of expenditure as per income tax laws in compliance with IAS-12 " Income Taxes".

2.14.2 Provision for deferred taxation

Deferred tax is recognized in compliance with IAS 12 "Income Taxes" and BRPD Circular no. 11 dated 12 December 2011, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the date of balance sheet. Deferred tax assets and liabilities are offset as there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each date of balance sheet and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.14.3 Benefits to the employees

The retirement benefits accrued for the employees of the Bank as on reporting date have been accounted for in accordance with the provisions of International Accounting Standard-19, "Employee Benefit". Bases of enumerating the retirement benefit schemes operated by the Bank are outlined below:



a) Provident Fund

Provident fund benefits are given to the permanent employees of the Bank in accordance with Bank's service rules. Accordingly a trust deed and provident fund rules were prepared. The Commissioner of Income Tax, Taxes Zone - 8, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of section 2(52), read with the provisions of part - B of the First Schedule of Income Tax Ordinance 1984. The recognition took effect from 30 September 1995. The Fund is operated by a Board of Trustees consisting at least five members. Usually all confirmed employees of the Bank are contributing 10% of their basic salary as subscription to the Fund. The Bank also contributes equal amount of the employees' contribution. Interest earned from the investments is credited to the members' account on yearly basis.

b) Gratuity Fund

The Bank made provision of gratuity fund at discretion of the management to provide an employee with financial benefit on his ceasing the Bank's service or in the event of his death to his legal heirs/nominees or successors, in respect of which provision is made annually covering all its permanent eligible employees who have completed at least eight years of service.

c) Benevolent Fund

The benevolent fund is subscribed by monthly contribution of the employees. The Bank also contributes to the fund @ 0.5% of profit /lump sum at the end of the year. The fund is established to sanction grant in event of death on duty or permanent disabilities of the employees & to provide financial assistance to the employees & dependants.

d) Superannuation Fund

The Bank operates a contributory superannuation fund to give benefit to employees at the time of retirement and also cover group term life insurance. Employees are contributing to the fund monthly and the Bank also contributes a lump sum amount from the profit at the end of each year.

e) Welfare Fund

The Bank has been maintaining a welfare fund created from profit. This fund is utilized for various social activities as part of corporate social responsibility of the Bank.

2.14.4 Provision for liabilities

A provision is recognized in the balance sheet when the Bank has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

2.14.5 Provision for Off-balance sheet exposures

Off-balance sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank guidelines. In accordance with BRPD circular no. 14 dated 23 September 2012, general provision @ 1% has been made on the outstanding balances of Off-Balance Sheet exposure of the Bank as at 31 December 2020. Provision is made on the total exposure and amount of cash margin or value of eligible collateral is not deducted while computing Off-Balance sheet exposure.

2.14.6 Provision for nostro accounts

As per instructions contained in the circular letter no. FEPP (FEMO)/01/2005-677 dated 13 Sep 05 issued by Foreign Exchange Policy Department of BB, Banks are required to make provision regarding the un-reconciled debit balance of nostro account for more than 3 months as on the reporting date in these financials. Since there is no unreconciled entries which are outstanding more than 3 months then Bank's are not required to make provision.

2.15 Revenue recognition

2.15.1 Interest income

In terms of the provisions of the IAS-18 "Revenue", the interest income is recognized on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified. It is then kept in interest suspense. After the loans is classified as bad and loss, interest ceases to apply and recorded in a memorandum account. Interest on classified advances is accounted for on a cash receipt basis.

2.15.2 Investment income

Interest income on investments is recognized on accrual basis. Capital gain is recognized when it is realized.

2.15.3 Fees and commission income

Fees, Commission and Exchange Income on services provided by the Bank are recognized as and when the related services are performed. Commission charged to customers on letter of credit and letter of guarantee are credited to Income at the time of effecting the transactions.



2.15.4 Dividend income on shares

Dividend income from investment in shares is recognized when the Bank's right to receive dividend is established as per IAS 18 "Revenue".

2.15.5 Interest paid and other expenses

In terms of the provisions of IAS-1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

2.16 Risk management

The risk of BASIC Bank Limited is defined as the possibility of losses, financial or otherwise. The risk management of the Bank covers core risk areas of banking viz. credit risk, liquidity risk, market risk that includes foreign exchange risk, interest rate risk, equity risk, operational risk & reputation risk arising from money laundering incidences. The prime objective of the risk management is that the Bank evaluates & takes well calculative business risks & thereby safeguards the Bank's capital, its financial resources & profitability from various business risks through its own measures & through implementing Bangladesh Bank guidelines & following some best practices as under:

a) Credit risk

It arises mainly from lending, trade finance, leasing and treasury businesses. It can be described as the potential loss arising from the failure of a counter party to perform as per contractual agreement with the Bank. The failure may result from unwillingness of the counterparty or deterioration in his or her financial condition.

The bank has six credit divisions namely Industrial Credit Division (ICD), Commercial Credit Division (CCD), Agriculture, Micro Credit and Special Finance Division (AMCSFD), Small Enterprise Division (SED), Consumer Finance Division (CFD) and Trade Finance Division (TFD) focused on different areas/sectors of the economy and entrusted with the duties of Credit Appraisal to ensure the merit of loan proposals. The bank ensures strict management of credit quality by analyzing/assessing borrower risk an historical repayment performance of the borrower, historical and projected financial statements, industry outlook, collateral coverage of the proposed credit facility, market reputation of the borrower and any other relevant aspects. To manage its credit risk at a tolerable level, the Bank prepares an Annual Credit Budget where the amount of loan to each sector is allocated on yearly basis. Budgeted allocation to each sector is monitored or adjusted periodically on the basis of national economic trends, business or sector viability, the bank's credit position and profitability, the central bank's regulations and guidelines, availability of investable fund and so on. Moreover, total aggregate loan and advances of branches are allocated and controlled on the basis of the credit budget. The bank also has a Credit Administration Division (CAD) that oversees and ensures proper documentation pertaining to the approved credit facilities.

The Bank takes its lending decision based on the credit risk assessment report by the appraisal team. In determining Single borrower / Large loan limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted at periodical intervals to ensure compliance of Bank's & Regulatory polices. Loans are classified as per BB guidelines. Concentration of single borrower/large loan limit is shown in the notes to the financial statements.

b) Liquidity risk

The object of liquidity risk management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due. To this end, the Bank is maintaining a diversified and stable funding base comprising of core retail and corporate deposits and institutional balance. Management of liquidity and funding is carried out by Treasury Division under approved policy guidelines. Treasury Front Office is supported by a very structured Back Office. A Mid Office Division has also been created as per requirement of Bangladesh Bank. The Liquidity management is monitored by Asset Liability Committee (ALCO) on a regular basis. A written contingency plan is in place to manage extreme situation.

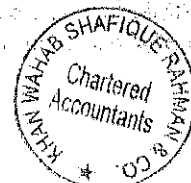
c) Market risk

The exposure of market risk of the Bank is restricted to foreign exchange risk, interest rate risk & equity risk.

Foreign exchange risk

Foreign exchange risk is defined as the potential change in earnings due to change in market prices. The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance requirements. No foreign exchange dealing on Bank's account was conducted during the year.

Treasury Division independently conducts the transactions, Back Office of Treasury is responsible for verification of the deals & passing of their entries in the books of account and Mid Office of Treasury monitors dealer's adherence to various internal, regulatory and counter party limits. All foreign exchange transactions are revalued at Mark-to-Market rate as determined by the bank as mid rate at the month end & the mid rate is being published by the Treasury Division of the bank as per approved policy. All Nostro accounts are reconciled on a monthly basis & outstanding entry beyond 30 days is reviewed by the management for its settlement. The position maintained by bank at the end of day was within the stipulated limit prescribed by Bangladesh Bank.



Interest rate risk

Interest rate risk may arise either from trading portfolio or non-trading portfolio. The short-term movement in interest rate is negligible or nil. Interest rate risk of non-trading business arises from mismatches between future yield of an asset & its funding cost. Asset Liability Committee monitors interest rate movement on a regular basis.

Equity risk

Equity risk arises from fall in market price of shares which are regularly monitored by the management. The management keep required provision as per Bangladesh Bank guidelines when the cost price exist under the market price.

d) Reputation risk arising from money laundering incidences

Money Laundering has significant economic and social consequences, especially for developing countries and emerging markets. The adverse consequences of money laundering are reputational, operational, legal and concentration risks and include loss of profitable business, liquidity problems through withdrawals of funds, termination of correspondent banking facilities, loan losses etc.

An anti-money laundering / counter terrorist financing (AML/CFT) program is an essential component of a bank's compliance regime. The primary goal of an AML/CFT program is to protect the bank against money laundering, terrorist financing and other financial crimes and to ensure that the bank is in full compliance with relevant laws and regulations. The management of BASIC Bank Limited has taken prevention of money laundering and terrorist financing as part of the Bank's risk management strategies. 'Anti Money Laundering (AML) and Combating Financing of Terrorism (CFT) Policy' of the Bank has been revised and subsequently approved by the Board of Directors of the Bank in its 396th meeting held on 24 October 2016.

The Bank established a separate division namely Anti-Money Laundering Division (AML/D) for mitigating Money Laundering and Terrorist Financing related risks. The Deputy Managing Director is acting as the Chief Anti-Money Laundering Compliance Officer (CAMLCO) of the Bank. In addition, Central Compliance Committee (CCC) is working to develop and review institutional strategy and program for preventing money laundering and terrorist financing. AML/D is performing as the secretariat of Central Compliance Committee. AML/D is continuously monitoring and reviewing overall Bank's compliance to mitigate ML/TF risks. Besides, a senior level executive from each Branch is working as a Branch Anti-Money Laundering Compliance Officer (BAMLCO). Audit and Inspection Division conducts audit for an effective Anti Money Laundering System Check throughout the year. Moreover, members of CCC and employees of AML/D pay visit to Branches to supervise the AML procedures and functions at branch level as and when required.

Sound Know Your Customer (KYC) and Transaction Profile (TP) are in place to recognize the risk associated with accounts. Cross-border transactions (both incoming and outgoing messages) are screened against UN, OFAC, EU and other Sanction lists through SWIFT screening Software. Moreover, the Bank has its own AML Screening System for screening customer against UN Sanction List, Domestic Sanction List and Private List before opening an account and making payment of foreign remittance (through Bank or Exchange House, i.e. Western Union).

The Bank is providing CTR/STR data through goAML web portal of Bangladesh Financial Intelligence Unit (BFIU) on regular basis. It is the requirement of BFIU to report cash transaction of BDT 10 Lac and above in a single day in a single account and suspicious transaction as and when detected. BASIC Bank Training Institute arranges training programs on AML & CFT throughout the year to develop awareness and skill for mitigating money laundering and terrorist financing risks.

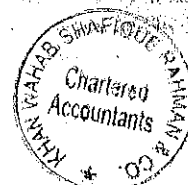
e) Operational risk

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

f) Asset Liability Management Risk

Asset Liability Management (ALM) is a risk management technique designed to earn an adequate return while maintaining a comfortable surplus of assets beyond liabilities. The scope of ALM function can be described as liquidity risk management, management of market risks, trading risk management, funding and capital planning, profit planning, growth projection, etc.

The ALM committee usually makes decisions on financial direction of the Bank. The ALCO's goal is to manage the sources and uses of funds, identify balance sheet management issues like balance sheet gap, interest rate gap etc. ALCO also reviews liquidity contingency plan and implements asset and liability pricing strategy for the Bank. The bank revised its asset liability management policy in line with Bangladesh Bank guideline. The board of the bank approved the revised policy in September 2017, which is followed meticulously.



g) ICT Risk Management

ICT risk refers to the potential of ensuing harmful effects that an organization may suffer from intentional or unintentional threats to information and information technology systems. Managing ICT risk is part of running regular operation of the Bank now a days. Failure to manage ICT risk may lead to serious security breaches, financial losses & even business discontinuity. Hence, it is imperative that there should be a mechanism to identify, assess and mitigate ICT risk. BASIC Bank Limited, with the approval of the Board, has adopted an ICT policy in compliance with ICT security guidelines of Bangladesh Bank covering various aspects of ICT risk management. Based on the policy the Bank has taken necessary measures for mitigating ICT risk and impending hazards through implementing proper strategies and processes of identifying, appreciating, analyzing and assessing the same. The Bank has also taken necessary initiatives which would make a positive impact on improving ICT segment of core risks management. All observations by Bangladesh Bank, related to ICT segment of core risks management are being complied in time. Necessary measures are also being taken to minimize manual intervention, as much as possible, by implementing automatic handling of network level and server level failure. Moreover, necessary initiatives are also being taken to comply with the ICT related issues mentioned in the circular of Bangladesh Bank regarding Self-Assessment of Anti Fraud Internal Controls. Internal ICT audit by Audit and Inspection Division of Head Office in different branches of the Bank are being carried out regularly. The Bank has been carrying out the job of Vulnerability Assessment (VA), Penetration Test (PT) by the external experts having sufficient expertise on ICT securities. The Bank has taken necessary steps to enhance the securities of the network, database and e-mail systems of the Bank. An independent ICT Security Unit comprising some ICT security experts has already been established within the Bank for monitoring, identifying and overseeing all kinds of potential ICT risks and threats. Moreover, the Bank has taken necessary initiatives to protect its ICT System from unauthorized Network Access, Denial of Service Attack, Zero-Day Virus Attack, Advanced Persistent Threat (APT) Attack, Malware Attack, Spyware Attack etc. The Bank is also carrying out training programs on importance an awarness of ICT security for its employees to prevent from different malicious activities.

h) Internal Control and Compliance

The primary objectives of Internal Control and Compliance are to help the bank perform better through the effective use of its resources, identify its weaknesses, take appropriate measures to overcome the same and ensure compliance with regulatory framework including applicable laws and regulations. Internal Control and Compliance of the Bank includes three fold functions viz. Internal Audit & Inspection of Branches and Divisions of Head Office, Monitoring of operational activity of the bank to assess the risk of individual Branches/Divisions and Compliance of Internal Audit & Inspection Reports of Branches & Divisions and Bangladesh Bank Audit Reports including Bangladesh Bank Special Audit Reports on Core Risks & Cash Incentive and Government Commercial Audit Reports. These functions are being carried out by 03 (three) divisions namely Audit & Inspection Division, Audit Findings Monitoring Division and Compliance Division. The Audit Committee of the Board subsequently reviews the major lapses identified by Audit and Inspection Division as well as compliance of these lapses. The Audit Committee also reviews periodic financial statements of the bank, Bangladesh Bank Inspection Reports and other issues indicated in the Bangladesh Bank Guidelines. Necessary steps/measures are taken on the basis of observation & suggestion of the Committee.

i) Fraud & Forgeries

The term 'Fraud' commonly includes activities such as theft, corruption, conspiracy, embezzlement, money laundering, bribery & extortion. Fraud risk is one of the components of Operational risk. Operational risk focuses on the risks associated with errors or events in transaction processing or other operations. We are absolutely committed to maintain an honest, open & well intentioned atmosphere within the organization. We are also committed to prevent fraud and detection of fraud. Fraud & Forgery has emerged as one of the major threats in banking sector with regular development of avenues by the fraudsters.

In the year 2017, the bank has started to further develop the Risk & Fraud awareness culture among the employees & reduce the likelihood of fraud occurring in the Bank. In 2020, Audit & Inspection Division (AID) of the Bank has conducted 51 regular Audit & Inspections & 13 special inspections at different Branches and 21 regular Inspections at different Divisions of Head Office, where allout efforts were taken by the officials of AID to detect fraud & forgeries and to find out potential risk factors.

In connection with dealing the situation and ensuring safety checking measures against fraud & forgery related issues, Monitoring Division of the Bank quarterly prepare Self Assessment of Anti-Fraud Internal Controls report and submit the same to Bangladesh Bank with joint signature of the Managing Director & the Chairman of Audit Committee of the Board of Directors of the Bank.

2.17 Earnings per share (EPS)

The Bank presents basic and diluted (when dilution is applicable) earnings per share (EPS) for its ordinary shares in accordance with BAS 33 "Earnings per Share". Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank with the weighted average number of ordinary shares outstanding during the period, adjusted for the effect of change in number of shares for bonus issue, share split and reverse split. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of

ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential ordinary shares during the relevant periods. Hence no Diluted EPS has been calculated.

2.18 Events after the reporting period

All material events after the reporting period that provide additional information about the Companies'/Bank's position at the balance sheet date are reflected in the financial statements as per IAS 10 "Events after the Reporting Period". Events after the reporting period that are not adjusting events are disclosed in the notes when material.

2.19 Directors' responsibility on statement

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

Memorandum items

Memorandum items are maintained to have control over all items of importance and for such transactions where the Bank has only a business responsibility and no legal commitment. Stock of travelers cheques, savings certificates, wage earners bonds and other fall under the memorandum items.

Capital Expenditure Commitment

There was no capital expenditure contracted but incurred or provided for at 31 December 2020. Besides, there was no material capital expenditure authorized by the board but not contracted for at 31 December 2020.

2.20 Related party disclosures

As per IAS 24 "Related Party Disclosures", a related party is a person or entity that is related to the entity (i.e. BASIC Bank Limited) that is preparing its financial statements. Related party transaction is a transfer of resources, services, or obligations between a reporting entity and a related party, regardless of whether a price is charged as per IAS 24.

Related Parties include the Bank's Directors, key management personnel, associates, companies under common directorship etc. as per IAS 24 "Related Party Disclosures". All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible.

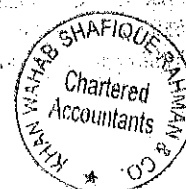
2.21 Board of Directors as on 31 December 2020:

Name	Status	Other Position
Professor Dr. Abul Hashem	Chairman	Vice Chancellor, Anwer Khan Modern University, Ex-Chairman, Dhaka Stock Exchange Limited, Ex-Member, University Grants Commission of Bangladesh, Ex-Treasurer, University of Dhaka, Ex-Dean, Faculty of Business Studies, University of Dhaka, Ex-Chairman, Department of Accounting, University of Dhaka, Ex-Director, Bangladesh Shilpa Bank, and Ex-Director, Dhaka Stock Exchange Limited.
Mr. Md. Shaheb Ali Mridha	Director	Joint Secretary (Retired) Government of the Peoples' Republic of Bangladesh
Mr. Md. Razib Pervez	Director	Founder & Executive Director – Governance Policy Explore Center, Lead Management- Political Economy Research Foundation- PERF.
Mr. Md. Rafiqul Islam	Director	Joint Secretary (Retired) Government of the Peoples' Republic of Bangladesh
Mr. Md. Rafiqul Alam	Director	Managing Director BASIC Bank Limited

The Board of Directors conducted 35 (thirty five) meetings during the year.

2.22 Audit Committee as on 31 December 2020:

Members of the Audit Committee of the Board of Directors:



Name	Status with the Committee	Educational Qualification
Mr. Md. Shaheb Ali Mridha	Chairman	B.Sc.(Hons.), M.Sc.(Physics)
Mr. Md. Razib Pervez	Member	B.Sc. Engineering (CSE), MA (Public Affairs), MPhil (Public Administration)

Audit Committee conducted 08 (eight) meetings during the year.

2.23 Risk Management Committee as on 31 December 2020:

Name	Status	Educational Qualification
Mr. Md. Rafiqul Islam	Chairman	B.Com. (Hons.), M.Com. (Management).
Mr. Md. Shaheb Ali Mridha	Member	B.Sc.(Hons.), M.Sc.(Physics)
Mr. Md. Razib Pervez	Member	B.Sc. Engineering (CSE), MA (Public Affairs), MPhil (Public Administration)

Risk Management Committee conducted 05 (five) meetings during the year.

2.24 Executive Committee as on 31 December 2020:

Name	Status	Educational Qualification
Professor Dr. Abul Hashem	Chairman	B.Com (Hons.), M.Com (Accounting), Ph.D (Russia), Post-doctoral Fellowship (USA)
Mr. Md. Rafiqul Islam	Member	B.Com. (Hons.), M.Com. (Management).

No meeting of the Executive Committee held during the year.

2.25 Head Office Management Committee (MANCOM) as on 31 December 2020:

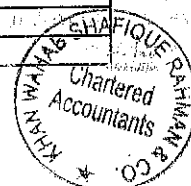
Sl #	Name	Designation	Status with the Committee
1	Mr. Md. Rafiqul Alam	Managing Director	Chairman
2	Mr. Ahmad Hossain	General Manager	Member
3	Mr. Abu Sayed Md. Rowshanul Haque	General Manager	Member
4	Mr. A. K. M. Masudur Rahman	General Manager	Member
5	Mr. Khan Iqbal Hasan	General Manager	Member
6	Mr. Abu Md. Mofazzal	General Manager	Member
7	Mr. Niranjana Chandra Debnath	General Manager	Member
8	Mr. Debasish Karmaker	Deputy General Manager, HRD	Member Secretary

The Head Office Management Committee conducted 03 (three) meetings during the year.

2.26 Compliance report on International Accounting Standards (IAS) & International Financial Reporting Standards (IFRS)

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

Name of the IAS	IAS no.	Status
Presentation of Financial Statements	1	Applied*
Inventories	2	N/A
Statement of Cash Flows	7	Applied*
Accounting Policies, Changes in Accounting Estimates & Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	Applied
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Govt. Grants & Disclosure of Govt. 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	N/A



Investments in Associates	28	N/A
Interests in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied*
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied*
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied*
Investment Property	40	N/A
Agriculture	41	N/A
Name of the IFRS	IFRS no.	Status
First Time Adoption of Bangladesh Financial Reporting Standard	1	N/A
Share Based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosure	7	Applied*
Operating Segments	8	Applied
Consolidated Financial Statements	10	N/A
Joint Arrangements	11	N/A
Disclosure of interests in other Entities	12	N/A
Fair Value Measurement	13	Applied

* Subject to departure described in note 2.1

2.27 Corporate Social Responsibilities (CSR)

Bank authority is very much concern about responsibility to the society people. With industrialization, the impacts of business on society and the environment assumed an entirely new dimension. For this Corporate Social Responsibility has become a criterion of socially lawful business endeavour and the acceptance of it is growing day by day. Countries of developed economy have taken the idea of "Social Responsibility". BASIC Bank Ltd. has also realized its responsibilities to the society and very much willing to contribute to the improvement of the society within the framework of Bangladesh Bank guidelines, being the largest state owned commercial bank in Bangladesh.

2.28 Regulatory and legal compliance

The Bank complied with the requirement of the following regulatory and legal authorities:

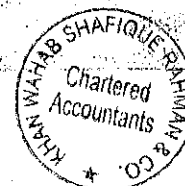
- i. The Bank Company Act, 1991 (amended 2013)
- ii. The Companies Act 1994
- iii. Rules, regulations and circulars issued by the Bangladesh Bank from time to time
- iv. The Income Tax Ordinance 1984 and Rules
- v. The Value Added Tax (VAT) 1991 and Rules
- vi. The Stamp Act-1899
- vii. The Customs Act-1969
- viii. The Money Laundering Prevention Act, 2012
- ix. The Anti Terrorism (Amendment) Act, 2012
- x. Labor Act, 2006 (amended in 2013) etc.

2.29 Approval of financial statements

The financial statements were approved by the Board of Directors on 27 June, 2021.

2.30 General

- a) These financial statements are presented in Taka, which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.
- b) The expenses, irrespective of capital or revenue nature, accrued / due but not paid have been provided for in the books of the Bank.
- c) Figures of previous year have been rearranged whenever necessary to conform to current years presentation.



		31.12.2020	31.12.2019
		Taka	Taka
3. Cash			
Cash in hand (including foreign currencies)	Note 3.1	965,559,539	1,043,761,176
Balance with Bangladesh Bank & its agent bank(s)	Note 3.2	10,654,870,242	8,693,039,614
Total		11,620,429,781	9,736,800,790
3.1 Cash in Hand (including foreign currencies)			
In Local Currency (3.1.1)		954,635,845	1,039,879,837
In Foreign Currencies		10,923,694	3,881,339
Total		965,559,539	1,043,761,176
3.1.1 In Local Currency			
In Hand		918,884,845	1,005,000,637
In ATM		35,751,000	34,879,200
		954,635,845	1,039,879,837
3.2 Balance with Bangladesh Bank & its agent bank(s)			
In Local Currency	Note 3.2.1	10,067,102,250	8,322,661,200
In Foreign Currencies	Note 3.2.2	587,767,992	370,378,414
		10,654,870,242	8,693,039,614
3.2.1 In Local Currency			
Bangladesh Bank		9,853,575,703	8,088,220,229
Sonali Bank (acting as agent of Bangladesh Bank)		213,526,547	234,440,971
		10,067,102,250	8,322,661,200
3.2.2 In Foreign Currencies			
Bangladesh Bank - EURO		5,540,368	147,719,784
Bangladesh Bank - GBP		5,972,629	5,743,981
Bangladesh Bank - YEN		24	24
Bangladesh Bank - US\$		576,254,971	216,914,625
		587,767,992	370,378,414
3.2.2.1 Balance with Bangladesh Bank as per DB -5		10,068,728,775	8,078,033,565

Reason of Difference between balance with Bangladesh Bank and DB-5:

The reason of difference between balance with Bangladesh Bank and DB-5 is that the balance of foreign currency clearing account is not shown in DB-5 statement and Tk. 57.00 Lac deducted from actual Bangladesh Bank (BDT) A/C balance which is lien amount against TT discounting facilities. Moreover, there were some entries passed by Bangladesh Bank on year ending date but we passed corresponding entries on later date after receiving advice from Bangladesh Bank.

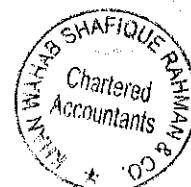
3.3 Statutory Deposits

Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained as per Section 33 of the Bank Companies Act 1991 and BRPD Circular No. 11 and 12 both dated August 25, 2005, MPD Circular No. 2 dated December 10, 2013 and MPD Circular No. 03 dated April 09, 2020.

The Cash Reserve Requirement (CRR) on the Bank's time and demand liabilities at the rate of 4.00% the CRR has been calculated and maintained with Bangladesh Bank in current account and 13.00% Statutory Liquidity Ratio (SLR) has been calculated and maintained with excess CRR balance, all kinds of approved govt. securities, cash in hand including FC balance with Bangladesh Bank and Sonali Bank (as agent of Bangladesh Bank). Both the reserves maintained by the Bank are in excess of the statutory requirements, as shown below:

3.3.1 Cash Reserve Ratio (CRR)

Required Reserve (4.00% of Average Demand & Time Liabilities)	5,339,491,351	7,368,513,013
Actual reserve maintained	8,594,332,565	7,534,409,983
Surplus/(Deficit)	3,254,841,214	165,896,970
Required (%)	4.00%	5.50%
Maintained (%)	6.44%	5.62%



3.3.2 Statutory Liquidity Reserve (SLR)

Required Reserve (13.00% of Average Demand & Time Liabilities)
Actual reserve maintained
Surplus/(Deficit)
Required (%)
Maintained (%)

31.12.2020 Taka	31.12.2019 Taka
17,353,346,889	17,416,485,303
30,821,267,651	25,125,607,592
13,467,920,762	7,709,122,289
13.00%	13.00%
23.09%	18.75%

4. Balance with other banks & financial institutions

In Bangladesh- in local currency	Note 4.1
Outside Bangladesh (note 4.2) (Annex-A: Nostro Account)	Note 4.2

532,334,645	523,134,107
866,348,598	431,420,236
1,398,683,243	954,554,343

4.1 In Bangladesh

4.1.1 Current Accounts

Sonali Bank Ltd.
Agrani Bank Ltd.
Janata Bank Ltd.
Rupali Bank Ltd.
Bangladesh Krishi Bank
NCC Bank Ltd.

11,059,184	18,733,395
9,036,835	8,029,582
3,000,154	6,752,749
4,556,586	2,693,535
3,104,862	-
5,787,185	2,969,674
36,544,806	39,178,935

4.1.2 Short Notice Deposit Accounts

Sonali Bank Ltd.
Janata Bank
Rupali Bank Ltd.
Trust Bank Ltd.
The Premier Bank Ltd.

986,233	19,928,831
29,086	41,138
18,798,633	29,464,033
45,592,478	4,087,230
7,737	8,693
65,414,167	53,529,925

4.1.3 Other Deposit

Receivable from ICB Islami Bank

130,375,672	130,425,247
-------------	-------------

4.1.4 Fixed Deposit Accounts

i) FDR/Placement with Banks:
ii) FDR/Placement with Non-Banks Financial Institutions:
Bangladesh Industrial Finance Company (BIFC) Limited

-	-
300,000,000	300,000,000
300,000,000	300,000,000
532,334,645	523,134,107

Total

4.2 Outside Bangladesh (Nostro & FC Term Placement)

Interest bearing accounts	Note 4.2.1
Term Placements	Note 4.2.2

866,348,598	431,420,236
-	-
866,348,598	431,420,236

4.2.1 Interest-bearing Accounts

Sonali Bank Kolkata-EURO
BANQUE MAROCAINE DU COMMERCE (MADRID, SPAIN)-EURO
Bank of Tokyo-Mitsubishi London-GBP
Bank of Tokyo Mitsubishi Japan-JPY
Arif Habib Bank, Karachi-USD
Mashreq Bank India-USD
Mashreq Bank New York-USD
Sonali Bank Kolkata-USD
Bank of Ceylon-USD
CITI Bank NA, New York (Export)-USD
AB Bank Ltd, Mumbai (USD)
Habib Metropolitan Bank Ltd.-USD
HDFC Bank Ltd.-USD
United Bank of India, Mumbai-ACU
Habib American Bank New York-USD
Kookmin Bank, Seoul-USD
Total

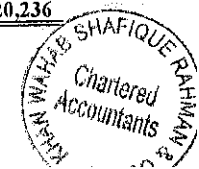
487,965	445,201
7,657,329	27,374,499
6,985,309	9,003,816
1,087,352	572,570
93,556	93,666
54,877	54,941
390,504	390,965
23,729,288	20,745,717
792,843	800,762
740,919,229	286,030,076
16,368,390	20,199,992
4,210,532	2,750,537
16,950,362	5,335,348
20,072,673	11,348,159
12,699,732	20,819,552
13,848,657	25,454,435
866,348,598	431,420,236

(Annexure - A may kindly be seen for details)

4.2.2 Term Placement

Grand total (Nostro and Term Placement)

-	-
866,348,598	431,420,236



		31.12.2020	31.12.2019
		Taka	Taka
4.3	Maturity grouping of balances with other banks & financial institutions:		
	On demand	36,544,805	39,178,935
	Upto 1 month	866,348,598	431,420,235
	Over 1 month but not more than 3 months	65,414,167	53,529,926
	Over 3 months but not more than 1 year	-	-
	Over 1 year but not more than 5 years	430,375,673	430,425,247
	Over 5 years	-	-
	Total	1,398,683,243	954,554,343
5	Money at Call & Short Notice		
	Commercial Banks	1,500,000,000	2,560,000,000
	Financial Institutions (Public & Private)	-	-
		1,500,000,000	2,560,000,000
5.1	Commercial Banks		
	National Bank Ltd	-	1,400,000,000
	Standard Bank Ltd	-	100,000,000
	Modhumoti Bank Ltd	-	300,000,000
	Midland Bank Ltd	1,500,000,000	300,000,000
	Rupali Bank Ltd	-	460,000,000
		1,500,000,000	2,560,000,000
6.	Investments		
	Government Securities	24,912,975,062	23,143,584,445
	Other Investments	1,345,631,435	1,337,770,227
		26,258,606,497	24,481,354,672
6.1	Government Securities		
	Treasury Bills and Reserve Repo	-	498,619,000
	Treasury Bonds	24,910,233,362	22,642,506,545
	Prize Bond	2,741,700	2,458,900
		24,912,975,062	23,143,584,445
6.1.1	Treasury Bills (at revalued Amount) (A)		
	364 Days Government Treasury Bills	-	-
	364 Days Reverse Repo	-	-
	182 Days Government Treasury Bills	-	-
	91 Day Government Treasury Bills	-	-
	28 Days Government Treasury Bills	-	-
	01 Day Reverse Repo-Bangladesh Bank	-	-
		-	-
	Reverse Repo (B)		
	Reverse Repo-Banks and NBFIs	-	498,619,000
	Reverse Repo-Bangladesh Bank	-	-
	Total	-	498,619,000
	Grand Total (A+B)	-	498,619,000
6.1.2	Treasury Bonds (at revalued Amount)		
	02 Years Government Treasury Bond	573,484,995	1,174,710,437
	05 Years Government Treasury Bond	5,585,288,833	3,725,141,382
	10 Years Government Treasury Bond	14,189,738,187	13,383,136,210
	15 Years Government Treasury Bond	2,552,737,308	2,370,632,671
	20 Years Government Treasury Bond	2,008,984,039	1,988,885,845
		24,910,233,362	22,642,506,545
6.2	Other Investments		
	Shares	1,345,571,935	1,337,710,727
	Investment others (Memorial Coin)	59,500	59,500
		1,345,631,435	1,337,770,227



6.2.1 Shares

a. Quoted companies

Shares in listed companies

b. Unquoted companies

Share of Karmasangsthan Bank
ICB AMCL 2nd NRB Mutual Fund
Preference Share of BDCL
Equity Of Grameen I. T. Park
Share of CDB Ltd.

Sub-total

Grand Total(a+b)

31.12.2020 Taka	31.12.2019 Taka
1,281,981,503	1,273,287,210
15,000,000	15,000,000
33,799,782	34,632,867
7,450,000	7,450,000
4,201,760	4,201,760
3,138,890	3,138,890
63,590,432	64,423,517
1,345,571,935	1,337,710,727

(Details of Investment in shares may kindly be seen in Annexure - B)

6.3 Investment in Securities are classified as per Bangladesh Bank Circular

Held To Maturity (HTM)

Note 6.3.2

Held For Trading (HFT)

Note 6.3.1

Other Bond (Sukuk Bond)

16,851,613,559	14,866,601,926
7,821,039,803	8,274,523,619
237,580,000	-
24,910,233,362	23,141,125,545

6.3.1 Held For Trading (HFT):

Treasury Bond

Treasury Bill and reverse repo

7,821,039,803	7,775,904,619
-	498,619,000
7,821,039,803	8,274,523,619

6.3.2 Held For Trading (HTM):

Treasury Bond

Treasury Bill and reverse repo

16,851,613,559	14,866,601,926
-	-
16,851,613,559	14,866,601,926

Treasury Bond:

Held To Maturity (HTM)

Held For Trading (HFT)

Other Bond (Sukuk Bond)

16,851,613,559	14,866,601,926
7,821,039,803	7,775,904,619
237,580,000	-
24,910,233,362	22,642,506,545

Treasury bond and treasury bills are categorized into HTM and HFT as per Bangladesh Bank Circular. HTM securities are measured at amortized value at each year end by taking into account any premium or discount on acquisition. Any decrease in value for amortization loss of such investment is transferred to profit and loss account of respective year. Any increase in value for amortization gain of such investments is transferred to revaluation reserve account and shown in the equity. Such gains are credited to income account at the time of maturity or sale of the security. HFT securities are revalued weekly and loss on revaluation is shown in P/L account and gain is shown as Revaluation Reserve under capital account. Securities are shown at revalued amount.

6.4 Assets pledged as security

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

Liabilities to bank

Liabilities to customers

-	-
-	-
-	-

There is no assets pledged, mortgaged or hypothecated against bank's borrowings.

6.5 Maturity Grouping of Investments

On demand

Upto 1 month

Over 1 month but not more than 3 months

Over 3 months but not more than 1 year

Over 1 year but not more than 5 years

Over 5 years

2,741,700	2,458,900
550,000,000	498,619,000
88,400,000	-
2,564,903,147	2,572,500,000
12,373,600,000	6,670,800,000
10,678,961,650	14,736,976,772
26,258,606,497	24,481,354,672

		31.12.2020	31.12.2019
		Taka	Taka
7. Loans & Advances			
Loans, Cash Credit & Overdraft etc.	Note 7.2	148,588,751,177	150,940,965,694
Bills purchased & discounted	Note 7.10	537,193,005	828,648,729
		149,125,944,182	151,769,614,423
7.1 Residual maturity grouping of loans including bills purchased and discounted			
Payable on demand		4,191,100,000	3,386,600,000
Not more than 3 months		28,750,900,000	24,904,800,000
Above 3 months but not more than 1 year		17,696,600,000	20,659,300,000
Above 1 year but not more than 5 years		39,827,800,000	47,367,900,000
Above 5 years		58,659,544,182	55,451,014,422
		149,125,944,182	151,769,614,422
7.2 Loans, Cash Credit & Overdraft etc.			
In Bangladesh			
Loans	Note 7.2.1	77,279,976,846	73,820,409,582
Cash credit		28,299,006,992	30,351,123,283
Overdraft	Note 7.2.2	14,322,465,854	14,881,925,564
Others	Note 7.2.3	28,687,301,485	31,887,507,265
		148,588,751,177	150,940,965,694
Outside Bangladesh		-	-
		148,588,751,177	150,940,965,694
7.2.1 Loans			
Loan General		3,213,664,430	3,335,227,986
Term Loan		74,066,312,416	70,485,181,596
		77,279,976,846	73,820,409,582
7.2.2 Overdraft			
SOD agst Bank's Own FDR		246,757,223	727,803,066
SOD agst Other Bank's FDR		322,039,757	347,367,698
SOD agst govt. bonds and securities		39,711,655	1,849,251
SOD agst Bank's Own Deposit Scheme		512,001,029	509,559,439
SOD for issuance of CDR/SDR/PO		17,181,058	17,181,058
Temporary Overdraft		420,645,461	420,795,461
Overdraft Secured Mortgage		10,360,863,334	10,574,375,530
Overdraft Secured (Other Securities)		1,349,441,213	1,911,068,425
Overdraft- BASIC Friendship		-	-
Overdraft (Clean)		237,615,545	371,925,636
Overdraft Industrial Special CMSME COVID 19		471,906,698	-
Overdraft Service Special CMSME COVID 19		43,370,125	-
Overdraft Commercial Special CMSME COVID 19		300,932,756	-
		14,322,465,854	14,881,925,564
7.2.3 Others			
Export Credit/Loan Against Packing Credit		330,093,177	325,840,957
Payment Against Documents		44,531,132	53,440,783
Loan Against Trust Receipt		2,263,209,737	3,550,307,362
Other short term advance		62,458,694	135,502,857
Tender Bidding & Work order financing		283,581,757	401,262,306
Loan against Govt. Fund and other scheme		118,219,243	164,510,443
Credit to NBFIs		2,933,645,601	3,006,060,165
Real Estate Loan		7,593,217,324	7,317,383,650
Transport loan		6,405,891,427	6,467,679,081
Consumer Credit		1,554,345,682	1,617,817,962
Micro Credit Financing		450,891,981	815,097,491
Agricultural Credit		248,191,664	-
Sundry/Misc. Loan		4,015,774,311	5,666,510,968
Staff Loan		2,383,249,755	2,366,093,240
		28,687,301,485	31,887,507,265
7.3 Loans on the basis of significant concentration including bills purchased & discounted			
a. Advances to Directors		-	-
b. Advances to MD and other Senior Executives		2,422,202,238	2,402,121,858
c. Advances to Customers group		58,512,029,470	59,812,616,348
d. Advances to Industrial sector	Note 7.3.1	88,191,712,474	89,554,876,217
		149,125,944,182	151,769,614,423



	31.12.2020 Taka	31.12.2019 Taka
7.3.1 Advances to Industrial sector		
Food and Allied Ind.	15,804,408,480	15,331,279,574
ERGM	10,764,517,460	10,430,544,478
Textile	10,330,960,322	10,577,891,835
Accessories	1,146,147,622	1,288,295,982
Jute Prod. and Allied Ind.	4,549,351,538	4,522,064,571
Forest Prod. and Allied Ind.	48,535,236	53,313,329
Paper, Board, Printing, Pub. and Packaging	3,340,588,051	3,560,976,266
Tannery Leather and Rubber Prod.	2,470,740,028	2,252,006,616
Chem. Pharm. and Allied Ind.	1,957,865,579	2,702,371,832
Plastic Ind.	1,788,146,889	1,949,043,039
Glass, Crmc. and Other non Metal. Pr.	978,676,666	1,479,974,261
Engineering	2,994,641,392	3,188,076,632
Electrical and Electronics Ind.	665,769,060	1,047,992,303
Real Estate & Housing	11,978,931,556	11,684,619,269
Transport and Communication	7,810,011,340	7,810,868,178
Ship, Shipbulding and Breaking	473,711,943	473,711,943
Power, Gas and Water	443,157,396	459,071,972
Hotel and Restaurant	827,288,424	787,053,124
Hospital and Clinic	804,421,327	815,484,693
Brick Kiln	3,632,060,159	3,613,448,405
Telecommunication & IT	399,659,140	411,263,765
Other Service Ind.	2,394,093,158	2,406,581,448
Ind. Not Elsewhere Classified	2,588,029,708	2,708,942,702
Total	88,191,712,474	89,554,876,217

7.4 Loans & advances allowed to each customer exceeding 10% of Bank's paid up capital

Number of Customers	30	26
Amount of outstanding advances	50,140,600,000	43,260,600,000
Amount of classified advances thereon	25,877,573,000	26,464,500,000
Amount of recovery	3,827,538,000	2,723,125,000
Measures taken for recovery	Persuasion and negotiation for recovery is going on	Persuasion and negotiation for recovery is going on

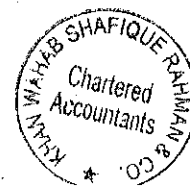
*In 2019 and 2020, capital of the Bank was negative. As such, loans and advances allowed to customers' group exceeding 10% of the Banks' paid-up capital are reported here as per Bangladesh Bank approval.
(Details are given in Annexure - C)

7.5 Geographical Location - wise Loans and Advances

Inside Bangladesh		
Dhaka Division	92,118,304,395	93,574,360,729
Chattogram Division	22,440,670,285	22,692,782,537
Rajshahi Division	8,004,789,795	8,943,982,682
Khulna Division	7,448,268,564	7,767,924,167
Barishal Division	610,310,571	596,112,603
Sylhet Division	1,314,619,551	1,271,000,541
Rangpur Division	8,156,646,720	7,908,243,925
Mymensingh	9,032,334,301	9,015,207,238
Total Inside Bangladesh	149,125,944,182	151,769,614,422
Outside Bangladesh		
Total	149,125,944,182	151,769,614,422

7.6 Distribution of Loans and advances according to BRPD Circular by Bangladesh Bank

A. Unclassified loan:		
Standard	48,253,429,955	51,988,770,861
SMA	23,750,624,582	20,832,338,346
Sub-Total	72,004,054,537	72,821,109,207
B. Classified loan:		
Sub-standard	1,176,167,512	1,905,617,887
Doubtful	805,204,711	1,277,673,313
Bad and loss	75,140,517,422	75,765,214,015
Sub-Total	77,121,889,645	78,948,505,215
Total loans and advances (A+B)	149,125,944,182	151,769,614,422



7.7 **Provision required for loans and advances**
Status

Unclassified-General provision

STAC & Micro Credit

SMA

Others (excluding staff loan)

Staff loan

Sub-Total

Classified-specific provision

Sub-standard

Doubtful

Bad/Loss

Sub-Total

Total Required provision as per Bangladesh Bank's approval

Total provision maintained

Excess/(short) provision

	31.12.2020 Taka	31.12.2019 Taka
	17,435,554	6,174,936
	625,550,003	1,937,070,832
	818,321,451	335,552,581
	48,532,659	23,660,932
Sub-Total	1,509,839,667	2,302,459,281
	48,038,618	27,439,972
	66,452,114	55,075,589
	22,010,304,595	21,003,033,142
Sub-Total	22,124,795,327	21,085,548,703
Total Required provision as per Bangladesh Bank's approval	23,634,634,994	23,388,007,984
Total provision maintained	23,634,634,994	23,388,007,984
Excess/(short) provision	-	-

Note: Provision has been maintained by the Bank in accordance with Bangladesh Bank approval vide its Letter No. DBI-2(UBI-5)/2536/2021-781 dtd. 22 April 2021, Letter No. DBI-2(UBI-5)/2536/2020-884 dtd. 29 June 2020 and Letter No. DBI-2(UBI-5)/2536/2020-823 dtd. 25 June 2020. As such, there is no un-approved provision shortfall of the Bank as on 31 December 2020 and as on 31 December 2019.

Details of provision may kindly be seen in Note 13.1 and 13.2

7.8 **Listing of Assets Pledged as Security/Collaterals**

Nature of the secured assets

Fixed Assets

Cash and quasi-cash

Others

	126,918,276,104	128,946,138,756
	4,435,776,706	4,154,378,580
	3,821,329,868	6,670,838,001
Total	135,175,382,678	139,771,355,337

7.9 **Particulars of Loans and Advances:**

(i) Loans considered good in respect of which the banking company is fully secured;

(ii) Loans considered good for which the banking company holds no other security other than debtor's personal guarantee;

(iii) Loans considered good secured by personal undertaking of one or more parties in addition to the personal guarantee of the debtor;

(iv) Loans adversely classified ; provision not maintained thereagainst

(v) Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons

(vi) Loans due from companies or firms in which the directors of the banking company have interests as directors, partners or managing agents or in case of private companies as members;

(vii) Maximum total amount of advance including temporary advance made at any time during the year to directors or managers or officers of the banking companies or any of them either separately or jointly with any other person;

(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company have interests as directors, partners or managing agents or in the case of private companies as members;

(ix) Due from banking companies.

(x) Amount of classified loans on which interest has not been charged

(a) (Decrease)/ Increase in provision

Amount of loan written off

Amount realized against loan previously written off

(b) Amount of provision kept against loan classified as bad/loss

	64,472,838,625	55,524,535,966
	4,386,834,250	8,191,928,125
	2,863,992,191	7,102,314,255
	-	-
Total	71,723,665,066	70,818,778,346
	2,386,921,166	2,375,041,555
	-	-
	2,499,132,618	2,407,594,341
	-	-
	75,140,517,422	75,765,214,015
	1,039,246,624	(1,992,630,426)
	-	200,428,512
	25,005,000	27,822,534
	22,010,304,595	21,003,033,142

- (c) Interest credited to the interest suspense account
- xi) Amount of the written off loan:
- (a) Cumulative amount of Written off loan
- (b) Amount written off during the current year
- (c) Amount of written off loan for which law suit has been filed

31.12.2020 Taka	31.12.2019 Taka
3,148,368,381	5,868,823,247
4,713,642,121	4,713,642,121
-	277,709,804
4,713,153,000	4,520,622,000

7.10 Bills Purchased and Discounted

- Payable in Bangladesh
- Payable outside Bangladesh

378,626,721	626,954,699
158,566,284	201,694,030
537,193,005	828,648,729

7.11 Maturity grouping of bills purchased & discounted

- Not more than 01 months
- Above 01 months but not more than 03 months
- Above 03 months but not more than 06 months
- Above 06 months

368,300,000	544,000,000
148,800,000	262,900,000
20,093,005	7,161,000
-	14,587,729
537,193,005	828,648,729

8. Fixed assets including premises, furniture & fixtures

Own Assets

- Furniture and Fixtures
- Interior Decoration
- Machinery and Equipment
- Computer Hardware
- Software
- Motor Vehicles

125,894,614	122,150,117
343,758,243	342,238,533
375,331,731	370,050,053
441,831,483	434,183,569
150,093,583	150,093,583
381,654,870	381,654,870
1,818,564,524	1,800,370,725
1,406,632,924	1,330,697,343
411,931,600	469,673,382

- Less: Accumulated depreciation
- Sub-total (A)

Leased Assets

- Leasehold Assets
- Less: Accumulated depreciation
- Sub-total (B)
- Total (A+B)

4,000,000	4,000,000
1,006,524	965,938
2,993,476	3,034,062
414,925,076	472,707,444

A Schedule of Fixed Assets is given in Annexure-D.

9. Other Assets

i) Income generating

ii) Non-Income generating

- a) Stationery, stamps, printing materials etc.
- b) Security deposits Note 9.2
- c) Advance rent
- d) Advance for space of BASIC Zaman Tower
- e) Advance for space of Banani
- f) Other prepayments Note 9.1
- g) Advance income tax
- h) Income receivable Note 9.3
- i) Deferred Tax Assets Note 36
- j) Suspense account Note 9.4
- k) Balance with Fakrul Islam securities
- l) ICB Securities Trading Co. Ltd.
- m) Branch adjustment account
- n) Sundry debtors Note 9.5
- o) Position Clearing(Net)
- p) Position General Ledger (Net)

0	0
22,553,101	20,823,168
11,285,528	11,369,569
103,349,274	139,753,608
759,999,993	759,999,993
161,315,950	161,315,950
4,688,344	4,288,928
113,550,545	60,860,247
3,137,039,674	2,154,238,222
720,218,618	688,635,249
68,942,114	51,280,927
20	20
3,335,268	8,572,706
454,339,173	78,531,548
613,698,071	699,357,104
-	78,048,097
161,421,134	-
6,335,736,807	4,917,075,336



- 9.1 **Other prepayments:**
 Total Other Prepayments
 Less Advance against proposed branch
 Less advance loan loss provision
 Less Loss on amortization of HTM
 Less Advance prepayment HO and Main Br.

31.12.2020 Taka	31.12.2019 Taka
1,085,128,051	5,576,036,773
-	-
-	(4,529,062,746)
(159,123,764)	(121,369,156)
(921,315,943)	(921,315,943)
4,688,344	4,288,928

9.2 **Security deposits**

Security deposits, rent and other prepayments made to statutory authorities, other institutions and individuals are considered good.

9.3 **Income receivable**

Income receivable consists of interest income receivable from various investments and Loans have been verified and considered good.

9.4 **Suspense account**

Suspense account consists of Excise Duty and petty cash etc.

9.5 **Sundry Debtors**

1) **Protested Bill:**

a) **BCCI:**

- Protested bill, Main branch
 Protested bill, Khatungonj branch
 Protested bill, Khulna branch
 BCCI-Bombay
 BCCI-London
 Sub total
 b) Protested bill for SWIFT
 c) Protested Bill -Lawyers' Fee
 d) Protested Bill -Bangshal Branch- Shahadat Hossain
Grand Total

6,535,880	6,535,880
244,800	244,800
416,367	416,367
1,399,580	1,399,580
640	620
8,597,267	8,597,247
20,244,921	20,244,921
3,940,000	3,940,000
11,198,036	11,198,036
43,980,224	43,980,204

- 1) Other Sundry Debtors
 2) Advance Cash Incentives-Remittance
 3) Encashment of Sanchaya Patra
 4) Encashment of Bond
 5) Cash Shortage
 6) Sundry Assets -Others

400,515	48,703
58,111	7,761
569,239,221	654,763,614
-	536,822
20,000	20,000
-	-
569,717,847	655,376,900
613,698,071	699,357,104

Note: Full provision for the protested bill of BCCI & SWIFT charges has been made in the account

10. **Non-banking Assets**

- Income generating non-banking assets
 Non-income generating non-banking assets (Note 10.01)

-	-
23,858,490	23,858,490
23,858,490	23,858,490

10.01 **Non-income generating non-banking assets**

- Land
 Building

8,219,490	8,219,490
15,639,000	15,639,000
23,858,490	23,858,490

The Bank has got the possession of ownership of the mortgage properties according to the judgement of the Honorable Court in accordance with the section 33(7) of "Artha Rin Adalat-2003". The Bank has been holding the non-banking assets since July 23, 2019.

11 **Borrowings from other banks, financial institutions and agents**

- In Bangladesh Note 11.1
 Outside Bangladesh Note 11.2

7,095,166,045	5,724,709,027
1,359,351,527	1,590,733,823
8,454,517,572	7,315,442,850

11.1 **In Bangladesh(a+b+c)**

- a) **Money at call and on short notice**
 Rupali Bank Ltd
 Sonali Bank Ltd
 Sub total

-	-
-	-
-	-



b) Term borrowing:

Rupali Bank Ltd.

Agrani Bank Ltd.

Sonali Bank

Sub-total

c) Term Borrowing

Bangladesh Bank Refinance Loan for House building

Refinance scheme of Bangladesh Bank for Tk. 10 Account

Refinance scheme of Bangladesh Bank for Jute Sector

Milk Production and Artificial Insemination

Financing Brick Kiln Efficiency Improvement Project

Fund Export Industry-Salary Payment under COVID-19 BB Refinance

Refinance under BRPD # 10/2020

Special Stimulus Refinance Scheme for agriculture sector (ACD Circular # 01, Date - 13/04/2020 for Covid-19)

Refinance Scheme -2020 for Low- income Professionals, Farmers & holders of Small/Marginal Business

Refinance Scheme for "CMSME Working Capital Loan/ Investment under Covid-19"

Sub-total

Total

31.12.2020 Taka	31.12.2019 Taka
1,000,000,000	1,000,000,000
3,000,000,000	2,500,000,000
2,000,000,000	2,000,000,000
6,000,000,000	5,500,000,000

56,099,318	62,547,431
4,595,000	9,367,500
30,000,000	-
21,850,000	50,000,000
95,063,938	102,794,096
264,844,000	-
136,213,789	-
21,880,000	-
156,000,000	-
308,620,000	-
1,095,166,045	224,709,027
7,095,166,045	5,724,709,027

11.2 Outside Bangladesh

a) Demand Borrowing

Demand Borrowing- Foreign Currency

Sub-Total

b)Term Borrowing

Loan for Micro Credit and Small Scale Industries (KfW, Germany)

Second Crop Diversification Project

Agro business Development Project of ADB

Sub-Total

Grand Total

153,379,147	153,379,147
764,526,750	866,463,650
441,445,630	570,891,026
1,359,351,527	1,590,733,823
1,359,351,527	1,590,733,823

11.3 Overall transaction of Reverse Repo:

Securities bought under repo:

i) with Bangladesh Bank

ii) with other banks & NBFIs

	2020		2019	
	Minimum outstanding during the year	Maximum outstanding during the year	Minimum outstanding during the year	Maximum outstanding during the year
i) with Bangladesh Bank	Nil	Nil	Nil	Nil
ii) with other banks & NBFIs	Nil	2,169,626,965	Nil	3,066,097,045

11.4 Overall transaction of Repo:

Securities sold under repo:

i) with Bangladesh Bank

ii) with other banks & NBFIs

	2020		2019	
	Minimum outstanding during the year	Maximum outstanding during the year	Minimum outstanding during the year	Maximum outstanding during the year
i) with Bangladesh Bank	Nil	4,637,877,502	Nil	4,030,076,307
ii) with other banks & NBFIs	Nil	2,690,699,608	Nil	4,029,605,907

12. Deposits & Other Accounts

Non-Interest bearing Deposits

Interest bearing Deposits

Note 12.1

Note 12.2

8,105,955,203	6,596,321,268
131,608,995,429	131,711,024,666
139,714,950,632	138,307,345,934



		31.12.2020	31.12.2019
		Taka	Taka
12.1 Non-Interest bearing Deposits			
Current, Savings and Other Deposits	Note 12.1.1	7,253,560,446	5,673,298,189
Bills Payable	Note 12.1.2	852,394,757	923,023,079
		8,105,955,203	6,596,321,268
12.1.1 Current, Savings and Other Deposits			
Current Deposit		4,610,422,427	3,307,804,590
Savings Deposit		9,056,399	-
Margin Deposit		2,003,137,803	1,571,739,686
Sundry/Other Deposit		630,943,817	793,753,913
		7,253,560,446	5,673,298,189
12.1.2 Bills Payable			
Payment Order		849,110,628	919,615,638
Demand Draft		3,284,129	3,407,441
		852,394,757	923,023,079
12.2 Interest bearing Deposits			
Savings Bank Deposits	Note 12.2.1	7,202,598,235	7,337,426,904
Fixed Deposits,SND,Other Deposit Scheme	Note 12.2.2	124,273,277,913	124,203,602,995
Current Deposit		133,119,281	169,994,767
		131,608,995,429	131,711,024,666
12.2.1 Savings Bank Deposits			
Savings Account		7,202,598,235	7,337,426,904
		7,202,598,235	7,337,426,904
12.2.2 Fixed Deposits			
Short Notice Deposits		14,906,566,832	17,221,096,637
Term Deposits		103,726,488,208	101,567,590,496
Other Deposit Scheme		5,640,222,873	5,414,915,862
		124,273,277,913	124,203,602,995
12.3 Maturity Grouping of other deposits & inter-bank deposits			
<u>Deposit from Bank</u>			
Repayable on demand		3,445,683	1,492,937
Repayable within 1 month		71,513,929	84,848,099
Above 01 Month but not more than 6 Months		132,064,531	125,324,507
Above 6 Month but not more than 1 Year		-	-
Above 01 Year but not more than 05 Years		-	-
Above 05 Years but not more than 10 Years		-	-
Above 10 Years		-	-
		207,024,143	211,665,543
<u>Other Deposits</u>			
Payable on Demand		1,230,054,317	1,324,507,063
Less than 01 Month		22,649,386,071	22,483,351,901
Above 01 Months but not more than 6 Months		60,789,335,469	48,196,975,493
Above 06 Months but not more than 01 Year		26,045,800,000	39,212,100,000
Above 01 year but not more than 05 Years		26,957,200,000	25,650,500,000
Above 05 years not more than 10 years		1,836,150,632	1,228,245,934
Above 10 years		-	-
		139,507,926,489	138,095,680,391
		139,714,950,632	138,307,345,934



13. Other liabilities

		31.12.2020 Taka	31.12.2019 Taka
Provision for Loans and Advances	Note 13.1	23,634,634,994	23,388,007,984
Provision for Off Balance Sheet Exposures	Note 13.2	130,960,757	126,143,283
Provision for other assets	Note 13.3	1,689,788,841	1,781,330,748
Provision for Investment	Note 13.4	304,481,153	439,378,730
Provision for Balance with other Banks and NBFIs	Note 13.5	300,000,000	300,000,000
Interest Suspense Account	Note 13.6	15,059,898,134	12,529,843,679
Provision for Ex-gratia/Incentive Bonus	Note 13.7	7,688,066	7,688,066
Provision for Gratuity	Note 13.8	68,601,956	32,936,752
Provision for Welfare Fund		14,253,367	14,253,367
Provision for Benevolent Fund		10,000,000	5,000,000
Provision for Superannuation Fund		10,000,000	5,000,000
Provision for Current Taxes	Note 35	586,575,956	617,696,076
Provision for Expenses Payable	Note 13.9	35,803,299	36,578,728
Provision for stationary		59,938	350,907
Interest Accrued and Payable on Deposits		2,096,422,821	2,226,725,741
Interest Payable on Borrowing		247,041,990	263,585,455
Privileged Creditors		386,041,276	360,280,540
Deposit Insurance Premium Payable		15,395,468	9,612,448
Branch Adjustment Account		-	-
Position Clearing(Net)*		161,565,827	-
Position General Ledger(Net)*		-	80,963,075
Sundry Creditors		47,054,633	49,843,518
Miscellaneous Creditors	Note 13.10	9,322,427	10,816,108
		44,815,590,903	42,286,035,205

*Under multi currency concept an organization maintains different statement of affairs for each currency it deals in including base (BDT) currency and one consolidated statement of affairs of all currencies converted into base currency. In the consolidated affairs all the assets and liabilities in foreign currencies are converted in base currency and presented with other assets and liabilities in base currency. This consolidated affairs reflects the overall position of the bank expressed in base currency. Two GL are maintained in the bank to account any foreign currency transaction. These GLs are Position GL for foreign currency position and Position Clearing GL. Position GL, accounts for original currency units other than base currency and Position Clearing GL accounts for corresponding value of foreign currency converted into base currency. Position, from the treasury point of view, means the available funds in different currencies with which the bank can trade. As value of any currency undergo change, Position in that currency need to be evaluated from time to time and necessary adjustments are made through these GLs.

13.1 Provision for Loans and Advances

Classified Loan	Note 13.1.1	22,124,795,327	21,085,548,703
Unclassified Loan	Note 13.1.2	768,739,081	2,302,459,281
Special General Provision-COVID-19	Note 13.1.3	741,100,586	-
Provision held at the end of the year		23,634,634,994	23,388,007,984

13.1.1 Provision for Classified Loan

Provision held at beginning of the year	21,085,548,703	23,078,179,129
Fully Provided Debt Written off/Interest Waived	-	(200,428,512)
Recovery from Earlier Written off Loan	25,005,000	27,822,534
Transferred to provision for unclassified loans	-	(1,827,933,099)
Transferred from provision for unclassified loans	787,802,140	-
Transferred from provision for Off Balance Sheet Items	-	7,908,651
Transferred to provision for Off Balance Sheet Items	-	-
Transferred from provision for investment	134,897,577	-
Transferred from provision for other assets	91,541,907	-
Provision made during the year	-	-
Provision held at the end of the year	22,124,795,327	21,085,548,703

Note: Provision has been maintained by the Bank in accordance with Bangladesh Bank approval vide its Letter No. DBI-2(UBI-5)/2536/2021-781 dtd. 22 April 2021, Letter No. DBI-2(UBI-5)/2536/2020-884 dtd. 29 June 2020 and Letter No. DBI-2(UBI-5)/2536/2020-823 dtd. 25 June 2020.



13.1.2 Provision for Unclassified Loan

Provision held at beginning of the year
 Provisions no longer required/adjusted
 Transferred to provision for classified loans
 Transferred to special general provision-COVID 19
 Transferred to provision for Off Balance Sheet Items
 Transferred from provision for classified loans
 Provision made during the year
Provision held at the end of the year

31.12.2020 Taka	31.12.2019 Taka
2,302,459,281	474,526,182
-	-
(787,802,140)	-
(741,100,586)	-
(4,817,474)	-
-	1,827,933,099
-	-
768,739,081	2,302,459,281

13.1.3 Special General Provision-COVID-19

Provision held at beginning of the year
 Transferred from provision for un-classified loans
 Provision made during the year
Provision held at the end of the year

-	-
741,100,586	-
-	-
741,100,586	-

13.2 Provision for off Balance Sheet Items

Provision held at beginning of the year
 Transferred to provision for classified loans
 Transferred from provision for unclassified loans
 Provision made during the year
Provision held at the end of the year

126,143,283	134,051,934
-	(7,908,651)
4,817,474	-
-	-
130,960,757	126,143,283

A provision of Taka 130,960,757 has been made @1.00% on total off-balance sheet exposures of the Bank which will be treated as supplementary capital of the Bank.

13.3 Provision for other assets:

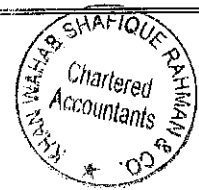
BASIC Zaman Tower
 Banani Branch
 Unadjusted suspense account-Gulshan Branch
 Unadjusted suspense account-Shantinagar
 Unadjusted suspense account-Chitalmari
 Unadjusted suspense account-Chowmuhana
 Unadjusted suspense account-Belkuchi
 Unadjusted suspense account-BSP
 Unadjusted suspense account-Excise Duty-Different Branches (13.3.1)
 Suspense Account (Head Office)-Medical Bill
 Suspense Account (Head Office)-ETECH
 Income Receivable
 Provision for protested bill-Legal Fee
 Provision for protested bill-SWIFT
 Provision for protested bill-BCCI
 Provision for protested bill-Shahadat Hossain_Bangshal
Total required provision
 Provision held at the beginning of the year
 Less: Transferred to provision for classified loans
 Provision made during the year
Provision held at the end of the year
Total Provision excess/(shortfall)

759,999,993	759,999,993
161,315,950	161,315,950
2,505,842	2,526,288
825,000	1,053,000
-	2,600
-	114,698
9,161	-
211,560	-
3,905,164	-
1,149,263	1,149,263
-	475,327
715,886,685	810,713,397
3,940,000	3,940,000
20,244,921	20,244,921
8,597,267	8,597,276
11,198,035	11,198,035
1,689,788,841	1,781,330,748
1,781,330,748	1,781,330,748
(91,541,907)	-
-	-
1,689,788,841	1,781,330,748

13.3.1 Unadjusted Suspense- Excise Duty:

Bangshal
 Shantinagar
 Barishal
 Madhabdi
 Belkuchi
 Mawna
 Fakirhat
 Faridpur
 Kotalipara
 Jorarganj
 Chirirbandar
Total:

1,360,638	-
268,000	-
20,350	-
308,323	-
286,847	-
245,233	-
266,478	-
408,357	-
333,251	-
301,704	-
105,983	-
3,905,164	-



13.4 Provision for Investment**Provision Required:**

Provision for Investment in Shares of Listed Companies
 Provision for Investment in ICB AMCL 2nd NRB Unit Fund
 Provision for Investment in Equity of Grameen IT Park Limited
Total Provision Required

Provision Maintained:

Opening Balance
 Add: Provision made during the year
 Less: Transferred to provision for classified loans

Closing Balance**Excess Provision/Provision Shortfall****13.5 Provision for Balance with other Banks and NBFIs**

Provision for FDR with BIFC Limited

Total Required Provision

Opening Balance of Maintained Provision
 Provision made during this year

Closing Balance of Maintained Provision**Excess Provision/Provision Shortfall****13.6 Interest Suspense Account**

Balance at the beginning of the year
 Amount transferred to Interest Suspense account during the Year
 Amount recovered from Interest Suspense account during the Year
 Suspense Written off/Waived During the Year
Balance at the end of the year

13.7 Provision for Ex-gratia/Incentive Bonus

Opening Balance
 Less: Arrear payment to Mr. Syed Mosahed (ID#1078), DGM
Closing Balance

13.8 Provision for Gratuity

Opening Balance
 Less: Transferred to Gratuity Fund Savings Account

Add: Provision made for the current year

Closing Balance

Required Balance of the fund as on 31 December

Balance as on 31 December

Incremental requirement for the year**Excess/(Short) Provision for Gratuity****13.9 Provision for Expenses Payable:**

Provision for telephone-office and residence
 Provision for electricity expenses
 Provision for water, gas and sewerage
 Provision for postage expenses
 Provision for advertisement
 Provision for rent
 Provision for repairs, improvement and maintenance
 Provision for on-line Banking expenses
 Provision for various audit fees
 Provision for vehicle expenses
 Loan installment payable
 Provision for entertainment expenses
 Other provision for expenses

	31.12.2020 Taka	31.12.2019 Taka
	300,279,393	429,625,679
	-	5,551,291
	4,201,760	4,201,760
Total Provision Required	304,481,153	439,378,730
	439,378,730	256,606,155
	-	182,772,575
	(134,897,577)	-
Closing Balance	304,481,153	439,378,730
	-	-
	300,000,000	300,000,000
Total Required Provision	300,000,000	300,000,000
	300,000,000	300,000,000
	-	-
Closing Balance of Maintained Provision	300,000,000	300,000,000
	-	-
	12,529,843,679	11,259,382,781
	3,148,368,381	5,868,823,247
	(617,403,746)	(4,598,362,349)
	(910,180)	-
Balance at the end of the year	15,059,898,134	12,529,843,679
	7,688,066	7,886,426
	-	198,360
Closing Balance	7,688,066	7,688,066
	-	153,941,882
	-	(153,941,882)
	68,601,956	32,936,752
Closing Balance	68,601,956	32,936,752
	1,859,470,374	1,579,247,841
	1,790,868,418	1,526,311,089
Incremental requirement for the year	68,601,956	52,936,752
Excess/(Short) Provision for Gratuity	-	(20,000,000)
	549,591	630,915
	1,180,609	2,134,399
	181,875	660,306
	8,000	8,500
	-	100,000
	6,835,059	5,144,262
	450,485	452,139
	95,748	95,748
	1,006,250	1,006,250
	188,379	191,370
	350,297	560,507
	38,500	-
	24,918,506	25,594,332
	35,603,299	36,578,728

	31.12.2020 Taka	31.12.2019 Taka
13.10 Miscellaneous creditors:		
Misc. Creditors as per affairs	23,995,639,682	28,318,418,534
Less: Special Reserve-BCCI	(7,782,258)	(7,782,258)
Less: Provision for investment	(439,378,730)	(256,606,155)
Less: Audited Loan Loss Provision	(23,514,151,267)	(23,486,328,733)
Less: Unaudited Loan Loss Provision	-	(4,529,062,746)
Less: Loan Loss Provision-Recovery of Written Off Loan	(25,005,000)	(27,822,534)
	9,322,427	10,816,108

13.11 Branch adjustments account represents outstanding inter branch and head office transaction (Net) originated. The un - responded entries of 31 December 2020 are given below:

Particulars	No. of Un-responded entries		Amount of Un-responded entries	
	Dr.	Cr.	Dr.	Cr.
Up to 03 Months	308	157	511,661,593	136,581,182
Over 03 Month but within 06 Months	5	14	14,973,956	131,500
Over 06 Month but within 01 Year	5	0	20,499,249	0
Over 01 Year but within 05 Years	0	0	0	0

14. Capital

14.1 Authorized

5,500,000,000 ordinary shares of Tk 10.00 each

55,000,000,000 **55,000,000,000**

14.2 Issued, Subscribed and Paid up Capital

The Issued, Subscribed and Paid up Capital of the Bank as follows:

1,084,698,250 Ordinary Shares of Tk. 10.00 each

10,846,982,500 **10,846,982,500**

The Government of People's Republic of Bangladesh is the Sole Owner-Shareholder of the Bank and all the Ordinary Shares are Vested with the Ministry of Finance.

14.3 Risk-weighted Assets and Capital Ratios as Defined by the Basel Capital Accord

In terms of section 13(1) of Bank Company Act 1991 (amendment 2013) and Bangladesh bank BRPD Circular No. 18 dated 21 December 2014 required capital, available Tier I and Tier II capital of the Bank for the period ended as on 31 December 2020 is shown below:

Tier-1 capital:

Common Equity Tier-1

Paid up Capital	10,846,982,500	10,846,982,500
Statutory Reserve	2,224,690,642	2,224,690,642
General Reserve	40,000,000	40,000,000
Retained Earnings	(37,042,842,409)	(33,324,661,185)
Share Money Deposit	26,000,000,000	26,000,000,000
	2,068,830,733	5,787,011,957

Less :Regulatory adjustments:

Provision Shortfall for loans and advance

Deferred tax assets

Total adjustments

-

-

(720,218,618)

(688,635,249)

(720,218,618)

(688,635,249)

1,348,612,115

5,098,376,708

Additional Tier-1 Capital

Non-cumulative irredeemable preference share

Total Tier-1 capital

1,205,000,000

1,205,000,000

2,553,612,115

6,303,376,708

Tier-2 capital

General Provision Maintained against Unclassified Loan

Provision for Off -Balance Sheet Items

Exchange Equalization

Revaluation Reserve of HTM and HFT Securities*

1,509,839,667

2,302,459,281

130,960,757

126,143,283

-

-

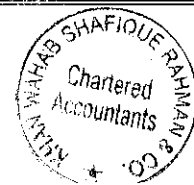
1,640,800,424

2,428,602,564

Total regulatory capital (Tier-1 + Tier-2)

4,194,412,539

8,731,979,272



	31.12.2020 Taka	31.12.2019 Taka
A. Total regulatory Capital (Tier-1 + Tier-2)		
Total Capital (Tier-1)	2,553,612,115	6,303,376,708
Total Capital (Tier-2)**	1,640,800,424	2,428,602,564
Total Eligible Capital (Tier-1 + Tier-2)	4,194,412,539	8,731,979,272
B. Risk Weighted Assets		
Balance Sheet Business	131,503,694,408	129,146,164,013
Off- Balance Sheet Business	4,604,706,353	4,663,704,114
Total Risk-weighted Assets	136,108,400,761	133,809,868,127
C. Required Capital on Risk Weighted Assets (10% on Total Risk Weighted Assets)	13,610,840,076	13,380,986,813
D. Capital Surplus / (Shortfall) under MCR [A-C]	(9,416,427,537)	(4,649,007,541)
Capital to Risk Weighted Asset Ratio (CRAR)	3.08%	6.53%

*As per Basel-III Guidelines of Bangladesh Bank, required Capital Conservation Buffer (CCB) is 2.50% of Total RWA.

**Provision maintained and capital calculated by the Bank in accordance with Bangladesh Bank's approval vide their Letter No. DBI-2(UBI-5)/2536/2021-781 dtd. 22 April 2021, Letter No. DBI-2(UBI-5)/2536/2020-884 dtd. 29 June 2020 and Letter No. DBI-2(UBI-5)/2536/2020-823 dtd. 25 June 2020.

Note: Revaluation reserve:

As per Basel III revaluation reserve as on December 2014 to be gradually adjusted in five years @20% each year and after five years revaluation reserve will not be considered as part of tier 2 capital. As such 100% of the amount of eligible revaluation reserve (i.e., 50% of revaluation reserve as on end 2014) Tk. 13,86,35,011 adjusted and shown in accounts as under:

	2020	2019
Eligible capital(50%)		
Opening Revaluation Reserve	138,635,011	138,635,011
Less: Adjustment (100% of 138,635,011)	138,635,011	138,635,011
Closing Revaluation Reserve	-	-

15. Statutory Reserve

Opening Balance at the Beginning of the Year	2,224,690,642	2,224,690,642
Add: Addition During the Year (20% of pre-tax Profit)	-	-
Closing Balance at the End of the Year	2,224,690,642	2,224,690,642

As per section 24 of Bank Companies Act 1991, no amount was transferred to statutory reserve in 2019 and 2020 as there was no pre-tax profit.

16 Other Reserve

General Reserve (Note: 16.1)	40,000,000	40,000,000
Investment Revaluation Reserve (Note: 16.2)	419,294,236	15,129,552
Share Money deposit	26,000,000,000	26,000,000,000
5% Non-cumulative preference share/Other Free Reserve	1,205,000,000	1,205,000,000
	27,664,294,236	27,260,129,552

16.1 General Reserve

Opening Balance at the Beginning of the Year	40,000,000	40,000,000
Add: Addition During the Year	-	-
Closing Balance at the End of the Year	40,000,000	40,000,000

The Bank has been maintaining this reserve as venture capital fund since 1999 for equity support to innovative but risky project.

16.2 Investment Revaluation Reserve

Opening Balance at the Beginning of the Year	15,129,552	127,078,596
Increase/(decrease) during the Year	404,164,684	(111,949,044)
Closing Balance at the End of the Year	419,294,236	15,129,552

17. Surplus in Profit and Loss Account

Opening Balance	(33,324,661,185)	(30,062,427,334)
Rectification of wrongly transferred to Suspense Account_Dilkusha Br.	-	6,800,000
Profit during the Year	(3,718,181,224)	(3,269,033,852)
Cash Dividend Paid During the Year	-	-
Issuance of Bonus Share	-	-
Surplus in Profit and Loss Account during the year	(37,042,842,409)	(33,324,661,185)

17.1 Item-Wise Profit and Loss Account

Income:

Interest, Discount and Similar Income	
Dividend Income	
Fees, Commission and Brokerage	
Gains less Losses Arising from Dealing in Foreign Currencies	
Income from Non-Banking Assets	
Other Operating Income	
Total Income	

Expenses:

Interest, Fee and Commission	
Losses on Loans and Advances	
Administrative Expenses	
Other Operating Expenses	
Depreciation on Banking Assets	
Total Expenses	

Profit Before Tax and Provision

18. Contingent Liabilities

Local Bills for Collection	
Foreign Bills for Collection	
Letters of Guarantee	Note 18.1
Irrevocable Letters of Credit	
Back to Back L/C	
Acceptances and Endorsements	
Travellers Cheques Stock	
Value of Wage Earners Bond in Hand and others	
Miscellaneous- Revolving Fund	

18.1 Letters of guarantee

A. Claim against the Bank which is not recognized as Loan

B. Money for which the Bank is contingently liable in respect of guarantees favouring:

Directors	
Government	
Bank and Other Financial Institutions	
Others	

19. Interest income

Interest on Loans and advances	
Interest on money at call and short notice	
Interest on placement with Banks	
Interest on foreign currency balance	

20. Interest paid on deposits and borrowings etc.

On Savings Bank Deposit (note 20.1)	
On Short Notice Deposit	
On Fixed Deposit (note 20.2)	
On Current Deposit	
Other Deposits and deposit schemes (note 20.3)	
On Borrowing from Bangladesh Bank and other financial institutions (note 20.4)	

20.1 On Savings bank deposit:

On Savings Deposit (Conventional)	
On School Banking Scheme	
On Krishok Savings Account	
On RMG Worker Account	
On Leather Industry Worker	
On Pothopushpo Savings Account	
On Muktijodhashpo Savings Account	
On BASIC Chalantika	
On Trinomul Savings Account	

	31.12.2020 Taka	31.12.2019 Taka
6,945,532,555	7,451,956,619	
47,452,841	41,995,774	
663,690,825	852,996,783	
-	-	
-	-	
116,276,112	142,167,395	
7,772,952,333	8,489,116,571	
8,770,015,143	8,470,737,709	
-	-	
1,972,125,538	2,382,015,154	
654,685,596	640,476,877	
79,252,935	62,420,150	
11,476,079,212	11,555,649,890	
(3,703,126,879)	(3,066,533,319)	
134,222	458,989	
324,736,542	803,660,464	
4,030,633,234	4,518,967,440	
5,997,499,783	4,896,726,869	
1,053,258,542	926,656,849	
2,014,684,146	2,271,977,150	
42,400	42,450	
57,698,000	57,764,000	
1,033,099,325	862,583,167	
14,511,786,194	14,338,837,378	
-	-	
-	-	
3,088,572,069	3,578,127,735	
576,500	576,500	
941,484,665	940,263,204	
4,030,633,234	4,518,967,439	
4,538,963,097	6,054,204,548	
21,081,667	24,005,139	
5,039,789	8,048,771	
75,254	1,515,918	
4,565,159,807	6,087,774,376	
261,759,269	234,928,257	
628,623,724	596,053,380	
6,725,893,741	6,603,251,801	
1,703,709	2,444,611	
501,981,351	492,384,909	
650,053,349	541,674,751	
8,770,015,143	8,470,737,709	
253,727,778	226,322,811	
6,376,575	5,943,322	
734,736	855,909	
263,653	177,459	
918	847	
1,050	3,680	
86,138	85,259	
93,954	60,248	
474,467	1,478,722	
261,759,269	234,928,257	



	31.12.2020 Taka	31.12.2019 Taka
20.2 On Fixed deposit:		
Interest paid on Fixed Deposit (Conventional)	6,109,022,475	6,097,680,370
Interest paid on Century Deposit scheme	169,786,419	1,791,374
Interest paid on double benefit scheme	328,947,007	363,554,890
Interest paid on Super double benefit scheme	-	42,205,900
Interest paid on Monthly Benefit Scheme	7,125,195	28,716,368
Interest paid on BASIC twofold winner scheme	49,369,870	26,813,237
Interest paid on monthly gainer scheme	61,642,775	42,489,662
Total	6,725,893,741	6,603,251,801
20.3 Other Deposits and deposit schemes		
Interest paid on BASIC Fortune	12,315,908	16,145,869
Interest paid on BASIC Fortune Plus	344,420,436	374,708,518
Interest paid on BASIC Swapono purno	1,969,595	3,062,484
Interest paid on BASIC DPS Plus	143,480,181	99,078,540
Interest paid on Sata Barsha Sanchoy Prokalpo	562,208	-
Less: Penal Interest recovered on Deposit Scheme	(766,977)	(610,502)
	501,981,351	492,384,909
20.4 Interest on Borrowings		
Interest on Refinance under BRPD Circular No. 10/2020	1,528,622	-
Interest on Refinance under SMESPD Circular No. 02/2020	533,789	-
Interest on Refinance under FID Circular No. 01/2020	261,251	-
Interest on Refinance under ACD Circular No. 01/2020	37,772	-
Interest on Bangladesh Bank refinance-Brick Kiln	4,978,663	3,720,495
Interest on Bangladesh Bank refinance-Jute sector	1,412,500	2,269,443
Interest on Bangladesh Bank refinance-Milk Production	1,923,540	2,648,626
Interest on Bangladesh Bank refinance-HBL	2,995,593	3,306,677
Interest on borrowing on B.B refinance for Tk. 10 account holders	259,058	176,423
Interest on Repo-Bangladesh Bank	45,591,362	54,555,074
Interest on Term Borrowing	514,055,980	385,680,556
Interest on Short Term Borrowing	-	7,190,278
Interest on Borrowing-Call Money	29,069,930	27,333,611
Interest on Term Loan KFW	5,368,260	5,368,264
Interest on Borrowing-ADB Loan	17,759,056	22,252,748
Interest on SME Refinance (ADB Fund-2)	-	-
Interest on Second Crop Diversified Project-ADB	24,277,973	27,172,556
Interest on borrowing outside Bangladesh	-	-
	650,053,349	541,674,751
21. Investment income		
On GT Bill, Bangladesh Bank Bill and GT Bond, Reverse (Note 21.1)	2,113,222,908	2,042,235,362
Dividend on Shares	47,452,841	41,995,774
On Other Investment	61,903	-
Profit on sale of investment (note 21.2)	595,890,905	490,228,542
	2,756,628,557	2,574,459,678
Less: Interest Paid for Purchase of Treasury Bill	7,302,033	27,519,904
Less: Loss on sale of investment	26,405,815	122,924,578
Less: Loss on investment	-	102,761
Less: Loss on revaluation of HFT securities	295,095,120	1,017,734,418
	328,802,968	1,168,281,661
Total	2,427,825,589	1,406,178,017
21.1 On Government Treasury Bill and Bond		
Interest on GT bond	2,108,092,553	2,038,517,970
Amortization of Discount on Treasury Bill	5,130,355	3,717,392
Interest on Reverse repo	-	-
Amortization of discount-Bill	-	-
Total	2,113,222,908	2,042,235,362
21.2 Profit on sale of investment		
Profit on sale of HFT Securities	63,147,855	44,790,987
Profit on sale of Share	11,413,221	8,878,970
Profit on Repo trading	521,329,829	436,558,585
Total	595,890,905	490,228,542

	31.12.2020 Taka	31.12.2019 Taka
22. Commission, exchange and brokerage		
Foreign bill purchased	274,764	98,629
Local Bill Purchased	2,734,225	3,865,703
Remittance	2,078,565	2,624,135
Letter of Guarantec	41,505,521	46,697,593
Letter of Credit	128,766,693	144,039,596
Bills for Collection	7,199,823	10,082,670
Acceptances and endorsement	31,678,111	42,057,397
Export Bill	10,699,352	9,850,081
Exchange gain net of exchange loss (22.1)	408,085,640	549,318,898
Commission on sale of instruments	106,049	3,713,714
Other Commission	30,562,082	40,648,367
Miscellaneous (includes commission on sale of PSP,TC)	-	-
	663,690,825	852,996,783
22.1 Exchange gain net of exchange loss		
Exchange Earning	457,981,573	653,489,236
Less: Exchange Loss	49,895,933	104,170,338
	408,085,640	549,318,898

Note: Exchange gain/profit(loss) on exchange trading has been net of which was shown separately in earlier years.

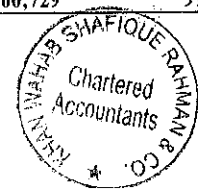
	31.12.2020	31.12.2019
23. Other operating income		
Various Fees	5,034,279	7,958,205
Income on locker	1,157,000	1,220,000
Recoveries from client and staffs	35,491,512	45,801,219
Service and other Charges	57,650,662	65,173,658
Income from on-line client services	2,283,006	3,054,754
Income from ATM/Card services	2,527,537	2,403,437
Expoprnt L/C advising, handling,transfer charges etc.	4,820,940	6,948,334
Income from non banking asset	-	-
Miscellaneous income (note 23.1)	7,311,176	9,605,502
Profit on Sale of Fixed Assets	-	2,286
	116,276,112	142,167,395

	31.12.2020	31.12.2019
23.1 Miscellaneous Income:		
Discount received	500	-
Project Examination and Appraisal Fee	15,000	230,000
Other Operating Income	7,295,676	9,374,702
Other Non-operating Income	-	800
	7,311,176	9,605,502

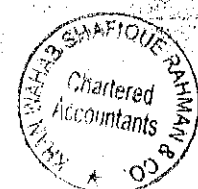
	31.12.2020	31.12.2019
23.2 Profit on sale of fixed assets:		
Cost of assets sold	-	1,638,625
Less: Accumulated depreciation of assets sold	-	1,490,852
Book value of assets sold	-	147,773
Sale value of fixed assets sold	-	150,059
Profit on sale of fixed assets	-	2,286

	31.12.2020	31.12.2019
24. Salary and Allowances		
Salaries (note 24.1)	880,700,729	918,823,032
Allowances (note 24.2)	574,997,914	1,044,225,012
Provident Fund	84,746,024	88,401,793
Benevolent Fund	10,000,000	5,000,000
Gratuity Fund	248,601,956	152,936,752
Pension Fund	40,764	242,158
Bonus	157,811,331	165,022,536
Superannuation Fund	10,000,000	5,000,000
	1,966,898,718	2,379,651,283

	31.12.2020	31.12.2019
Note 24.1: Salaries:		
Salary-Basic salary	859,171,316	895,535,660
Wages sub-staff	635,027	615,114
Casual wages menial staff	20,894,386	22,672,258
Total	880,700,729	918,823,032



	31.12.2020 Taka	31.12.2019 Taka
Note 24.2: Allowances:		
Allowances	574,997,914	969,073,146
Leave Fare Assistance	-	75,151,866
Total	574,997,914	1,044,225,012
25. Rent, Taxes, Insurance, Electricity Etc.		
Rent	249,911,361	260,585,613
Rates, Taxes and VAT	4,051,668	3,125,383
Utilities/Electricity and Heating	41,666,081	46,671,982
Insurance	34,875,564	28,667,156
	330,504,674	339,050,134
26. Legal & Professional Expenses		
Legal Expense (note 26.1)	15,932,495	19,837,427
Professional Fees (note 26.2)	1,069,350	511,000
	17,001,845	20,348,427
26.1 Legal Expenses:		
Lawyers fees	3,787,025	3,336,354
Law Charges	2,146,761	2,834,737
Stamp Charges and Court Fees	22,349	36,046
Other Legal expenses	9,976,360	13,593,700
Other Professional expenses	-	36,590
	15,932,495	19,837,427
26.2 Professional Expenses:		
Consultancy Fee	908,100	288,500
Management fees	-	50,000
Other Professional Fee	161,250	172,500
	1,069,350	511,000
27. Postage, Stamps, Telecommunication Etc.		
Postage	65,946	96,411
Courier Services	5,876,432	7,158,901
Telephone	5,383,427	23,409,494
Fax	18,335	12,473
Swift Subscription and cable Charges and web hosting charge	7,120,826	9,266,511
Stamp	8,500	16,280
Internet and E-mail	491,037	689,615
	18,964,503	40,649,685
28. Stationery, Printing, Advertisement Etc.		
Printing Stationery	4,294,036	5,556,250
Security Stationery	2,232,196	2,749,762
Publicity, Advertisement and publication	955,652	2,150,392
Other Stationery (note 28.1)	22,439,071	22,936,420
	29,920,955	33,392,824
28.1 Other Stationery		
Office Stationery	5,343,167	6,139,512
Petty Stationery	62,823	50,914
Photograph and Photocopy	237,192	222,528
Crocery and utensils	585,140	622,611
Other Stationery	10,419,420	9,449,879
Calendar	5,551,927	5,462,738
Annual Report	170,420	154,000
Greeting cards	1,100	32,250
Other greeting items	245	9,280
Invitation Card	-	94,160
Other printing expenses	67,637	698,548
Total	22,439,071	22,936,420



	31.12.2020 Taka	31.12.2019 Taka
29. Managing Director's Salary		
Basic Salary	3,360,000	1,535,484
Allowances and Bonus (note: 29.1)	1,866,820	828,387
	5,226,820	2,363,871
29.1 Managing Director's Allowances and Bonus		
House Rent	600,000	274,193
Medical	300,000	137,097
Entertainment	300,000	137,097
Food Subsidy	35,000	-
Others	15,820	-
Total Allowances	1,250,820	548,387
Bonus	616,000	280,000
Total	1,866,820	828,387
30. Directors' Fees & Meeting Expebses		
Directors Honorarium*	1,912,000	2,208,000
VAT on Directors Honorarium	237,400	330,000
Directors Remuneration**	308,000	360,000
	2,457,400	2,898,000
<i>*Each member of the board of directors of the Bank was paid honorarium of Tk. 8,000/- per meeting.</i>		
<i>**Remuneration was paid to the honorable chairman of the board of directors of the Bank @ Tk. 30,000/- per month.</i>		
31. Depreciation of Bank's Assets		
Depreciation on own Assets		
Furniture and Fixture	5,165,567	5,446,704
Interior Decoration	16,421,265	17,201,829
Computer Hardware and Pheriperals	28,730,727	17,341,762
Computer Software	11,224,199	3,703,671
Machinery and Equipment	17,670,590	18,680,183
Vehicles	-	-
	79,212,348	62,374,149
Depreciation on Leased Assets		
Lease Equipment/ Assets	40,587	46,001
Total	79,252,935	62,420,150
32. Repair of Bank's Assets		
Furniture and Fixture	1,530,319	1,562,068
Interior Decoration	148,821	1,967,670
Machinery and Equipment	10,756,704	13,406,522
Vehicles	7,659,689	11,230,661
Rented Premises	2,201,777	1,908,354
Electric Fittings	4,633,665	5,039,956
Others	2,035,673	1,669,121
	28,966,648	36,784,352
33. Other Expenses		
Entertainment	27,605,695	32,066,478
Lunch subsidy allowance	64,019,220	-
Information and Communication Technology (ICT) expenses (note 33.1)	45,641,337	39,961,766
Other Audit Fee (note 33.2)	120,750	120,750
Car Expenses (note 33.3)	15,080,279	18,956,070
Fuel and Lubricant Expenses-Generator (note 33.4)	2,992,088	3,585,398
Travelling	11,137,265	15,347,477
Computer consumables and Accessories	10,997,023	10,308,122
Staff Training and HR development Expenses	1,277,124	6,485,147
Card Related Expenses	16,675,588	11,354,495
Subscription	4,712,673	5,047,229
Service charge paid to clearing house, banks and others	1,829,098	2,307,974
Corporate Social Responsibility Expenses	1,587,025	1,357,116
Commission paid to banks	25,398	24,600
Donation	22,010	41,000
Miscellaneous (note 33.5)	22,226,998	19,469,833
Total	225,949,571	166,433,455

33.1 Information and Communication Technology (ICT) expenses

Yearly Rent
License fee
Internet charge
SMS alert charge
Mobile phone banking expenses
Software Maintenance Expenses
Hardware maintenance
ICT Auditing, Penetration Testing & Risk Management Services
Other
Total

31.12.2020 Taka	31.12.2019 Taka
1,476,287	1,674,327
104,158	134,580
18,125,096	17,198,548
2,417,451	2,850,643
2,000	5,600
22,256,115	16,888,779
1,255,100	1,208,289
-	-
5,130	1,000
45,641,337	39,961,766

33.2 Other Audit Fee

PF audit
Various fund audit
Nostro account audit
Total

28,750	28,750
46,000	46,000
46,000	46,000
120,750	120,750

33.3 Car expenses:

Fuel and lubricant
CNG/POL-Vehicle
Vehicle expenses
Total

4,903,935	5,908,879
8,085,296	10,776,458
2,091,048	2,270,733
15,080,279	18,956,070

33.4 Fuel and Lubricant-Generator:

Fuel and Lubricant -Generator
Fuel and Lubricant-Others
Total

2,972,704	3,553,988
19,384	31,410
2,992,088	3,585,398

33.5 Miscellaneous:

Expenses- Furniture & Fixtures
Expenses Equipment
Business promotion and development
Books, Journals and periodicals
Conveyance expenses
Expenses for multimedia
Transport expenses
Carrying Charges
Commitment and other fees
Remittance charges
Cartage and freight
Issue expenses
Interior decoration expenses
AGM expenses
Nostro account related expenses
Financial assistance expenses
Penalty/Fine Paid
Managers Conference Expenses
Security Service Expense
Loss on sale of fixed assets (net of profit)
Capital Related Fees and Charges
Other expenses
Misc. expenses
Total

10,250	2,000
69,695	40,900
338,789	1,132,912
533,094	944,134
11,115	1,470
4,000	2,750
-	54,000
446,044	373,916
125,594	463,026
131,477	124,129
81,807	114,494
55,881	-
1,182,136	1,234,353
75,875	121,184
1,760,929	1,778,629
143,267	372,398
60,876	241,459
-	132,997
13,849,553	11,470,213
708,085	-
-	1,880
312,600	24,000
2,325,931	838,989
22,226,998	19,469,833

34. Provision made during the year:**a. For Loans & Advances:**

On Classified Loans & Advances	Note 13.1.1
On Unclassified Loans & Advances	Note 13.1.2
Special General Provision-COVID 19	Note 13.1.3

1,014,241,624	-
(1,533,720,200)	-
741,100,586	-
221,622,010	-
4,817,474	-
(91,541,907)	-
(134,897,577)	182,772,575
-	-
-	182,772,575

b. For Off Balance Sheet items:

Note 13.2

c. For Other Assets

Note 13.3

d. For Investment

Note 13.4

d. For Balance with other Banks and Financial Institutions:

Note 13.5

Total

31.12.2020 Taka	31.12.2019 Taka
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Provision has been maintained by the Bank in accordance with Bangladesh Bank approval vide their Letter No. DBI-2(UBI-5)/2536/2021-781 dtd. 22 April 2021, Letter No. DBI-2(UBI-5)/2536/2020-884 dtd. 29 June 2020 and Letter No. DBI-2(UBI-5)/2536/2020-823 dtd. 25 June 2020.

35. Provision for Current Tax

Opening balance	617,696,076	555,460,908
Add: Propvision made for previous years tax (35.1)	-	69,472,762
Add: Propvision made for current years' tax	46,637,714	50,934,699
	664,333,790	675,868,369
Less: Adjustment made during the year	77,757,834	58,172,293
Closing balance	586,575,956	617,696,076

35.1 Propvision made for previous years tax

a) Propvision made for the year 2015	-	36,488,220
b) Propvision made for the year 2016	-	32,984,542
	-	69,472,762

a) As per the requirement of the Income Tax Ordinance, 1984, income tax has to be paid @42.50% on operating profit, or @0.60% on total income of the Bank, whichever is higher. In 2015, the Bank could not make any operating profit. In that case, income tax has to be paid on total income of the Bank. In 2015, total income of the Bank was Tk. 1151,49,64,237. At the time of preparation of financial statements for the year 2015 minimum tax rate was @ 0.30% of total income of the Bank. As per Bank's calculation, total tax liability of the Bank was Tk. 3,45,44,893/- (Tk. 1151,49,64,237*0.30%) and accordingly provision was made for current tax. Later on, minimum tax rate has been changed from 0.30% to 0.60% of total income of the Bank by the tax authority. As a result, total tax liability of the Bank has increased from Tk. 3,45,44,893/- to Tk. 6,90,89,785/- (Tk. 1151,49,64,237*0.60%). However, the Bank was required to pay Tk. 5,18,17,339/- (Tk. 6,90,89,785*75%) as 75% advance income tax for the income year 2015 but the Bank had paid Tk. 4,21,00,699 as source deduction. In this way, advance tax payment of the Bank fell short by an amount of Tk. 97,16,640/- (Tk. 5,18,17,339-4,21,00,699) due to change of tax rate by the income tax authority. Tax authority has imposed simple interest @10% for two years on this shortfall amount, which is Tk. 19,43,328/- (97,16,640*10%*2). In this way, total tax liability of the Bank for the year 2015 stands at Tk. 7,10,33,113/- (Tk. 6,90,89,785+19,43,328) but inadvertently, the Bank made a provision of Tk. 3,45,44,893/- only at the time of preparation of financial statements for the year 2015. As a result, provision for current tax for the year 2015 fell short by an amount of Tk. 3,64,88,220/- (Tk. 7,10,33,113-3,45,44,893) which was provided in 2019.

b) As per the requirement of the Income Tax Ordinance, 1984, income tax has to be paid @42.50% on operating profit, or @0.60% on total income of the Bank, whichever is higher. In 2016, the Bank made operating profit of Tk. 9,08,46,832 on which the Bank made provision for current tax @42.50% by an amount of Tk. 3,86,09,904/- (Tk. 9,08,46,832*42.50%). On the other hand, in 2016, total income of the Bank was Tk. 1193,24,07,624/- on which turnover tax was Tk. 7,15,94,446/- (Tk. 1193,24,07,624*0.60%). That is, for the income year 2016, tax liability of the Bank was Tk. 7,15,94,446/- (Tk. 3,86,09,904 or Tk. 7,15,94,446, whichever is higher). But inadvertently, the Bank made a provision of Tk. 3,86,09,904/- at the time of preparation of financial statements for the year 2016. As a result, provision for current tax for the year 2016 fell short by an amount of Tk. 3,29,84,542/- (Tk. 7,15,94,446-3,86,09,904) which was provided in 2019.

36. Deferred Tax

a) Computation of Deferred Tax

Tax Base of Depreciable Fixed Assets	437,288,516	502,935,426
Less: Carrying Amount	411,931,601	309,214,466
Deductable Temporary Difference (A)	25,356,915	193,720,960

Carrying Amount of Provision for Gratuity/Benevolent/Superannuation Fund:

Provision for Gratuity (Cumulative Provision-Actual Payment)	1,689,487,439	1,457,328,132
Provision for Benevolent Fund (Cumulative Provision -actual payment)	49,066,026	43,077,866
Provision for Superannuation Fund (Cumulative Provision -actual payment)	36,636,165	27,461,165
	1,775,189,630	1,527,867,163

Less: Tax Base

Deductable Temporary Difference (B)	1,775,189,630	1,527,867,163
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Total Deductable Temporary Difference (A+B)

	1,800,546,545	1,721,588,123
Effective Tax Rate	40.00%	40.00%
Deferred Tax Assets	720,218,618	688,635,249

b) Deferred Tax (Expenses)/Income

Closing Deferred Tax Assets	720,218,618	688,635,249
Opening Deferred Tax Assets	688,635,249	587,955,745
Deferred Tax (Expenses)/Income	31,583,369	100,679,504

37. Appropriations

Statutory Reserve
General Reserve
Dividends etc.

31.12.2020 Taka	31.12.2019 Taka
-	-
-	-
-	-
-	-

38. Analysis of Closing Cash and Cash Equivalent

Cash in hand and balance with Bangladesh Bank and Sonali Bank
Balance with other banks & financial institutions
Money at Call on Short Notice

11,620,429,781	9,736,800,790
1,398,683,243	954,554,343
1,500,000,000	2,560,000,000
14,519,113,024	13,251,355,133

39. Earning Per Share (EPS)

Net Profit after Tax (Numerator)
Number of Ordinary Share Outstanding (Denominator)
Earning Per Share (EPS)

(3,718,181,224)	(3,269,033,852)
1,084,698,250	1,084,698,250
(3.43)	(3.01)

40. Coverage of External Audit

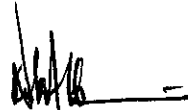
The external auditor has covered over 80% of the risk-weighted assets and have spent around 4,500 man hours to complete the audit as per requirement of Bangladesh Bank. The external auditor has audited 30 branches and Head Office of the Bank.

41. COVID-19 Pandemic

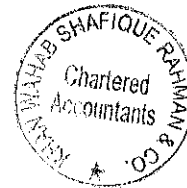
On 11 March 2020, World Health Organization (WHO) declared a global pandemic due to Corona Virus related respiratory disease commonly called as COVID-19. To contain the spread of this disease, along with many other countries of the world, Government of Bangladesh has also taken a number of measures such as declaration of general holiday, enforcement of lock down, social distancing etc. As a result of these measures, all business and economic activities are adversely affected which also impacted the Bank. Besides, Bangladesh Bank has allowed deferral on repayment of principal and interest of loan in view of COVID-19 impact on business, which has affected adversely the income and profitability of the Bank. Repayment deferral also has a bearing on bank's classification and liquidity position. All the regulatory instructions has been taken duly care of in recognising revenue and preparing Financial Statements of the Bank for the year 2020. Although the business operation and profitability of the Bank are impacted due to COVID 19, but as the situation is constantly changing and there is no certainty at present as to how long the situation will prevail, the potential impact of COVID 19 related matters on the Bank's future operation and financial results cannot be reasonably assessed."


Managing Director


Director


Director


Chairman



NOSTRO Accounts - Outside Bangladesh

Name of the Bank	A/C Type	Currency name	2020			2019		
			Amount in FC	Conv. Rate per unit FC	Amount in BDT	Amount in FC	Conv. Rate per unit FC	Amount in BDT
1 Bank Of Tokyo Mitsubishi, London	CD	GBP	60,824.01	114.8446	6,985,309	80,863.11	111.3464	9,003,816
2 AB Bank Mumbai	CD	ACUS	193,023.47	84.8000	16,368,390	237,926.88	84.9000	20,199,992
3 Arif Habib Bank- Karachi	CD	ACUS	1,103.25	84.8000	93,556	1,103.25	84.9000	93,666
4 Habib Metropolitan Bank Ltd., Pk	CD	ACUS	49,652.50	84.8000	4,210,532	32,397.37	84.9000	2,750,537
5 Bank Of Tokyo Mitsubishi, Tokyo	CD	JPY	1,324,907.78	0.8207	1,087,352	736,329.42	0.7776	572,570
6 Mashreq Bank, NY	CD	USD	4,605.00	84.8000	390,504	4,605.00	84.9000	390,965
7 Citi Bank Mumbai	CD	ACUS	-	-	-	-	-	-
8 Sonali Bank, Kolkata	CD	ACUS	279,826.51	84.8000	23,729,288	244,354.74	84.9000	20,745,717
9 Bank of Ceylon	CD	ACUS	9,349.57	84.8000	792,843	9,431.83	84.9000	800,762
10 Citibank NA, NY(Exp)	CD	USD	8,737,255.06	84.8000	740,919,229	3,369,023.27	84.9000	286,030,076
11 BCP, Geneva	CD	CHF	-	-	-	-	-	-
12 Sonali Bank Kolkata ACUEUR.	CD	ACUEUR	4,683.24	104.1938	487,965	4,683.24	95.0625	445,201
13 Mashreq Bank, Mumbai	CD	ACUS	647.13	84.8000	54,877	647.13	84.9000	54,941
14 SCB Frankfurt	CD	EURO	-	-	-	-	-	-
15 Sonali Bank London, EUR	CD	EURO	-	-	-	-	-	-
16 Sonali Bank London, GBP	CD	GBP	-	-	-	-	-	-
17 Sonali Bank London, USD	CD	USD	-	-	-	-	-	-
18 Bank Marocaine DU Commerce	CD	EURO	73,491.22	104.1938	7,657,329	287,963.17	95.0625	27,374,499
19 HDFC Bank Ltd	CD	USD	199,886.35	84.8000	16,950,362	62,842.73	84.9000	5,335,348
20 United Bank of India, Mumbai	CD	ACUS	236,706.05	84.8000	20,072,673	133,665.00	84.9000	11,348,159
21 Habib American Bank New York	CD	USD	149,760.99	84.8000	12,699,732	245,224.41	84.9000	20,819,552
22 Kookmin Bank, Seoul	CD	USD	163,309.63	84.8000	13,848,657	299,816.67	84.9000	25,454,435
Sub-total					866,348,598			431,420,235

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



Details of Investment in Shares as at December 31, 2020

Annexure-B

A. Listed Securities:

Sl. No.	Name of the company	Date of Purchase	No of shares	Face Value Taka	Cost Price Taka	Market Value as on 31-12-2020 Taka	Market Value as on 31-12-2019 Taka	Unrealized Gain/(Loss) Taka	Dividend Received in 2020 Taka
1.	ACME LABORATORIES LTD	26-Feb-17	444,569	4,445,690	51,997,605	33,209,304	27,074,252	(18,788,301)	1,555,992
2.	AGNI SYSTEMS LTD	22-Jun-17	698,803	6,988,030	17,113,685	13,207,377	10,551,925	(3,906,309)	489,162
3.	AGRICULTURAL MARKETING CO.LTD	16-Jan-19	19,778	197,780	5,163,115	3,852,754	3,366,216	(1,310,361)	63,290
4.	APPOLO ISPAT COMPLEX LTD.	20-Aug-14	1,988,098	19,880,980	36,441,836	12,922,637	7,753,582	(23,519,199)	-
5.	BATA SHOES (BD) LTD.	17-Feb-19	2,720	27,200	3,090,701	1,911,344	1,893,392	(1,179,357)	34,000
6.	BERGER PAINTS BANGLADESH LTD.	14-Feb-17	17,171	171,710	26,038,101	24,545,945	13,040,203	(1,492,157)	278,657
7.	BEXIMCO LTD.	20-Nov-10	144,447	1,444,472	15,838,614	8,233,479	1,993,371	(7,605,134)	72,224
8.	BEXIMCO PHARMACEUTICALS LTD.	23-Dec-10	-	-	-	-	55,656,579	-	1,202,952
9.	BRAC BANK LTD.	3-Jan-19	376,459	3,764,590	18,645,736	16,677,134	7,365,729	(1,968,602)	96,748
10.	BRITISH AMERICAN TOBACCO BD. LTD.	14-Feb-19	18,374	183,740	22,783,209	21,696,019	9,522,478	(1,087,190)	844,940
11.	BSRM STEELS LTD.	10-Dec-13	699,359	6,993,590	59,135,367	29,722,758	27,414,873	(29,412,609)	1,748,398
12.	DHAKA ELECTRIC SUPPLY CO. LTD.	8-Dec-10	504,658	5,046,580	29,481,985	17,562,098	18,672,346	(11,919,887)	605,590
13.	DELTA BRAC HOUSING CORPORATION	23-Jan-19	15,200	152,000	1,664,063	1,407,520	1,510,817	(256,543)	26,436
14.	DELTA LIFE INSURANCE CO.LTD.	7-Feb-19	35,515	355,150	3,913,405	2,422,123	2,787,928	(1,491,282)	-
15.	DUTCH BANGLA BANK LIMITED	15-Sep-20	198,050	1,980,500	13,490,067	12,873,250	-	(616,817)	-
16.	EASTERN BANK LTD.	8-Dec-10	4,300,003	43,000,030	25,443,653	154,800,108	142,760,100	129,356,455	6,450,005
17.	GRAMEEN PHONE LTD.	11-Jul-18	3,543	35,430	1,157,720	1,229,775	-	72,055	-
18.	HEIDELBERG CEMENT BD. LTD.	8-Dec-10	169,206	1,692,060	89,579,397	25,313,218	27,885,149	(64,266,179)	-
19.	IBN SINA PHARMACEUTICAL INDUSTRY LTD	17-Aug-10	32,400	324,000	8,513,413	7,905,600	7,205,760	(607,813)	97,200
20.	I.D.L.C FINANCE LTD.	26-May-15	379,872	3,798,720	32,282,963	24,083,885	17,246,189	(8,199,079)	1,329,552
21.	IFAD AUTOS LTD.	7-Jan-19	94,883	948,830	9,457,310	4,478,478	4,297,663	(4,978,832)	93,023
22.	I.F.I.C. BANK LTD.	10-Dec-13	195,637	1,956,370	2,776,114	2,973,682	1,760,735	197,568	-
23.	ICB ISLAMI BANK LTD.	23-May-08	2,684,000	26,840,000	26,840,000	11,541,200	8,052,000	(15,298,800)	-
24.	IFIL ISLAMIC MUTUAL FUND-I	2-Dec-15	7,534,390	75,343,900	66,634,688	49,726,974	40,685,706	(16,907,714)	3,013,756
25.	JAMUNA BANK LTD.	29-Jan-19	-	-	-	-	-	-	288,360
26.	JAMUNA OIL COMPANY LTD.	21-Sep-11	254,352	2,543,520	52,902,154	42,095,256	36,092,549	(10,806,898)	3,306,576
27.	LAFARGEHOLCIM BANGLADESH LTD.	10-Dec-13	1,288,611	12,886,110	100,636,693	61,595,606	43,297,330	(39,041,087)	1,288,611
28.	LINDE BANGLADESH LIMITED	3-Feb-16	23,417	234,170	30,314,257	29,999,519	28,294,818	(314,739)	1,089,100
29.	MARICO BANGLADESH LIMITED	18-Feb-19	3,706	37,060	8,412,534	7,926,393	-	(486,142)	-
30.	MEGHNA PETROLEUM LTD.	23-Nov-10	58,613	586,130	11,523,320	11,605,374	7,366,414	82,054	674,580
31.	MERCENTILE BANK LIMITED	6-Nov-16	572,218	5,722,180	12,017,773	7,267,169	7,193,604	(4,750,605)	599,472
32.	MJL BANGLADESH LTD.	29-Feb-15	255,191	2,551,910	28,607,869	19,624,188	16,153,590	(8,983,681)	1,148,360



33.	N C C BANK LTD.	26-Dec-10	1,079,992	10,799,920	18,862,161	14,255,894	12,705,792	(4,606,266)	1,588,228
34.	NATIONAL HOUSING FIN. & INV.	27-Jan-19	99,161	991,610	4,628,216	3,986,272	3,163,236	(641,944)	99,161
35.	NAVANA CNG LTD.	31-Oct-01	258,958	2,589,580	20,501,520	9,607,342	8,908,155	(10,894,179)	321,108
36.	OLYMPIC INDUSTRIES LTD.	19-Oct-15	197,457	1,974,570	57,244,898	37,734,033	32,580,405	(19,510,866)	987,285
37.	ONE BANK LTD.	28-Jul-11	1,812,171	18,121,710	37,451,551	19,209,013	17,776,543	(18,242,538)	862,949
38.	PADMA OIL COMPANY.	2-Oct-14	192,180	1,921,800	48,359,155	39,416,118	36,936,996	(8,943,037)	2,498,340
39.	POWER GRID CO. OF BANGLADESH LTD.	2-Dec-10	115,899	1,158,990	6,143,971	4,844,578	267,600	(1,299,393)	12,000
40.	PRIME BANK LTD.	14-Jun-17	1,107,796	11,077,960	27,790,947	18,943,312	20,161,887	(8,847,636)	1,495,525
41.	PRIME FINANCE & INVESTMENT LTD.	9-Nov-10	1,408,302	14,083,020	21,654,942	17,744,605	10,562,265	(3,910,336)	-
42.	PAK CERAMICS(BANGLADESH) LTD.	31-Oct-10	1,115,844	11,158,440	57,253,956	29,123,528	32,024,729	(28,130,427)	1,673,766
43.	RENATA (BD) LTD.	10-Feb-19	21,716	217,160	23,512,906	24,037,440	-	524,535	-
44.	ROBI AXIATA LIMITED	26-Nov-20	262,377	2,623,770	2,623,770	7,818,835	-	5,195,065	-
45.	SOUTHEAST BANK LTD.	18-Apr-12	1,153,953	11,539,530	19,399,565	14,424,413	14,170,714	(4,975,153)	793,149
46.	SQUARE PHARMACEUTICALS LTD.	11-Jul-18	67,719	677,190	16,151,881	14,864,321	12,254,050	(1,287,560)	253,217
47.	SUMMIT POWER LTD.	16-Jan-19	-	-	-	-	4,247,100	-	585,000
48.	TITAS GAS TRANSMISSION & D.C.L	26-Dec-10	1,385,908	13,859,080	81,813,385	42,685,966	42,824,557	(39,127,419)	3,603,361
49.	UNILIVER CONSUMER CARE LIMITED	16-Sep-20	2,690	26,900	7,017,292	7,556,748	42,824,557	539,456	-
50.	UTTARA FINANCE & INVEST. LTD	24-Mar-15	279,219	2,792,190	19,674,038	13,039,527	14,625,765	(6,634,511)	398,892
	Sub-Total		33,574,585	335,745,852	1,281,981,503	981,702,110	876,632,837	(300,279,393)	41,568,961

B. Non-Listed, De-Listed & Preference Shares:

Sl. No.	Name of the company	Date of Purchase	No of shares	Face Value	Total Cost/ Book Value	Market Value as on 31-12-2020 Taka	Market Value as on 31-12-2018 Taka	Unrealized Gain/(Loss)	Dividend Received in 2020 Taka
1.	BANGLADESH DEVELOPMENT CO.LTD.	19-Jul-11	74,500	7,450,000	7,450,000	7,450,000	7,450,000	-	-
2.	CENTRAL DEPOSITORY BANGLADESH LTD.	23-Jun-02	1,142,361	11,423,610	3,138,890	3,138,890	3,138,890	-	2,855,903
3.	EQUITY OF GRAMEEN IT PARK	1-Feb-01	42,018	4,201,800	4,201,760	4,201,760	4,201,760	-	-
4.	KARMASTANGSTHAN BANK	15-Mar-99	150,000	15,000,000	15,000,000	15,000,000	15,000,000	-	-
5.	ICB AMCL 2ND NRB MUTUAL FUND	11-Apr-16	3,364,419	33,644,190	33,799,782	33,307,748	32,971,306	(492,034)	3,027,977
B.	Sub-Total			71,719,600	63,590,432	63,098,398	62,761,956	(492,034)	5,883,880
	Grand Total (A+B)			407,465,452	1,345,571,935	1,044,800,508	939,394,794	(300,771,427)	47,452,841



Detail of information on advances exceeding 10% of bank's paid-up capital (funded & non-funded):

(Taka in Lac)

Sl. No.	Name of the Client	Outstanding as on 31.12.2020			Outstanding as on 31.12.2019	CL status as on 31.12.2020
		Funded	Non funded	Total		
1	AMADER BARI LIMITED GROUP	58,209	-	58,209	55,785	SMA
2	EMERALD AUTO BRICKS & ALLIED	23,633	-	23,633	23,633	BL
3	ALI GROUP	22,910	-	22,910	22,910	BL
4	AB GROUP	18,419	3,451	21,870	21,621	UC
5	NEW DHAKA CITY DEVELOPMENT LTD	21,395	-	21,395	19,699	BL
6	PD, SPDSP, WZPDCL, KHULNA	-	19,631	19,631	5,483	UC
7	BANGLADESH DEVELOPMENT COMPAN	19,553	-	19,553	18,029	UC
8	FEAZ GROUP	19,483	-	19,483	19,560	BL
9	NILSAGOR AGRO & ALLIED	18,771	75	18,846	20,416	BL
10	MYMCO CARBON LTD AND ALLIED	16,595	-	16,595	16,595	BL
11	MAX SWEATER (BD) LTD.	12,670	3,431	16,101	15,888	UC
12	VASAVI FASHIONS & ALLIED	15,511	26	15,537	15,831	BL
13	ARISTOCRAT GROUP	15,388	-	15,388	14,305	SMA
14	WELL TEX AND ALLIED (ADIB DYEING)	14,640	-	14,640	14,667	BL
15	AJBIHA, YOUTH	14,358	-	14,358	13,853	BL
16	PRAGOTI INDUSTRIES LIMITED	-	14,002	14,002	18,894	UC
17	RISING GROUP	13,337	38	13,375	13,065	BL
18	CRYSTAL STEELS & SHIP BREAKING LIM	13,177	-	13,177	12,209	SMA
19	R. I. ENTERPRISE	13,174	-	13,174	13,174	BL
20	BASHER GROUP	13,157	-	13,157	13,157	BL
21	DELTA SYSTEMS LIMITED	12,836	35	12,871	12,877	BL
22	EMERALD OIL & ALLIED	12,015	18	12,033	12,157	BL
23	MAP & MULLER GROUP	12,000	-	12,000	12,245	BL
24	REGENT WEAVING LTD	11,715	-	11,715	11,991	BL
25	IG NAVIGATION LIMITED	11,706	-	11,706	11,706	BL
26	SEA BLUE TEXTILE LIMITED	11,514	-	11,514	11,461	SMA
27	BAY NAVIGATION LTD	11,406	-	11,406	11,406	BL
28	PROFUSION TEXTILES LIMITED	11,124	-	11,124	11,155	BL
29	MA TEX	11,122	-	11,122	11,122	BL
30	ZEIL WEARS LIMITED	10,857	24	10,881	10,108	BL
	TOTAL	460,675	40,731	501,406	485,002	

Note 1: In 2020, capital of the Bank was negative. As such, loans allowed to customers/customers group exceeding 10% of paid-up capital has been reported here in line with Bangladesh Bank's approval.



BASIC Bank Limited
Schedule of Fixed Assets
As of 31 December 2020

	Cost Price				Rate of Dep. (%)	Depreciation			Written Down Value as at 31.12.2020	
	Balance as at 01.01.2020	Addition during the year	Disposal during the year	Balance as at 31.12.2020		Balance as at 01.01.2020	Addition during the year	Disposal/ Adjustment during the year		Balance as at 31.12.2020
Furniture and Fixtures	122,150,117	3,827,549	83,052	125,894,614	10%	71,482,948	5,165,567	47,535	76,600,980	49,293,634
Interior Decoration	342,238,533	3,129,931	1,610,221	343,758,243	10%	179,448,150	16,421,265	915,512	194,953,904	148,804,339
Machinery and Equipment	370,050,053	7,678,228	2,396,550	375,331,731	20%	287,010,526	17,670,590	2,313,721	302,367,395	72,964,336
Computer Hardware	434,183,569	7,647,914	-	441,831,483	20%	312,974,518	28,730,727	-	341,705,244	100,126,239
Software	150,093,583	-	-	150,093,583	20%	98,126,463	11,224,199	-	109,350,662	40,742,921
Motor Vehicles	381,654,870	-	-	381,654,870	25%	381,654,738	-	-	381,654,738	132
Leasehold Assets	4,000,000	-	-	4,000,000	1%	965,938	40,587	-	1,006,525	2,993,475
Total as at 31.12.2020	1,804,370,725	22,283,622	4,089,823	1,822,564,524		1,331,663,281	79,252,935	3,276,768	1,407,639,448	414,925,076
Total as at 31.12.2019	1,583,028,470	222,977,280	1,635,025	1,804,370,725		1,270,733,941	62,420,192	1,490,852	1,331,663,281	472,707,444



BASIC Bank Limited
Highlights on the overall activities of the Bank

Sl. No.:	Particulars	2020	2019
1	Paid up Capital	10,846,982,500	10,846,982,500
2	Total Capital	4,194,412,539	8,731,979,272
3	Capital Surplus / (Deficit)	(9,416,427,537)	(4,649,007,541)
4	Total Assets	196,678,184,076	194,915,965,498
5	Total Deposits	139,714,950,632	138,307,345,934
6	Total Loans and Advances	149,125,944,182	151,769,614,423
7	Total Contingent Liabilities and Commitments	14,511,786,194	14,338,837,378
8	Credit - Deposit Ratio	100.84%	103.88%
9	Percentage of Classified Loans against total Loans & Advances	51.72%	52.02%
10	Profit (Loss) after Tax and Provision	(3,718,181,224)	(3,269,033,852)
11	Amount of Classified Loans and Advances	77,121,889,645	78,948,505,215
12	Provision Kept against Classified Loan	22,124,795,327	21,085,548,703
13	Provision Surplus/(deficit)*	-	-
14	Cost of Fund	8.12%	8.25%
15	Interest Earning Assets	101,279,390,591	100,715,274,055
16	Non-interest Bearing Assets	95,398,793,485	94,200,691,443
17	Return on Investment (ROI)***	-28.09%	-20.57%
18	Return on Assets (ROA)	-1.90%	-1.69%
19	Incomes on Investment	2,427,825,589	1,406,178,017
20	Earnings Per Share (EPS)	(3.43)	(3.01)
21	Net Income Per Share	(3.43)	(3.01)
22	Price Earning Ratio**	N/A	N/A

*** ROI has been calculated by dividing profit after tax by average shareholders equity plus average long term debt.

** N/A: Not Applicable

