

**State Bank of India
Bangladesh operations**

Report and financial statements as at and
for the year ended 31 December 2022

Hoda Vasi Chowdhury & Co

Chartered Accountants

Independent Auditor's Report

To the Management of State Bank of India, Bangladesh Operations

Report On the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the financial statements of State Bank of India, Bangladesh Operations (the "Bank") which comprise the balance sheet as at 31 December 2022 and the profit and loss account, statement of changes in equity and cash flow statement 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 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.

Basis for Opinion

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

Other Matters

The financial statements of the Bank for the year ended 31 December 2021, were audited by another auditor who expressed an unmodified opinion on those statements on 28 February 2022.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. 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.

Description of key audit matters	How the matter was addressed in our audit
1) Loans and Advances Recognition of interest income from loans and advances has significant and wide influence on financial statements. Recognition and measurement of interest income has investment of complex IT environment. We identify recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the bank and therefore there is an inherent risk in recognition of interest by management to meet specific targets or expectations. At year end the Bank reported total loans and advance of BDT 30,926 million (2021: BDT 36,369 million) including off-shore Banking Unit.	We tested the design and operating effectiveness of key controls over Recognition and measurement of interest on loans and advances. We have also performed substantive procedure to check whether interest income is recognized completely and accurately. <ul style="list-style-type: none">• We assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.• We have performed test of operating effectiveness on automated control in place to measure and recognize interest income.
See note # 8 to the financial statements	

Description of key audit matters	How the matter was addressed in our audit
2) Valuation of treasury bill and treasury bond	
<p>The classification and measurement of T-Bill and T-Bond require judgment and complex estimates. In the absence of a quoted price in an active market, the fair value of T-Bills and T-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. At year end the Bank reported total investment in treasury bill and treasury bond of BDT 11,976 million (2021: BDT 10,028 million) excluding the investment in CDBL and prize bond.</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. 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, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note # 7 to the financial statements	

3) Recognition of Interest Income from loans	
<p>Recognition of interest income from loans and advances has significant and wide influence on financial statements.</p> <p>Recognition and measurement of interest income has investment of complex IT environment.</p> <p>We identify recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the bank and therefore there is an inherent risk in recognition of interest by management to meet specific targets or expectations.</p> <p>At year end the Bank reported total interest income of BDT 2,560 million (2021: BDT 1,470 million) including off- shore Banking Unit.</p>	<p>We tested the design and operating effectiveness of key controls over Recognition and measurement of interest on loans and advances.</p> <p>We have also performed substantive procedure to check whether interest income is recognized completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note no 19.1 to the financial statements	

4) Income generated from Indian Visa Application Centre (IVAC) Commission	
<p>Recognition of Commission from IVAC has significant and wide influence on financial statements.</p>	<p>We tested the design and operating effectiveness of key controls over Recognition and measurement of IVAC Commission.</p>

<p>The measurement of the commission depends on per VISA commission that is recognized as the aforementioned income.</p> <p>We identify recognition of Indian Visa Application Centre (IVAC) commission from the Visa processing fees as a key audit matter because this is one of the key performance indicators of the bank and therefore there is an inherent risk of in recognition of interest by management at reporting and presentation.</p> <p>At year end the Bank reported total commission income BDT 992 million (2021: BDT 250 million).</p>	<p>We have performed test of operating effectiveness on automated control in place to measure and recognize IVAC commission.</p> <p>We have also performed substantive procedure to check whether IVAC commission is recognized completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosures against relevant Bank's own policy of Visa processing and IVAC commission recognition and relevant accounting standards.</p>
See notes no 22 to the financial statements	

IT systems and controls	
<p>Our audit procedures have been focused 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>We have focused on master data management, user access management and developer access to the production environment and changes to the IT environment. Among others, these are key to ensuring operating effectiveness of manual with automated control and automated controls.</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 periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit. Where deficiencies were identified, we tested compensating controls or performed alternate procedures.</p> <p>In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.</p>

Legal and regulatory matters	
<p>We focused on this area because the Bank operate 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 as other contingent liabilities.</p>	<p>We obtained an understanding of the Bank's key controls over the legal compliance.</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>

Overall, the legal provision represents the Bank's best estimate for existing legal matters that have a probable and estimable impact on the financial position.	<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>
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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 other information and we do not express any form of assurance conclusion thereon.

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

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

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

Management is responsible for the preparation of financial statements of the Bank that give true and fair view in accordance with IFRSs as explained in note# 2, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of 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.

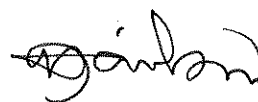
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation 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 Bank Company Act, 1991 (Amended 2013), regulations of Bangladesh Investment Development Authority (BIDA) and the rules and regulations issued by Bangladesh Bank, we also report that:

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

- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - (a) internal audit, internal control and risk management arrangements of the Bank as disclosed in the financial statements appeared to be materially adequate;
 - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities;
- (iii) 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;
- (iv) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (v) the balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (vi) the expenditures incurred were for the purpose of the Bank's business for the year;
- (vii) the financial statements have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (viii) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- (ix) the information and explanations required by us have been received and found satisfactory;
- (x) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 1780 person hours; and
- (xi) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.



Shaikh Hasibur Rahman FCA
Enrolment number : 1512
Hoda Vasi Chowdhury & Co
Chartered Accountants

Dhaka, 26 February 2023
DVC: 2302281512AS627057



**State Bank of India
Bangladesh Operations
Domestic and Off-Shore Banking Unit
Balance Sheet
As at 31 December 2022**


Particulars	Notes	31.12.2022 Taka	31.12.2021 Taka
PROPERTY AND ASSETS			
Cash	4	1,397,994,142	1,667,322,611
Cash in hand (Including foreign currency)		41,017,662	25,365,949
Balance with Bangladesh bank and its agent bank(s) (Including foreign currency)		1,356,976,480	1,641,956,662
Balance with other banks and financial institutions	5	9,545,713,219	7,532,331,059
Inside Bangladesh		8,512,193,391	7,278,054,327
Outside Bangladesh		1,033,519,828	254,276,732
Money at call and short notice	6	150,000,000	250,000,000
Investments	7	11,979,216,917	10,031,498,058
Government		11,976,078,027	10,028,359,168
Others		3,138,890	3,138,890
Loans and advances	8	30,926,997,681	36,369,282,678
Loans, cash credit, overdrafts etc.		10,406,880,453	7,398,513,312
Bills purchased & discounted		20,520,117,228	28,970,769,366
Fixed assets including premises, furniture and fixtures	9	100,319,675	145,133,443
Other assets	10	1,483,628,430	798,908,867
Non-banking assets	11	-	-
Total assets		55,583,870,064	56,794,476,716
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	12	22,177,750,000	30,466,144,500
Deposit and other accounts	13	15,053,697,826	11,097,960,821
Current & other accounts		6,194,438,996	4,436,082,864
Savings deposits		902,705,987	834,448,762
Fixed deposits		5,883,307,280	4,808,296,714
Other deposits		2,073,245,563	1,019,132,480
Other liabilities	14	3,096,648,573	1,990,007,257
Total liabilities		40,328,096,399	43,554,112,578
Capital and shareholders' equity		15,255,773,666	13,240,364,137
Fund deposited with Bangladesh Bank	15	6,314,083,718	4,712,633,658
Retained earnings	16	8,880,474,085	8,506,367,927
Other reserve	17	61,215,863	21,362,552
Total liabilities and shareholders' equity		55,583,870,064	56,794,476,716

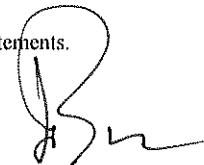


Hoda Vasi Chowdhury & Co

Particulars	Notes	31.12.2022 Taka	31.12.2021 Taka
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements		-	-
Letters of guarantee	18.1	35,127,413,847	32,061,892,824
Irrevocable letters of credit	18.2	1,622,424,804	3,851,176,516
Bills for collection		-	-
Other contingent liabilities		-	-
Total contingent liabilities		36,749,838,651	35,913,069,340
Other commitments			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other		-	-
Commitments- lease hold assets		-	-
Total other commitments		-	-
Total Off-balance sheet items including contingent liabilities		36,749,838,651	35,913,069,340

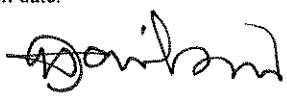
The annexed notes from 1 to 29 form an integral part of these financial statements.


Country Head


Head of Credit

This is the balance sheet referred to in our separate report of even date.

Dhaka, 26 February 2023
DVC No. 2302281512AS627057


Shaikh Hasibur Rahman, FCA
Partner
ICAB Enrollment No: 1512
Hoda Vasi Chowdhury & Co
Chartered Accountants



**State Bank of India
Bangladesh Operation
Domestic and Off-Shore Banking Unit
Profit and Loss Account
For the year ended 31 December 2022**

Particulars	Notes	2022 Taka	2021 Taka
OPERATING INCOME			
Interest income	19.1	2,559,406,306	1,469,517,404
Interest paid on deposits and borrowings etc.	20	(1,144,830,606)	(296,824,610)
Net interest income		1,414,575,700	1,172,692,794
Investment income	21	605,074,148	470,795,502
Commission, exchange and brokerage	22	1,409,660,786	586,993,369
Other operating income	23	116,547,526	87,433,112
		<u>2,131,282,460</u>	<u>1,145,221,982</u>
Total operating income (a)		<u>3,545,858,160</u>	<u>2,317,914,777</u>
OPERATING EXPENSE	24		
Salaries and allowances	24.1	151,391,826	106,296,201
Rent, taxes, insurance, electricity etc.	24.2	54,463,292	43,015,765
Legal expenses		700,006	586,386
Postage, stamps, telecommunication etc.	24.3	8,558,790	5,186,181
Stationery, printing, advertisement etc.	24.4	16,511,134	6,763,575
Chief executive's salary & fees		-	-
Directors' fees & expenses		-	-
Auditors' fee	24.5	1,011,499	1,816,353
Charges on loan losses		-	-
Depreciation on and repairs to bank's assets	24.6	85,273,855	76,460,552
Other expenses	24.7	117,550,772	96,211,208
		<u>435,461,174</u>	<u>336,336,221</u>
Total operating expenses (b)		<u>435,461,174</u>	<u>336,336,221</u>
Profit before provision (c = (a-b))		<u>3,110,396,986</u>	<u>1,981,578,556</u>
Provision against loans and advances			
Loans and advances		3,807,154	24,378,836
Special Provision for COVID -19		(3,871,647)	2,645,567
Off balance sheet items		177,473,463	115,116,440
Offshore banking unit		(148,356,789)	16,979,009
Total provision (d)	25	<u>29,052,182</u>	<u>159,119,853</u>
Profit before taxation (e=c-d)		<u>3,081,344,805</u>	<u>1,822,458,703</u>
Provision for taxation (f)			
Current tax expense	14.5	1,282,896,976	800,000,000
Deferred tax expense	10.1	(7,975,861)	(1,387,290)
Total provision for tax		<u>1,274,921,115</u>	<u>798,612,710</u>
Net profit after taxation (g=e-f)		<u>1,806,423,690</u>	<u>1,023,845,993</u>
Appropriations			
Statutory reserve		-	-
General reserve		-	-
Dividend		-	-
Retained earnings		<u>1,806,423,690</u>	<u>1,023,845,993</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

Country Head

Head of Credit

This is the profit and loss account referred to in our separate report of even date.

Dhaka, 26 February 2023

DVC No. 2302281512AS627057

Shaikh Hasibur Rahman, FCA
Partner

ICAB Enrollment No: 1512
Hoda Vasi Chowdhury & Co
Chartered Accountants



**State Bank of India
Bangladesh Operations
Domestic and Off-Shore Banking Unit
Cash Flow Statement
For the year ended 31 December 2022**

Particulars	Notes	2022 Taka	2021 Taka
Cash flows from operating activities			
Interest receipts		2,777,054,889	1,815,790,455
Interest payment		(1,481,106,888)	(293,085,520)
Dividend received		-	2,855,903
Fees & commissions receipts		1,223,059,686	437,609,007
Received from loan write off recovery		113,047,275	66,115,987
Cash payments to employees		(145,716,544)	(101,108,484)
Cash payments to suppliers		(20,132,033)	(2,206,268)
Income tax paid		(250,000,000)	(856,655,730)
Receipts from other operating activities	34	116,547,526	89,128,542
Payment for other operating activities	35	(279,392,325)	(226,481,445)
Operating profit/(loss) before changes in operating assets & liabilities (i)		2,053,361,586	931,962,446
Change in operating assets and liabilities			
Loans & advances to customers		5,442,284,998	(5,490,031,021)
Other assets		(68,995,403)	(54,160,813)
Deposits from customers		(4,332,657,495)	8,281,731,497
Other liabilities		(158,127,421)	29,002,821
Cash generated from operating assets and liabilities (ii)		882,504,679	2,766,542,484
Net cash from operating activities (a)=(i)+(ii)		2,935,866,265	3,698,504,930
Cash flows from investing activities			
Payments for purchase of securities		(1,947,718,860)	(2,321,160,669)
Investment in prize bond		(245,500)	(1,000)
Purchase/sale of property, plant & equipment		-	406,304
Net cash (used in)/flow from investing activities (b)		(1,947,964,360)	(2,320,755,365)
Cash flows from financing activities			
Capital Transferred to Domestic Banking Unit		(1,051,704,447)	(372,235,222)
Receipts from Off-Shore Banking Unit		1,051,704,447	372,235,222
Net cash flow from/(used in) financing activities (c)		-	-
Net increase in cash and cash equivalents (a+b+c)		987,901,905	1,377,749,565
Effects of exchange rate changes on cash & cash equivalents		656,397,286	149,384,362
Cash and cash equivalents at the beginning of the year		9,449,671,170	7,922,537,242
Cash and cash equivalents at the end of the year (*)		11,093,970,361	9,449,671,170
(*) Cash and cash equivalents:			
Cash in hand		41,017,662	25,365,949
Prize bonds		263,000	17,500
Money at call on short notice		150,000,000	250,000,000
Balance with Bangladesh Bank and its agent bank(s)		1,356,976,480	1,641,956,662
Balance with other banks and financial institutions		9,545,713,219	7,532,331,059
		11,093,970,361	9,449,671,170

The annexed notes from 1 to 29 form an integral part of these financial statements.

Dhaka, 26 February 2023

Country Head

Head of Credit



**State Bank of India
Bangladesh Operations
Domestic and Off-Shore Banking Unit
Statement of Changes in Equity
For the year ended 31 December 2022**

(Figures in Taka)

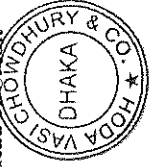
Particulars	Fund deposited with Bangladesh Bank	Other Reserve	Retained Earnings	Total Equity
Balance as at 01 January 2022	4,712,633,657	21,362,552	8,506,367,928	13,240,364,137
Net profit for the year	-	-	1,806,423,690	1,806,423,690
Amortization gain on HTM Securities transferred to P&L	-	(21,362,552)	-	(21,362,552)
Amortization gain on HTM Securities	-	61,215,863	-	61,215,863
Fund utilized which were kept as Capital	1,601,450,060	-	(1,601,450,060)	-
Last Year Profit Transferred from OBU Profit & Loss Account	-	-	1,051,704,447	1,051,704,447
Last Year Profit Transferred to DBU Profit & Loss Account	-	-	(1,051,704,447)	(1,051,704,447)
Fund transferred to Start-up Fund Account (as per BB instructions)	-	-	(10,238,459)	(10,238,459)
Excess Revaluation Reserve Transferred to Profit & Loss Account	-	-	15,664,474	15,664,474
Exchange fluctuation of OBU retained profit	-	-	163,706,514	163,706,514
Balance as at 31 December 2022	6,314,083,718	61,215,863	8,880,474,085	15,255,773,666

Balance as of 01 January 2021	7,707,181,998	67,824,703	4,509,717,817	12,284,724,518
Net profit for the year	-	-	1,023,845,993	1,023,845,993
Amortization gain on HTM Securities transferred to P&L	-	(67,824,703)	-	(67,824,703)
Amortization gain on HTM Securities	-	21,362,552	-	21,362,552
Fund utilized which were kept as Capital	(2,994,548,340)	-	2,994,548,340	-
Last Year Profit Transferred from OBU Profit & Loss Account	-	-	372,235,222	372,235,222
Last Year Profit Transferred to DBU Profit & Loss Account	-	-	(372,235,222)	(372,235,222)
Fund transferred to Start-up Fund Account (as per BB instructions)	-	-	(10,013,686)	(10,013,686)
Exchange fluctuation of OBU retained profit	-	-	(11,730,537)	(11,730,537)
Balance as at 31 December 2021	4,712,633,657	21,362,552	8,506,367,928	13,240,364,137

Dhaka, 26 February 2023

Country Head

Head of Credit



State Bank of India
Bangladesh Operations
Domestic and Off-Shore Banking Unit
Liquidity Statement
(Assets & Liabilities Maturity Analysis)
For the year ended 31 December 2022

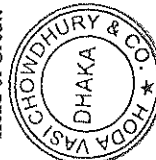
Particulars	0 - 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	Above 5 Years	Total
ASSETS						
Cash in hand	41,017,662	-	-	-	-	41,017,662
Balance with Bangladesh Bank	1,356,976,480	-	-	-	-	1,356,976,480
Balance with other bank, Other Banks and financial Institutions (Including foreign currencies)	1,061,213,219	6,454,500,000	2,030,000,000	-	-	9,545,713,219
Money at call and on short notice	150,000,000	-	-	-	-	150,000,000
Investments	263,000	767,712,395	47,556,833	11,160,545,799	3,138,890	11,979,216,917
Loans and advances	4,109,490,530	2,235,121,821	24,144,238,898	372,359,109	65,767,323	30,926,997,681
Fixed assets including premises, furniture & fixtures	-	-	-	-	100,319,675	100,319,675
Other assets	-	-	-	-	1,483,628,430	1,483,628,430
Non - banking assets	-	-	-	-	-	-
Total Assets (A)	6,718,960,891	9,457,334,216	26,221,815,730	11,532,904,908	1,652,854,318	55,583,870,064
LIABILITIES						
Borrowings from Bangladesh bank, other Banks, financial institutions and agents	-	-	22,177,750,000	-	-	22,177,750,000
Convertible subordinated debts	-	-	-	-	-	-
Money at call and on short notice	-	-	-	-	-	-
Deposits & other accounts	3,879,047,148	3,296,799,181	7,128,578,956	749,272,541	-	15,053,697,826
Provision & Other Liabilities	3,096,648,573	-	-	-	-	3,096,648,573
Total liabilities (B)	6,975,695,720	3,296,799,181	29,306,328,956	749,272,541	-	40,328,096,399
Amount of net liquidity difference (A-B)	(256,734,829)	6,160,535,035	(3,084,513,226)	10,783,632,367	1,652,854,318	15,255,773,665

Net result of the Liquidity Statement represents the Shareholders' Equity of the Bank.

Dhaka, 26 February 2023

Country Head

Head of Credit



**State Bank of India
Bangladesh Operations
Notes to Financial Statements**

As at and for the year ended 31 December 2022

- 1. Status of the Bank**
- 1.1 Legal Form of the Bank**

The State Bank of India was incorporated in India under the State Bank of India Act 1955 and commenced its operations in Dhaka through State Bank of India Bangladesh Branches ("the Bank") on 05 May 1975 after obtaining licence from Bangladesh Bank dated 01 February 1974. The offshore Banking Unit (OBU) of the Bank started its operations from 2010.
- 1.2 Nature of Business**

State Bank of India started its operations in 1975 through Dhaka Branch at Motijheel on 5 May 1975. The Bank currently has three branches and one sub branches, these are in Motijheel, Gulshan, Chittagong and Khulna including two EPZ service counters of its OBU with 7 employees serving corporate customers.

Since 1975, the Banks operations encompass primarily corporate and commercial banking services under . In Bangladesh, the Bank provides a comprehensive range of financial services including treasury management, transaction services, foreign exchange and structured finance to corporate clients, governments and financial institutions. The Bank after obtaining Bangladesh Bank permission facilitating the processing of Indian VISA through its Indian Visa Application Centre's (IVACs) located at various places in Bangladesh.
- 1.3 Capital structure of the Bank**

SBI maintains capital in the form of deposit and lien of securities with Bangladesh Bank under section 13(3) of the Bank Companies Act, 1991 and these are presented as per the guidelines of BRPD circular No. 14 dated 25 June 2003.
- 2 Basis for preparation of financial statements**
- 2.1 Basis of accounting**

The financial statements, namely, Balance Sheet, Profit & Loss Account, Cash Flow Statement, Statement of Changes in Equity, Liquidity Statement and relevant notes and disclosure thereto, are prepared on a going concern basis under historical cost conversion, and in accordance with First Schedule of the Bank Companies Act 1991(Amended 2013), as amended by BRPD circular no. 14 dated 25 June 2003.
- 2.2 Combined financial statements for DBU and OBU**

Pursuant to Bangladesh Bank circular BRPD Circular No: 02, dated 25 February 2019, these financial statements for the year ended 31 December 2022 comprise the operations of both the Domestic Banking Unit (DBU) and the OBU, together referred to as "the Bank".
- 2.3 Statement of Compliance**

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) was formed in 2017 and has since then adopted International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as the applicable Financial Reporting Standards for public interest entities such as banks with effect from 2 November 2020.

Accordingly, the financial statements of the Bank are prepared in accordance with IFRSs (including IASs) and the requirements of the Bank Company (amendment) Act, 2013, the rules and regulations issued by Bangladesh Bank and the Companies Act 1994. In case any requirement of the Bank Company (amendment) Act, 2013, and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs (including IASs), the requirements of the Bank Company (amendment) Act, 2013, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRS are as follows:

 - i) Investment in equity instruments**

IFRS: As per requirements of IFRS 9, classification and measurement of investment in shares will depend on how these instruments are managed (i.e. the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit and loss account" or under "at fair value through other comprehensive income".

Bangladesh Bank: As per Banking Regulation and Policy Department (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 costs. SBI recognizes investment in shares and securities at cost basis.
 - ii) Subsequent measurement of Government securities**

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

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

Bangladesh Bank: As per DOS Circular no. 05 (26 May 2008) and subsequent clarification in DOS Circular no 05 (28 January 2009), Government securities/bills are classified either into Held for Trading (HFT) or Held to Maturity (HTM). HFT securities are revalued on the basis of mark to market 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) Repo and Reverse Repo transactions

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

Bangladesh Bank: As per DOS Circular letter no. 6 (15 July 2010) and subsequent clarification in DOS circular no. 02 (23 January 2013), when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transaction and the financial asset is derecognised in the seller's book and recognised in the buyer's book.

However, as per DMD circular letter no. 7 (29 July 2012), non primary dealer banks are eligible to participate in the Assured Liquidity Support (ALS) programme, whereby such banks may enter collateralised repo arrangements with Bangladesh Bank. Here the selling bank accounts for the arrangement as a loan, thereby continuing to recognise the asset.

iv) Provisions on loans and advances

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

Bangladesh Bank: As per BRPD circular No. 07 (21 June 2018), BRPD circular No. 13 (18 October 2018), BRPD circular No. 15 (27 September 2017), BRPD circular No. 16 (18 November 2014), BRPD circular No. 14 (23 September 2012), BRPD circular No. 19 (27 December 2012) and BRPD circular No. 05 (29 May 2013) a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard and SMA loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on time past due. Again as per BRPD circular no. 10 (18 September 2007) and BRPD circular no. 14 (23 September 2012) and BRPD circular no. 07 (21 June 2018), a general provision at 1% is required to be provided for all off-balance sheet exposures except on 'bills for collection' and 'Guarantees' where the counter guarantees have been issued by Multilateral Development Bank (MDB)/International Bank having BB rating grade '1' equivalent outlined in the Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III). Such provision policies are not specifically in line with those prescribed by IFRS 9.

v) Recognition of interest in suspense

IFRS: Loans and advances to customers are generally classified at amortised cost as per IFRS 9 and interest income is recognised in profit and loss account using the effective interest rate (EIR) method whereby the EIR is applied on the gross carrying amount over the term of the loan. Once a loan subsequently become credit-impaired, the entity shall apply the EIR to the amortised cost of these loans and advances.

Bangladesh Bank: In accordance with BRPD circular no. 14 (23 September 2012), interest accrued on sub-standard (SS) and Doubtful (DF) loans are credited to "interest suspense account" included in "other liabilities" instead of income account. Interest from loans and advances ceases to be accrued when they are classified as Bad and loss category.

vi) Other comprehensive income

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

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements through BRPD circular no. 14 (25 June 2003) which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include OCI nor are the elements of OCI allowed to be included in a single OCI statement. As such the Bank does not prepare an OCI statement. However elements of OCI, if any, are shown in the statements of changes in equity.

vii) Financial instruments – presentation and disclosure

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

viii) Financial guarantees

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

Bangladesh Bank: As per BRPD circular no. 07 (21 June 2018), financial guarantees such as letter of credit, letter of guarantee 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 in the balance sheet. Money at call and on short notice are presented on the face of the balance sheet while treasury bills, Bangladesh Bank bills, prize bonds are shown as investments. However, in the cash flow statement, money at call and short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with Bangladesh Bank and other banks.

x) Non banking assets

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

Bangladesh Bank: As per BRPD circular no. 14 (25 June 2003), there must exist a face item named non banking asset.

xi) Cash flow statement

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

Bangladesh Bank: As per BRPD circular no. 14 (25 June 2003), cash flow is the mix of direct and indirect methods.

xii) Balance with Bangladesh Bank

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) 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.

Bangladesh Bank: As per BRPD circular no. 14 (25 June 2003), off balance sheet items (e.g. letter of credit, letter of guarantee, etc.) must be disclosed separately on the face of balance sheet.

xiv) Loans and advance net of provision

IFRS: As per IFRS 9, loans and advances should be presented net of provisions.

Bangladesh Bank: As per BRPD circular no. 14 (25 June 2003), provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

xv) Presentation of Intangible Assets

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

Bangladesh Bank: There is no specific regulation for intangible assets in BRPD circular no. 14 (25 June 2003) hence, it is shown in fixed assets.

xvi) Provision on financial guarantees

IFRS: As per IFRS 9 bank shall recognise credit losses on undrawn loan commitments as the present value of the difference between the contractual cash flow that are due by the customer if the commitment is drawn down and the cash flows that bank expects to receive.

Bangladesh Bank: As per BRPD Circular No.01 (3 January 2018) and BRPD Circular No.14 (23 September 2012), the Bank is required to maintain provision at 1% against gross off-balance sheet exposures (which includes undrawn loan commitments).

2.4 Basis of measurement

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

- Government treasury bills and bonds designated as 'Held for trading (HFT)' at market value using marking to market concept with gains credited to revaluation reserve as per DOS circular 05 dated 26 May 2008 and DOS circular 05 dated 28 January 2009.
- Government treasury bills and bonds are designated as 'Held to maturity (HTM)' and remeasured at present value using amortisation concept as per DOS circular 05 dated 26 May 2008 and DOS circular 05 dated 28 January 2009.
- Investment in shares of listed companies are valued at market price and unlisted companies at cost or book value of last audited balance sheet, whichever is lower.
- Net asset/(liability) of defined benefit scheme is net of present value of defined benefit obligations, total plan assets and other related items as required by IAS 19.

2.5 Use of estimates and judgments

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are 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 recognised in the financial statements are described below:

(a) Provisions for loans and advances

The Bank assesses its loans and advances for objective evidence of impairment on a regular basis and particularly at year end. Whilst the primary criteria set out in BRPD circular no. 14 dated 23 September 2012 for determining whether a loan is impaired is objective, being based on borrower's ability to make timely repayments, loans and advances may also be classified based on qualitative judgment. This involves making assessments regarding the economic environment in which borrowers operate in addition to making judgments about a borrower's financial situation and net realisable value of any underlying collateral.

(b) Taxation

The estimation of current tax provision involves making judgments regarding admissibility of certain expenses, estimating the amount of other expenses for tax purposes and applicability of provision of the Finance Act 2022, although return will be submitted for tax based on the Finance Act 2023.

In addition, the recognition of deferred tax assets requires the Bank to estimate the extent to which it is probable that future taxable profits will be available against which the deferred tax assets may be utilised.

(c) Depreciation

Depreciation is provided on a straight line basis over the estimated useful life of each item of fixed asset. The determination of useful life involves the use of estimates regarding expected use of the assets, expected physical wear and tear, technical or commercial obsolescence and legal or similar limits on the use of the assets.

(d) Provisions for expenses

A provision is recognised in the balance sheet when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation in compliance with IAS 37: Provisions, Contingent Liabilities and Contingent Assets.

(e) Lease liabilities

The lease liability is initially measured at the present value of the lease payments, discounted at the Bank's incremental borrowing rate. The Bank determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the rental assets leased.

The lease liability is remeasured when there is a change in future lease payments or the changes in discount rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use assets and lease liabilities.

2.6 Reporting period

These financial statements cover one calendar year from 1 January to 31 December 2022.

The financial statements were authorised for issue by the SBI Country Officer and the Chief Financial Officer on 26 February 2023.

2.7 Cash flow statement

Cash flow statement has been prepared in accordance with the BRPD Circular No. 14 dated 25 June 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

2.8 Statement of changes in equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth.

2.9 Liquidity statements

The liquidity statement of assets and liabilities as on the reporting date has been prepared based on residual maturity term which has been given in the statement.

Functional and presentation currency

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT) which is the Bank's functional currency. The functional currency of OBU is US Dollar (USD). The financial statements of OBU have been translated to presentation currency (Taka/Tk/BDT) using the exchange rate prevailing at balance sheet date. Except as otherwise indicated, financial information presented in Taka has been rounded to the nearest integer.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

3.1 Foreign currencies

Transactions in foreign currencies are translated into the respective functional currency of the operation at the spot exchange rate at the date of the transaction.

Monetary assets, liabilities and fund deposited with Bangladesh Bank as capital denominated in foreign currency at the reporting date are translated into the functional currency at the spot exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognised in the profit and loss account except for exchange rate differences on fund deposited with Bangladesh Bank as capital, which is recognised directly in equity.

3.2 Cash and cash equivalents

Cash and cash equivalents in cash flow statement include notes and coins in hand, both restricted and unrestricted balances held with Bangladesh Bank and its agent bank (including foreign currency), balance with other banks and financial institutions, money at call on short notice, 91 days treasury bills, Bangladesh Bank bills, repo and prize bond.

3.3 Investments

All investment securities are initially recognised at cost, including acquisition charges associated with the investment. Premiums are amortised and discounts are accredited.

Held to maturity

Investments which have 'fixed or determinable payments' and are intended to be held to maturity are classified as 'Held to Maturity'.

Investment Class	Initial	Subsequent	Recording of changes
Treasury Bills (HTM)	Cost	Amortized cost	Increased or decreased in value to equity.
Treasury Bonds (HTM)	Cost	Cost	No amortization for at per Investment/
Prize Bond & Other Bond	Cost	None	None
Unquoted Shares (ordinary)	Cost	Cost	None

Details are shown in Note .7

3.4 Loans and advances and provisions for loans and advances

- a) Loans and advances are stated in the balance sheet at gross value. Loans and advances are initially measured at fair value and subsequently measured at amortised cost.
- b) Provision for loans and advances is made on the basis of periodical review by the management and as per instructions contained in Bangladesh Bank BRPD Circular No. 15 dated 27 September 2017, BRPD Circular No. 16 dated 18 November 2014, BRPD Circular No. 14 dated 23 September 2012, BRPD Circular No. 19 dated 27 December 2012 and BRPD Circular No. 5 dated 29 May 2013. The guidance in the circulars follow a formulaic approach whereby s. These circulars also provide scope for further provisioning based on qualitative judgments. The rates of provision for different classifications are given below:

Particulars

	Rates	
	2022	2021
General provision on:		
All unclassified loans and advances except following:	1.00%	1.00%
Small and medium enterprise financing	0.25%	0.25%
Consumer financing	2.00%	2.00%
Housing finance and loans for professionals to set up business under consumer financing scheme	1.00%	1.00%
Loan to BHs/MBs/SDs against shares	2.00%	2.00%
Agricultural loans	1.00%	1.00%

In accordance with BRPD Circular No.14 dated September 23, 2012, BRPD circular No. 05 dated 29 May 2013 and BRPD Circular No. 16 dated 18 November 2014, the rate of provision on the outstanding amount of loans kept in the 'Special Mention Account' will be the same as the rates stated above, i.e. 0.25% against all unclassified loans of Small and Medium Enterprise (SME), 5% on the unclassified amount for Consumer Financing, 2% on the unclassified amount for Housing Finance, 1% on the unclassified amount for agricultural loans and 1% against all other unclassified loans.

Specific provision on:

	Rates	
	2022	2021
Substandard and doubtful agricultural loans	5.00%	5.00%
Substandard loans and advances	20.00%	20.00%
Doubtful loans and advances	50.00%	50.00%
Bad/loss loans and advances	100.00%	100.00%

In accordance with BRPD circular no. 4 dated 19 March 2020, downward classification of loans and advances was halted from 1 January 2020 to 30 June 2020. This was further extended to 30 September 2020 and then to 31 December 2020 through BRPD circular no. 13 dated 15 June 2020 and BRPD circular no. 17 dated 28 September 2020, respectively.

- c) Loans and advances are written off in accordance with BRPD circular no. 02 dated 13 January 2003 and BRPD circular no. 13 dated 07 November 2013 to the extent that:

- i) there is no realistic prospect of recovery, and
ii) against which legal cases are filed and classified as bad/loss as per guidelines of Bangladesh Bank.

These write offs however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such write off accounts are maintained and followed up. Write-off loans and advances are reported to the Credit Information Bureau (CIB) of Bangladesh Bank. Details are shown in note 8.

3.5 Fixed assets and depreciation

(a) Recognition and measurement

Items of fixed assets, excluding land, are measured at cost/revaluation less accumulated depreciation and accumulated impairment losses, if any. Land is measured at cost/revaluation.

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

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

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

(b) Subsequent costs

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

(c) Depreciation

Depreciation is recognised in the profit and loss account on a straight line basis over the estimated useful life of each part of an item of fixed assets since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Bank will obtain ownership by the end of the lease. In case of acquisition of fixed assets, depreciation is charged from the month of acquisition, whereas depreciation on disposed off fixed assets is charged up to the month prior to the disposal. Asset category-wise depreciation rates are as follows:

Category of assets	Depreciation
Furniture & fixture	10%
Office equipment	25%
Computer	25%

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted, if appropriate.

(d) Retirement and disposals

An asset is derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised as gain and loss from disposal of asset under "Other operating income" in the profit and loss account.

(c) Impairment of non-financial assets

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

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

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

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs) and then to reduce the carrying amount of the other assets in the CGU (group of CGUs) on a pro rata basis.

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

3.6 Leases

As a lessee

The Bank recognises a right-of-use (ROU) asset and a lease liability from the initial application date i.e. 1 January 2019 or the commencement date of a lease contract. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the initial application date or commencement date, discounted at the Bank's weighted average rate. Generally, the Bank uses its incremental borrowing rate as the discount rate.

(i) Determining whether an arrangement contains a lease

At inception of an arrangement, the Bank determines whether the arrangement is or contains a lease.

At inception or reassessment of an arrangement that contains a lease, the Bank separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair value. If the Bank concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Bank's incremental borrowing rate.

(ii) Leased assets

Leases of property, plant and equipment that transfer to the Bank substantially all of the risks and the rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to the asset.

Assets held under other leases are classified as operating leases and are not recognised in the Bank's statement of financial position.

(iii) Lease payments

Payments made under operating lease are charged to profit or loss on a straight line basis over the term of the lease.

Lease incentives received are recognised as an integral part of the total lease expenses, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of

the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

3.7 Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents includes interest-bearing borrowings against securities from Bangladesh Bank and other banks and call borrowing from other banks. These items are reported in the financial statements at the gross value of the outstanding balance.

Details are shown in note 12.

3.8 Deposits and other accounts

Deposits and other accounts include non interest-bearing current deposits redeemable at call, interest bearing on demand and short-term deposits, savings deposits and fixed deposits. These items are reported in the financial statements at the gross value of the outstanding balance.

Details are shown in note 13.

3.9 Other liabilities

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

Details are shown in note 14.

3.10 Fund deposited with Bangladesh Bank

This represents amounts deposited with Bangladesh Bank in foreign currency as a part of minimum capital requirement. According to subsection 3 of Section 13 of the Bank Company (amendment) Act, 2013 as amended by BRPD Circular no. 18 dated 21 December 2014 and "Guidelines on Risk Based Capital Adequacy for Banks (Basel III) as of December 2014" of Bangladesh Bank, all banks are required to deposit with Bangladesh Bank the higher of Tk. 4,000 million and minimum capital requirement calculated as 10% (2021: 10%) of risk weighted assets. In addition to minimum capital requirement, Capital Conservation Buffer (CCB) is to be maintained in the form of Common Equity Tier 1 (CET1) at 0.625% per year from 2016 to 2019.

Details are shown in note 15.

3.11 Contingencies

3.11.1 Contingent liabilities

A contingent liability is:

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or

A present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated.

3.11.2 Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. An example is a claim that an entity is pursuing through legal processes, where the outcome is uncertain.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed where an inflow of economic benefits is probable.

3.12 Revenue recognition

3.12.1 Interest on loans and advances

In accordance with IFRS 15 on revenue and disclosures in the financial statements of the Bank, the interest receivable is recognised on an accrual basis.

Interest on loans and advances is calculated on daily product basis and accrued at the end of each month but charged to customer accounts on quarterly basis.

In accordance with BRPD circular no. 14 dated 23 September 2012, interest accrued on sub-standard (SS) and Doubtful (DF) loans are credited to "interest suspense account" included in "other liabilities" instead of income account. Interest from loans and advances ceases to be accrued when they are classified as Bad and loss category.

As per the BRPD circular no. 03 dated 16 February 2016 and BRPD circular no. 6 dated 19 March 2015, the Bank was required to identify its good borrowers and to pay 10% rebate on the interest earned from them during the year. Interest income for loans and advances was recognized taking into account the amount of rebate allowed to the customers. As per BRPD circular no. 14, dated 18 June 2020, good borrowers are eligible to get rebate up to 30 September 2019. The Bank is still required to identify good borrowers and report to Credit Information Bureau (CIB).

3.12.2 Income from investment

Interest income on investments in government and other securities is recognised on accrual basis. Investment income includes interest income, capital gain, and revaluation loss on government securities. Investment income also includes dividend on investment in shares. Dividend income is recognised when the right to receive payment is established. This is the ex-dividend date for the equity securities.

3.12.3 Fees and commission income

The Bank earns fees and commissions from a diverse range of services provided to its customers. Commission on letter of guarantee is recognised on accrual basis. Other fees and commission income is recognised on a realisation basis.

- 3.12.4 Exchange Income**
Exchange income includes all gains and losses from foreign currency transactions.
- 3.13 Interest paid on borrowings and other deposits**
Interest paid on deposits and other accounts except fixed deposit is accrued on a monthly basis, but credited to customer account on half yearly basis. Interest on fixed deposit is accrued on a daily basis and credited to customer account on maturity of fixed deposit. Interest on borrowing from other banks is accrued on a daily basis and paid through Bangladesh Bank account on maturity.
All other expenses are recognised on accrual basis.
- 3.14 Post employment benefit**
The retirement benefits accrued for the employees of the Bank as on reporting date have been accounted for in accordance with IAS 19: Employee Benefits.
- 3.14.1 Provident fund**
The Bank operates a contributory provident fund for its eligible employees. The Commissioner of Income Taxes, Dhaka has approved the provident fund as a recognized provident fund as per section 2(1) of Part B of the First Schedule of Income Tax Ordinance 1984. The Fund is administered by a Board of Trustees consisting 3 (three) members and funded by contributions both from employees and Bank @10% of basic salary. Interest earned from the investment is credited to the members' accounts annually. Provident fund benefits are given to the employees of the Bank in accordance with provident fund rules of the Bank.
- 3.14.2 Gratuity fund**
The Bank operates a funded gratuity scheme duly approved by the National Board of Revenue. Under this scheme, the Bank's obligation to the members of the scheme is to pay one to two month's last drawn salary for each year of service on the termination of employment. Members who leave the Bank within the first eight years of service are not entitled to any benefits under this scheme. The scheme is considered as a defined benefit plan as it meets the recognition criteria specified for this purpose. The fund is managed in accordance with rules of the locally registered fund constituted under an irrevocable trust.
Actuarial valuation of the gratuity scheme is done periodically to assess the adequacy of the liabilities provided for under the gratuity scheme as per IAS 19 Employee Benefits.
In accordance with the requirements of IAS 19: Employee Benefits, the Bank's net obligation in respect of its gratuity fund is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation is performed by a qualified actuary using the Projected Unit Credit method.
Actuarial gains and losses that arise are recognised in equity and presented in the statement of Changes in Equity in the period they arise. Past service costs are recognised immediately to the extent that benefits are vested and are otherwise recognised over the average period until benefits are vested on a straight line basis.
- 3.15 Short-term employee benefits**
Short-term employee benefits are employee benefits which fall due wholly within twelve months after the end of the period in which the employee renders the related service, including salaries, bonuses and other allowances.
- 3.16 Provisions and accrued expenses**
In compliance with IAS 37, provisions and accrued expenses are recognised in the financial statements when the Bank has a legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- 3.17 Provisions for off balance sheet exposures**
In compliance with Bangladesh Bank guidelines, off balance sheet items are disclosed under contingent liabilities. As per BRPD Circular No.01 dated 03 January 2018 and BRPD Circular No.14 dated 23 September 2012, the Bank is required to maintain provision at 1% against gross off-balance sheet exposures (cash margin or value of eligible collateral will not be deducted while computing off-balance sheet exposure).
Details are shown in note 8.13
- 3.18 Provisions on balances with other banks and financial institutions (Nostro accounts)**
Provisions made for unsettled debit transactions for more than three months on nostro accounts are reviewed at each balance sheet date by management and certified by external auditors in accordance with Bangladesh Bank Foreign Exchange Policy Department, Circular No. FEOD (FEMO)/01/2005-677 dated 13 September 2005.
- 3.19 Provisions for other assets**
BRPD Circular no. 04 dated 12 April 2022 requires provision on other asset items which are outstanding for a certain period. Specific rates are applied for various categories of other assets as defined in the circular.
Details are shown in note 8.20
- 3.20 Provision for taxation**
- 3.20.10 Income tax**
Provision for taxation has been calculated using tax rates as prescribed in the Income Tax Ordinance (ITO) 1984 and relevant Special Regulatory Orders (SROs) and any adjustment to tax payable in respect of previous years.
- 3.20.2 Current tax**
Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of prior years.
Provision for taxation for the year ended 31 December 2022 has been made on the basis of the provisions of the Income Tax Ordinance 1984 and the Finance Act 2022. Currently the income tax rate applicable for banks is 40%.



3.20.3 Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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

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

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

Details are shown in note 10.2.1 & 10.2.2

3.21 Reconciliation of inter-bank/inter-branch account

Books of account with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled and no material differences were found which may affect the financial statements significantly.

3.22 Core risk management

BRPD circulars no.17 dated 07 October 2003, BRPD circular no. 04 dated 05 March 2007 and DOS circular no. 2 dated 15 February 2012 require banks to put in place an effective risk management system. The risk management system of the Bank covers the following six broad risk areas:

- Credit risk
- Foreign exchange risk
- Asset liability management risk
- Money laundering risk
- Internal control and compliance risk
- Information and communication risk
- Technology security risk

The prime objective of the risk management is that the Bank undertakes well calculated business risks to safeguard its capital, financial resources and growth of sustainable profitability. In this context, the Bank has formed a risk management committee to overview regular monitoring of those critical risk areas.

3.22.1 Credit risk

Credit risk is one of the major risks faced by the Bank. This can be described as the situation when a borrower or counterparty of the Bank will fail to meet its obligations in accordance with agreed terms and conditions. To assess and to mitigate the credit risk, the Bank has policies and procedures in place, which is considered an important tool for retaining the quality and performance of the assets. Accordingly, the Bank's credit risk management functions have been designed to address all these issues including risks that arises from global changes in banking, finance and related issues.

The Bank has defined segregation of duties for all credit risk related activities like credit approval, administration, monitoring and recovery functions.

3.22.2 Foreign exchange risk

Foreign exchange risk is defined as situation when change in earnings may happen due to unfavorable change in foreign exchange rates and the relevant currency position of the Bank. Treasury front office conducts deal for commercial purpose and back office of the treasury keep records and passes entries in books of accounts. As per Bangladesh Bank guidelines, the Treasury Department is operationally and physically divided into front office and back office to mitigate any risk. Separate telephone were installed in the dealing room to meet Bangladesh Bank guidelines. In addition, the Bank has also implemented strong monitoring and control by setting limits on approval of a deal, net open position, maximum loss per day/month and DV01, which are monitored on a regular basis.

3.22.3 Asset liability management risk

Changes in market liquidity and/or interest rate exposes Bank's business to the risk of loss. The Bank has an Asset Liability Committee (ALCO) which is responsible for managing short-term and long-term liquidity to ensure that the Bank has adequate liquidity at all times and at the most appropriate funding cost. ALCO reviews liquidity requirements of the Bank, maturity of assets and liabilities, deposit and lending pricing strategy and the liquidity contingency plan. The Asset Liability Committee also monitors Balance Sheet risk, which is defined as potential changes in earnings due to changes in rate of interest and exchange rates which are not of trading nature.

3.22.4 Prevention of money laundering

Money Laundering and Terrorist Financing have potentially devastating economic, security and social consequences. Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. For mitigating the risk, the Bank has designated Chief Anti Money Laundering Compliance Officer (CAMLCO), who independently review the transactions of the accounts to verify suspicious transactions. Manuals for Prevention of Money Laundering have been established and transaction profiling is in place. Training has been continuously given to all the categories of Executives and Officers for developing awareness and skill for identifying suspicious transactions and other activities relating to money laundering.

3.22.5 Internal control and compliance risk

The internal control environment is the framework under which internal controls are developed, implemented and monitored. It consists of the mechanisms and arrangements that ensure internal and external risks to which the Bank is exposed are identified; appropriate and effective internal controls are developed and implemented to soundly and prudently manage these risks; reliable and comprehensive systems are to be put in place to appropriately monitor the effectiveness of these controls.



The Bank being one of the largest global banks has established an appropriate and effective internal control environment to ensure that the Bank is managed and controlled in a sound and prudent manner. The factors which together comprise the control environment are:

- a) Country OFFICE Management Committee (COMC) that is actively concerned with sound corporate governance and that understands and diligently discharges its responsibilities by ensuring that the Bank is appropriately and effectively
- b) Business Unit managements are those actively manage and operate the Bank in a sound and prudent manner; and
- c) Control mechanism to monitor the effectiveness of the organizational and procedural controls is in place. An independent internal audit to engage a risk-based methodology in conducting periodic audits for the various businesses

Three Lines of Defense:

Basel Committee has actively promoted the adoption and implementation of sound corporate governance practices by Banks. Unlike Credit Risk and Market Risk, Operational Risk is spread across Bangladesh Operations processes and this dynamic attribute of Operational Risk makes risk management a shared responsibility between the business unit, controlling offices, Risk Management Department and Audit Department. To manage Risk across various products and processes, BD-Ops has also put in place Risk Governance Model that details the fully embedded governance structure, roles & responsibilities at various levels within BD-Ops.

The three lines of defense model define the following responsibilities at various levels at Bangladesh Operations –

First Line of Defense: is the primary role of the Departments at Country Office, Business Groups (Branches) and Support Groups (Credit, IT, HR, Treasury, ICCD etc.) to identify, assess and manage the various operational risks pertaining to their business or area of operation. Business and Support Groups develop and communicate enabling policies, processes and procedures for managing operational risk in all BD-Ops products, activities, processes and systems as they are the owners of the operational risk within their Business and Support Groups.

Second Line of Defense: The second line of defense is independent of the first line. is the centralized risk management department i.e. Risk Management Department (RMD) and Compliance & Monitoring Function of ICCD at Country Office.

Third Line of Defense: is the Internal Audit (IA) Department that would ascertain the effectiveness of BD-Ops operational risk management processes, measurement systems and to verify compliance with BD-Ops policies, manuals and frameworks documents besides those of BB, RBI and Basel Guidelines.

3.22.5 Information technology risk

State Bank of India, Bangladesh Operation follows the guideline stated in BRPD Circular No. 14 dated 23 October 2005 regarding "Guideline on Information and Communication Technology for Scheduled Banks" and BRPD Circular No. 21 dated 20 May 2010 "Guideline on ICT Security:

IT management deals with IT policy documentation, internal IT audit, training and insurance.

IT operation management covers the dynamics of technology operation management including change management, asset management, operating environment procedures management. The objective is to achieve the highest levels of technology service quality by minimum operational risk.

In order to ensure that information assets are protected against risk, there are controls over:

We have launched our Internet Banking System using our in-house developed software and we are extending this services to the customers of our all Online Branches.

As approved by the appropriate authority, the establishment of our own ATM Network with 4 ATM Booths across the country. We have already participated in the National Payment Switch as Pilot Bank under supervision of Bangladesh Bank and inaugurated our ATM Debit Card. We have obtained Principal Membership Visa Card. Our ATM card is acceptable in all the VISA ATM Booth and we have not charged any transaction cost if the card is use in other Bank's ATM Booth.

We have successfully implemented Bangladesh Automated Clearing House (BACH) and Bangladesh Electronic Fund Transfer System (BEFTN), Credit Information Bureau (CIB) Reporting as per guidelines of Bangladesh Bank.

We have established our website <https://bd.statebank> where from the visitors can get information about our products, charge schedule, career opportunities, procurement notices and present status of our bank. The website is updated periodically and also as and when required. Communication through email among our Branches, Country Office and different Divisions of Country Office under our own Mail Server at IT Division, Country Office has become quick and easier.

To ensure proper training to our officials, Information Technology Division arranged need based hands on training program at our Computer Lab daily in addition to training/workshop arranged at Country Office Conference Room through Video Conference throughout the year. During the year 2021, we conducted 07 training programs on online platform at our Computer Lab on 7 (seven) different Topics/Modules covering 35 participants and 2 (two) Workshop on General Banking Practices and related IT Operations through Video Conference covering 24 participants from Branches/Country Offices

3.22.6 Audit committee

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

The Bank, being a branch of a foreign bank, does not have a local board of directors from whom to select an Audit Committee but there is a Risk, Compliance and management Committee(RCOM) where all risk issues are discussed, action points set to mitigate risks identified and documented. However, the Bank obtained formal dispensation from the Banking Regulation and Policy Department of Bangladesh Bank as regards to the formation of the committee as suggested in the BRPD Circular No 12 dated 23 December 2002.



3.23 Offsetting

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

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

3.24 Comparatives

Figures of previous year have been rearranged whenever considered necessary to conform to current year's presentation. IAS 8: Accounting policies, Changes in Accounting Estimates and Errors requires an entity to correct material prior period errors retrospectively by restating the comparative amounts for the prior period presented in which the error occurs. No connections of errors were made in the current period.

3.25 Operating segments

The Bank has no identified operating segment and as such presentation of segmental reporting is not made in the financial statements as per IFRS 8.

3.26 Events after the reporting period

All material events after the reporting period are considered and where necessary, adjusted for or disclosed in accordance with IAS 10: Events after the reporting period.

3.27 CSR Activity

State Bank of India (SBI), Bangladesh Operation is embodiment of State Bank of India; India's largest Bank in public or private sector space with footprints in the soil of Bangladesh since 1975. State Bank of India is a diversified financial conglomerate with interest in corporate banking, retail banking, international banking, investment banking and treasury operations in Bangladesh. With a Vision of "The most preferred Bank in Bangladesh", SBI has been pioneering in Corporate Social Responsibility (henceforth referred to as CSR) in the Bangladesh Banking Ecosystem.

SBI's sustainability and business responsibility determines its effort to adapt and operate efficiently in an environment filled. Its business practices are built on the highest level of ethical values and a working culture that binds this organization together. SBI is determined to extend its beliefs and commitment to the community at large. As of now, our banking activities in Bangladesh are operating through 03 branches (Dhaka, Chittagong, Khulna) and 02 Offshore Banking Unit (OBU) at

SBI's initiatives over the years have focused on health care, sports and culture, education, environment, and other charitable activities. A dedicated CSR unit has been formed at Country Office level to perform the activities. Our sustainability and business responsibility determines its effort to adapt and operate efficiently in an environment filled. Its business practices are built on the highest level of ethical values and a working culture that binds this organization together. SBI is determined to extend its beliefs and commitment to the community at large. Last year special CSR budget on 1% of Last Year Net Profit has been achieved by Bank other than Normal CSR activity.

3.28 Disclosure on fraud and forgeries committed by bank employees:

No incidents of fraud occurred during the period.

3.29 Sustainable Finance Activities:

State Bank of India, Bangladesh Operations journey in green and sustainable finance commenced in 2012 when Bangladesh The senior management entrusted with the responsibility of being in-charge of ensuring the bank-wide implementation of ESMS. An E&S officer was also assigned for ensuring day-to-day operations in terms of developing and implementing the Environmental and Social Management System.

To further facilitate the ESMS process, the bank launched its own environmental and social risk categorization tool, representing software that determines the E&S risk category of a transaction and provides instructive information for better understanding of E&S issues. Resource training is highly crucial to build capacity among people on matters relating to E&S risk management and environmental business opportunities. Thus, we develop a dedicated training roadmap and allocate a budget accordingly at the commencement on quarterly basis. Further, we have also drafted a session on sustainable banking in our orientation program for all new recruits. Even during the pandemic-stricken year 2021, we continued to conduct training, achieving a record number of training programs on sustainability through online platforms.

3.30.1 Sound progress in 2022:

By drafting the 'Go green, to keep it clean' in 2022, we have focused on raising awareness and environmental attentiveness across the bank our employees are motivated to reduce the waste and use resources sustainably. We also supplemented by our own green banking policy and guidelines that aim to promote the professional attitude and behavioral changes among the peoples.

3.30.2 Reducing Carbon Footprint:

In 2022, SBI has installed smart printers and digital photocopier machine in our banks premises to reduce carbon footprint as well as paper usage. We believed that, employees are now more conscious about the paper usage and paper consumption overall decline approximate 25 percent. It's certainly a prudent decision taken by senior management.

State bank of India, Bangladesh operations introduced digital banking platform and app based banking solution "YONO"

1. Fund Transfer to any Commercial Bank accounts within Bangladesh.
2. Payment through Bangla QR.
3. Online app based account opening.
4. E-remit facility.

Now SBI account holders facilitated by e-commerce transaction such as e-ticket purchasing of bus, train, airways, cinemas &



movies, mobile flexi-load, hotel booking, bill payment such as hospital bill payment, advertisement bill payment computer accessories & service related payment, e- shopping etc. by the debit card with less expense & in faster time from any time anywhere.

Green Banking offered by Cards Division including E-Statement, SMS Banking, SMS Alert, Digital Attendance and E Mail

In recent, our entire operations follows digital filing system have been archived more than 27,839 Pages.

3.30.3 **Energy, Water and Fuel Management:**

We believe that saving energy is a good thing, but most people will only be motivated when we can demonstrate just how Since the inauguration of our country office at 2019, we are using the maximum usage of natural daylight to reduce energy consumption. Moreover, energy savings bulbs consist of a third of the total lighting system here. As a result, more than 40% electricity is saved every year using the day light in side corporate office. Moreover our other branch operations follow the same mainstream of using daylight and less water consumption strategy to save the natural resource. We also focus on to use

Sl. No.	Particulars	Costing (Per Unit) @ 2020	Costing (Per Unit) @ 2021	Costing (Per Unit) @ 2022
1	Paper Usage	0.013	0.011	0.01
2	Electricity Consumption	0.08	0.06	0.058
3	Water Consumption	0.006	0.005	0.005
4	Fuel Consumption	0.005	0.005	0.004

3.30.4 **Sustainable Finance & Green Finance:**

The importance of green finance is definite as it supports the sustainable expansion of various sectors of the economy. The catchphrase here is 'sustainable'. With reference to Bangladesh Bank FE Circular No. 02/2016, 20/2020 and SFD Circular No. 04/2020, there are 11 Sectors & 68 Products listed as Green Products/Projects. We already focused on various product lines of Sustainable Finance & Green Finance and achieved our target line every year:

1. Green CMSME (Cottage Industry)
2. Green Agriculture (Crops, Irrigation, Live Stock, Fisheries, Grain Storage)
3. 100% local ingredients based milk producing and processing.
4. Employment generation and local based industry (rural) investment.
5. Organic farming
6. Bio flock Fish Cultivation
7. Waste water management plant.

Our Green Finance target BDT 13.90 Crore for Year 2021 which is set by Bangladesh Bank and we already achieved the target of Green Finance through disbursement of total 58.00 Crore during the year 2021. We already achieved our SLF target for year 2021 through disbursement of BDT 178.00 Crore during the year 2021.

3.30.5 **Financing Waste water processing plant**

Waste water treatment is a process used to convert wastewater into fresh water that can be returned to the water cycle with minimum impact on the environment, or directly reused. So that our environment become secure for biodiversity. State Bank of India, Bangladesh Operations very concern about the financing scheme in Waste water processing plant, thus we finance BDT 10.00 million for Waste Management plant supporting company.

3.30.6 **Initiative to Reduce the Bank's Adverse Impact on Environment:**

State Bank of India by principle always averts financing in environment hazardous business. The bank has decided not to finance any weapons & munitions, Gambling, casinos, pornography (goods/stores/web-based), alcoholic beverage. We incorporated environmental and climate change risk as part of the existing credit risk methodology prescribed to assess borrowers through Environmental & Social Due Diligence (ESDD) checklists.

State Bank of India always believes in growing in a responsible manner maintaining eco-friendly environment by playing a major role to mitigate Environmental risks which is essential for our survival. Since its inception, Bank Asia has been committed towards Sustainable Development that makes environmentally, economically and socially responsible. As a Bank, we play an intermediary role between economic development and conservation of the environment. Our Green Banking activities are on multidimensional areas which include both in-house Green activities towards supporting Green Economy.

3.30.7 **Establishing Sustainable Finance Help Desk:**

We have introduced Sustainable Finance Helpdesk in all 3 Branches of State Bank of India across the Bangladesh in an effort to scale up sustainable finance lending. These desks provided customers with information regarding sustainable finance policies and green banking, thus motivate and attract the customers to pursue for green financing policies.

3.30.8 **Banking in CMSME:**

Cottage, Micro, Small and Medium Enterprises (CMSMEs) all over the world have been playing a vital position in promoting economic development and industrialization. Now we have been serving our customers through sub -branch and Branches. At present Bank ensures comprehensive and sustainable economic growth through CMSME financing and specific focus to develop the women entrepreneurship. Besides, we have been financing through MFI linkage on rural and enclave areas for the betterment and development of the country with specific goals.

3.30.8 **Milestones in 2022:**



- To tackle the situation of COVID-19 pandemic, a new product titled “CGS” has been designed to assist CMSEs with
- Signed Agreement with Bangladesh Bank regarding Refinance under Stimulus Package and Credit Guarantee Scheme
- Establishing dedicated women entrepreneur help desk.
- Priority banking for CMSME women entrepreneurs.
- Participated in focus group discussion, workshops, awareness building and capacity development programs

3.30.9 Financial Highlights of 2022:

- Cottage, Micro and Small Enterprise portfolio stood at Tk. 256.39 Crore compared to previous year's Tk. 250.72 Crore with a growth of 2.26%
- Total Tk 360.97 Crore has been disbursed during the year among 16320 borrowers through branches own network and MFI linkage.
- Our total CMSME rural loan portfolio Tk 171.72 Crore.
- Bank facilitate Tk 95.23 Crore to 7,013 women borrowers among the total 16320 borrowers during the year through branches own network or MFI linkage.
- Total Tk 0.51 Crore has been disbursed among the Three (03) borrowers as Covid-19 stimulus package 2nd Phase during the year 2022 as per the target set by Bangladesh Bank.

3.30.10 BASEL III implementation

The BASEL Committee on Banking Supervision has published a new framework for calculating minimum capital requirement, known as ‘Basel III’. The new guideline is structured around three pillars: (i) minimum capital requirement (on credit risk, market risk and operation risk), (ii) supervisory review process and (iii) market discipline. Implementation of Basel III framework in Bangladesh will integrate the risk management process of the Bank and its capital adequacy requirement. Bangladesh Bank has formed a Committee and Coordination Committee for implementation of BASEL III in Bangladesh. As per the Committee decision BASEL III has been fully implemented in Bangladesh. The Committee has indicated that following methodology of BASEL III would be followed in Bangladesh:

- Standardized method for credit and market risk.
- Basic indicator approach for operational risk.
- The Committee has suggested for continuous training of the officers and employees of the banks for capacity building and formation of an implementation team. Implementation team would remain responsible for overall supervision of BASEL III implementation in their banks. It has also suggested that the board of directors should also remain updated on the issue.

Accordingly, the Bank has formed BASEL III implementation team and is providing training to senior management, credit officers and managers of the Bank. BASEL III implementation team has been regularly monitoring and to give various suggestion/instruction regarding implementation of the above three pillars.

3.30.11 Training

In implementation of the human resources development strategy, the Bank sent its employees to different training organizations to build up professionals with technical, human and conceptual skills. This is focused to ensure a formal platform where employees can exchange their ideas, update their knowledge base, open up their eyes to the complexities of banking world.

During the year 2021, the training institute of the Bank has arranged a total of 22 training courses, seminars and workshops mostly conducted by the internal & External resource persons with 102 participants. The objectives of designing all training programmes are to bridge the gap between present level of competence and the required level of competence.

3.30.12 Credit Rating of the Bank

Credit rating of the Bank of last Nine years are shown below-

Sl. No.	Year	Rating Agencies	Long Term	Short Term
1	Jan to Dec 2021	ALPHA	AAA	AR-2
2	Jan to Dec 2020	ALPHA	AAA	AR-2
3	Jan to Dec 2019	ALPHA	AAA	AR-2
4	Jan to Dec 2018	ALPHA	AAA	AR-2
5	Jan to Dec 2017	ALPHA	AA	AR-2
6	Jan to Dec 2016	ALPHA	AA	AR-2
7	Jan to Dec 2015	ALPHA	AA	AR-2
8	Jan to Dec 2014	ALPHA	AA-	AR-2
9	Jan to Dec 2013	ALPHA	AA-	ST-2
10	Jan to Dec 2012	CRISL	AA+	ST-2

Compliance Status with IFRS and IAS



3.30.13	Sl. #	International Accounting Standards (IASs)	Reference	Status
	1	Presentation of Financial Statements	IAS 1	Complied with BB guidelines
	2	Statement of Cash Flows	IAS 7	Complied with BB guidelines
	3	Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8	Complied
	4	Events after the Reporting Period	IAS 10	Complied
	5	Income Taxes	IAS 12	Complied
	6	Property, Plant and Equipment	IAS 16	Complied
	7	Employee Benefits	IAS 19	Complied
	8	The Effects of Changes in Foreign Exchange Rates	IAS 21	Complied
	9	Borrowing Costs	IAS 23	Complied
	10	Related Party Disclosures	IAS 24	Complied
	11	Impairment of Assets	IAS 36	Complied
	12	Provisions, Contingent Liabilities and Contingent Assets	IAS 37	Complied

3.30.14	Sl. #	International Financial Reporting Standards (IFRSs)	Reference	Status
	1	Financial Instruments: Disclosures	IFRS 7	Complied
	2	Fair Value Measurement	IFRS 13	Complied
	3	Revenue from Contracts with Customers	IFRS 15	Complied
	4	Leases	IFRS 16	Complied

3.30.15 Claim not acknowledged as debt

There was no claim against the bank not acknowledged as debt as at 31 December 2022.



Hoda Vasi Chowdhury & Co

	31.12.2022 Taka	31.12.2021 Taka
4 Cash		
4.1 Cash in hand		
Local currency	36,176,169	20,740,977
Foreign currency	1,704,693	2,374,472
ATM cash balance	3,136,800	2,250,500
	41,017,662	25,365,949
4.2 Balance with Bangladesh bank and its agent bank(s)		
Local currency (Note: 4.2a)	809,401,293	1,160,136,970
Foreign currency (Note: 4.2b)	547,575,187	481,819,692
	1,356,976,480	1,641,956,662
Off-Shore Banking Unit	-	-
Total	1,397,994,142	1,667,322,611
4.2a Local currency		
Lien with Bangladesh Bank	-	-
Free Balance with Bangladesh Bank	809,401,293	1,160,136,970
	809,401,293	1,160,136,970
4.2b Foreign Currency		
Lien with Bangladesh Bank	-	-
Free Balance with Bangladesh Bank	547,575,187	481,819,692
	547,575,187	481,819,692
4.3 Statutory deposits		
The Cash Reserve Requirement (CRR) and the Statutory Liquidity Requirement (SLR) are maintained in accordance with the section 25 and 33 of the Bank Companies Act 1991(Amended 2013) and subsequent BRPD Circular No. 11 & 12 dated 25 August 2005, MPD circular no. 02 dated 10 December 2013, MPD circular No. 01 dated 23 June 2014 & DOS Circular Letter No. 23 dated. 07.10.2018,MPD circular No. 03 dated 9 April 2020. Cash Reserve Requirement (CRR) and the Statutory Liquidity Requirement (SLR) and deposits there against with Bangladesh Bank at 31 December 2021 are as follows:		
The Cash Reserve Requirement on the Bank's Time and Demand liabilities at the rate of 4.0% (Bi-weekly) & 3.5% (on Daily) basis has been calculated and maintained with Bangladesh Bank and 13% Statutory Liquidity Ratio for conventional banking on the same liabilities has also been maintained in the form of Treasury Bills, and Bonds including FC balance with Bangladesh Bank. The status of the reserves maintained by the Bank are shown below:		
4.3.1 Cash Reserve Requirement (CRR)		
i. Daily Bank's CRR maintenance		
Required reserve DBU (3.5%) & OBU (1.5%) of total time & demand liabilities)	969,423,000	829,697,000
Actual reserve maintained	1,214,313,000	1,142,856,562
Surplus/ (deficit)	244,890,000	313,159,562
Average Maintained (%)	2.58%	2.80%
ii. Bi- Weekly bank's CRR maintenance		
Required reserve DBU (4%) & OBU (2%) of total time & demand liabilities)	1,204,313,000	1,034,002,000
Actual reserve maintained	1,214,313,000	1,142,856,562
Surplus/ (deficit)	10,000,000	108,854,562
Average Maintained (%)	2.58%	2.80%
4.3.2 Statutory Liquidity Reserve (SLR)		
Required reserve DBU & OBU (13% of total time & demand liabilities)	6,107,128,000	5,311,934,000
Actual reserve maintained	12,069,425,370	10,173,198,450
Surplus/ (Deficit)	5,962,297,370	4,861,264,450
Average Maintained (%)	25.69%	24.90%
5. Balance with other banks and financial institutions		
Inside Bangladesh (Note: 5.1)	8,512,193,391	7,278,054,327
Outside Bangladesh (Note: 5.2)	1,033,519,828	254,276,732
	9,545,713,219	7,532,331,059

Details of balance held with banks and financial institutions outside Bangladesh are shown in Annexure-A.



Hoda Vasi Chowdhury & Co

5.1 Balance with other banks and financial institutions (Inside Bangladesh)

On demand deposit accounts (Current Account)

Uttara Bank Limited	
Bangladesh bank-NPSB Settlement A/C	
Standard Chartered Bank-ATM Visa Domestic Settlement A/C	
Sonali Bank Limited	

31.12.2022 Taka	31.12.2021 Taka
5,132,548	2,918,460
3,523,046	3,523,046
4,377,474	1,603,710
69,972	69,972
13,103,040	8,115,188

On Short Term Deposit (STD) Accounts

Uttara Bank Limited	
Standard Bank Ltd. Gulshan Branch	

14,553,757	6,020,450
36,595	6,292,228
14,590,351	12,312,677
27,693,391	20,427,865

h) Term Placement

Banking company

NCC Bank Limited (Term)	
Mercantile Bank Limited (Term)	
Jamuna Bank Ltd (Term)	
Southeast Bank Limited (Term)	
United Commercial Bank Limited	
Dhaka Bank Limited (Term)	
City Bank Limited (Term)	
Prime Bank Limited (Term)	
BRAC Bank Limited (Term)	
One Bank Limited (Term)	

900,000,000	500,000,000
300,000,000	200,000,000
780,000,000	650,000,000
300,000,000	400,000,000
500,000,000	-
160,000,000	400,000,000
540,000,000	-
640,000,000	-
-	400,000,000
-	450,000,000

Term Placement (USD)

Sub-total DBU

Off-Shore Banking Unit Term Placement (in the nature of Trade Loan)

4,120,000,000	3,000,000,000
2,334,500,000	1,877,150,000
6,482,193,391	4,897,577,865
2,030,000,000	2,380,476,462
8,512,193,391	7,278,054,327

Sl. #	Bank / Financial Institute Name	Placement Amount	Placement Date	Maturity Date
01	NCC Bank Limited (Term)	500,000,000	25/10/22	24/01/23
02	Mercantile Bank Limited (Term)	300,000,000	11/12/22	12/03/23
03	NCC Bank Limited (Term)	400,000,000	10/11/22	09/01/23
04	Jamuna Bank Ltd (Term)	300,000,000	04/12/22	05/03/23
05	Southeast Bank Limited (Term)	300,000,000	12/12/22	12/01/23
06	United Commercial Bank Limited	500,000,000	28/12/22	29/03/23
07	Jamuna Bank Ltd (Term)	480,000,000	29/12/22	01/01/23
08	Dhaka Bank Limited (Term)	160,000,000	29/12/22	01/01/23
09	City Bank Limited (Term)	540,000,000	29/12/22	01/01/23
10	Prime Bank Limited (Term)	640,000,000	29/12/22	01/01/23
		4,120,000,000		

Term Placement (USD)

Banking company

Eastern Bank Ltd (Term)	
The City Bank Limited (Term)	
NCC Bank Limited (Term)	
Placement to SBI OBU Operations	

	2022	2021
Amount (USD)	Amount (BDT)	Amount (BDT)
-	-	426,625,000
-	-	255,975,000
-	-	341,300,000
23,000,000	2,334,500,000	853,250,000
23,000,000	2,334,500,000	1,877,150,000

(For conversion MID rate applied Dec 22@ 101.50 & Dec 21 @ 85.325)

Sl. #	Bank/Financial Institute Name	Placement Amount	Placement Date	Maturity Date
01	Eastern Bank Ltd (Term)	-	-	-
02	The City Bank Limited (Term)	-	-	-
03	NCC Bank Limited (Term)	-	-	-
04	SBI OBU Operations	23,000,000	23/12/21	18/01/22
		23,000,000		



5.2 Balance with other banks and financial institutions (Outside Bangladesh)

On demand deposit accounts (Non interest bearing)

State Bank of India, West Germany (FF)
State Bank of India, London
State Bank of India, New York
State Bank of India, Japan

31.12.2022 Taka	31.12.2021 Taka
25,334,442	18,552,279
263,425	1,655,382
691,579,655	77,243,450
971,645	1,406,574
718,149,167	98,857,685

On demand deposit accounts (Interest bearing)

JP Morgan Chase Bank
ACU Dollar Nostro A/C

153,518,752	43,934,764
65,056,655	13,731,366
218,575,407	57,666,130
936,724,574	156,523,815
96,795,254	97,752,917
1,033,519,828	254,276,732

Add: Off-Shore Banking Unit

5.2.1 Foreign currency wise break-up

Currency Name	Amount in FC	Conversion Rate	31.12.2022 Taka	31.12.2021 Taka
US Dollar	8,967,045	101.50	1,006,950,316	232,662,498
Great Britain Pound	2,157	122.13	263,425	1,655,382
EURO	234,973	107.82	25,334,442	18,552,279
Japanese Yen	1,276,968	0.76	971,645	1,406,574
			1,033,519,828	254,276,732

5.3 Maturity grouping of balance with other Bank's and Financial Statements

Up to 1 month
More than 1 month to 3 month
More than 3 month to 1 Year
More than 1 year to 5 years
More than 5 years

1,061,213,219	274,704,597
6,454,500,000	4,877,150,000
2,030,000,000	2,380,476,462
-	-
-	-
9,545,713,219	7,532,331,059

6 Money at call and short notice

Banking company
NCC Bank Limited
National Bank Ltd
The City Bank Limited

150,000,000	
-	250,000,000
-	-
150,000,000	250,000,000

6.1 Maturity grouping of money at call and short notice

Up to 1 month
More than 1 month to 3 month
More than 3 month to 1 Year
More than 1 year to 5 years
More than 5 years

150,000,000	250,000,000
-	-
-	-
-	-
-	-
150,000,000	250,000,000

7 Investments

Government Securities
Other Investments

(Note: 7.1)
(Note: 7.2)

11,976,078,027	10,028,359,168
3,138,890	3,138,890
11,979,216,917	10,031,498,058
-	-
11,979,216,917	10,031,498,058

Off-shore Banking Unit

Investment in securities are classified as follows:

Held to maturity
Other Investments

(Note: 7.1)
(Note: 7.2)

11,976,078,027	10,028,359,168
3,138,890	3,138,890
11,979,216,917	10,031,498,058

Treasury bills and treasury bonds have been pledged with Bangladesh Bank for Capital & SLR Purpose. Details of investments are given in Annexure-F.



Hoda Vasi Chowdhury & Co

7.1 Government securities

Treasury bills

30 day Treasury bills
91 day Treasury bills
182 day Treasury bills
364 day treasury bills

31.12.2022 Taka	31.12.2021 Taka
4,597,803,032	-
232,289,515	467,955,793
-	1,094,219,056
-	1,095,085,229
4,830,092,547	2,657,260,079

Treasury bonds

2 year Treasury Bonds
5 year Treasury Bonds
10 year Treasury Bonds
15 year Treasury Bonds
20 year Treasury Bonds

2,450,204,626	2,648,641,486
3,211,475,481	2,330,884,089
1,475,775,228	659,638,588
8,267,146	719,928,837
-	1,011,988,589
7,145,722,480	7,371,081,589
263,000	17,500
11,976,078,027	10,028,359,168

Prize bonds

7.2 Other investments

Quoted

Unquoted : Shares of Central Depository Bangladesh Limited (CDBL)

-	-
3,138,890	3,138,890
3,138,890	3,138,890

Particulars	No. of Shares	31.12.2022 Taka	31.12.2021 Taka
Initial investment @ Tk. 10	200,000	2,000,000	2,000,000
Purchase of Right share @ Tk. 10	113,889	1,138,890	1,138,890
Bonus share @ Tk. 10	828,472	-	-
	1,142,361	3,138,890	3,138,890

7.3 Maturity wise grouping of investment (Other than CDBL Shares)

Payable on demand
Below three months
Over three months but below one year
Over one year but below five years
Over five years

263,000	17,500
767,712,395	2,519,681,895
47,556,833	2,189,304,285
11,160,545,799	5,319,355,487
-	-
11,976,078,027	10,028,359,168

8 Loans and advances

a. Loans, Cash Credits, Overdrafts etc.:

Overdrafts
Demand loans
Cash credit
House building loan
Transport loan
Term loans (Other)
Loan against trust receipts (Cash Credit)
Agricultural loan (Cash Credit)
Staff loans

(Note - 8.6)

494,120,853	610,219,644
4,870,806,800	3,417,674,007
3,124,942,296	2,394,062,879
21,545,500	23,438,019
294,936,967	456,601,724
10,127,427	29,035,742
539,423,359	22,318,072
286,413,619	286,403,695
29,348,347	33,791,303
9,671,665,169	7,273,545,085

b. Bills purchase & discount

(Note - 8.15)

DBU Total: (a+b)

Add: Off-Shore Banking Unit:

Over Draft / Term Loans
Bills purchase & discount

9,671,665,169	7,273,545,085
735,215,283	124,968,227
20,520,117,228	28,970,769,366
30,926,997,681	36,369,282,678

8.1 Net loans and advances

Gross loans and advances

Less: Interest suspense
Provision for loans & advances (Specific provision)

9,671,665,169	7,273,545,085
11,845,046	13,374,878
127,907,980	160,763,480
139,753,026	174,138,357
9,531,912,144	7,099,406,727
21,255,332,511	29,095,737,593
30,787,244,655	36,195,144,320

Add: Off-Shore Banking Unit



Hoda Vasi Chowdhury & Co

8.2 Maturity wise grouping of loans and advances

Repayable on demand
More than 1 months to 3 months
More than 3 months to 1 Year
More than 1 year to 5 years
More than 5 years

31.12.2022 Taka	31.12.2021 Taka
4,109,490,530	3,381,171,461
2,235,121,821	1,821,175,439
24,144,258,898	30,744,884,052
372,359,109	357,477,730
65,767,323	64,573,997
30,926,997,681	36,369,282,678

8.3 Loans and advances under the following broad categories

Inside Bangladesh

Term Loans
Cash Credits
Overdrafts & Demand Loan & Agriculture Loan
Staff Loan
Bills purchase & discount

285,471,016	449,737,268
3,705,504,534	2,475,719,167
5,651,341,272	4,314,297,346
29,348,347	33,791,303
-	-
9,671,665,169	7,273,545,085

Outside Bangladesh

Term Loans
Cash credits
Overdrafts

-	-
-	-
-	-
9,671,665,169	7,273,545,085

Add: Off-Shore Banking Unit

Overdraft / Term Loan
Bill purchase & discount

735,215,283	124,968,227
20,520,117,228	28,970,769,366
21,255,332,511	29,095,737,593
30,926,997,681	36,369,282,678

8.4 Geographical location wise portfolio grouping

Inside Bangladesh

Dhaka Division
Chittagong Division
Khulna Division

7,202,428,103	5,760,388,199
2,450,123,163	1,489,432,876
19,113,904	23,724,010
9,671,665,169	7,273,545,085
21,255,332,511	29,095,737,593
30,926,997,681	36,369,282,678

Add: Off-Shore Banking Unit

All 3 (three) of our branches are located in urban areas. However, as we have obtained approval to open new branches in Bangladesh, we shall increase our loans and advances portfolio in rural areas of the country as well.

8.5 Significant concentration wise grouping

Staff

Managing Director & CEO
Senior Executives
Others

-	-
4,759,286	8,615,067
24,589,061	25,176,236
29,348,347	33,791,303

Industries

i) Agricultural and Jute
ii) Readymade garments
iii) Textile
iv) Food & allied
v) Chemical
vi) Cement
vii) Rubber, Plastic, Printing Publishing & allied Industries
viii) Metal Products & Steel
ix) Household
x) IT based
xi) Other

286,413,619	286,403,695
31,558,379	24,590,919
6,031,977	20,874,438
186,259,222	184,525,242
-	22,249,542
274,696,006	273,667,255
389,406,812	414,473,977
1,578,315,602	562,892,875
-	-
144,568,784	143,432,693
5,906,920,895	3,660,540,795
8,804,171,296	5,593,651,432

Infrastructural

i) Power
ii) Construction
iii) Transport
iv) Feed / Trade & Commerce
v) Others

-	-
113,850,428	130,494,585
294,936,967	456,642,533
100,506,288	257,444,760
-	-
509,293,683	844,581,878



Hoda Vasi Chowdhury & Co

	31.12.2022 Taka	31.12.2021 Taka
Consumers		
i) Commercial lending	-	-
ii) Household	4,103,345	6,383,371
iii) House building loan	38,658,788	23,438,019
iv) Small and medium enterprise	184,215,058	621,971,349
v) Non-banking financial institutions	51,331,721	51,331,721
vi) Others	50,542,931	98,396,012
	328,851,844	801,520,472
	9,671,665,169	7,273,545,085
Add: Off-Shore Banking Unit	21,255,332,511	29,095,737,593
	30,926,997,681	36,369,282,678
8.6 Staff loan		
Overdraft Loan (Interest Bearing)	11,558,059	9,835,788
Overdraft Loan (Interest Free)	677,000	419,060
Car and motorcycle loan	-	-
House building Loan	17,113,288	23,536,455
	29,348,347	33,791,303
8.7 Detail of large loan		
Total capital of the Bank was Taka 15,249 million for BD. Operations as at 31 December 2022 (Taka 13240 million for BD. Operations as at 31 December 2021 respectively). Number of clients with amount outstanding and classification status to whom loans and advances sanctioned exceeds 10% of the total capital of the Bank are shown in Annexure-B.		
8.7.1 Restructured loan		
There is no restructured loan during the year 2022 and 2021.		
8.8 Grouping as per classification rules		
Unclassified		
Standard including staff loan	9,521,333,664	7,145,872,538
Special Mention Account (SMA)	40,112,296	-
	9,561,445,960	7,145,872,538
Add: Off-Shore Banking Unit(UC)	21,255,332,511	29,095,737,593
	30,816,778,472	36,241,610,131
Classified		
Sub standard	-	-
Doubtful	-	-
Bad/ Loss	110,219,209	127,672,547
	110,219,209	127,672,547
	30,926,997,681	36,369,282,678
8.9 Loan type wise total loan		
Overdraft	494,120,853	610,219,644
Demand Loan	4,871,813,634	3,417,674,007
Term Loan	285,471,016	449,737,268
Cash Credit	3,990,911,319	2,762,122,862
Staff Loan	29,348,347	33,791,303
	9,671,665,169	7,273,545,085
Add: Off-Shore Banking Unit		
Overdraft / Term Loan	735,215,283	124,968,227
Bill purchase & discount	20,520,117,228	28,970,769,366
	21,255,332,511	29,095,737,593
	30,926,997,681	36,369,282,678
8.10 Sector-wise allocation of loans and advances		
Agriculture, fishing, forestry and dairy firm	286,413,619	286,403,695
Industry (jute, textile, garments, chemicals, cements etc.)	312,286,361	110,526,085
Transport Operator Loan	294,936,967	456,642,533
Working capital financing	8,019,212,094	6,224,324,342
Export credit	-	-
Commercial credit	-	-
Small and cottage industries	614,179,343	33,639,725
Miscellaneous	144,636,786	162,008,705
	9,671,665,169	7,273,545,085
Add: Off-Shore Banking Unit		
Overdraft / Term Loan	735,215,283	124,968,227
Bill purchase & discount	20,520,117,228	28,970,769,366
	21,255,332,511	29,095,737,593
	30,926,997,681	36,369,282,678



Hoda Vasi Chowdhury & Co

8.11 LOANS & ADVANCES(SME)

Medium Term Loan Account (Debit Balance)
Demand Loan Account
Cash credit account debit balance
Current account debit balance

31.12.2022 Taka	31.12.2021 Taka
--------------------	--------------------

3,579,030	18,699,882
1,773,037,871	1,527,664,642
621,712,775	634,611,437
165,532,846	326,251,202
2,563,862,523	2,507,227,163

LOANS & ADVANCES(NON-SME)

Medium Term Loan Account (Debit Balance)
Demand Loan Account
Cash credit account debit balance
Current account debit balance
Bills of Exchange

1,034,220,557	21,199,528
3,098,775,763	4,238,659,573
3,369,198,544	212,654,591
493,905,716	418,772,457
20,367,034,579	28,970,769,366
28,363,135,158	33,862,055,515
30,926,997,681	36,369,282,678

8.12 Securities wise classification of loans/advances including bills purchase and discount

Collateral of moveable/immoveable assets
Nonbanking financial institutions guarantee
Local banks/foreign banks guarantee
Export documents
Cash and quasi cash
Personal guarantee
Other securities

6,382,130,261	4,416,245,792
51,331,721	51,331,721
339,725,433	334,659,344
-	-
49,865,931	103,934,013
703,826	-
2,847,907,997	2,367,374,215
9,671,665,169	7,273,545,085

Add: Off-Shore Banking Unit
Overdraft / Term Loan
Bill purchase & discount

735,215,283	124,968,227
20,520,117,228	28,970,769,366
21,255,332,511	29,095,737,593
30,926,997,681	36,369,282,678

8.13 Particulars of required provision for loans and advances

Provision required for unclassified loans and advances:

Status	Outstanding	Base for provision	Rate (%)	Required provision December 2022	Required provision December 2021
All unclassified loans (Other than Small & Medium enterprise financing, Consumer Financing, BHs/ Small & Medium enterprise financing)	6,717,312,636	6,717,312,636	1%	67,173,126	43,684,942
Housing & loan for professional	21,545,500	21,545,500	1%	215,455	234,380
Consumer finance	1,850,824	1,850,824	2%	37,016	57,180
Special Mentioned Short-term	40,112,296	40,112,296	0%	100,281	-
Staff Loan	286,413,619	286,413,619	1.0%	2,864,136	2,864,037
	29,348,347	29,348,347	0%	-	-
Total	9,561,445,960	9,561,445,960		76,552,171	52,917,755
Add: Off- Shore	21,255,332,511	21,255,332,511	1.00%	212,553,325	290,957,375.93
Total	30,816,778,472	30,816,778,472		289,105,496	343,875,131

Specific provision (COVID-2019)

Status	Outstanding	Base for provision	Rate (%)	Required provision December 2022	Required provision December 2021
Standard Loan (for deferral benefits) for	-	-	1.5% / 2%	7,173,419	11,045,065
Standard Loan (for deferral benefits) for	-	-	1%	-	12,414,636
Total	-	-		7,173,419	23,459,701



	31.12.2022	31.12.2021			
	Taka	Taka			
Provision required for off-balance sheet items (General Provision):					
Name of Exposure	Outstanding	Rate (%)	Required provision December 2022	Required provision December 2021	
Acceptances and endorsements	-	1%	-	-	
Letter of guarantees	35,127,413,847	Basel-III	488,724,062	289,999,180	
Irrevocable letter of credits	1,622,424,804	1%	17,681,346	38,511,765	
Total	36,749,838,651		506,405,408	328,510,945	
Total required provision for unclassified assets (including off-balance sheet items)			802,684,323	695,845,777	
Provision maintained for unclassified assets (including off-balance sheet items)			860,175,859	761,847,908	
Excess/(Short) provision at 31 December 2022			57,491,536	66,002,131	
Provision required for classified loans & advances (Specific provision)					
Status	Outstanding	Base for provision	Rate	Required provision December 2022	Required provision December 2021
Sub-standard	-	-	20%	-	-
Doubtful	-	-	50%	-	-
Bad/Loss	110,219,209	61,826,996	100%	53,459,720	61,826,996
Total	110,219,209	61,826,996		53,459,720	61,826,996
Total provision maintained for classified assets:					
Sub Standard				-	-
Doubtful				-	-
Bad/loss				99,445,614	160,763,480
				99,445,614	160,763,480
Excess/(Short) of provision				45,985,894	98,936,484
8.14 Particulars of loans and advances					
i) Debts considered good in respect of which Bank is fully secured				389,591,364	103,934,013
ii) Debts considered good for which Bank holds no other security than the debtor's personal security				2,956,348	3,524,359
iii) Debts considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtors				9,279,117,457	7,166,086,713
iv) Debts adversely classified; for which no provision is created				-	-
				9,671,665,169	7,273,545,085
v) Debts due by directors or officers of the banking company or any of these either separately or jointly with any other persons				-	-
vi) Debts due by companies or firms in which the directors or officers of the bank are interested as directors, partners or managing agents or in case of private companies as members				-	-
vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking companies or any of them either separately or jointly with any other person				-	-
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 interest as directors, partners or managing agents or in case of private companies, as members				-	-
ix) Due from banking companies				-	-
x) Amount of Classified loans on which interest has not been charged should be mentioned as follows:				-	-
a) Increase/decrease of provision (specific) amount of debts written off amount realized against loan previously written off				-	-
b) Amount of provision kept against loan classified as "bad/loss" on the date of preparing the balance sheet				99,445,614	126,679,786
c) Interest creditable to the Interest Suspense a/c				11,845,045	13,374,878
xi) Cumulative amount of the written off loan and the amount written off during the current year should be shown separately. The amount of written off loan for which lawsuit has been filed should also be mentioned				-	-
- Current year				16,477,337	-
- Cumulative to date(After recovery of Taka 225,000)				1,061,321,121	1,157,891,059
xii) The amount of written off loans for which law suit filed				1,061,321,121	1,157,891,059
8.15 Suit filled by the bank (branch wise)					
Dhaka Region				556,945,037	590,819,239
Chittagong Region				614,595,293	694,744,366
Sylhet Region				-	-
				1,171,540,330	1,285,563,605



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8.16 Bill Purchased & discounted under the following

Inside Bangladesh
Outside Bangladesh

DBU Total

Add: Off-Shore Banking Unit(Inside Bangladesh)

31.12.2022 Taka	31.12.2021 Taka
-	-
-	-
-	-
20,520,117,228	28,970,769,366
20,520,117,228	28,970,769,366

8.17 Maturity wise grouping of bill purchased & discounted

Payable within 1 month
Over 1 month but less than 3 months
Over 3 months but less than 6 months
6 months and more

10,181,523,495	5,322,541,339
8,529,764,937	12,083,079,522
1,583,522,272	7,751,658,867
225,306,525	3,813,489,638
20,520,117,228	28,970,769,366

8.18 Write off of loans & advances

Balance at the beginning of the year
Add: Write off during the year

Less: Recovery of Write off loans

1,157,891,058	1,224,007,045
16,477,337	-
1,174,368,396	1,224,007,045
113,047,275	66,115,987
1,061,321,121	1,157,891,058

Details are given in Annexure-G.

8.19 Cash Incentive for Good Borrower

Recently, Bangladesh Bank has discontinued the Cash Incentive for Good Borrower vide letter no. BRPD - 14, dated 18 June 2020.

8.20 Provision for other Assets

Maturity of other asset within one year. So there are not required charge any provision.

9 Fixed assets including premises, furniture and fixtures

A. Cost

Opening balance
Add: Adjustment for implementation of IFRS-16 (asset under right to use)
Adjusted opening balance
Add: Addition during the year

Less: Disposal/adjustment during the year

537,952,851	532,461,959
-	-
537,952,851	532,461,959
25,927,782	8,002,016
563,880,632	540,463,976
-	2,511,124
563,880,631	537,952,851

B. Accumulated Depreciation

Opening balance
Add: Charged during the year

Less: Disposal/adjustment during the year

392,819,409	323,527,867
70,741,550	69,291,541
463,560,958	392,819,409
-	-
463,560,958	392,819,409
100,319,675	145,133,442

Written down value (A-B)

A schedule of Fixed Assets is given in Annexure-C

The Bank adopted IFRS 16: *Leases* from the year under reporting and Adjustment for implementation of IFRS-16 (asset under right-of-use) represents impact of such implementation regarding assets under right to use (asset under lease.)

10 Other assets

Income generating other assets

Interest receivable on treasury bond
Dividend receivable From CDBL
Interest receivable on Inter Bank Call Money

124,387,630	127,386,729
-	2,284,722
49,225,949	30,596,793
173,613,579	160,268,244

Non-income generating other assets

Stationery, stamps, printing materials etc.
Advance rent and advertisement
Memento Coin
Deferred Expenses
Excise duty
Advance Payment of Income Tax
Deferred tax asset
ISO Reconciliation
Miscellaneous Assets
Receivables from OBU

2,750,786	11,370,917
49,992,698	35,317,824
-	-
-	-
8,512,254	6,438,855
531,920,514	250,571,181
25,453,829	17,477,968
28,965	288
-	188,016
-	-
618,659,046	321,365,048
792,272,626	481,633,291
691,355,805	317,275,575
1,483,628,430	798,908,867

Add: Off-Shore Banking Unit



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	31.12.2022 Taka	31.12.2021 Taka
10.1 Maturity Grouping of other Assets		
Less than 1 (one) month	951,707,916	548,337,686
Within 1 (one) year	531,920,514	250,571,181
More than 1 Year	-	-
	1,483,628,430	798,908,867
10.2 Deferred tax Asset		
Deferred tax is provided using the liability method for timing differences arising between the tax base of assets and liabilities and their carrying values for reporting purposes as per International Accounting Standard (IAS) - 12.		
Deferred tax asset on Fixed Assets (Note 10.2.1)	7,716,543	1,380,098
Deferred tax assets on Right of Use (ROU) Assets (Note 10.2.2)	17,737,286	16,097,870
	25,453,829	17,477,968
10.2.1 Deferred tax Asset on Fixed Assets		
Opening balance	1,380,098	1,632,224
Less: Deferred Tax Expense during the year	6,336,445	(252,126)
	7,716,543	1,380,098
10.2.2 Deferred tax assets on Right of Use (ROU) Assets		



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	31.12.2022 Taka	31.12.2021 Taka
ii) Time deposit		
Savings deposit (90%)	812,435,388	751,003,886
Fixed deposit	5,883,307,280	4,808,296,714
Foreign currency deposit	-	-
Short term deposit	-	-
	<u>6,695,742,668</u>	<u>5,559,300,600</u>
	<u>14,985,450,822</u>	<u>11,044,620,210</u>
Add: Off-Shore Banking Unit	68,247,003	53,340,611
	<u>15,053,697,826</u>	<u>11,097,960,821</u>
13.2 Maturity wise grouping of deposits		
Payable on demand		
Payable within 1 month	3,879,047,148	3,628,895,409
Over 1 month but within 3 months	3,296,799,181	1,373,952,781
Over 3 month but within 1 year	7,128,578,956	4,086,508,621
Over 1 year but within 5 years	749,272,541	2,008,604,010
Over 5 years	-	-
Off-Shore Banking Unit	68,247,003	53,340,611
	<u>15,053,697,826</u>	<u>11,097,960,821</u>
14 Other liabilities		
Foreign Currency claims received accounts	248	-
Fixed Deposit interest account	89,688,294	59,747,543
Provision on loans and advances	14.1 746,994,850	585,070,455
Interest Suspense Account	14.3 11,845,046	13,374,878
Withholding tax payable (payable on interest)	14.5 2,141,475	2,164,031
Provision for current taxation	14.6 1,325,358,077	861,969,545
Lease obligation	66,611,702	110,495,914
Short Term Deposit Interest Account	20,252,146	10,013,686
Provision for audit fees	287,500	287,500
Interest Payable on Call Money	1,523	14,651,636
Other Provision	28,010,559	12,179,081
	<u>2,291,191,419</u>	<u>1,669,954,268</u>
Add: Off-Shore Banking Unit (Including Provision)	805,457,154	320,052,990
	<u>3,096,648,573</u>	<u>1,990,007,257</u>
14.1 Provision for loans and advances (DBU)		
Provision for loans and advances is created for covering the bank for possible loan losses in the future. General provision is made on outstanding loans and advances without considering the quality of loans and advances according to the prescribed rate of Bangladesh Bank. Classified loans and advances of the banks are categorized as sub-standard, doubtful and bad/loss as per guidelines of the Bangladesh Bank. Provisions are made for NPAs as per the extant guidelines prescribed by Bangladesh Bank and RBI guideline which one is more		
a. General (For more details 14.2)		
Balance at the beginning of the year	413,261,910	343,597,772
Add: Provision made during the year	198,651,541	69,664,138
	<u>611,913,451</u>	<u>413,261,910</u>
b. Special Provision for COVID-19		
Balance at the beginning of the year	11,045,065	8,399,498
Add: Provision made during the year	(3,871,647)	2,645,567
	<u>7,173,419</u>	<u>11,045,065</u>
c. Specific		
Balance at the beginning of the year	160,763,480	90,932,341
Add: Provision made during the year	-	69,831,139
Less: Recoveries and provision no longer required	17,370,923	-
Write off during the year	15,484,576	-
	<u>127,907,980</u>	<u>160,763,480</u>
Net actual provision at the end of year (a+b+c)	<u>746,994,850</u>	<u>585,070,455</u>
14.2 General Provisions for UC Loans & Advance and off balance sheet items		
Provision for off-balance sheet items is made as per BRPD circular No. 8 of 7 August 2007 and 18 September 2007 for covering the bank for possible losses on off-balance sheet items in the future. Provision amount is included in the General Provision for standard assets. Details movement of provision for Off-balance sheet items is as follows:		
a. General Provision for Loans & Advance		
Balance at the beginning of the year	66,823,806	101,231,043
Add: Provision made/ (adjusted) during the year	17,306,431	(34,407,237)
	<u>84,130,237</u>	<u>66,823,806</u>
b. General Provision for Off Balance Sheet Exposure		
Balance at the beginning of the year	357,483,170	242,366,730
Add: Provision made/ (adjusted) during the year	177,473,463	115,116,440
	<u>534,956,633</u>	<u>357,483,170</u>
Total General Provision (a+b)	<u>619,086,869</u>	<u>413,261,910</u>



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14.3 Interest suspense

Classified loans and advances of the banks are categorized as sub-standard, doubtful and bad/loss as per guidelines of the Bangladesh Bank. Interest accrued on Sub-Standard (SS), doubtful and bad/loss loans is recorded as 'interest suspense' and not taken to income. This interest is recognized as income as and when it is realized in cash by the bank.

	31.12.2022 Taka	31.12.2021 Taka
Balance at the beginning of the year	13,374,878	12,680,576
Add: Amount transferred during the year	-	694,301
	13,374,878	13,374,878
Less: Amount of interest suspense recovered	(7,069,441)	-
Write off during the year	-	-
	<u>20,444,319</u>	<u>13,374,878</u>

14.4 Withholding tax payable

Balance at the beginning of the year	2,164,031	641,487
Add: Addition during the year	819,508,444	164,023,609
	821,672,475	164,665,096
Less: Paid during the year	819,531,000	162,501,065
	<u>2,141,475</u>	<u>2,164,031</u>

14.5 Provision for current taxation

Provision for Income Tax has been made according to the Income Tax Ordinance, 1984. During the year, an amount of Tk. 800,000,000.00 has been provided for current Income Tax.

Balance at the beginning of the year	861,969,545	833,397,428
Add: Provision made during the year	1,282,896,976	800,000,000
	2,144,866,521	1,633,397,428
Less: Adjustment with advance tax	819,508,444	771,427,883
	<u>1,325,358,077</u>	<u>861,969,545</u>

Details are in Annexure-D

14.6 Lease obligation

Opening balance	110,495,914	154,380,125
Add: Addition during the year	5,795,748	5,795,748
	116,291,662	160,175,874
Less: Advance adjustment	-	-
Payment made during the year	51,647,282	51,647,282
	64,644,380	108,528,592
Add: Interest expense	1,967,322	1,967,322
	<u>66,611,702</u>	<u>110,495,914</u>

15 Fund deposited with Bangladesh Bank

Securities lien with Bangladesh Bank	4,712,633,658	7,707,181,998
Less: Transferred to Retained Earnings	1,601,450,060	(2,994,548,340)
Add: Fund Transferred from Surplus Profit & Loss Account	-	-
	<u>6,314,083,718</u>	<u>4,712,633,658</u>

SBI maintained capital in the form of deposit and lien of securities with Bangladesh Bank under section 13(3) of the Bank Company Act, 1991 and presented under the guidelines of BRPD circular No. 14 dated 25 June 2003. Details of securities lien with Bangladesh Bank is shown in Annexure-F.

15.1 Capital adequacy as per Basel - III

The Bank's approach to capital management is driven by a desire to maintain a strong capital base to support the development of its business, to meet regulatory capital requirements at all times and to maintain good credit ratings. Compliance with capital adequacy regulations Capital requirements for the Bank at a local level are set and monitored by Bangladesh Bank. The capital that the Bank is required to hold is determined considering its balance sheet and off-balance sheet positions in accordance with guidelines on risk based capital adequacy.

The Bank's capital structure consists of Tier I and Tier II capital which is aligned with regulatory capital structure. Tier I capital is further categorized as Common Equity Tier I (CET1) and Additional Tier I capital. The computation of the amount of Common Equity Tier I, Additional Tier I and Tier II capital shall be subject to the following conditions:

- The Bank has to maintain at least 4.50% of total Risk Weighted Assets (RWA) as Common Equity Tier I capital.
- Tier I capital will be at least 6.00% of the total RWA.
- Minimum Capital to Risk-weighted Asset Ratio (CRAR) will be 10% of the total RWA.
- Additional Tier I capital can be maximum up to 1.5% of the total RWA or 33.33% of CET I, whichever is higher.
- Tier II capital can be maximum up to 4% of the total RWA or 88.89% of CET I, whichever is higher.
- In addition to minimum CRAR, Capital Conservation Buffer (CCB) @ 2.5% of the total RWA will be maintained in the form of CET1 in a phased manner from 2016 to 2021.



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	31.12.2022 Taka	31.12.2021 Taka
Regulatory capital		
1. Tier-I (Core capital)	15,169,103,974	13,201,523,617
2. Tier-2 (Supplementary capital)	860,175,859	761,847,908
A. Total regulatory Capital (1+2)	16,029,279,833	13,963,371,525
B. Total Risk Weighted Assets (RWA)	24,273,092,622	22,570,729,758
C. Total (including Tier II) required is 10%	66.04%	61.86%
D. Common Equity Tier I of at least @ 4.5% of the total RWA	62.49%	58.49%
E. Tier I capital will be at least @ 6% of	62.49%	58.49%
F. Minimum Capital Requirement (MCR)		
10 % of RWA	2,427,309,262	2,257,072,976
As per The Banking Companies Act, 1991	4,000,000,000	4,000,000,000
Minimum Capital Required (higher one of above)	4,000,000,000	4,000,000,000
G. Surplus equity (A-F)	12,029,279,833	9,963,371,525
15.1.1 Tier - I (Core Capital)		
Fund deposited with Bangladesh Bank	6,314,083,718	4,712,633,658
Statutory reserve	-	-
Retained Earnings	8,880,474,085	8,506,367,927
Actuarial gain / loss kept in books in Bangladesh	-	-
Sub-total	15,194,557,803	13,219,001,585
Amount deductible from CET I Capital (Regulatory		
Book value of Goodwill	-	-
Shortfall in provision required against classified assets irrespective of any	-	-
Deficit on account of revaluation of investment in AFS category	-	-
Any increase in equity capital resulting from a securitization transaction	-	-
Deferred tax assets	25,453,829	17,477,968
Investment in subsidiary	-	-
Other if any	-	-
Sub-total	25,453,829	17,477,968
Total eligible Tier - 1 Capital	15,169,103,974	13,201,523,617
15.1.2 Tier - II (Supplementary Capital)		
General Provision	860,175,859	761,847,908
Asset revaluation reserve	30,607,931	10,681,276
Preference Share	-	-
Perpetual Subordinated debt	-	-
Exchange Equalization Fund	-	-
Total eligible Tier - 2 Capital	890,783,790	772,529,184
Regulatory Adjustment		
Revaluation Reserve for Fixed Assets, Securities & Equity Securities	30,607,931	10,681,276
Total Admissible Tier-2 Capital	860,175,859	761,847,908
Total Regulatory Capital	16,029,279,833	13,963,371,525
15.2 Risk Weighted Assets (RWA)		
1. Investment (credit) Risk	19,892,827,536	18,722,222,316
(i) On-balance sheet	10,794,405,050	10,374,145,340
(ii) Off-balance sheet	9,098,422,486	8,348,076,977
2. Market Risk	266,258,204	294,906,880
3. Operational risk	4,114,006,882	3,553,600,561
	24,273,092,622	22,570,729,758
(Bank has determined the RWA and other BaselII data based on BD.Operations Financials)		
16 Retained earnings		
Balance at the beginning of the year	8,506,367,927	4,509,717,817
Add: Net Profit for the year	1,806,423,690	1,023,845,993
Add: Net Profit received from Off-share Banking Unit (OBU)	-	-
Add: Transferred to Startup Fund (as per BB instructions)	(10,238,459)	(10,013,686)
Add: Excess Revaluation Reserve Transfer to Profit & Loss Account	15,664,474	(11,730,537)
Add: Exchange Fluctuation	163,706,514	-
Add: Amount transferred from deposit kept with Bangladesh Bank for Capital and SLR Purpose/ (Release from Fund Deposit with Bangladesh Bank)	(1,601,450,060)	2,994,548,340
	8,880,474,085	8,506,367,927
	8,880,474,085	8,506,367,927



Hoda Vasi Chowdhury & Co

	31.12.2022 Taka	31.12.2021 Taka
17 Other reserve		
Balance at the beginning of the year	21,362,552	67,824,703
Add: Amortization gain on HTM securities during the year	61,215,863	-
	82,578,415	67,824,703
Less: Transferred to Profit & Loss Account at maturity	21,362,552	46,462,151
	61,215,863	21,362,552
Off-shore Banking Unit	-	-
	61,215,863	21,362,552
18 Contingent liabilities		
Acceptances and endorsements		
Letters of guarantee (Excluding Margin)	18.1 35,127,413,847	32,061,892,824
Irrevocable letters of credit (Excluding Margin)	18.2 1,622,424,804	3,851,176,516
Bills for collection	-	-
Other contingent liabilities	-	-
	36,749,838,651	35,913,069,340
18.1 Letter of guarantee		
Letter of Guarantee (Local)	-	-
Letter of Guarantee (Foreign)	-	-
Foreign counter Guarantee	36,154,490,313	32,061,892,824
	36,154,490,313	32,061,892,824
Less: Margin(cash)	1,027,076,466	144,535,000
	35,127,413,847	31,917,357,824
Balance for which the Bank is contingently liable in respect of guarantee issued favoring:		
Directors	-	-
Government	-	-
Bank and other financial institution	27,906,239,274	27,906,239,274
Others	-	-
	27,906,239,274	27,906,239,274
Less : Margin (cash)	1,027,076,466	144,535,000
	26,879,162,808	27,761,704,274
18.2 Irrevocable letter of credit		
Letter of Credit (Inland)	1,768,134,586	3,851,176,516
Letter of Credit (General)	-	-
Back to Back L/C	-	-
	1,768,134,586	3,851,176,516
Less: Margin	145,709,781	724,402,413
	1,622,424,804	3,126,774,103
18.3 Suit filed against the bank		
No law suit has been filed against the bank for which the Bank has contingent liabilities.		



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		2022 Taka	2021 Taka
19 Income statement			
Income			
Interest, discount and similar income	(Note-19.1)	931,622,180	510,090,038
Fees, commission and brokerage	(Note-19.2)	1,394,515,487	580,954,407
Gains less losses arising from investment securities		605,074,148	470,795,502
Income from non-banking assets		-	-
Other operating income	(Note-22)	116,547,526	87,433,112
Interest Income from Interbranch Call Money		(78,504,695)	53,003,569
		2,969,254,646	1,702,276,627
Expenses			
Interest, fees and commission	(Note-20)	307,421,414	267,908,978
Administrative expenses	(Note-19.3)	240,933,517	165,162,054
Other operating expenses		113,433,802	93,136,334
Depreciation on banking assets	(Note-28)	70,741,550	69,291,541
		732,530,283	595,498,907
Operating profit (DBU)		2,236,724,363	1,106,777,720
Operating profit (OBU)		873,672,623	874,800,836
		3,110,396,986	1,981,578,556
19.1 Interest, discount and similar income			
Interest on loans and advances	(Note 19.1.1)	607,120,163	510,090,038
Interest on money at call and short notice	(Note 19.1.2)	322,299,673	-
Interest on balance with other banks	(Note 19.1.3)	2,202,344	-
Interest on treasury bills & bonds		-	-
Interest on fixed deposits with other banks		-	-
Interest on other sundry income		-	-
		931,622,180	510,090,038
Add: Off-Shore Banking Unit		1,627,784,126	959,427,366
		2,559,406,306	1,469,517,404
19.1.1 Interest on loans and advances			
Cash Credits		244,999,580	231,342,054
Overdrafts		47,673,606	41,977,097
Demand Loan		754,311	5,005,461
Term Loan		313,692,665	231,765,426
		607,120,163	510,090,038
Add: Offshore Banking Unit		1,627,784,126	959,427,366
		2,234,904,289	1,469,517,404
19.1.2 Interest on Money at Call		322,299,673	-
		322,299,673	-
19.1.3 Interest on Balance With Other Bank		2,202,344	-
		2,202,344	-
19.2 Fees, commission and brokerage			
Fees		-	-
Commission		1,394,515,487	580,954,407
		1,394,515,487	580,954,407
20 Interest paid on deposits and borrowings etc.			
Interest on deposits			
Recurring Depos		7,839,636	10,777,262
Short Term Deposit (STD)		36,447,730	12,896,321
Savings		16,693,323	14,307,023
Term		246,440,725	229,928,372
		307,421,414	267,908,978
Interest on money at call and short notice		78,504,695	(53,003,569)
Interest on local bank accounts		-	-
		385,926,109	214,905,409
Add: Off-Shore Banking Unit		758,904,497	81,919,201
		1,144,830,606	296,824,610



Hoda Vasi Chowdhury & Co

		2022 Taka	2021 Taka
21 Investment income			
Interest on treasury bonds		605,074,148	326,460,159
Interest (discount) on treasury bills		-	141,479,440
Dividend income		-	2,855,903
		605,074,148	470,795,502
22 Commission, exchange and brokerage			
Commission for Guarantees		128,414,646	118,580,691
Commission for LC negotiation/amendment/advising		45,343,334	43,770,499
Commission for inward & outward remittances		24,416,783	11,864,972
Commission on Visa Processing		992,260,536	250,417,590
Commission for miscellaneous		17,479,088	6,936,292
Foreign exchange earnings		186,601,100	149,384,362
		1,394,515,487	580,954,407
Add: Off-Shore Banking Unit		15,145,299	6,038,962
		1,409,660,786	586,993,369
23 Other operating income			
Miscellaneous Income		116,547,526	87,433,112
Add: Off-Shore Banking Unit		-	-
		116,547,526	87,433,112
24 Operating expenses			
Salaries and allowances	24.1	145,716,544	101,108,484
Rent, taxes, insurance, electricity etc.	24.2	53,903,240	42,532,065
Legal expenses		700,006	586,386
Postage, stamps, telecommunication etc.	24.3	8,558,790	5,186,181
Stationery, printing, advertisement etc.	24.4	16,511,134	6,763,575
Auditors' fee	24.5	1,011,499	1,816,353
Depreciation on and repairs to bank's assets	24.6	14,532,305	7,169,011
		240,933,517	165,162,054
24.1 Salaries and allowances			
Basic Salary (B.S+H.R+CON)		98,691,797	78,395,324
Salary Casual Staff		30,144,367	12,160,300
Salary Leave Encash & Allowances		12,043,042	4,925,986
Provident Fund		4,837,339	5,626,873
		145,716,544	101,108,484
Add: Off-Shore Banking Unit		5,675,282	5,187,717
		151,391,826	106,296,201
24.2 Rent, taxes, insurance, electricity etc.			
Rent, rates & taxes		34,857,709	26,339,200
Insurance		11,110,153	10,705,326
Power & electricity		7,935,378	5,487,539
		53,903,240	42,532,065
Add: Off-Shore Banking Unit		560,053	483,701
		54,463,292	43,015,765
24.3 Postage, stamp, telecommunication etc.			
Postage & courier		7,046,140	3,108,150
Telephone-Office		1,512,651	2,078,031
		8,558,790	5,186,181
24.4 Stationery, printing, advertisement etc.			
Stationery & Printing		14,876,902	6,411,025
Advertisement Statutory		1,634,232	352,550
Advertisement Public Relation & Others		-	-
		16,511,134	6,763,575
24.5 Auditors' fee			
Auditors' Fee (Statutory Audit)		287,500	287,500
Auditors' Fee(Others)		723,999	1,528,853
		1,011,499	1,816,353



Hoda Vasi Chowdhury & Co

24.6 Depreciation on and repairs to bank's assets

A. Depreciation of property plant and equipments

Furniture & fixtures

Office equipments

IT hardware

Right of use asset (asset under lease)

2022 Taka	2021 Taka
3,448,614	3,530,459
3,500,100	3,737,590
10,014,335	8,244,993
53,778,500	53,778,500
70,741,550	69,291,541

B. Repairs & maintenance expenses

Transport Maintenance

Equipment Maintenance

Hardware & Software Maintenance

Premises Maintenance

-	-
14,532,305	7,169,011
-	-
14,532,305	7,169,011
85,273,855	76,460,552

24.7 Other expenses

Water Consumption

Traveling expenses

Halting allowance

Finance expense

Consultancy Fees

Computer expenses (including maintenance)

Petrol, Oil and Lubricants

Security

Membership subscription

Entertainment: canteen & other

News paper/Books

Conveyance Allowance

Finacle Expenses

Children Education

Clearing Expenses

Other Allowances

Office Maintenance

Charges Donation

Rentals Car/ Transportation Exp.

Training

Charges (Others)

Add: Off-Shore Banking Unit

837,948	475,541
712,016	241,947
457,005	195,258
1,967,322	1,967,322
-	-
40,360,219	29,216,398
1,791,766	1,239,272
13,346,440	7,480,913
6,863,707	7,615,237
6,239,618	2,868,033
1,246,565	1,556,139
-	-
3,729,343	3,047,248
892,090	1,017,560
-	-
15,323,135	5,957,513
-	-
2,855,665	12,372,693
5,819,799	4,132,692
1,008,564	391,805
9,982,601	13,360,762
113,433,802	93,136,334
4,116,970	3,074,874
117,550,772	96,211,208

25 Provisions

a) Provision on loans & advances

Provision made/ (adjusted) during the year for STD account

Specific Provision made during the year

Specific Provision made during the year (COVID-19)

Recoveries/Provision no longer required

21,178,078	(45,452,303)
(17,370,923)	69,831,139
(3,871,647)	2,645,567
-	-
(64,492)	27,024,404

b) Provision for Off Balance Sheet

Provision on LC & BG

Less: Recoveries/Provision no longer required

177,473,463	115,116,440
-	-
177,473,463	115,116,440

c) Total DBU Provision (a+b)

d) Total OBU Provision

e) Grand total (c+d)

177,408,971	142,140,844
(148,356,789)	16,979,009
29,052,182	159,119,853

Previous year provision for off balance sheet items was included with provision for loans & advances and shown in the profit and loss account grossly. Now we have rearranged the figures and shown separately to confirm the current year's presentation.



Hoda Vasi Chowdhury & Co

	2022 Taka	2021 Taka
26 Receipts from other operating activities		
SWIFT Charges	4,977,588	3,006,991
Interest Income from Local Banks / Recovery from Written Off	111,569,938	86,121,551
Service & Other Charges from Vostro	-	-
	116,547,526	89,128,542
Add: Off-Shore Banking Unit		
	116,547,526	89,128,542
27 Payment for other operating activities		
Rent, taxes, insurance, electricity etc.	(53,903,240)	(42,532,065)
Legal expenses	(700,006)	(586,386)
Postage, stamps, telecommunication etc.	(8,558,790)	(5,186,181)
Stationery, printing, advertisement etc.	(16,511,134)	(6,763,575)
Auditors' fee	(1,011,499)	(1,816,353)
Depreciation on and repairs to bank's assets	(85,273,855)	(76,460,552)
Other expenses	(113,433,802)	(93,136,334)
	(279,392,325)	(226,481,445)

28 Related party transactions

28.1 Transactions with key management personnel

The key management personnel of the Bank for the purposes of IAS 24 are defined as those persons having authority and responsibility for planning, directing and controlling the Bank, being members of the Board of Directors of the Group, Group Managing Directors, and close members of their families and companies they control, or significantly influence, or for which significant voting power is held.

State Bank of India, Bangladesh operations, not being incorporated locally, operate in Bangladesh under the Banking license issued by Bangladesh Bank and therefore, for this Bank, the key management personnel, who qualify as related party under IAS 24, refers to SBI officials located outside Bangladesh.

There were no transactions between the Bank and the key management personnel of the Bank in 2022 (2021 - nil).

28.2 Transactions with Nostro Accounts

Name of the Related Parties	Relationship	Transaction Nature	Balance as at 31.12.2022
SBI, Hongkong Operations	Inter Office	Treasury	19,843,250,000
State Bank of India, West Germany (FF)	Inter Office	Nostro	25,334,442
State Bank of India, London	Inter Office	Nostro	263,425
State Bank of India, New York	Inter Office	Nostro	691,579,655
State Bank of India, Japan	Inter Office	Nostro	971,645

SBI maintains interest bearing nostro accounts with other SBI branches. The disclosure of the year end balance is considered to be the most meaningful information to represent transactions during the year. As at year end, the balance with all nostro accounts are given in the Annexure E.

29 General

29.1 Exchange rates

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

		2022	2021
AUD	=	101.500	85.325
USD	=	101.500	85.325
GBP	=	122.689	115.118
EUR	=	107.819	96.746
JPY	=	0.766	0.744

29.2 Figures of previous year have been rearranged whenever considered necessary to conform to current year's presentation.

29.3 Figures appearing in these financial statements have been rounded off to the nearest Taka, unless otherwise indicated.

29.4 Verification of financial statements through Document Verification System (DVS)

As per BRPD Circular Letter No. 4/2021, it has been ensured that latest available audited financials are preserved in the credit file of all our clients. In addition to that as per BRPD Circular Letter No. 35/2021, we have been granted access in DVS by The Institute of Chartered Accountants of Bangladesh (ICAB) on 27-Oct-2021 post which we have implemented verification of financials through DVS for all our clients. During 2022, we have performed verification for all the clients and 90% or above of our clients have DVC in the financials.



2022 Taka	2021 Taka
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29.5 Creation of 'own Stat-up Fund' by Scheduled Banks through transferring 1% of the annual net profit

Pursuant to the SMESPD Circular no 4 dated 29 March 2021, Section 'Kha', all scheduled banks in Bangladesh are instructed to create own 'start-up fund' for disbursement of loan/investment (for Islamic banks) to 'start-up entrepreneurs'. As per the subsequent amendment through SMESPD Circular no 5 dated 26 April 2021, for five years from 2021 banks shall maintain start-up fund to disburse in favour of 'Start-up entrepreneurs' through mandatory transfer of 1% net profit as per the audited financial statements. It was also stated that during the finalization of annual financial statements 31 for the year ended 31 December 2020, 1% fund transfer from net profit shall mandatorily start. A new account heading named 'start-up fund' shall be created and disclosed in balance sheet under 'other liabilities'.

Loans/investments disbursed from bank's own start-up fund created above shall be subject to maximum simple interest/profit of 4% per annum.

As per the policy maximum tenure of loan/investment from start-up fund shall be 5 years and a grace period of maximum one year can be provided with repayments fixed on quarterly/annual basis. If the customer failed to repay loan/investment on timely basis it shall be classified as per the existing rules. However, the provision requirement is reduced to 5% for sub-standard, 20% for doubtful and 30% for bad/loss.

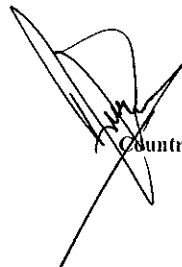
The Circular also required banks to prepare a specific policy for disbursement of loan/investment from own start-up fund in line with the start-up fund reimbursement policy of Bangladesh Bank and approved by the bank's board of

No further instruction has been issued in relation to the accounting of transactions (i.e. disbursement from the start-up fund and redemption of other liability). Until further instruction is received about the accounting of start-up fund, the Bank has assigned the required amount (1% of net profit) for the use as 'start-up fund' and subsequent disbursement to start-up entrepreneurs. This amount has been considered as appropriation through transfer from profit and loss account. Once further guideline is received on this matter the Bank will comply with those instructions which may result in reversal of the transaction recorded above.

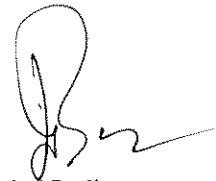
29.6 Cost savings initiatives of the Bank as per Bangladesh Bank guideline

Pursuant to BRPD Circular Letter No. 28 dated 26 July 2022 and BRPD Circular Letter No. 30 dated 27 July 2022, all schedule banks of Bangladesh are instructed to reduce expense at a certain percentage from the allocated amount. Categories of expenses fall under this requirement are expenses for fuel, electricity, entertainment, travelling, computer & accessories, electric equipment, furniture and other stationaries. SBI, Bangladesh operations has taken several initiatives such as rationing the usage of office space to reduce electricity cost, restricting entertainment expenses and travelling, reducing and deferring the expenses on computer and accessories which are not urgently required etc. The actual expense on the said categories are monitored on monthly basis to track the achieved savings against target. Amount of savings are reflected in the respective expense category of profit and loss statement of the Bank.

Dhaka, 26 February 2023



Country Head



Head of Credit



**State Bank of India
Bangladesh Operations
Domestic Banking Unit
Balance Sheet
As at 31 December 2022**

Particulars	Notes	31.12.2022 Taka	31.12.2021 Taka
PROPERTY AND ASSETS			
Cash	4	1,397,994,142	1,667,322,611
Cash in hand (Including foreign currency)		41,017,662	25,365,949
Balance with Bangladesh bank and its agent bank(s) (Including foreign currency)		1,356,976,480	1,641,956,662
Balance with other Banks and Financial Institutions	5	7,418,917,965	5,054,101,680
Inside Bangladesh		6,482,193,391	4,897,577,865
Outside Bangladesh		936,724,574	156,523,815
Money at call and short notice	6	150,000,000	250,000,000
Investments	7	11,979,216,917	10,031,498,058
Government		11,976,078,027	10,028,359,168
Others		3,138,890	3,138,890
Loans and advances	8	9,671,665,169	7,273,545,085
Loans, cash credit, overdrafts etc.		9,671,665,169	7,273,545,085
Bills purchased & discounted		-	-
Fixed assets including premises, furniture and fixtures	9	100,319,675	145,133,443
Other assets	10	792,272,626	481,633,291
Non-banking assets	11	-	-
Total Property and Assets		31,510,386,494	24,903,234,167
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	12	-	-
Deposit and other accounts	13	14,985,450,822	11,044,620,210
Current & other accounts		6,126,191,993	4,382,742,254
Savings deposits		902,705,987	834,448,762
Fixed deposits		5,883,307,280	4,808,296,714
Other deposits		2,073,245,563	1,019,132,480
Other liabilities	14	2,291,191,419	1,669,954,268
Total liabilities		17,276,642,241	12,714,574,478
Capital and shareholders' equity		14,233,744,253	12,188,659,690
Fund deposited with Bangladesh Bank	15	6,314,083,718	4,712,633,658
Surplus in profit and loss account/ Retained earnings	16	7,858,444,673	7,454,663,480
Other reserve	17	61,215,863	21,362,552
Total liabilities and shareholders' equity		31,510,386,494	24,903,234,167

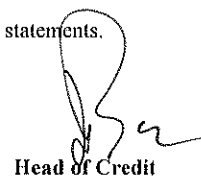


Hoda Vasi Chowdhury & Co

Particulars	Notes	31.12.2022 Taka	31.12.2021 Taka
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements		-	-
Letter of guarantee	18.1	35,127,413,847	32,061,892,824
Irrevocable letter of credits	18.2	1,622,424,804	3,851,176,516
Bills for collection		-	-
Other contingent liabilities		-	-
Total contingent liabilities		36,749,838,651	35,913,069,340
Other commitments			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other		-	-
Commitments- lease hold assets		-	-
Total other commitments		-	-
Total Off-Balance Sheet items including contingent liabilities		36,749,838,651	35,913,069,340

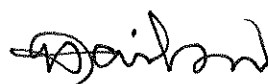
The annexed notes from 1 to 29 form an integral part of these financial statements.


Country Head


Head of Credit

This is the balance sheet referred to in our separate report of even date.

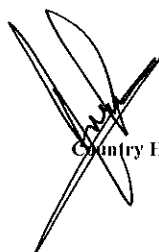
Dhaka, 26 February 2023
DVC No. 2302281512AS627057


Shaikh Hasibur Rahman, FCA
Partner
ICAB Enrollment No: 1512
Hoda Vasi Chowdhury & Co
Chartered Accountants

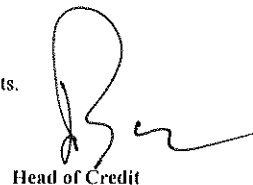


**State Bank of India
Bangladesh Operation
Domestic Banking Unit
Profit and Loss Account
For the year ended 31 December 2022**

Particulars	Notes	31.12.2022 Taka	31.12.2021 Taka
OPERATING INCOME			
Interest income	19.1	931,622,180	510,090,038
Interest paid on deposits and borrowing etc.	20	385,926,109	214,905,409
Net interest income		545,696,071	295,184,629
Investment income	21	605,074,148	470,795,502
Commission, exchange and brokerage	22	1,394,515,487	580,954,407
Other operating income	23	116,547,526	87,433,112
		2,116,137,161	1,139,183,020
Total operating income (a)		2,661,833,232	1,434,367,649
OPERATING EXPENSES	24		
Salaries and allowances	24.1	145,716,544	101,108,484
Rent, taxes, insurance, electricity etc.	24.2	53,903,240	42,532,065
Legal expenses		700,006	586,386
Postage, stamps, telecommunication etc.	24.3	8,558,790	5,186,181
Stationery, printing, advertisement etc.	24.4	16,511,134	6,763,575
Auditors' fee	24.5	1,011,499	1,816,353
Depreciation on and repairs to bank's assets	24.6	85,273,855	76,460,552
Other expenses	24.7	113,433,802	93,136,334
Total operating expenses (b)		425,108,869	327,589,929
Profit before provision (c=(a-b))		2,236,724,363	1,106,777,720
Provision against loans and advances			
Funded Loans and advances		3,807,154	24,378,836
Special Provision for COVID -19		(3,871,647)	2,645,567
Off balance sheet items		177,473,463	115,116,440
Total provision (d)	25	177,408,971	142,140,844
Profit before taxation (e=c-d)		2,059,315,393	964,636,876
Provision for taxation (f)			
Current tax expense	14.5	1,282,896,976	800,000,000
Deferred tax expense	10.1	(7,975,861)	(1,387,290)
Total provision for tax		1,274,921,115	798,612,710
Net profit after taxation (g=e-f)		784,394,278	166,024,166
Appropriations			
Statutory reserve		-	-
General reserve		-	-
Dividend etc.		-	-
Retained earnings		784,394,278	166,024,166



Country Head

The annexed notes from 1 to 29 form an integral part of these financial statements.


Head of Credit

This is the profit and loss account referred to in our separate report of even date.

Dhaka, 26 February 2023
DVC No. 2302281512AS627057


Shaikh Hasibur Rahman, FCA
Partner
ICAB Enrollment No: 1512
Hoda Vasi Chowdhury & Co
Chartered Accountants



**State Bank of India
Bangladesh Operations
Domestic Banking Unit
Cash Flow Statement
For the year ended 31 December 2022**

Particulars	Note	31.12.2022 Taka	31.12.2021 Taka
Cash flows from operating activities			
Interest receipts		1,523,350,993	878,125,990
Interest payment		(335,731,689)	(217,876,553)
Dividend received		-	2,855,903
Fees & commissions receipts		1,207,914,387	431,570,045
Received from loan write off recovery		113,047,275	66,115,987
Cash payments to employees		(145,716,544)	(101,108,484)
Cash payments to suppliers		(20,132,033)	(2,206,268)
Income tax paid		(250,000,000)	(856,655,730)
Receipts from other operating activities	26	116,547,526	89,128,542
Payment for other operating activities	27	(279,392,325)	(226,481,445)
Operating profit/(loss) before changes in operating assets & liabilities (i)		1,929,887,590	63,467,985
Change in operating assets and liabilities			
Loans & advances to customers		(2,398,120,085)	(156,462,749)
Other assets		(68,995,403)	(54,160,813)
Deposits from customers		3,940,830,612	1,557,565,268
Other liabilities		(698,210,586)	116,732,198
Cash generated from operating assets and liabilities (ii)		775,504,538	1,463,673,904
Net cash flow from operating activities (a)=(i)+(ii)		2,705,392,128	1,527,141,889
Cash flows from investing activities			
Payments for purchase of securities		(1,947,718,860)	(2,321,160,669)
Investment in prize bond		(245,500)	(1,000)
Purchase/sale of property, plant & equipment		-	406,304
Net cash (used in)/ flow from investing activities (b)		(1,947,964,360)	(2,320,755,365)
Cash flows from financing activities			
Receipts from Offshore Banking Unit		1,051,704,447	372,235,222
Net cash flow from in financing activities (c)		1,051,704,447	372,235,222
Net (decrease)/increase in cash and cash equivalents (a+b+c)		1,809,132,215	(421,378,253)
Effects of exchange rate changes on cash & cash equivalents		186,601,101	149,384,363
Cash and cash equivalents at the beginning of the year		6,971,441,791	7,243,435,680
Cash and cash equivalents at the end of the year (*)		8,967,175,107	6,971,441,791
(*) Cash and cash equivalents:			
Cash in hand		41,017,662	25,365,949
Prize bonds		263,000	17,500
Money at call on short notice		150,000,000	250,000,000
Balance with Bangladesh Bank and its agent bank(s)		1,356,976,480	1,641,956,662
Balance with other banks and financial institutions		7,418,917,965	5,054,101,680
		8,967,175,107	6,971,441,791

The annexed notes from 1 to 29 form an integral part of these financial statements.

Dhaka, 26 February 2023

Country Head

Head of Credit



State Bank of India
Bangladesh Operations
Domestic Banking Unit
Statement of Changes in Equity
For the year ended 31 December 2022

(Figures in Taka)

Particulars	Fund deposited with Bangladesh Bank	Other Reserve	Retained Earnings	Total Equity
Balance as of 01 January 2022	4,712,633,657	21,362,552	7,454,663,480	12,188,659,690
Net profit for the year (DBU)	-	-	784,394,278	784,394,278
Amortization gain on HTM Securities transferred to P&L	-	(21,362,552)	-	(21,362,552)
Amortization gain on HTM Securities	-	61,215,863	-	61,215,863
Fund utilized which were kept as Capital	1,601,450,060	-	(1,601,450,060)	-
Fund transferred to Start-up Fund Account (as per BB instructions)	-	-	(10,238,459)	(10,238,459)
Excess Revaluation Reserve Transfer to Profit & Loss Account	-	-	15,664,474	15,664,474
Exchange fluctuation of OBU retained profit	-	-	163,706,514	163,706,514
Last Year Profit Transferred from OBU Profit & Loss Account	-	-	1,051,704,447	1,051,704,447
Balance as of 31 December 2022	6,314,083,718	61,215,863	7,858,444,672	14,233,744,253

Balance as of 01 January 2021	7,707,181,998	67,824,703	3,943,599,974	11,718,606,675
Net profit for the year (DBU)	-	-	166,024,166	166,024,166
Amortization gain on HTM Securities transferred to P&L	-	(67,824,703)	-	(67,824,703)
Amortization gain on HTM Securities	-	21,362,552	-	21,362,552
Fund utilized which were kept as Capital	(2,994,548,340)	-	2,994,548,340	-
Fund transferred to Start-up Fund Account (as per BB instructions)	-	-	(10,013,686)	(10,013,686)
Excess Fund Transferred to Surplus Profit & Loss Account	-	-	(11,730,537)	(11,730,537)
Last Year Profit Transferred from OBU Profit & Loss Account	-	-	372,235,222	372,235,222
Balance as of 31 December 2021	4,712,633,657	21,362,552	7,454,663,480	12,188,659,690

Dhaka, 26 February 2023

Country Head

Head of Credit

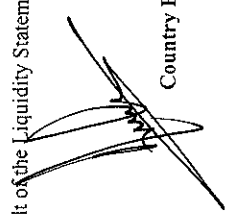
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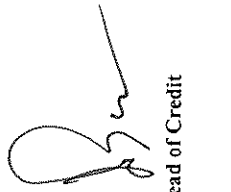


State Bank of India
Bangladesh Operations
Domestic Banking Unit
Liquidity Statement
(Assets & Liabilities Maturity Analysis)
For the year ended 31 December 2022

Particulars	0 - 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	Above 5 Years	Total
ASSETS						
Cash in hand	41,017,662	-	-	-	-	41,017,662
Balance with Bangladesh Bank	1,356,976,480	-	-	-	-	1,356,976,480
Balance with other bank, Other Banks and financial Institutions (Including foreign currencies)	964,417,965	6,454,500,000	-	-	-	7,418,917,965
Money at call and on short notice	150,000,000	-	-	-	-	150,000,000
Investments	263,000	767,712,395	47,556,833	11,160,545,799	3,138,890	11,979,216,917
Loans and advances	4,109,490,530	2,235,121,821	2,888,926,386	372,359,109	65,767,323	9,671,665,169
Fixed assets including premises, furniture & fixtures	-	-	-	-	100,319,675	100,319,675
Other assets	-	-	-	-	792,272,626	792,272,626
Non - banking assets	-	-	-	-	-	-
Total Assets	6,622,165,637	9,457,334,216	2,936,483,219	11,532,904,908	961,498,514	31,510,386,494
LIABILITIES						
Borrowings from Bangladesh bank, other Banks, financial institutions and agents	-	-	-	-	-	-
Convertible subordinated debts	-	-	-	-	-	-
Money at call and on short notice	-	-	-	-	-	-
Deposits & other accounts	3,810,800,144	3,296,799,181	7,128,578,956	749,272,541	-	14,985,450,822
Provision & Other Liabilities	2,291,191,419	-	-	-	-	2,291,191,419
Total liabilities	6,101,991,563	3,296,799,181	7,128,578,956	749,272,541	-	17,276,642,241
Amount of net liquidity difference	520,174,075	6,160,535,035	(4,192,095,737)	10,783,632,367	961,498,514	14,233,744,253

Net result of the Liquidity Statement represents the Shareholders' Equity of the Bank.


Country Head


Head of Credit

Dhaka, 26 February 2023

Hoda Vasi Chowdhury & Co

	31.12.2022 Taka	31.12.2021 Taka
4 Cash		
4.1 Cash in hand		
Local currency	36,176,169	20,740,977
Foreign currency	1,704,693	2,374,472
ATM cash balance	3,136,800	2,250,500
	41,017,662	25,365,949
Foreign currency balance with Bangladesh Bank includes (2022: USD 5,394,829.43 equivalent to BDT 547,575,187 and 2021: USD 5,646, 875.97 equivalent to BDT 481,819,692)		
4.2 Balance with Bangladesh bank and its agent bank(s)		
Local currency (Note: 4.2a)	809,401,293	1,160,136,970
Foreign currency (Note: 4.2b)	547,575,187	481,819,692
	1,356,976,480	1,641,956,662
Sonali Bank as agent of Bangladesh Bank (local currency)	-	-
	1,397,994,142	1,667,322,611
4.2a Local currency		
Lien with Bangladesh Bank	-	-
Free Balance with Bangladesh Bank	809,401,293	1,160,136,970
	809,401,293	1,160,136,970
4.2b Foreign Currency		
Lien with Bangladesh Bank	-	-
Free Balance with Bangladesh Bank	547,575,187	481,819,692
	547,575,187	481,819,692
Reconciliation with clearing accounts statement from Bangladesh Bank: There were no unidentified transactions appearing in the Bank's balances with Bangladesh Bank as at 31 December 2022. Transactions up to 24 October 2022 were completely adjusted. For the remaining balances, the unadjusted items have been identified and a reconciliation process is in place.		
4.3 Statutory deposits		
The Cash Reserve Requirement (CRR) and the Statutory Liquidity Requirement (SLR) are maintained in accordance with the section 25 and 33 of the Bank Companies Act 1991(Amended 2013) and subsequent BRPD Circular No. 11 & 12 dated 25 August 2005, MPD circular no. 02 dated 10 December 2013, MPD circular No. 01 dated 23 June 2014 & DOS Circular Letter No. 23 dated. 07.10.2018,MPD circular No. 03 dated 9 April 2020. Cash Reserve Requirement (CRR) and the Statutory Liquidity Requirement (SLR) and deposits there against with Bangladesh Bank at 31 December 2021 are as follows:		
The Cash Reserve Requirement on the Bank's Time and Demand liabilities at the rate of 4.0% (Bi-weekly) & 3.5% (on Daily) basis has been calculated and maintained with Bangladesh Bank and 13% Statutory Liquidity Ratio for conventional banking on the same liabilities has also been maintained in the form of Treasury Bills, and Bonds including FC balance with Bangladesh Bank. The status of the reserves maintained by the Bank are shown below:		
4.3.1 Cash Reserve Requirement (CRR)		
i. Daily Bank's CRR maintenance		
Required reserve DBU (3.5%) & OBU (1.5%) of total time & demand liabilities)	969,423,000	829,697,000
Actual reserve maintained	1,214,313,000	1,142,856,562
Surplus/(deficit)	244,890,000	313,159,562
Maintained (%) DBU	2.58%	2.80%
ii. Bi- Weekly bank's CRR maintenance		
Required reserve DBU (4%) & OBU (2%) of total time & demand liabilities)	1,204,313,000	1,034,002,000
Actual reserve maintained	1,214,313,000	1,142,856,562
Surplus/(deficit)	10,000,000	108,854,562
Maintained (%)	2.58%	2.80%
4.3.2 Statutory Liquidity Reserve (SLR)		
Required reserve DBU & OBU (13% of total time & demand liabilities)	6,107,128,000	5,311,933,000
Actual reserve maintained	12,069,425,370	10,173,198,450
Surplus/(deficit)	5,962,297,370	4,861,265,450
Maintained (%)	25.69%	24.90%
5 Balance with other banks and financial institutions		
Inside Bangladesh (Note: 5.1)	6,482,193,391	4,897,577,865
Outside Bangladesh (Note: 5.2)	936,724,574	156,523,815
	7,418,917,965	5,054,101,680
Details of balance held with banks and financial institutions outside Bangladesh are shown in Annexure-A.		
5.1 Balance with other banks and financial institutions (Inside Bangladesh)		
a) On demand deposit accounts (Current Account)		
Uttara Bank Limited	5,132,548	2,918,460
Bangladesh Bank-NPSB Settlement A/C	3,523,046	3,523,046
Standard Chartered Bank-ATM Visa Domestic Settlement A/C	4,377,474	1,603,710
Sonali Bank Limited	69,972	69,972
	13,103,040	8,115,188



Hoda Vasi Chowdhury & Co

On Short Term Deposit (STD) Accounts

Uttara Bank Limited
Standard Bank Ltd. Gulshan Branch

31.12.2022 Taka	31.12.2021 Taka
14,553,757	6,020,450
36,595	6,292,228
14,590,351	12,312,677
27,693,391	20,427,865

b) Term Placement (BDT)

Banking company

NCC Bank Limited (Term)
Mercantile Bank Limited (Term)
Jamuna Bank Ltd (Term)
Southeast Bank Limited (Term)
United Commercial Bank Limited
Dhaka Bank Limited (Term)
City Bank Limited (Term)
Prime Bank Limited (Term)
BRAC Bank Limited (Term)
One Bank Limited (Term)

900,000,000	500,000,000
300,000,000	200,000,000
780,000,000	650,000,000
300,000,000	400,000,000
500,000,000	
160,000,000	400,000,000
540,000,000	
640,000,000	-
	400,000,000
	450,000,000
4,120,000,000	3,000,000,000
2,334,500,000	1,877,150,000
6,482,193,391	4,897,577,865

c) Term Placement (USD)

Grand Total : (a+b+c)

* Details of Term Placements (BDT)

Sl. #	Bank/Financial Institute Name	Placement Amount	Placement Date	Maturity Date	ROI
01	NCC Bank Limited (Term)	500,000,000	25/10/22	24/01/23	
02	Mercantile Bank Limited (Term)	300,000,000	11/12/22	12/03/23	
03	NCC Bank Limited (Term)	400,000,000	10/11/22	09/01/23	
04	Jamuna Bank Ltd (Term)	300,000,000	04/12/22	05/03/23	
05	Southeast Bank Limited (Term)	300,000,000	12/12/22	12/01/23	
06	United Commercial Bank Limited	500,000,000	28/12/22	29/03/23	
07	Jamuna Bank Ltd (Term)	480,000,000	29/12/22	01/01/23	
08	Dhaka Bank Limited (Term)	160,000,000	29/12/22	01/01/23	
09	City Bank Limited (Term)	540,000,000	29/12/22	01/01/23	
10	Prime Bank Limited (Term)	640,000,000	29/12/22	01/01/23	
		4,120,000,000			

Term Placement (USD)

Banking company

Eastern Bank Ltd (Term)
The City Bank Limited (Term)
NCC Bank Limited (Term)
Placement to SBI OBU Operations

	2022	2021
	Amount (USD)	Amount (BDT)
	-	-
	-	-
	-	-
	23,000,000	2,334,500,000
	23,000,000	2,334,500,000
		1,877,150,000

(For conversion MID rate applied Dec 22@ 101.50 & Dec 21 @ 85.325)

Sl. #	Bank/Financial Institute Name	Placement Amount	Placement Date	Maturity Date	ROI
1	SBI OBU Operations	23,000,000	23/12/21	18/01/22	0.30%
		23,000,000.00			

5.2 Balance with other banks and financial institutions (Outside Bangladesh)

a. On demand deposit accounts

On demand deposit accounts (Non interest bearing)

State Bank of India, West Germany (FF)
State Bank of India, London
State Bank of India, New York
State Bank of India, Japan

25,334,442	18,552,279
263,425	1,655,382
691,579,655	77,243,450
971,645	1,406,574
718,149,167	98,857,685

On demand deposit accounts (Interest bearing)

JP Morgan Chase Bank
ACU Dollar Nostro A/C

153,518,752	43,934,764
65,056,655	13,731,366
218,575,407	57,666,130
936,724,574	156,523,815

5.2.1 Foreign currency wise break-up

Currency name	Amount in FC	Conversion Rate	31.12.2022 Taka	31.12.2021 Taka
US Dollar	8,967,045	101.5000	910,155,062	134,909,580
Great Britain Pound	2,157	122.1309	263,425	1,655,382
EURO	234,973	107.8186	25,334,442	18,552,279
Japanese Yen	1,276,968	0.7609	971,645	1,406,574
			936,724,574	156,523,815



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5.3 Maturity grouping of balance with other Bank's & Financial Statements

Up to 1 month
More than 1 month but less than 3 month
More than 3 month but less than 1 Year
More than 1 year but less than 5 years
More than 5 years

31.12.2022 Taka	31.12.2021 Taka
964,417,965	176,951,680
6,454,500,000	4,877,150,000
-	-
-	-
-	-
7,418,917,965	5,054,101,680

6 Money at call and short notice

Banking company
NCC Bank Limited
National Bank Ltd
The City Bank Limited

150,000,000	-
-	250,000,000
-	-
150,000,000	250,000,000

6.1 Maturity grouping of money at call and short notice

Up to 1 month
More than 1 month to 3 month
More than 3 month to 1 Year
More than 1 year to 5 years
More than 5 years

150,000,000	250,000,000
-	-
-	-
-	-
-	-
150,000,000	250,000,000

7 Investments

Government Securities
Other Investments

(Note: 7.1)
(Note: 7.2)

11,976,078,027	10,028,359,168
3,138,890	3,138,890
11,979,216,917	10,031,498,058
-	-
11,979,216,917	10,031,498,058

Off-Shore Banking Unit

Investment in securities are classified as follows:

Held to maturity
Other Investments

11,976,078,027	10,028,359,168
3,138,890	3,138,890
11,979,216,917	10,031,498,058

Treasury bills and treasury bonds has been pledged with Bangladesh Bank for Capital & SLR Purpose. Details of investments are given in Annexure-F.

7.1 Government securities

Treasury bills

30 day Treasury bills
91 day Treasury bills
182 day Treasury bills
364 day treasury bills

4,597,803,032	-
232,289,515	467,955,793
-	1,094,219,056
-	1,095,085,229
4,830,092,547	2,657,260,079

Treasury bonds

2 year Treasury Bonds
5 year Treasury Bonds
10 year Treasury Bonds
15 year Treasury Bonds
20 year Treasury Bonds

2,450,204,626	2,648,641,486
3,211,475,481	2,330,884,089
1,475,775,228	659,638,588
8,267,146	719,928,837
-	1,011,988,589
7,145,722,480	7,371,081,589

Prize bonds

263,000	17,500
11,976,078,027	10,028,359,168

7.2 Other investments

Quoted
Unquoted : Shares of Central Depository Bangladesh Limited (CDBL)

-	-
3,138,890	3,138,890
3,138,890	3,138,890

Particulars	No of Shares	31.12.2022 Taka	31.12.2021 Taka
Initial investment @ Tk.10	200,000	2,000,000	2,000,000
Purchase of Right share @ Tk.10	113,889	1,138,890	1,138,890
Bonus share @ Tk.10	828,472	-	-
	1,142,361	3,138,890	3,138,890

7.3 Maturity wise grouping of investment (Other than CDBL Shares)

Payable on demand
Below three months
Over three months but below one year
Over one year but below five years
Over five years

263,000	17,500
767,712,395	2,519,681,895
47,556,833	2,189,304,285
11,160,545,799	5,319,355,487
-	-
11,976,078,027	10,028,359,168



Hoda Vasi Chowdhury & Co

	31.12.2022 Taka	31.12.2021 Taka
8 Loans and advances		
a. Loans, Cash Credits, Overdrafts etc.:		
Overdrafts	494,120,853	610,219,644
Demand loans	4,870,806,800	3,417,674,007
Cash credit	3,124,942,296	2,394,062,879
House building loan	21,545,500	23,438,019
Transport loan	294,936,967	456,601,724
Term loans (Other)	10,127,427	29,035,742
Loan against trust receipts(cash credit)	539,423,359	22,318,072
Agricultural loan(cash credit)	286,413,619	286,403,695
Staff loans	29,348,347	33,791,303
(Note - 8.6)	9,671,665,169	7,273,545,085
b. Bills purchase & discount		
(Note - 8.15)	-	-
Total: (a+b)	9,671,665,169	7,273,545,085
8.1 Net loans and advances		
Gross loans and advances	9,671,665,169	7,273,545,085
Less: Interest suspense	11,845,046	13,374,878
Provision for loans & advances(Specific provision)	127,907,980	160,763,480
	9,531,912,144	7,099,406,727
8.2 Maturity wise grouping of loans and advances		
Repayable on demand	4,109,490,530	3,381,171,461
More than 1 months to 3 months	2,235,121,821	1,821,175,439
More than 3 months to 1 Year	2,888,926,386	1,649,146,459
More than 1 year to 5 years	372,359,109	357,477,730
More than 5 years	65,767,323	64,573,997
	9,671,665,169	7,273,545,085
8.3 Loans and advances under the following broad categories		
Inside Bangladesh		
Term Loans	285,471,016	449,737,268
Cash Credits	3,705,504,534	2,475,719,167
Overdrafts & Demand Loan & Agriculture Loan	5,651,341,272	4,314,297,346
Staff Loan	29,348,347.44	33,791,303
Bills purchase & discount	-	-
	9,671,665,169	7,273,545,085
Outside Bangladesh		
Term Loans	-	-
Cash credits	-	-
Overdrafts	-	-
	9,671,665,169	7,273,545,085
8.4 Geographical location wise portfolio grouping		
Inside Bangladesh		
Dhaka Division	7,202,428,103	5,760,388,199
Chittagong Division	2,450,123,163	1,489,432,876
Khulna Division	19,113,904	23,724,010
	9,671,665,169	7,273,545,085
All 3 (three) of our branches are located in urban areas. However, as we have obtained approval to open new branches in Bangladesh, we shall increase our loans and advances portfolio in rural areas of the country as well.		
8.5 Significant concentration wise grouping		
Staff		
Managing Director & CEO	-	-
Senior Executives	4,759,286	8,615,067
Others	24,589,061	25,176,236
	29,348,347	33,791,303
Industries		
i) Agricultural and Jute	286,413,619	286,403,695
ii) Readymade garments	31,558,379	24,590,919
iii) Textile	6,031,977	20,874,438
iv) Food & allied	186,259,222	184,525,242
v) Chemical	-	22,249,542
vi) Cement	274,696,006	273,667,255
vii) Rubber, Plastic, Printing Publishing & allied Industries	389,406,812	414,473,977
viii) Metal Products & Steel	1,578,315,602	562,892,875
ix) Household	-	-
x) IT based	144,568,784	143,432,693
xi) Other	5,906,920,895	3,660,540,795
	8,804,171,296	5,593,651,432



Hoda Vasi Chowdhury & Co

	31.12.2022 Taka	31.12.2021 Taka
Infrastructural		
i) Power	-	-
ii) Construction	113,850,428	130,494,585
iii) Transport	294,936,967	456,642,533
iv) Feed / Trade & Commerce	100,506,288	257,444,760
v) Others	-	-
	509,293,683	844,581,878
Consumers		
i) Commercial lending	-	-
ii) Household	4,103,345	6,383,371
iii) House building loan	38,658,788	23,438,019
iv) Small and medium enterprise	184,215,058	621,971,349
v) Non-banking financial institutions	51,331,721	51,331,721
vi) Others	50,542,931	98,396,012
	328,851,844	801,520,472
	9,671,665,169	7,273,545,085
8.6 Staff loan		
Overdraft Loan (Interest Bearing)	11,558,059	9,835,788
Overdraft Loan (Interest Free)	677,000	419,060
Car and motorcycle loan	-	-
House building Loan	17,113,288	23,536,455
	29,348,347	33,791,303
8.7 Detail of large loan		
Total capital of the Bank was Taka 15,249 million for BD. Operations as at 31 December 2022 (Taka 13240 million for BD. Operations as at 31 December 2021 respectively). Number of clients with amount outstanding and classification status to whom loans and advances sanctioned exceeds 10% of the total capital of the Bank are shown in Annexure-B.		
8.7.1 Restructured loan		-
There is no restructured loan during the year 2022 and 2021.		
8.8 Grouping as per classification rules		
Unclassified		
Standard including staff loan	9,521,333,664	7,145,872,538
Special Mention Account (SMA)	40,112,296	-
	9,561,445,960	7,145,872,538
Classified		
Sub standard	-	-
Doubtful	-	-
Bad / Loss	110,219,209	127,672,547
	110,219,209	127,672,547
	9,671,665,169	7,273,545,085
8.9 Loan type wise total loan		
Overdraft	494,120,853	610,219,644
Demand Loan	4,871,813,634	3,417,674,007
Term Loan	285,471,016	449,737,268
Cash Credit	3,990,911,319	2,762,122,862
Staff Loan	29,348,347	33,791,303
	9,671,665,169	7,273,545,085
8.10 Sector-wise allocation of loans and advances		
Agriculture, fishing, forestry and dairy firm	286,413,619	286,403,695
Industry (jute, textile, garments, chemicals, cements etc.)	312,286,361	110,526,085
Transport Operator Loan	294,936,967	456,642,533
Working capital financing	8,019,212,094	6,224,324,342
Small and cottage industries	614,179,343	33,639,725
Miscellaneous	144,636,786	162,908,705
	9,671,665,169	7,273,545,085
8.10.1 LOANS & ADVANCES(SME)		
Medium Term Loan Account (Debit Balance)	3,579,030	18,699,882
Demand Loan Account	1,773,037,871	1,527,664,642
Cash credit account debit balance	621,712,775	634,611,437
Current account debit balance	165,532,846	326,251,202
	2,563,862,523	2,507,227,163



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LOANS & ADVANCES(NON-SME)

Medium Term Loan Account (Debit Balance)
Demand Loan Account
Cash credit account debit balance
Current account debit balance
Bills of Exchange

31.12.2022 Taka	31.12.2021 Taka
1,034,220,557	454,573,842
3,098,775,763	1,891,435,259
2,480,900,611	2,126,504,591
493,905,716	293,804,230
-	-
7,107,802,647	4766317922
9,671,665,169	7,273,545,085

8.11 Securities wise classification of loans/advances including bills purchase and discount

Collateral of moveable/immoveable assets
Nonbanking financial institutions guarantee
Local banks/foreign banks guarantee
Export documents
Cash and quasi cash
Personal guarantee
Other securities

6,382,130,261	4,416,245,792
51,331,721	51,331,721
339,725,433	334,659,344
-	-
49,865,931	103,934,013
703,826	-
2,847,907,997	2,367,374,215
9,671,665,169	7,273,545,085

8.12 Particulars of required provision for loans and advances

Provision required for unclassified loans and advances

Status	Outstanding	Base for provision	Rate (%)	Required provision December 2022	Required provision December 2021
All unclassified loans (Other than Small & Medium enterprise Financing, Consumer Financing, BHs/MBs/SDs, Housing & loans for professional)	6,717,312,636	6,717,312,636	1%	73,071,866	43,684,942
Small & Medium enterprise financing	2,464,862,738	2,464,862,738	0.25%	7,292,020	6,077,216
Housing & loan for professional	21,545,500	21,545,500	1%	351,566	234,380
Consumer finance	1,850,824	1,850,824	2%	45,722	57,180
Special Mentioned Account	40,112,296	40,112,296	0%	100,281	-
Short-term Agriculture Loan	286,413,619	286,413,619	1.0%	2,864,136	2,864,037
Staff Loan	29,348,347	29,348,347	0%	-	-
Total	9,561,445,960	9,561,445,960	N/A	83,725,590	52,917,755

Specific provision (COVID-2019)

Status	Outstanding	Base for provision	Rate (%)	Required provision December 2021	Required provision December 2020
Standard Loan (for deferral benefits)	581,094,195	581,094,195	1.5% / 2%	11,045,065	11,045,065

Provision required for off-balance sheet items (General Provision)

Name of Exposure	Outstanding	Rate (%)	Required provision December 2022	Required provision December 2021
Acceptances and endorsements	-	1%	-	-
Letter of guarantees	36,154,490,313	Basel	488,724,062	289,999,180
Irrevocable letter of credits	1,768,134,586	1%	17,681,346	38,511,765
Total	37,922,624,899		506,405,408	328,510,945

Total required provision for unclassified assets (including off-balance sheet items)

Provision maintained for unclassified assets (including off-balance sheet items)

Excess/(Short) provision at 31 December 2021

590,130,998	392,473,765
647,549,236	458,390,670
57,418,237	65,916,904

Provision required for classified loans & advances (Specific provision)

Status	Outstanding	Base for provision	Rate	Required provision December 2022	Required provision December 2021
Sub-standard	-	-	20%	-	-
Doubtful	-	-	50%	-	-
Bad/Loss	110,219,209	53,459,720	100%	53,459,720	61,826,996
Total	110,219,209	53,459,720		53,459,720	61,826,996



Hoda Vasi Chowdhury & Co

	31.12.2022 Taka	31.12.2021 Taka
Total provision maintained for classified assets:		
Sub Standard	-	-
Doubtful	-	-
Bad/loss	99,445,614	160,763,480
	99,445,614	160,763,480
Excess/(Short) of provision	45,985,894	98,936,484
8.13 Particulars of loans and advances		
i) Debts considered good in respect of which Bank is fully secured	389,591,364	103,934,013
ii) Debts considered good for which Bank holds no other security than the debtor's personal security	2,956,348	3,524,359
iii) Debts considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtors	9,279,117,457	7,166,086,713
iv) Debts adversely classified; for which no provision is created	-	-
	9,671,665,169	7,273,545,085
v) Debts due by directors or officers of the banking company or any of these either separately or jointly with any other persons	-	-
vi) Debts due by companies or firms in which the directors or officers of the bank are interested as directors, partners or managing agents or in case of private companies as members	-	-
vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking companies or any of them either separately or jointly with any other person	-	-
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 interest as directors, partners or managing agents or in case of private companies, as members	-	-
ix) Due from banking companies	-	-
x) Amount of Classified loans on which interest has not been charged should be mentioned as follows:	-	-
a) Increase/decrease of provision (specific) amount of debts written off amount realized against loan previously written off	-	-
b) Amount of provision kept against loan classified as "bad/loss" on the date of preparing the balance sheet	99,445,614	126,679,786
c) Interest creditable to the Interest Suspense a/c	11,845,045	13,374,878
xi) Cumulative amount of the written off loan and the amount written off during the current year should be shown separately. The amount of written off loan for which lawsuit has been filed should also be mentioned	-	-
- Current year	16,477,337	-
- Cumulative to date(After recovery of Taka 225,000)	1,174,368,396	1,157,891,059
xii) The amount of written off loans for which law suit filed	1,174,368,396	1,157,891,059
8.14 Suit filled by the bank (branch wise)		
Dhaka Region	556,945,037	590,819,239
Chittagong Region	614,595,293	694,744,366
	1,171,540,330	1,285,563,605
8.15 Bill Purchased & discounted under the following		
Inside Bangladesh	-	-
Outside Bangladesh	-	-
	-	-
8.16 Maturity wise grouping of bill purchased & discounted		
Payable within 1 month	-	-
Over 1 month but less than 3 months	-	-
Over 3 months but less than 6 months	-	-
6 months and more	-	-
	-	-
8.17 Write off of loans & advances		
Balance at the beginning of the year	1,157,891,059	1,224,007,045
Add: Write off during the year	16,477,337	-
	1,174,368,396	1,224,007,045
Less: Recovery of Write off loans	113,047,275	66,115,987
	1,061,321,121	1,157,891,059
Details are given in Annexure-G		



	31.12.2022 Taka	31.12.2021 Taka
8.18 Cash Incentive for Good Borrower		
As per Bangladesh bank circular the bank has completed the formalities. During the year December 2022 Bank has not found any borrower who has comply the Bangladesh Bank circulars to get "Cash Incentive for good borrower" due to non-compliance the sanction terms and condition.		
8.19 Provision for other Assetes		
Maturity of other asset within one year. So there are not required charge any provision.		
9 Fixed assets including premises, furniture and fixtures		
A. Cost		
Opening balance	537,952,853	532,461,960
Add: Adjustment for implementation of IFRS-16 (asset under right to use)	-	-
Adjusted opening balance	537,952,853	532,461,960
Add: Addition during the year	25,927,782	8,002,016
	563,880,634	540,463,977
Less: Disposal/adjustment during the year	-	2,511,124
	563,880,634	537,952,853
B. Accumulated Depreciation		
Opening balance	392,819,410	323,527,868
Add: Charged during the year	70,741,550	69,291,541
	463,560,960	392,819,410
Less: Disposal/adjustment during the year	-	-
	463,560,960	392,819,410
Written down value (A-B)	100,319,675	145,133,443
A schedule of Fixed Assets is given in Annexure C.		
The Bank adopted IFRS 16: <i>Leases</i> from the year under reporting and Adjustment for implementation of IFRS-16 (asset under right to use) represents impact of such implementation regarding assets under right to use (asset under lease.)		
10 Other assets		
Income generating other assets		
Interest receivable on treasury bond	124,387,630	127,386,729
Dividend receivable From CDBL	-	2,284,722
Interest receivable on Inter Bank Call Money	49,225,949	30,596,793
	173,613,579	160,268,244
Non-income generating other assets		
Stationery, stamps, printing materials etc.	2,750,786	11,370,917
Advance rent and advertisement	49,992,698	35,317,824
Memento Coin	-	-
Deferred tax asset (Note 10.1)	25,453,829	17,477,968
Excise duty	8,512,254	6,438,855
Inter Branch lending (FC)	-	-
Advance Payment of Income Tax (Note 10.2)	531,920,514	250,571,181
ISO Reconciliation	28,965	288
Miscellaneous Assets	-	188,016
Receivables from OBU	-	-
	618,659,046	321,365,048
	792,272,625	481,633,291
Maturity Grouping of other Assets		
Less than 1 (one) year	742,279,927	446,315,468
Within 1 (one) year	49,992,698	35,317,824
More than 1 Year	-	-
	792,272,626	481,633,291
10.1 Deferred tax Asset		
Deferred tax is provided using the liability method for timing differences arising between the tax base of assets and liabilities and their carrying values for reporting purposes as per International Accounting Standard (IAS) 12.		
Deferred tax Asset on Fixed Assets (Note 10.1.1)	7,716,543	1,380,098
Deferred tax assets on Right of Use (ROU) Assets (Note 10.1.2)	17,737,286	16,097,870
	25,453,829	17,477,968
10.1.1 Deferred tax Asset on Fixed Assets		
Opening balance	1,380,098	1,632,224
Deferred tax (expense)/income during the year	6,336,445	(252,126)
	7,716,543	1,380,098



Particulars	Accounting Base	Tax Base	Temporary Difference
Right of Use (ROU) Assets	22,268,488	-	22,268,488
Lease Liability	(66,611,702)	-	(66,611,702)
	(44,343,214)	-	(44,343,214)
Tax rate			40%
Deferred tax Assets as at 31 December 2021			(17,737,286)
Deferred tax assets as at 31 December 2021			(14,458,454)
Deferred tax assets as at 31 December 2022			(17,737,286)
Deferred tax income for the year 2021			3,278,832

Balance at the beginning of the year	250,000,000	335,227,847
Add: Addition during the year	531,920,514	771,427,883
	781,920,515	1,106,655,730
Less: Paid during the year	250,000,000	856,655,730
	531,920,514	250,000,000

No-non-banking assets acquired against those claims are under the possession of the bank. State Bank of India, Bangladesh Operations has not acquired any such assets as on 31 December 2021.

80	81
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Local currency		
Current & other accounts	3,573,386,735	2,499,271,395
Bills payable	221,108,987	383,978,039
Saving deposits	902,705,987	834,448,762
Fixed deposits	5,883,307,280	4,808,296,714
Short term deposit	1,828,856,707	628,932,076
Other deposits (Loan Account Credit Balance)	667,571	4,973,208
	12,410,033,266	9,159,900,194
Foreign currency		
Current & other accounts	2,552,805,258	1,883,470,859
Other deposits	22,612,298	1,249,158
	2,575,417,556	1,884,720,017
	14,985,450,822	11,044,620,211

Current deposit	3,573,386,735	2,499,271,395
Saving deposit (10%)	90,270,599	83,444,876
Foreign currency deposit	2,552,805,258	1,883,470,859
Short term deposit	1,828,856,707	628,932,076
Other demand deposit-local currency	221,776,558	388,951,247
Other demand deposit-foreign currency	22,612,298	1,249,158
	8,289,708,154	5,485,319,610

Saving deposit (90%)	812,435,388	751,003,886
Fixed deposit	5,883,307,280	4,808,296,714
Foreign currency deposit	-	-
Short term deposit	-	-
	<u>6,695,742,668</u>	<u>5,559,300,600</u>
	14,985,450,822	11,044,620,210

Payable on demand		
Payable within 1 month	3,810,800,144	3,575,554,798
Over 1 month but within 3 months	3,296,799,181	1,373,952,781
Over 3 month but within 1 year	7,128,578,956	4,086,508,621
Over 1 year but within 5 years	749,272,541	2,008,604,010
Over 5 years	-	-
	14,985,450,822	11,044,620,210

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14 Other liabilities

Inter Branch	
Fixed Deposit interest account	
Provision on loans and advances	(Note-14.1)
Interest Suspense Account	(Note-14.3)
Withholding tax payable (payable on interest)	(Note-14.4)
Provision for current taxation	(Note-14.5)
Lease obligation	(Note-14.6)
Provision for Startup Fund	
Provision for audit fees	
Interest Payable on Call Money	
Other Provision	

31.12.2022 Taka	31.12.2021 Taka
248	-
89,688,294	59,747,543
746,994,850	585,070,455
11,845,046	13,374,878
2,141,475	2,164,031
1,325,358,077	861,969,545
66,611,702	110,495,914
20,252,146	10,013,686
287,500	287,500
1,523	14,651,636
28,010,559	12,179,081
2,291,191,419	1,669,954,268

14.1 Provision for loans and advances

Provision for loans and advances is created for covering the bank for possible loan losses in the future. General provision is made on outstanding loans and advances without considering the quality of loans and advances according to the prescribed rate of Bangladesh Bank. Classified loans and advances of the banks are categorized as sub-standard, doubtful and bad/loss as per guidelines of the Bangladesh Bank. Provisions are made for NPAs as per the extant guidelines prescribed by Bangladesh Bank and RBI guideline which one is more stringent.

a. General (For more details 13.2)

Balance at the beginning of the year
Add: Provision made/(written back) during the year

413,261,910	343,597,772
198,651,541	69,664,138
611,913,451	413,261,910

b. Special Provision for COVID-19

Balance at the beginning of the year
Add: Provision made/(written back) during the year

11,045,065	8,399,498
(3,871,647)	2,645,567
7,173,419	11,045,065

c. Specific

Balance at the beginning of the year
Add: Provision made during the year
Less: Recoveries and provision no longer required
Less: Write off during the year

160,763,480	90,932,341
	69,831,139
17,370,923	-
15,484,576	-
127,907,980	160,763,480
746,994,850	585,070,455

Net actual provision at the end of year (a+b+c)

14.2 a. General Provisions for UC Loans & Advance and off balance sheet items

Provision for off-balance sheet items is made as per BRPD circular No. 8 of 7 August 2007 and 18 September 2007 for covering the bank for possible losses on off-balance sheet items in the future. Provision amount is included in the General Provision for standard assets. Details movement of provision for Off-balance sheet items is as follows:

i. General Provision for Loans & Advance

Balance at the beginning of the year
Add: Provision made/ (adjusted) during the year

66,823,806	101,231,043
17,306,431	(34,407,237)
84,130,237	66,823,806

ii. General Provision for Off Balance Sheet Exposure

Balance at the beginning of the year
Add: Provision made/ (adjusted) during the year

357,483,170	242,366,730
177,473,463	115,116,440
534,956,633	357,483,170
619,086,869	413,261,910

Total General Provision a (i+ ii)

14.3 Interest suspense

Classified loans and advances of the banks are categorized as sub-standard, doubtful and bad/loss as per guidelines of the Bangladesh Bank. Interest accrued on Sub-Standard (SS), doubtful and bad/loss loans is recorded as 'interest suspense' and not taken to income. This interest is recognized as income as and when it is realized in cash by the bank.

Balance at the beginning of the year
Add: Amount transferred during the year

13,374,878	12,680,576
-	694,301
13,374,878	13,374,878

Add: Charge during the year

5,539,609	-
18,914,487	13,374,878

Less: Amount of interest suspense recovered

(7,069,441)	-
11,845,046	13,374,878

14.4 Withholding tax payable

Balance at the beginning of the year
Add: Addition during the year

2,164,031	641,487
819,508,444	164,023,609
821,672,475	164,665,096

Less: paid during the year

819,531,000	162,501,065
2,141,475	2,164,031



Hoda Vasi Chowdhury & Co

14.5 Provision for current taxation

Provision for Income Tax has been made according to the Income Tax Ordinance, 1984. During the year, an amount of Tk. 1,282,896,976.00 has been provided for current Income Tax.

Balance at the beginning of the year
Add: Provision made during the year

Less: Adjustment with adv tax

31.12.2022 Taka	31.12.2021 Taka
861,969,545	833,397,428
1,282,896,976	800,000,000
2,144,866,521	1,633,397,428
819,508,444	771,427,883
1,325,358,077	861,969,545

Provision for current tax of has been made at 40% as prescribed by The Finance Act 2022 on the accounting profit made by the Bank after considering add backs and deductions as per Income Tax Ordinance and Rules 1984 and in compliance with paragraph 46 of IAS 12: Income Taxes. The tax authorities have audited the Bank's tax returns for various accounting years whereby they have demanded an additional amounts of tax. The Bank has challenged these demand as it believes the tax authority's position is unjustified

Details are given in Annexure-D.

14.6 Lease obligation

Opening balance

Add: Addition during the year

Less: Advance adjustment

Payment made during the year

Add: Interest expense

110,495,914	154,380,125
5,795,748	5,795,748
116,291,662	160,175,874
-	-
51,647,282	51,647,282
64,644,380	108,528,592
1,967,322	1,967,322
66,611,702	110,495,914

15 Equity

The Bank's approach to capital management is driven by a desire to maintain a strong capital base to support the development of its business, to meet the regulatory capital requirements at all times and maintain good credit rating.

15.1 Fund deposited with Bangladesh Bank

Securities lien with Bangladesh Bank

Less: Transferred to Retained Earnings

Add: Fund Transferred from Retained Earning

4,712,633,658	7,707,181,998
1,601,450,060	(2,994,548,340)
-	-
6,314,083,718	4,712,633,658



31.12.2022	31.12.2021
Taka	Taka

Capital requirements for the banks at a local level are set and maintained by Bangladesh Bank. The capital that the Bank is required to hold is determined by its balance sheet and off balance sheet positions in accordance with guidelines and various circulars on risk based capital adequacy, subject to a minimum threshold. These are explained in greater details in note 14.1 below. The Bank has

As per section 13(4) of the Bank Company (amendment) Act, 2013, BRPD circular no. 11 dated 14 August 2008 and BRPD circular no. 18 dated 21 December 2014, the required value of the capital and reserves of the Bank at the close of the business on 31 December 2022 is Tk. 4,000,000,000 or 10% of risk weighted assets whichever is higher. Accordingly the required value of the capital and reserves of the Bank at the close of the business on 31 December 2022 was Tk. 4,499,437,593 (2021: Tk. 4,079,632,298). The Bank's capital was greater than the amount required above. Details of securities Encumbered / Unencumbered with Bangladesh Bank is shown in Annexure-F.

15.2 Capital adequacy as per Basel - III

The Bank's approach to capital management is driven by a desire to maintain a strong capital base to support the development of its business, to meet regulatory capital requirements at all times and to maintain good credit ratings. Compliance with capital adequacy regulations Capital requirements for the Bank at a local level are set and monitored by Bangladesh Bank. The capital that the Bank is required to hold is determined considering its balance sheet and off-balance sheet positions in accordance with guidelines on risk based capital adequacy.

The Bank's capital structure consists of Tier I and Tier II capital which is aligned with regulatory capital structure. Tier I capital is further categorized as Common Equity Tier I (CET1) and Additional Tier I capital. The computation of the amount of Common Equity Tier I, Additional Tier I and Tier II capital shall be subject to the following conditions:

- The Bank has to maintain at least 4.50% of total Risk Weighted Assets (RWA) as Common Equity Tier I capital.
- Tier I capital will be at least 6.00% of the total RWA.
- Minimum Capital to Risk-weighted Asset Ratio (CRAR) will be 10% of the total RWA.
- Additional Tier I capital can be maximum up to 1.5% of the total RWA or 33.33% of CET I, whichever is higher.
- Tier II capital can be maximum up to 4% of the total RWA or 88.89% of CET I, whichever is higher.
- In addition to minimum CRAR, Capital Conservation Buffer (CCB) @ 2.5% of the total RWA will be maintained in the form of CET I in a phased manner from 2016 to 2021.

Regulatory capital

1. Tier-1 (Core capital)	(Note 15.2.1)	15,169,103,974	10,205,587,987
2. Tier-2 (Supplementary capital)	(Note 15.2.2)	860,175,859	761,847,908
A. Total regulatory Capital (1+2)		16,029,279,833	10,967,435,895
B. Total Risk Weighted Assets (RWA)	(Note 15.2.3)	24,273,092,622	22,570,729,758
C. Total (including Tier II) required is 10%		66.04%	48.59%
D. Common Equity Tier I of at least @ 4.5% of the total RWA		62.49%	45.22%
E. Tier I capital will be at least @ 6% of tota		62.49%	45.22%
F. Minimum Capital Requirement (MCR)			
10 % of RWA		2,427,309,262	2,257,072,976
As per The Bank Company Act, 1991		4,000,000,000	4,000,000,000
Minimum Capital Required (higher one of above)		4,000,000,000	4,000,000,000
G. Surplus equity (A-F)		12,029,279,833	6,967,435,895

15.2.1 Tier - I (Core Capital)

Fund deposited with Bangladesh Bank	6,314,083,718	1,718,085,317
Statutory reserve	-	-
Retained Earnings	8,880,474,085	8,487,174,827
Actuarial gain / loss kept in books in Bangladesh	-	-
Sub-total	15,194,557,803	10,205,260,144

Amount deductible from CET I Capital (Regulatory Adjustments)

Book value of Goodwill	-	-
Shortfall in provision required against classified assets irrespective of any relaxation	-	-
Deficit on account of revaluation of investment in AFS category	-	-
Any increase in equity capital resulting from a securitization transaction	-	-
Deferred tax assets	25,453,829	(327,843)
Investment in subsidiary	-	-
Other if any	-	-
Sub-total	25,453,829	(327,843)
Total eligible Tier - I Capital	15,169,103,974	10,205,587,987

15.2.2 Tier - II (Supplementary Capital)

General Provision	860,175,859	761,847,908
Asset revaluation reserve	30,607,931	10,681,276
Preference Share	-	-
Perpetual Subordinated debt	-	-
Exchange Equalization Fund	-	-
Total eligible Tier - 2 Capital	890,783,790	772,529,184



	31.12.2022 Taka	31.12.2021 Taka
Regulatory Adjustment		
Revaluation Reserve for Fixed Assets, Securities & Equity Securities	30,607,931	10,681,276
Total Admissible Tier-2 Capital	860,175,859	761,847,908
Total Regulatory Capital	16,029,279,833	10,967,435,895
(Current year Basel is prepared Bangladesh Operations as a whole)		
15.2.3 Risk Weighted Assets (RWA)		
1. Investment (credit) Risk	19,892,827,536	18,722,222,316
(i) On-balance sheet	10,794,405,050	10,374,145,340
(ii) Off-balance sheet	9,098,422,486	8,348,076,977
2. Market Risk	266,258,204	294,906,880
3. Operational risk	4,114,006,882	3,553,600,561
	24,273,092,622	22,570,729,758

(Bank has determined the RWA and other Basel data based on BD.Operations Financials)

16 Surplus in profit and loss account/ retained earnings

Balance at the beginning of the year	7,454,663,480	3,943,599,974
Add: Net Profit for the year	784,394,278	166,024,166
Add: Net Profit received from Off-shore Banking Unit (OBU)	1,051,704,447	372,235,222
Add: Transferred to Startup Fund (as per BB instructions)	(10,238,459.28)	(10,013,686)
Add: Excess Revaluation Reserve Transfer to Profit & Loss Account	15,664,474	(11,730,537)
Add: Exchange fluctuation of retained profit (USD)	163,706,514	-
Less Prior Year Adjustment(Deferred Tax)	-	-
Add: Amount transferred from deposit kept with Bangladesh Bank for Capital and SLR Purpose/ (Release from Fund Deposit with Bangladesh Bank) (Note:15)	(1,601,450,060)	2,994,548,340
	7,858,444,673	7,454,663,480

The profit and loss account as at 31 December 2022 includes non-distributable profit which is equivalent to accumulated Workers Profit Participation Fund (WPPF) contribution if applicable since 2013. However, WPPF is not permissible as per Bank Companies Act, 1991; but it is a requirement of Bangladesh Labour Act. The banking industry is of the view that WPPF should not be applicable for banks. The Ministry of Finance has expressed its support for this view to the Ministry of Labour. Bangladesh Bank, as well as the Ministry of Finance, has requested the Ministry of Labour to take necessary steps to resolve the matter. Until this matter is resolved, Bangladesh Bank has advised the Bank to earmark the equivalent amount from retained earnings.

17 Other reserve

Balance at the beginning of the year	21,362,552	67,824,703
Add: Amortization gain on HTM securities during the year	61,215,863	-
	82,578,415	67,824,703
Less: Transferred to Profit & Loss Account at maturity	21,362,552	46,462,151
	61,215,863	21,362,552
Off-shore Banking Unit	-	-
	61,215,863	21,362,552

18 Contingent liabilities

There are no material contingent liabilities at the year end, other than those disclosed as "Off Balance Sheet Items" in the balance sheet and detailed in notes below.

Acceptances and endorsements

Letter of guarantee(Excluding Margin)	(Note 18.1)	35,127,413,847	31,937,241,758
Irrevocable letter of credits(Excluding Margin)	(Note 18.2)	1,622,424,804	3,126,774,103
Bills for collection		-	-
Other contingent liabilities		-	-
		36,749,838,651	35,064,015,861

18.1 Letter of guarantee

Letter of Guarantee (Local)	-	-
Letter of Guarantee (Foreign)	-	-
Foreign counter Guarantee	36,154,490,313	32,061,892,824
	36,154,490,313	32,061,892,824
Less: Margin(Cash)	1,027,076,466	124,651,066
	35,127,413,847	31,937,241,758
Balance for which the Bank is contingently liable in respect of guarantee issued favoring		
Directors	-	-
Government	-	-
Bank and other financial institution	36,154,490,313	32,061,892,824
Others	-	-
	36,154,490,313	32,061,892,824
Less : Margin(Cash)	1,027,076,466	-
	35,127,413,847	32,061,892,824



Hoda Vasi Chowdhury & Co

18.2 Irrevocable letter of credit

Letter of Credit (Inland)
Letter of Credit (General)
Back to Back L/C

Less: Margin

31.12.2022 Taka	31.12.2021 Taka
1,768,134,586	3,851,176,516
-	-
-	-
1,768,134,586	3,851,176,516
145,709,781	724,402,413
1,622,424,804	3,126,774,103

18.3 Suit filed against the bank : No law suit has been filed against the bank for which the Bank has contingent liabilities.



Hoda Vasi Chowdhury & Co

		2022 Taka	2021 Taka
19 Income statement			
Income			
Interest, discount and similar income	(Note-19.1)	931,622,180	510,090,038
Fees, commission and brokerage	(Note-19.2)	1,394,515,487	580,954,407
Gains less losses arising from investment securities		605,074,148	470,795,502
Income from non-banking assets		-	-
Other operating income	(Note-24)	116,547,526	87,433,112
Interest Income from Interbranch Call Money		(78,504,695)	53,003,569
		<u>2,969,254,646</u>	<u>1,702,276,627</u>
Expenses			
Interest, fees and commission	(Note-20)	307,421,414	267,908,978
Administrative expenses	(Note-20.1)	240,933,517	165,162,054
Other operating expenses	(Note-30)	113,433,802	93,136,334
Depreciation on banking assets	(Note-28)	70,741,550	69,291,541
		<u>732,530,283</u>	<u>595,498,907</u>
Operating profit		<u>2,236,724,363</u>	<u>1,106,777,720</u>
19.1 Interest, discount and similar income			
Interest on loans and advances	(Note 19.1.1)	607,120,163	510,090,038
Interest on money at call and short notice		322,299,673	-
Interest on balance with other banks		2,202,344	-
Interest on treasury bills & bonds		-	-
Interest on fixed deposits with other banks		-	-
Interest on other sundry income		-	-
		<u>931,622,180</u>	<u>510,090,038</u>
19.1.1 Interest on loans and advances			
Cash Credits		244,999,580	231,342,054
Overdrafts		47,673,606	41,977,097
Demand Loan		754,311	5,005,461
Term Loan		313,692,665	231,765,426
		<u>607,120,163</u>	<u>510,090,038</u>
19.1.2 Interest on Money at Call		<u>322,299,673</u>	<u>-</u>
19.1.3 Interest on Balance With Other Bank		<u>2,202,344</u>	<u>-</u>
19.2 Fees, commission and brokerage			
Fees		-	-
Commission		1,394,515,487	580,954,407
		<u>1,394,515,487</u>	<u>580,954,407</u>
20 Interest paid on deposits and borrowing etc.			
Interest on deposits			
Recurring Deposit		7,839,636	10,777,262
Short Term Deposit (STD)		36,447,730	12,896,321
Savings		16,693,323	14,307,023
Term		246,440,725	229,928,372
		<u>307,421,414</u>	<u>267,908,978</u>
Interest on money at call and short notice		78,504,695	(53,003,569)
		<u>385,926,109</u>	<u>214,905,409</u>
21 Investment income			
Interest on treasury bonds		605,074,148	326,460,159
Interest (discount) on treasury bills		-	141,479,440
Dividend income		-	2,855,903
		<u>605,074,148</u>	<u>470,795,502</u>
22 Commission, exchange and brokerage			
Commission for Guarantees		128,414,646	118,580,691
Commission for LC negotiation/amendment/advising		45,343,334	43,770,499
Commission for Foreign bill negotiation		-	-
Commission for inward & outward remittances		24,416,783	11,864,972
Commission on Visa Processing		992,260,536	250,417,590
Commission for miscellaneous		17,479,088	6,936,292
Foreign exchange earnings		186,601,100	149,384,362
		<u>1,394,515,487</u>	<u>580,954,407</u>
23 Other operating income			
Miscellaneous Income		116,547,526	87,433,112
		<u>116,547,526</u>	<u>87,433,112</u>
24 Operating Expenses			
Salaries and allowances		145,716,544	101,108,484

Hoda Vasi Chowdhury & Co

Rent, taxes, insurance, electricity etc.	
Legal expenses	
Postage, stamps, telecommunication etc.	
Stationery, printing, advertisement etc.	
Chief Executive's salary & fees	
Auditors' fee	
Depreciation and repair of bank's asset	
24.10 Salaries and allowances	
Basic Salary (B.S+H.R+CON)	
Salary Casual Staff	
Salary Leave Encash & Allowances	
Provident Fund	
Gratuity	
24.20 Rent, taxes, insurance, electricity etc.	
Rent, rates & taxes	
Insurance	
Power & electricity	
24.30 Postage, stamp, telecommunication etc.	
Postage & courier	
Telephone-Office	
24.40 Stationery, printing, advertisement etc.	
Stationery & Printing	
Advertisement Statutory	
Advertisement Public Relation & Others	
24.50 Auditors' fee	
Audit Fee (Statutory Audit)	
Audit Fee (Others)	
24.60 Depreciation on and repairs to bank's assets	
A. Depreciation of property plant and equipments	
Furniture & fixtures	
Office equipments	
IT hardware	
Right to use of asset (asset under lease)	
B. Repairs & maintenance expenses	
Transport Maintenance	
Equipment Maintenance	
Hardware & Software Maintenance	
Premises Maintenance	
24.70 Other expenses	
Water Consumption	
Traveling expenses	
Halting allowance	
Finance expenses	
Consultancy Fees	
Computer expenses (including maintenance)	
Petrol, Oil and Lubricants	
Security	
Membership / Club subscription	
Entertainment: canteen & other	
News paper/Books	
Conveyance Allowance	
Finacle Expenses	
Children Education	
Clearing Expenses	

2022 Taka	2021 Taka
53,903,240	42,532,065
700,006	586,386
8,558,790	5,186,181
16,511,134	6,763,575
-	-
1,011,499	1,816,353
14,532,305	7,169,011
240,933,517	165,162,054

98,691,797	78,395,324
30,144,367	12,160,300
12,043,042	4,925,986
4,837,339	5,626,873
-	-
145,716,544	101,108,484

34,857,709	26,339,200
11,110,153	10,705,326
7,935,378	5,487,539
53,903,240	42,532,065

7,046,140	3,108,150
1,512,651	2,078,031
8,558,790	5,186,181

14,876,902	6,411,025
1,634,232	352,550
-	-
16,511,134	6,763,575

287,500	287,500
723,999	1,528,853
1,011,499	1,816,353

3,448,614	3,530,459
3,500,100	3,737,590
10,014,335	8,244,993
53,778,500	53,778,500
70,741,550	69,291,541

14,532,305	7,169,011
-	-
14,532,305	7,169,011
85,273,855	76,460,552

837,948	475,541
712,016	241,947
457,005	195,258
1,967,322	1,967,322
40,360,219	29,216,398
1,791,766	1,239,272
13,346,440	7,480,913
6,863,707	7,615,237
6,239,618	2,868,033
1,246,565	1,556,139
-	-
3,729,343	3,047,248
892,090	1,017,560
-	-

Hoda Vasi Chowdhury & Co

	2022 Taka	2021 Taka
Other Allowances	15,323,135	5,957,513
Office Maintenance	-	-
*Charges Donation	2,855,665	12,372,693
Rentals Car/ Transportation Exp.	5,819,799	4,132,692
Training	1,008,564	391,805
Charges (Others)	9,982,601	13,360,762
	113,433,802	93,136,334
25 Provisions		
a) Provision on loans & advances		
Provision made/ (adjusted) during the year for STD account	21,178,078	(45,452,303)
Specific Provision made during the year	(17,370,923)	69,831,139
Specific Provision made during the year (COVID-19)	(3,871,647)	2,645,567
Recoveries/Provision no longer required	-	-
	(64,492)	27,024,404
	(64,492)	27,024,404
b) Provision for Off Balance Sheet		
Provision on LC & BG	177,473,463	115,116,440
Less: Recoveries/Provision no longer required	-	-
	177,473,463	115,116,440
	177,473,463	115,116,440
Grand Total (a+b)	177,408,971	142,140,844
Previous year provision for off balance sheet items was included with provision for loans & advances and shown in the profit and loss account grossly. Now we have rearranged the figures and shown separately to confirm the current year's presentation.		
26 Receipts from other operating activities		
SWIFT Charges	4,977,588	3,006,991
Interest Income from Local Banks/ Written off recovery	111,569,938	86,121,551.16
Service & Other Charges from Vostro Account	-	-
	116,547,526	89,128,542
27 Payment for other operating activities		
Rent, taxes, insurance, electricity etc.	(53,903,240)	(42,532,065)
Legal expenses	(700,006)	(586,386)
Postage, stamps, telecommunication etc.	(8,558,790)	(5,186,181)
Stationery, printing, advertisement etc.	(16,511,134)	(6,763,575)
Auditors' fee	(1,011,499)	(1,816,353)
Charges on loan losses	-	-
Depreciation on and repairs to bank's assets	(85,273,855)	(76,460,552)
Other expenses	(113,433,802)	(93,136,334)
	(279,392,325)	(226,481,445)
28 Related party transactions		
28.1 Transactions with key management personnel		
The key management personnel of the Bank for the purposes of IAS 24 are defined as those persons having authority and responsibility for planning, directing and controlling the Bank, being members of the Board of Directors of the Group, Group Managing Directors, and close members of their families and companies they control, or significantly influence, or for which significant voting power is held.		
State Bank of India, Bangladesh operations, not being incorporated locally, operate in Bangladesh under the Banking license issued by Bangladesh Bank and therefore, for this Bank, the key management personnel, who qualify as related party under IAS 24, refers to SBI officials located outside Bangladesh.		
There were no transactions between the Bank and the key management personnel of the Bank in 2022 (2021 - nil).		
28.2 Transactions with Nostro Accounts		

Name of the Related Parties	Relationship	Transaction Nature	Balance as at 31.12.2022
State Bank of India, West Germany (FF)	Inter Office	Nostro	25,334,442
State Bank of India, London			263,425
State Bank of India, New York			691,579,655
State Bank of India, Japan			971,645

SBI maintains interest bearing nostro accounts with other SBI branches. The disclosure of the year end balance is considered to be the most meaningful information to represent transactions during the year. As at year end, the balance with all nostro accounts are given in the Annexure E.

2022 Taka	2021 Taka
--------------	--------------

29 General
29.1 Exchange rates

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

		2022	2021
AUD	=	101.500	85.325
USD	=	101.500	85.325
GBP	=	122.689	115.118
EUR	=	107.819	96.746
JPY	=	0.766	0.744

29.2 Figures of previous year have been rearranged whenever considered necessary to conform to current year's presentation.

29.3 Figures appearing in these financial statements have been rounded off to the nearest Taka, unless otherwise indicated.

29.4 Verification of financial statements through Document Verification System (DVS)

As per BRPD Circular Letter No. 4/2021, it has been ensured that latest available audited financials are preserved in the credit file of all our clients. In addition to that as per BRPD Circular Letter No. 35/2021, we have been granted access in DVS by The Institute of Chartered Accountants of Bangladesh (ICAB) on 27-Oct-2021 post which we have implemented verification of financials through DVS for all our clients. During 2022, we have performed verification for all the clients and 90% or above of our clients have DVC in the financials.

29.5 Creation of 'own Stat-up Fund' by Scheduled Banks through transferring 1% of the annual net profit

Pursuant to the SMESPD Circular no 4 dated 29 March 2021, Section 'Kha', all scheduled banks in Bangladesh are instructed to create own 'start-up fund' for disbursement of loan/investment (for Islamic banks) to 'start-up entrepreneurs'. As per the subsequent amendment through SMESPD Circular no 5 dated 26 April 2021, for five years from 2021 banks shall maintain start-up fund to disburse in favour of 'Start-up entrepreneurs' through mandatory transfer of 1% net profit as per the audited financial statements. It was also stated that during the finalization of annual financial statements 31 for the year ended 31 December 2020, 1% fund transfer from net profit shall mandatorily start. A new account heading named 'start-up fund' shall be created and disclosed in balance sheet under 'other liabilities'.

Loans/investments disbursed from bank's own start-up fund created above shall be subject to maximum simple interest/profit of 4% per annum.

As per the policy maximum tenure of loan/investment from start-up fund shall be 5 years and a grace period of maximum one year can be provided with repayments fixed on quarterly/annual basis. If the customer failed to repay loan/investment on timely basis it shall be classified as per the existing rules. However, the provision requirement is reduced to 5% for sub-standard, 20% for doubtful and 30% for bad/loss.

The Circular also required banks to prepare a specific policy for disbursement of loan/investment from own start-up fund in line with the start-up fund reimbursement policy of Bangladesh Bank and approved by the bank's board of directors.

No further instruction has been issued in relation to the accounting of transactions (i.e. disbursement from the start-up fund and redemption of other liability). Until further instruction is received about the accounting of start-up fund, the Bank has assigned the required amount (1% of net profit) for the use as 'start-up fund' and subsequent disbursement to start-up entrepreneurs. This amount has been considered as appropriation through transfer from profit and loss account and disclosed under other liability.

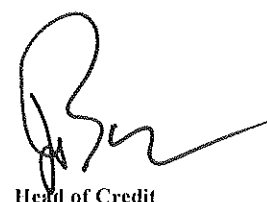
Once further guideline is received on this matter the Bank will comply with those instructions which may result in reversal of the transaction recorded above.

29.6 Cost savings initiatives of the Bank as per Bangladesh Bank guideline

Pursuant to BRPD Circular Letter No. 28 dated 26 July 2022 and BRPD Circular Letter No. 30 dated 27 July 2022, all schedule banks of Bangladesh are instructed to reduce expense at a certain percentage from the allocated amount. Categories of expenses fall under this requirement are expenses for fuel, electricity, entertainment, travelling, computer & accessories, electric equipment, furniture and other stationaries. SBI, Bangladesh operations has taken several initiatives such as rationing the usage of office space to reduce electricity cost, restricting entertainment expenses and travelling, reducing and deferring the expenses on computer and accessories which are not urgently required etc. The actual expense on the said categories are monitored on monthly basis to track the achieved savings against target. Amount of savings are reflected in the respective expense category of profit and loss statement of the Bank.

Dhaka, 26 February 2023


Country Head


Head of Credit



**State Bank of India
Bangladesh Operation
Off-shore Banking Unit
Balance Sheet
As at 31 December 2022**

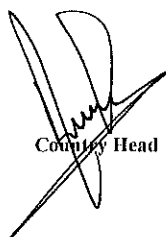
Particulars	Notes	31.12.2022		31.12.2021	
		USD	Taka	USD	Taka
PROPERTY AND ASSETS					
Cash	4	-	-	-	-
Cash in hand (including foreign currency)		-	-	-	-
Balance with Bangladesh Bank and its Agents Bank (including foreign currency)		-	-	-	-
Balance with other banks and financial institutions	5	20,953,648	2,126,795,254	29,044,587	2,478,229,379
In Bangladesh		20,000,000	2,030,000,000	27,898,933	2,380,476,462
Outside Bangladesh		953,648	96,795,254	1,145,654	97,752,917
Money at call on short notice	6	-	-	-	-
Investments	7	-	-	-	-
Government		-	-	-	-
Others		-	-	-	-
Outside Bangladesh		-	-	-	-
Loans and advances	8	209,412,143	21,255,332,511	340,998,976	29,095,737,593
Loans, cash credits, overdrafts, etc.		7,243,500	735,215,283	1,464,614	124,968,227
Bills purchased and discounted		202,168,643	20,520,117,228	339,534,361	28,970,769,366
Fixed assets including premises, furniture & fixtures	9	-	-	-	-
Other assets	10	6,811,387	691,355,805	3,718,436	317,275,575
Non banking assets	11	-	-	-	-
Total assets		237,177,178	24,073,483,570	373,761,999	31,891,242,547
LIABILITIES AND CAPITAL					
Liabilities					
Borrowing from other banks, financial institutions & agents	12	218,500,000	22,177,750,000	357,060,000	30,466,144,500
In Bangladesh		23,000,000	2,334,500,000	10,000,000	853,250,000
Outside Bangladesh		195,500,000	19,843,250,000	347,060,000	29,612,894,500
Deposits and other accounts	13	672,384	68,247,003	625,146	53,340,611
Current deposits and other accounts		672,384	68,247,003	625,146	53,340,611
Bills payable		-	-	-	-
Savings bank deposits		-	-	-	-
Term deposits		-	-	-	-
Other liabilities	14	7,935,538	805,457,154	3,750,987	320,052,990
Total liabilities		227,107,923	23,051,454,158	361,436,134	30,839,538,100
Capital / equity		10,069,255	1,022,029,412	12,325,865	1,051,704,447
Fund deposited with Bangladesh Bank	15	-	-	-	-
Surplus in profit and loss account/ Retained earnings	16	10,069,255	1,022,029,412	12,325,865	1,051,704,447
Other reserve	17	-	-	-	-
Total liabilities and equity		237,177,178	24,073,483,570	373,761,999	31,891,242,547

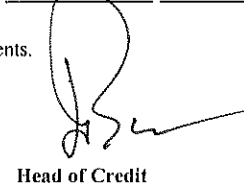


**State Bank of India
Bangladesh Operation
Off-shore Banking Unit
Profit and Loss Account
For the year ended 31 December 2022**

Notes	2022		2021		
	USD	Taka	USD	Taka	
OPERATING INCOME					
Interest income	19.1	19,077,458	1,627,784,126	11,244,388	959,427,366
Less: Interest paid on deposits, borrowings, etc.	20	(8,894,281)	(758,904,497)	(960,084)	(81,919,201)
Net interest income		10,183,178	868,879,629	10,284,303	877,508,165
Income from investment	21	-	-	-	-
Commission, exchange and brokerage	22	177,501	15,145,299	70,776	6,038,962
Other operating income	23	-	-	-	-
Total operating income		10,360,679	884,024,928	10,355,079	883,547,128
OPERATING EXPENSE					
Salaries and allowances	24.1	66,514	5,675,282	60,799	5,187,717
Rent, taxes, insurance, lighting and traveling	24.2	6,564	560,053	5,669	483,701
Legal expenses		-	-	-	-
Postage, stamp, telegram and telephone	24.3	-	-	-	-
Stationery, printing and advertisement	24.4	-	-	-	-
Auditors' fee	24.5	-	-	-	-
Depreciation on and repairs to bank's assets	24.6	-	-	-	-
Other expenses	24.7	48,250	4,116,970	36,037	3,074,874
Total operating expenses (b)		121,328	10,352,305	102,506	8,746,292
Profit before provision (c = (a-b))		10,239,351	873,672,623	10,252,574	874,800,836
Provision for loans & advance, other assets & off Balance Sheet items	25	(1,738,726)	(148,356,789)	198,992	16,979,009
Profit before taxation		11,978,077	1,022,029,412	10,053,581	857,821,827
Provision for taxation					
Current tax	14.5	-	-	-	-
Deferred tax	10.1	-	-	-	-
Net profit after taxation		11,978,077	1,022,029,412	10,053,581	857,821,827
Retained earnings		11,978,077	1,022,029,412	10,053,581	857,821,827

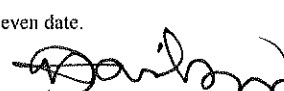
The annexed notes form an integral part of these financial statements.


Country Head


Head of Credit

This is the profit and loss account referred to in our separate report of even date.

Dhaka, 26 February 2023
DVC No. 2302281512AS627057


Shaikh Hasibur Rahman, FCA
Partner
ICAB Enrollment No: 1512
Hoda Vasi Chowdhury & Co
Chartered Accountants



**State Bank of India
Bangladesh Operation
Off-shore Banking Unit
Cash Flow Statement
For the year ended 31 December 2022**

	2022		2021	
	USD	Taka	USD	Taka
Cash flows from operating activities				
Interest received in cash	15,984,507	1,253,703,896	11,026,249	937,664,465
Interest payments	(12,670,925)	(1,145,375,199)	(878,532)	(75,208,966)
Dividend received	-	-	-	-
Fees and commission received in cash	149,215	15,145,299	70,776	6,038,962
Recovery of loans and advances in cash previously written-off	-	-	-	-
Cash paid to employees	-	-	-	-
Income tax paid	-	-	-	-
Cash received from other operating activities	26	-	-	-
Cash paid for other operating activities	27	-	-	-
Operating profit/(loss) before changes in operating assets & liabilities (i)	3,462,797	123,473,996	10,218,493	868,494,461
Change in operating assets and liabilities				
Loans and advances to customers	131,586,833	7,840,405,082	(59,540,056)	(5,333,568,272)
Other assets	-	-	-	-
Deposits from other Banks	(138,560,000)	(8,288,394,500)	75,940,000	6,732,588,500
Deposit from customers	47,238	14,906,393	(106,425)	(8,422,271)
Other liabilities	7,698,058	540,083,165	(1,148,713)	(87,729,378)
Cash generated from operating assets and liabilities (ii)	772,129	107,000,139	15,144,807	1,302,868,579
Net cash flow from operating activities (a)=(i)+(ii)	4,234,926	230,474,135	25,363,300	2,171,363,040
Cash flows from investing activities				
Proceeds from sale of securities	-	-	-	-
Cash payments for purchase of securities	-	-	-	-
Purchase/ sale of property, plant & equipment of fixed assets	-	-	-	-
Sales of fixed assets	-	-	-	-
Net cash flow from / (used in) investing activities (b)	-	-	-	-
Cash flows from financing activities				
Loan paid	-	-	-	-
Capital Transferred to Domestic Banking Unit	(12,325,865)	(1,051,704,447)	(4,362,558)	(372,235,222)
Net cash flows from financing activities (c)	(12,325,865)	(1,051,704,447)	(4,362,558)	(372,235,222)
Net increase/(decrease) in cash and cash equivalents (a+b+c)	(8,090,939)	(821,230,312)	21,000,742	1,799,127,817
Effects of exchange rate changes on cash & cash equivalents	-	469,796,187	-	-
Opening cash and cash equivalents	29,044,586	2,478,229,379	8,043,844	679,101,562
Closing cash and cash equivalents	20,953,648	2,126,795,254	29,044,586	2,478,229,379

The annexed notes form an integral part of these financial statements.

Dhaka, 26 February 2023

Country Head

Head of Credit



**State Bank of India
Bangladesh Operations
Off-shore Banking Unit
Notes to the Financial Statements
As at and for the year ended 31 December 2022**

1.1 Status of the units

Off-shore Banking Units of State Bank of India, Bangladesh Operations is governed under the rules and guidelines of Bangladesh Bank. The bank commenced the operation of its Off-shore Banking Unit from 2010 after obtaining necessary approval from Bangladesh Bank.

1.1.1 Principal activities

The principal activities of the units are to provide all kinds of commercial banking services to their customers through its off shore Banking units in Bangladesh.

2 Summary of significant accounting policies & basis of preparation

2.1 A summary of the principle accounting policies which have been applied consistently (unless otherwise stated), is set out below:

a) Basis of accounting

The Off-shore Banking Units maintain their accounting records in USD from which accounts are prepared according to the Bank Companies Act 1991, Bangladesh Accounting Standards and other applicable directives issued by Bangladesh Bank.

b) Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

c) Foreign currency transaction

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

Commitments for outstanding forward foreign exchange contracts disclosed in the financials are translated at contracted rates. Contingent liabilities/ commitments for letter of credit and letter of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance date.

The resulting exchange transaction gains and losses are included in the profit and loss account, except those arising on the transaction of net investment in foreign subsidiary.

d) Cash flow statement

Cash flow statement has been prepared in accordance with the International Accounting Standard 7 "Statement of Cash Flows" under direct method as recommended in the BRPD Circular No. 14, dated June 25, 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

2.2 Reporting period

These financial statements cover one calendar year from 01 January to 31 December 2022.

2.3 Cash and cash equivalents

For the purpose of presentation in the Cash flow statements, cash and cash equivalents includes Cash in Hand and Cash at Bank, highly liquid interest bearing investment/Securities with original maturities of less than three month.

Cash flow statement is prepared in accordance with IAS 7 "Statement of Cash Flows". Cash flows from operating activities have been presented at "Direct Method".



2.4 Loans and advances/ investment

- a) Loans and advances of Off-shore Banking Units are stated in the balance sheet on gross basis.
- b) Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest is not charged on bad and loss loans as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

2.5 Provision for liabilities

A provision is recognized in the balance sheet when the unit 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".

2.6 Revenue & expense recognition

2.6.1 Interest income

In terms of the provisions of the IFRS 15 "Revenue from Contracts with Customers", the interest income is recognized on accrual basis.

2.6.2 Interest paid and other expenses

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

3 General

- a) These financial statements are presented both in USD and BDT, which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka. Because of the effects of rounding off, the totals in some instances, may not match the sum of individual balances.
- b) Assets and liabilities & income and expenses have been converted into Taka currency @ US \$ 1 = Taka 101.50 :2022 & 85.325:2021 (Closing mid rate as at 31st December 2022).



Hoda Vasi Chowdhury & Co

		31.12.2022		31.12.2021	
		USD	Taka	USD	Taka
4.	Cash in hand				
	In Local Currency	-	-	-	-
	Foreign Currency Account	-	-	-	-
5.	Balance with other banks and financial institutions				
	In Bangladesh (Note -5.1)	20,000,000	2,030,000,000	27,898,933	2,380,476,462
	Outside Bangladesh (Note -5.2)	953,648	96,795,254	1,145,654	97,752,917
		20,953,648	2,126,795,254	29,044,587	2,478,229,379
5.1	In Bangladesh:				
	Schedule Banks in Bangladesh	20,000,000	2,030,000,000	27,898,933	2,380,476,462
		20,000,000	2,030,000,000	27,898,933	2,380,476,462
Sl. No.	BANK	Deal Date	Maturity Date	USD	BDT
1	EASTERN BANK LTD	21/12/22	03/01/23	2,000,000	203,000,000
2	PRIME BANK LIMITED	27/12/22	03/01/23	2,500,000	253,750,000
3	EASTERN BANK LTD	28/12/22	03/01/23	2,500,000	253,750,000
4	EASTERN BANK LTD	28/12/22	03/01/23	3,000,000	304,500,000
5	EASTERN BANK LTD	29/12/22	10/01/23	2,000,000	203,000,000
6	PRIME BANK LIMITED	29/12/22	10/01/23	2,000,000	203,000,000
7	EASTERN BANK LTD	29/12/22	10/01/23	1,000,000	101,500,000
8	MERCANTILE BANK LIMITED	14/07/22	10/01/23	5,000,000	507,500,000
				20,000,000	2,030,000,000
5.2	Outside Bangladesh				
	Current Account	953,648	96,795,254	1,145,654	97,752,917
		953,648	96,795,254	1,145,654	97,752,917
8.	Loans and advances				
	i) Loans, cash credits, overdrafts, etc.				
	Term loan	-	-	-	-
	Cash Credit	-	-	-	-
	Over draft	7,243,500	735,215,283	1,464,614	124,968,227
		7,243,500	735,215,283	1,464,614	124,968,227
	ii) Bills purchased and discounted (note-6)				
	Inside Bangladesh				
	Inland bills purchased and discounted	202,168,643	20,520,117,228	339,534,361	28,970,769,366
	Outside Bangladesh				
	Foreign bills purchased and discounted	-	-	-	-
		202,168,643	20,520,117,228	339,534,361	28,970,769,366
		209,412,143	21,255,332,511	340,998,976	29,095,737,593
*In 2022 (Overdraft USD 1,508,203.44) bank has opened under Bill Purchases and discounted account.					
8.1	Geographical location-wise loans and advances				
	Dhaka	99,077,785	10,056,395,159	190,490,116	16,253,569,118
	Chittagong	110,334,358	11,198,937,352	150,508,860	12,842,168,475
	Sylhet	-	-	-	-
	Rajshahi	-	-	-	-
	Khulna	-	-	-	-
	Barisal	-	-	-	-
		209,412,143	21,255,332,511	340,998,976	29,095,737,593
8.2	Classification of loans and advances				
	Unclassified				
	(i) Standard	209,412,143	21,255,332,511	340,998,976	29,095,737,593
	(ii) Special mention account	-	-	-	-
	Classified				
	(i) Substandard	-	-	-	-
	(ii) Doubtful	-	-	-	-
	(iii) Bad / loss	-	-	-	-
		209,412,143	21,255,332,511	340,998,976	29,095,737,593



Hoda Vasi Chowdhury & Co

8.3 Bills purchased and discounted

	31.12.2022		31.12.2021	
	USD	Taka	USD	Taka
In Bangladesh	202,168,643	20,520,117,228	339,534,361	28,970,769,366
Outside Bangladesh	-	-	-	-
	<u>202,168,643</u>	<u>20,520,117,228</u>	<u>339,534,361</u>	<u>28,970,769,366</u>

9. Fixed assets including premises, furniture and fixtures

Furniture and fixtures	-	-	-	-
Office equipment and machinery	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

10. Other assets

Inter Branch Account	-	-	-	-
Receivables from DBU(i)	-	-	-	-
Interest income receivable on loans & advance	6,811,387	691,355,805	3,718,436	317,275,575
Exchange Fluctuation of receivables from DBU	-	-	-	-
	<u>6,811,387</u>	<u>691,355,805</u>	<u>3,718,436</u>	<u>317,275,575</u>

12. Borrowing from other banks, financial institutions & agents

Domestic Operations	23,000,000	2,334,500,000	10,000,000	853,250,000
State Bank of India, Hongkong	195,500,000	19,843,250,000	347,060,000	29,612,894,500
	<u>218,500,000</u>	<u>22,177,750,000</u>	<u>357,060,000</u>	<u>30,466,144,500</u>

13. Deposits and other accounts

Current deposits and other accounts	(Note- 10.1)	672,384	68,247,003	625,146	53,340,611
Savings deposits account	(Note- 10.2)	-	-	-	-
		<u>672,384</u>	<u>68,247,003</u>	<u>625,146</u>	<u>53,340,611</u>

13.1 Current deposits and other accounts

Inter Branch a/c	-	-	-	-
Bangladesh Bank	-	-	-	-
Other Current A/C	672,384	68,247,003	625,146	53,340,611
	<u>672,384</u>	<u>68,247,003</u>	<u>625,146</u>	<u>53,340,611</u>

13.2 Savings deposits account

Deposits from banks	-	-	-	-
Deposits from customers	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

14. Other liabilities

Interest payable on inter branch borrowings	3,970,853	403,041,541	194,208	16,570,839
ISO Reconciliation	285	28,965	291	24,799
Provision on loans and advances	(Note-14.1)	2,094,844	212,626,623	3,556,487
Provision for Current Taxation (v)	-	-	-	-
TDS Account (including 20% TDS payable on interest payable on Borrowings from abroad)	1,869,259	189,729,812	1	113
Inter Branch Adjustment Accounts	298	30,214	-	-
	<u>7,935,538</u>	<u>805,457,154</u>	<u>3,750,987</u>	<u>320,052,990</u>

14.1 Provision for loans and advances

Provision for bad and doubtful debts (ii)	-	-	-	-
Provision on unclassified loans (iii)	2,094,844	212,626,623	3,410,589	291,008,472
On Special Provision for COVID- 19 (iv)	(0)	(0)	145,898	12,448,766
	<u>2,094,844</u>	<u>212,626,623</u>	<u>3,556,487</u>	<u>303,457,238</u>

i) Fresh provision on loans & advance made during the year

On classified loans & advances as per BBK circular (ii)	-	-	-	-
On unclassified loans & advances(iii)	2,094,844	212,626,623	3,410,589	291,008,472
On Special Provision for COVID- 19 (iv)	(0)	(0)	145,898	12,448,766
	<u>2,094,844</u>	<u>212,626,623</u>	<u>3,556,487</u>	<u>303,457,238</u>



Hoda Vasi Chowdhury & Co

	31.12.2022		31.12.2021	
	USD	Taka	USD	Taka
ii) The movement in specific provision for bad and doubtful debts:				
Provision held at the beginning of the year	-	-	-	-
Less: Fully provided debt written off	-	-	-	-
Add: Recoveries of amount previously written off	-	-	-	-
Add: Specific provision for the year	-	-	-	-
Less: Recoveries and provision no longer required	-	-	-	-
Add: Net charge to profit & loss A/C	-	-	-	-
Provision held at the end of the year	-	-	-	-
iii) a) The movement in general provision on unclassified loans:				
Provision held at the beginning of the year	3,410,589	291,008,472	2,785,396	237,663,913
Adjustment	(397,118)	-	-	-
Add: Additional provision for the year	-	-	625,193	53,344,559
Less: Provision written back	918,627	78,381,848.93	-	-
Provision held at the end of the year	<u>2,094,844</u>	<u>212,626,623</u>	<u>3,410,589</u>	<u>291,008,472</u>
b) Breakup of unclassified loans & advances				
General provision for loans & advances	2,094,844	212,626,623	3,410,589	291,008,472
General provision for Off- Balance Sheet item	-	-	-	-
	<u>2,094,844</u>	<u>212,626,623</u>	<u>3,410,589</u>	<u>291,008,472</u>
iv) Provision for Special Provision for COVID -19				
Opening Balance	145,898	12,448,766	518,183	43,747,629
Add: Additional provision for the year	-	-	-	-
Add: Exchange Fluctuation	-	-	(5,466)	-
Less: Payment made during the year	(145,898)	(12,448,766)	(366,819)	(31,298,863)
	<u>(0)</u>	<u>(0)</u>	<u>145,898</u>	<u>12,448,766</u>
v) Provision for Current Taxation				
Opening Balance	-	-	-	-
Add: Additional provision for the year	-	-	-	-
Add: Exchange Fluctuation	-	-	-	-
Less: Payment made during the year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
16. Retained Earning account				
Opening balance	12,325,865	1,051,704,447	6,705,571	566,117,843
Add: Exchange Fluctuation	(1,908,822)	-	(70,730)	-
Add: Income tax provision	-	-	-	-
Add: Net profit for the year	11,978,077	1,022,029,412	10,053,581	857,821,827
Less: Transferred to retained earning (DBU)	12,325,865	1,051,704,447	4,362,558	372,235,222
	<u>10,069,255</u>	<u>1,022,029,412</u>	<u>12,325,865</u>	<u>1,051,704,447</u>
18. Contingent liabilities				
18.1 Irrevocable letter of credits				
Letter of credits	-	-	-	-
Back to back letter of credit	-	-	-	-
Less: Margin	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
18.2 Letter of guarantee				
Letter of guarantee (Local)	-	-	-	-
Letter of guarantee (Foreign)	-	-	-	-
Foreign counter guarantees	-	-	-	-
Less: Margin	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>



Hoda Vasi Chowdhury & Co

	31.12.2022		31.12.2021	
	USD	Taka	USD	Taka
19.1 Interest income				
Overdraft	82,424	8,366,028	14,146	1,206,977
Term Loan	1,269,717	128,876,277	801,291	68,370,136
Bills Discount	13,475,771	1,367,790,774	10,333,944	881,743,744
Others	-	-	-	-
	14,827,912	1,505,033,078	11,149,380	951,320,857
Interest on loans and advances				
Interest on balance with other banks and financial institutions	1,147,320	116,452,993	94,733	8,083,122
Interest received from foreign banks	62,050	6,298,055	274	23,387
	1,209,370	122,751,048	95,007	8,106,509
Total interest income	16,037,282	1,627,784,126	11,244,388	959,427,366
20 Interest paid on deposits, borrowings, etc.				
Interest paid on Inter Branch Borrowings	7,476,892	758,904,497	960,084	81,919,201
Interest paid on Bangladesh Bank	-	-	-	-
	7,476,892	758,904,497	960,084	81,919,201
22. Commission/ fees				
Commission for handling	-	-	-	-
Commission for LC negotiation/amendment/advising	148,820	15,105,278	70,000	5,972,750
Commission for foreign bill negotiation	-	-	-	-
Commission for outward remittances	-	-	-	-
Commission acceptance on bills	-	-	-	-
Commission for inward remittance	161	16,342	276	23,550
Commission for miscellaneous	233	23,680	500	42,663
	149,215	15,145,299	70,776	6,038,962
23. Other operating income				
Swift	-	-	-	-
Exchange Gain/(Loss)	-	-	-	-
Postage & courier	-	-	-	-
	-	-	-	-
24.1 Salaries and allowances				
Basic Salary	53,143	5,394,030	59,132	5,045,441
Other Allowances	1,217	123,500	296	25,269
Provident Fund	1,554	157,752	1,371	117,007
	55,914	5,675,282	60,799	5,187,717
24.2 Rent, taxes, insurance, electricity etc.				
Rent, rates & taxes	5,518	560,053	5,669	483,701
	5,518	560,053	5,669	483,701
24.2.1 Office Rent				
Office Rent	2,759	280,026	2,716	231,744
Electricity (Office)	2,759	280,026	2,953	251,957
Tax on Interest Payment on Borrowings	-	-	-	-
	5,518	560,053	5,669	483,701
24.3 Postage, stamp, telecommunication etc.				
Postage & courier	-	-	-	-
	-	-	-	-
24.4 Stationery, printing, advertisement etc.				
Stationery & Printing	-	-	-	-
	-	-	-	-
24.5 Auditors' fee				
Audit Fee(Statutory Audit)	-	-	-	-
	-	-	-	-



Hoda Vasi Chowdhury & Co

24.7 Other expenses

Finacle Expenses
Others

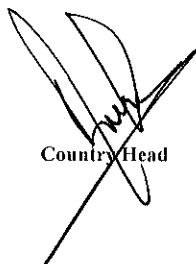
31.12.2022		31.12.2021	
USD	Taka	USD	Taka
-	-	-	-
40,561	4,116,970	36,037	3,074,874
<u>40,561</u>	<u>4,116,970</u>	<u>36,037</u>	<u>3,074,874</u>

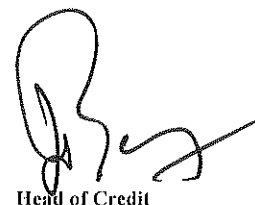
25 Provision for loan

Provision against classified loan
Provision against unclassified loan

-	-	-	-
(1,461,643)	(148,356,789)	198,992	16,979,009
<u>(1,461,643)</u>	<u>(148,356,789)</u>	<u>198,992</u>	<u>16,979,009</u>

Dhaka, 26 February 2023


Country Head


Head of Credit



State Bank of India
Bangladesh Operations
Balance with other banks and financial institutions (Outside Bangladesh on Demand Deposit Accounts)
As at 31 December 2022

Name of Bank	Currency Type	A/C Type	2022			2021		
			FC Amount	Exchange Rate	Equivalent Taka	FC Amount	Exchange Rate	Equivalent Taka
Standard Chartered Bank, Karachi Branch	USD	CD	-	101.50000	-	-	85.32500	-
Deutsche Bank, Mumbai	USD	CD	-	101.50000	-	-	85.32500	-
JP Morgan Chase Bank	USD	CD	1,512,500	101.50000	153,518,752	514,911	85.32500	43,934,764
ACU Dollar Nostro a/c (ISB Mumbai)	USD	CD	640,952	101.50000	65,056,655	160,930	85.32500	13,731,366
Bank of America	USD	CD	-	101.50000	-	-	85.32500	-
Deutsche Bank Trust Company, New York	USD	CD	-	101.50000	-	-	85.32500	-
State Bank of India, West Germany (FF)	EURO	CD	234,973	107.81860	25,334,442	191,761	96.74690	18,552,279
State Bank of India, London	GBP	CD	2,157	122.13090	263,425	14,380	115.11841	1,655,382
State Bank of India, New York	USD	CD	6,813,593	101.50000	691,579,655	905,285	85.32500	77,243,450
State Bank of India, Japan	JYEN	CD	1,276,968	0.76090	971,645	1,890,302	0.74410	1,406,574
Citi N.A.	USD	CD	953,648	101.50000	96,795,254	1,145,654	85.32500	97,752,917
Total			11,434,791		1,033,519,828	4,823,223		254,276,733



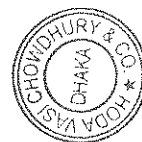
Annexure - B

**State Bank of India
Bangladesh Operations
Details of Large Loan
As at 31 December 2022**

Number of Clients: 2
Amount of outstanding advances: 260
Amount of classified advances: NIL
Measures taken for recovery: NIL

Client wise break-up is as follows:

Sl. #	Name of Clients	Limit Sanctioned		Outstanding (Taka in Crore)		
		Funded	Non Funded	Funded	Non Funded	Total
1	Nita Company Ltd.Unit-2	125	95	123	15	138
2	Walton Hi-Tech Inds. Ltd.	174	60	94	29	122
3						
4						
Total		299	155	216	44	260



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Annexure - C

State Bank of India
Bangladesh Operations
Schedule of Fixed Assets including premises, furniture and fixtures
As at 31 December 2022

(Figures in Taka)

Particulars	COST			Rate %	DEPRECIATION				Written down value of 31 December 2022
	Balance as of 01 January 2022	Addition during the year	Adjustment/ disposal during the year		Balance as of 01 January 2022	Charged for the year	Adjustment/ disposal during the year	Balance as of 31 December 2022	
Furniture & fixture	91,246,324	5,810,852		10%	57,387,090	3,448,614	-	60,835,704	36,221,471
Office Appliances	61,585,251	2,984,504	-	25%	49,960,882	3,500,100	-	53,460,982	11,108,773
Computer	148,819,584	11,336,677	-	25%	119,420,983	10,014,335	-	129,435,318	30,720,943
Right-of-use asset (under lease)	236,301,694	5,795,748	-		166,050,456	53,778,500	-	219,828,955	22,268,488
As on 31 December 2022	537,952,854	25,927,782	-		392,819,410	70,741,550	-	463,560,960	100,319,675
As on 31 December 2021	532,461,961	8,002,016	2,511,124		323,527,869	69,291,541	-	392,819,411	145,133,443

**State Bank of India
Bangladesh Operations
Statement of Tax position
As at 31 December 2022**

(Figures in Taka)

Accounting Year	Assessment Year	Tax provision	Tax as per assessment	Advance Tax as per assessment order	Present Status
2001	2002-2003	48,938,000	48,938,000	48,938,000	Completed
2002	2003-2004	52,406,268	52,406,268	52,406,268	Completed
2003	2004-2005	45,952,000	45,952,000	45,952,000	Completed
2004	2005-2006	107,900,000	107,900,000	107,900,000	Completed
2005	2006-2007	120,406,589	120,406,224	120,406,589	Completed
2006	2007-2008	136,773,803	136,773,803	136,773,803	Completed
2007	2008-2009	190,945,069	190,945,069	190,945,069	Completed
2008	2009-2010	226,964,018	226,964,018	226,964,018	Completed
2009	2010-2011	210,000,000	204,599,250	203,338,070	Completed
2010	2011-2012	330,000,000	325,930,336	325,296,807	Completed
2011	2012-2013	510,000,000	495,223,988	499,747,443	Completed
2012	2013-2014	586,000,000	585,454,308	584,253,458	Completed
2013	2014-2015	465,000,000	465,242,552	459,999,999	Completed
2014	2015-2016	517,482,673	488,309,032	488,309,032	Completed
2015	2016-2017	455,847,986	456,086,402	456,086,402	Completed
2016	2017-2018	440,000,000	404,674,535	404,674,535	Completed
2017	2018-2019	538,328,830	557,601,157	557,720,740	Submitted & Completed U/S 82BB
2018	2019-2020	765,000,000	765,734,086	765,734,086	Completed
2019	2020-2021	765,000,000	819,508,444	819,508,444	Submitted & Completed U/S 82BB
2020	2021-2022	765,000,000	744,654,579	744,654,579	Submitted & Completed U/S 82BB
2021	2022-2023	800,000,000	819,508,444	819,508,444	Submitted & Completed U/S 82BB



State Bank of India
Bangladesh Operations
Unreconciled Entries and amount in Local & Nostro Account
As at 31 December 2022

Sl. #	Name of the Bank	Currency	Year	Note Ref.	Local Book				Foreign book						
					Local Debits		Local Credits		Nostro's Debits		Nostro's Credits				
					No. of entry	Amount in F.C	Amount in US\$	No. of entry	Amount in F.C	Amount in US\$	No. of entry	Amount in F.C	Amount in US\$		
1	State Bank of India, London	GBP	2022	2	-	-	-	-	-	-	-	-	-		
2	State Bank of India, New York	USD	2022	2	1.00	1,471.450	1,471	1	2,250	2,250	-	9	346,338	346,338	
3	State Bank of India, Frankfurt	EURO	2022	3	-	-	-	-	-	-	-	1	1,585	1,687	
4	Deutsche Bank Trust Com. America, USA	USD	2022	4	-	-	-	-	-	-	-	-	-	-	
5	State Bank of India, Tokyo	USD	2022	5	-	-	-	-	-	5,000	38	-	-	-	
6	Bank of America	USD	2022	6	-	-	-	-	-	-	-	-	-	-	
7	JP Morgan Chase bank, USA	USD	2022	7	-	-	-	-	-	48,122	48,122	13	91,213	91,213	
8	State Bank of India, ISB Mumbai	USD	2022	8	-	-	-	1	117,468	117,468	1	30	3	145,153	145,153
9	Citi, N.A	USD	2022	8	-	-	-	-	-	312	312	26	3,951,909	3,951,909	
Total				1.00	1,471	1,471	2	119,718	119,718	7	53,463	48,501	52	4,536,198	4,536,300



State Bank of India
Bangladesh Operations
Investment Schedule
As at 31 December 2022

ISIN Number	Purchase Date	Face Value (Scrip currency)	Maturity Date	Purchase Cost	Primary Yield(YT M)	Coupon	Present Value	Portfolio	Type of Security	Remarks
BD0927151151	17-Oct-12	1,100,000.00	17-Oct-27	1,097,723.93	11.96%	11.93%	1,098,772.63	HTM	T Bond	Lien for Capital
BD0932161203	25-Oct-12	1,200,000.00	25-Oct-32	1,198,214.73	12.18%	12.16%	1,198,627.03	HTM	T Bond	Lien for Capital
BD0932201207	28-Nov-12	600,000.00	28-Nov-32	598,219.19	12.22%	12.18%	598,622.62	HTM	T Bond	Kept as SLR
BD0923341103	13-Mar-13	7,200,000.00	13-Mar-23	7,160,565.60	12.20%	12.10%	7,195,982.64	HTM	T Bond	Kept as SLR
BD0923341103	12-Jun-13	7,500,000.00	13-Mar-23	7,458,735.00	12.20%	12.10%	7,495,264.93	HTM	T Bond	Kept as SLR
BD0928351156	20-Mar-13	500,000.00	20-Mar-28	499,662.94	12.39%	12.38%	499,805.17	HTM	T Bond	Lien for Capital
BD0933361208	27-Mar-13	900,000.00	27-Mar-33	898,032.33	12.51%	12.48%	898,445.00	HTM	T Bond	Lien for Capital
BD0923381109	10-Apr-13	6,700,000.00	10-Apr-33	6,677,094.44	12.16%	12.10%	6,697,979.73	HTM	T Bond	Lien for Capital
BD0928471152	19-Jun-13	2,600,000.00	19-Jun-28	2,589,522.37	12.46%	12.40%	2,593,748.41	HTM	T Bond	Lien for Capital
BD0909146150	26-Jun-13	1,300,000.00	26-Jun-33	1,293,384.56	12.55%	12.48%	1,294,709.95	HTM	T Bond	Kept as SLR
BD0923031100	17-Jul-13	4,000,000.00	17-Jul-23	4,682,234.00	12.39%	12.22%	4,697,242.73	HTM	T Bond	Kept as SLR
BD0923031100	17-Jul-13	3,400,000.00	17-Jul-23	3,993,187.34	12.25%	12.22%	3,999,117.66	HTM	T Bond	Kept as SLR
BD0923031100	17-Jul-13	3,700,000.00	17-Jul-23	3,387,035.80	12.29%	12.22%	3,398,317.37	HTM	T Bond	Lien for Capital
BD0928041153	24-Jul-13	1,000,000.00	24-Jul-28	993,301.07	12.47%	12.40%	997,163.98	HTM	T Bond	Kept as SLR
BD0933121206	25-Sep-13	1,200,000.00	25-Sep-33	1,193,893.44	12.35%	12.48%	1,195,063.68	HTM	T Bond	Lien for Capital
BD0928121153	25-Sep-13	2,400,000.00	25-Sep-28	2,391,944.69	12.47%	12.42%	2,395,041.09	HTM	T Bond	Lien for Capital
BD0928161159	23-Oct-13	1,400,000.00	23-Oct-28	1,393,428.42	12.49%	12.42%	1,395,917.02	HTM	T Bond	Kept as SLR
BD0923191102	22-Nov-13	2,900,000.00	20-Nov-23	2,892,750.00	12.20%	12.16%	2,898,619.83	HTM	T Bond	Kept as SLR
BD0933241202	26-Dec-13	1,300,000.00	26-Dec-33	1,294,275.27	12.39%	12.33%	1,295,334.44	HTM	T Bond	Kept as SLR
BD0934161201	29-Oct-14	1,500,000.00	29-Oct-34	1,494,369.00	11.98%	11.98%	1,495,292.70	HTM	T Bond	Lien for Capital
BD0929201152	26-Nov-14	900,000.00	26-Nov-29	898,091.10	11.50%	11.47%	898,712.29	HTM	T Bond	Lien for Capital
BD0934201205	26-Nov-14	700,000.00	26-Nov-34	693,802.80	12.06%	11.98%	696,479.22	HTM	T Bond	Lien for Capital
BD0929201152	26-Nov-14	1,400,000.00	26-Nov-34	1,390,251.80	12.07%	11.98%	1,391,821.01	HTM	T Bond	Lien for Capital
BD0924871025	3-Aug-22	1,600,000.00	26-Nov-29	1,588,417.60	11.57%	11.47%	1,592,171.46	HTM	T Bond	Lien for Capital
BD0924871025	3-Aug-22	150,000,000.00	8-Jun-24	149,520,900.00	7.39%	7.21%	149,617,308.70	HTM	T Bond	Kept as SLR
BD0924871025	3-Aug-22	230,000,000.00	8-Jun-24	149,648,250.00	7.34%	7.21%	149,717,776.66	HTM	T Bond	Kept as SLR
BD0930121209	29-Sep-10	120,000,000.00	29-Sep-30	249,583,500.00	7.30%	7.21%	249,663,470.75	HTM	T Bond	Kept as SLR
BD0930121209	29-Sep-10	120,000,000.00	29-Sep-30	120,435,096.00	9.21%	9.25%	120,267,597.48	HTM	T Bond	Lien for Capital
BD0930121209	29-Sep-10	120,000,000.00	29-Sep-30	120,326,091.00	9.22%	9.25%	120,200,629.97	HTM	T Bond	Lien for Capital
BD0925141154	13-Oct-10	150,000,000.00	13-Oct-25	100,181,034.00	9.23%	9.25%	100,111,423.58	HTM	T Bond	Lien for Capital
BD0925141154	13-Oct-10	150,000,000.00	13-Oct-25	150,614,400.00	8.90%	8.95%	150,195,482.66	HTM	T Bond	Lien for Capital
BD0925141154	13-Oct-10	150,000,000.00	13-Oct-25	150,491,250.00	8.91%	8.95%	150,156,378.75	HTM	T Bond	Lien for Capital
BD0925141154	13-Oct-10	100,000,000.00	13-Oct-25	100,245,500.00	8.92%	8.95%	100,078,188.83	HTM	T Bond	Lien for Capital
BD0920201209	24-Nov-10	350,000,000.00	19-Dec-27	354,728,850.00	9.30%	9.45%	352,956,039.22	HTM	T Bond	Lien for Capital
BD0927231151	19-Dec-12	1,000,000.00	19-Dec-27	1,001,371.00	12.08%	12.10%	1,000,760.75	HTM	T Bond	Kept as SLR
BD0928131103	22-Nov-18	200,000,000.00	22-Nov-28	207,367,800.00	6.64%	7.15%	204,950,365.47	HTM	T Bond	Lien for Capital
BD0928131103	22-Nov-18	150,000,000.00	22-Nov-28	154,972,800.00	6.69%	7.15%	153,344,121.37	HTM	T Bond	Lien for Capital
BD0928131103	22-Nov-18	100,000,000.00	22-Nov-28	102,948,100.00	6.74%	7.15%	101,984,247.31	HTM	T Bond	Lien for Capital
BD0928131103	22-Nov-18	100,000,000.00	22-Nov-28	102,509,800.00	6.80%	7.15%	101,690,994.37	HTM	T Bond	Lien for Capital
BD0923241022	3-Feb-21	100,000,000.00	6-Jan-23	100,128,200.00	3.07%	3.14%	100,000,386.16	HTM	T Bond	Lien for Capital





ISIN Number	Purchase Date	Face Value (Scrip currency)	Maturity Date	Purchase Cost	Primary Yield (YTM %)	Coupon	Present Value	Portfolio	Type of Security	Remarks
BD09232241022	3-Feb-21	150,000,000.00	6-Jan-23	150,275,700.00	3.04%	3.14%	150,001,750.26	HTM	T Bond	Lien for Capital
BD09232241022	3-Feb-21	150,000,000.00	6-Jan-23	150,303,600.00	3.03%	3.14%	150,002,230.10	HTM	T Bond	Kept as SLR
BD09232241022	3-Feb-21	150,000,000.00	6-Jan-23	150,387,150.00	3.00%	3.14%	150,003,461.57	HTM	T Bond	Kept as SLR
BD0926321052	11-Aug-21	200,000,000.00	18-Mar-26	201,406,800.00	4.08%	4.25%	201,009,767.71	HTM	T Bond	Kept as SLR
BD0926321052	11-Aug-21	150,000,000.00	18-Mar-26	152,314,200.00	3.88%	4.25%	151,660,983.29	HTM	T Bond	Lien for Capital
BD0926321052	11-Aug-21	200,000,000.00	18-Mar-26	202,244,200.00	3.98%	4.25%	201,611,207.52	HTM	T Bond	Kept as SLR
BD0926021108	7-Sep-21	100,000,000.00	20-Jul-26	114,301,800.00	4.30%	4.59%	110,747,721.00	HTM	T Bond	Lien for Capital
BD0926541055	15-Sep-21	150,000,000.00	15-Sep-26	151,188,000.00	4.79%	4.97%	150,909,444.05	HTM	T Bond	Kept as SLR
BD0926541055	15-Sep-21	150,000,000.00	15-Sep-26	150,856,797.00	4.84%	4.97%	150,656,079.88	HTM	T Bond	Lien for Capital
BD0926541055	15-Sep-21	150,000,000.00	15-Sep-26	150,526,645.50	4.89%	4.97%	150,403,418.84	HTM	T Bond	Lien for Capital
BD0923371058	7-Oct-21	750,000,000.00	29-Apr-25	827,985,000.00	4.90%	8.12%	802,690,205.67	HTM	T Bond	Lien for Capital
BD0923341103	3-Nov-21	100,000,000.00	3-Nov-23	100,037,697.00	4.78%	4.80%	100,016,468.94	HTM	T Bond	Lien for Capital
BD0923341103	3-Nov-21	483,800,000.00	13-Mar-23	531,307,224.80	4.50%	12.10%	491,322,206.32	HTM	T Bond	Lien for Capital
BD0923301107	8-Nov-21	200,000,000.00	13-Feb-23	218,193,200.00	4.50%	12.00%	201,860,036.51	HTM	T Bond	Kept as SLR
BD0925021059	26-Dec-21	370,000,000.00	15-Jul-25	386,891,240.00	5.75%	7.19%	382,471,373.05	HTM	T Bond	Kept as SLR
BD0927841058	18-May-22	500,000,000.00	18-May-27	502,664,500.00	7.57%	7.70%	502,385,695.89	HTM	T Bond	Kept as SLR
BD0924021050	10-Aug-22	500,000,000.00	10-Jul-24	508,724,000.00	7.43%	8.43%	507,019,045.56	HTM	T Bond	Lien for Capital
BD0930161205	27-Oct-10	200,000,000.00	27-Oct-30	200,000,000.00	9.25%	9.25%	200,000,000.00	HTM	T Bond	Lien for Capital
BD0932081203	29-Aug-12	4,100,000.00	29-Aug-32	4,100,000.00	12.16%	12.16%	4,100,000.00	HTM	T Bond	Lien for Capital
BD0927111155	19-Sep-12	4,400,000.00	19-Sep-27	4,400,000.00	11.88%	11.88%	4,400,000.00	HTM	T Bond	Lien for Capital
BD0932121207	26-Sep-12	1,900,000.00	26-Sep-32	1,900,000.00	12.16%	12.16%	1,900,000.00	HTM	T Bond	Lien for Capital
BD0932412103	26-Dec-12	1,200,000.00	26-Dec-32	1,200,000.00	12.28%	12.28%	1,200,000.00	HTM	T Bond	Lien for Capital
BD0923261103	9-Jan-13	6,000,000.00	9-Jan-23	6,000,000.00	11.90%	11.90%	6,000,000.00	HTM	T Bond	Kept as SLR
BD0928271156	16-Jan-13	900,000.00	16-Jan-28	900,000.00	12.20%	12.20%	900,000.00	HTM	T Bond	Kept as SLR
BD0923301107	13-Feb-13	4,900,000.00	13-Feb-23	4,900,000.00	12.00%	12.00%	4,900,000.00	HTM	T Bond	Lien for Capital
BD0918208234	4-Jul-2022	150,000,000.00	2/Jan/2023	145,262,850.00	6.3401%	-	149,947,947.03	HTM	T Bond	Lien for Capital
BD0918208234	4-Jul/2022	200,000,000.00	2/Jan/2023	193,646,400.00	6.3801%	-	199,930,188.54	HTM	T. Bill	Kept as SLR
BD0918208234	4-Jul/2022	200,000,000.00	2/Jan/2023	193,609,000.00	6.6201%	-	199,929,766.28	HTM	T. Bill	Kept as SLR
BD0918210230	18/Jul/2022	150,000,000.00	16/Jan/2023	145,157,850.00	6.6895%	-	149,574,320.93	HTM	T. Bill	Kept as SLR
BD0918214232	22/Aug/2022	150,000,000.00	20/Feb/2023	145,192,800.00	6.6400%	-	148,652,923.43	HTM	T. Bill	Kept as SLR
BD0918214232	22/Aug/2022	250,000,000.00	20/Feb/2023	241,953,000.00	6.6700%	-	247,745,089.67	HTM	T. Bill	Kept as SLR
BD0909120232	3/Oct/2022	200,000,000.00	2/Jan/2023	197,057,200.00	5.9899%	-	199,935,320.82	HTM	T. Bill	Lien for Capital
BD0909120232	3/Oct/2022	150,000,000.00	2/Jan/2023	147,778,350.00	6.0300%	-	149,951,177.59	HTM	T. Bill	Kept as SLR
BD0909121230	10/Oct/2022	150,000,000.00	9/Jan/2023	147,785,350.00	6.0102%	-	149,781,004.75	HTM	T. Bill	Kept as SLR
BD0909121230	10/Oct/2022	150,000,000.00	9/Jan/2023	147,778,350.00	6.0300%	-	149,780,281.04	HTM	T. Bill	Kept as SLR
BD0909122238	17/Oct/2022	150,000,000.00	16/Jan/2023	147,774,750.00	6.0399%	-	149,608,745.98	HTM	T. Bill	Lien for Capital
BD0909122336	24/Oct/2022	300,000,000.00	23/Jan/2023	295,565,100.00	6.0184%	-	298,879,082.79	HTM	T. Bill	Lien for Capital
BD0909123236	24/Oct/2022	250,000,000.00	23/Jan/2023	246,298,250.00	6.0383%	-	249,064,377.74	HTM	T. Bill	Kept as SLR
BD0909125231	7/Nov/2022	250,000,000.00	6/Feb/2023	246,303,750.00	6.0192%	-	248,497,113.91	HTM	T. Bill	Kept as SLR
BD0909125231	7/Nov/2022	150,000,000.00	6/Feb/2023	147,780,150.00	6.0250%	-	149,097,417.72	HTM	T. Bill	Kept as SLR
BD0909125231	7/Nov/2022	150,000,000.00	6/Feb/2023	147,778,350.00	6.0300%	-	149,096,694.83	HTM	T. Bill	Kept as SLR
BD0909126239	14/Nov/2022	150,000,000.00	13/Feb/2023	147,745,950.00	6.1193%	-	148,910,135.87	HTM	T. Bill	Lien for Capital
BD0909126239	14/Nov/2022	150,000,000.00	13/Feb/2023	147,745,950.00	6.1197%	-	148,910,060.79	HTM	T. Bill	Lien for Capital
BD0909126239	14/Nov/2022	130,000,000.00	13/Feb/2023	128,043,110.00	6.1300%	-	129,033,808.64	HTM	T. Bill	Kept as SLR
BD0909126239	14/Nov/2022	106,800,000.00	13/Feb/2023	105,189,776.40	6.1399%	-	106,021,424.93	HTM	T. Bill	Kept as SLR
BD0909130231	5/Dec/2022	100,000,000.00	6/Mar/2023	98,429,600.00	6.3994%	-	98,878,289.04	HTM	T. Bill	Lien for Capital
BD0909130231	5/Dec/2022	150,000,000.00	6/Mar/2023	147,636,900.00	6.4201%	-	148,312,076.31	HTM	T. Bill	Lien for Capital



ISIN Number	Purchase Date	Face Value (Scrip currency)	Maturity Date	Purchase Cost	Primary Yield (YTM)	Coupon	Present Value	Portfolio	Type of Security	Remarks
BD0909130231	5/Dec/2022	150,000,000.00	6/Mar/2023	147,633,300.00	6.4300%	-	148,309,500.96	HTM	T. Bill	Lien for Capital
BD0909130231	5/Dec/2022	150,000,000.00	6/Mar/2023	147,626,100.00	6.4499%	-	148,304,360.63	HTM	T. Bill	Lien for Capital
BD0918233232	19/Dec/2022	150,000,000.00	19/Jun/2023	144,662,100.00	7.4001%	-	145,014,049.81	HTM	T. Bill	Lien for Capital
BD0918233232	19/Dec/2022	150,000,000.00	19/Jun/2023	144,641,250.00	7.4501%	-	144,994,575.68	HTM	T. Bill	Lien for Capital
BD0918233232	19/Dec/2022	150,000,000.00	19/Jun/2023	144,627,600.00	7.4497%	-	144,981,824.30	HTM	T. Bill	Lien for Capital
BD0918233232	19/Dec/2022	100,000,000.00	19/Jun/2023	96,404,400.00	7.4799%	-	96,641,472.42	HTM	T. Bill	Lien for Capital
BD0936434234	26/Dec/2022	100,000,000.00	25/Dec/2023	92,791,400.00	7.7900%	-	92,890,419.86	HTM	T. Bill	Kept as SLR
BD0936434234	26/Dec/2022	150,000,000.00	25/Dec/2023	139,251,450.00	7.7400%	-	139,399,094.69	HTM	T. Bill	Kept as SLR
		2,000,000.00		2,000,000.00			2,000,000.00	CDBL	CDBL	
		1,138,890.00		1,138,890.00			1,138,890.00	CDBL	CDBL	
		<u>11,919,838.890</u>		<u>12,021,446.519</u>			<u>11,978,953.917</u>			
Break down for FS										
Fund Deposited with BB				Amount (Cost Price)		Amount (P.V)		Particulars		
SLR Investment				6,314,083,717.67		6,292,109,247.83		T. Bills		
Central Depository Bangladesh Limited (CDBL)				5,704,223,911.42		5,683,705,779.27		T. Bonds		
Prize Bond				3,138,890.00		3,138,890.00		CDBL		
Total Investment in Securities				<u>12,021,709,519</u>		<u>263,000.00</u>		Prize Bond		
						<u>263,000.00</u>				
						<u>11,979,216,917</u>				
								<u>11,979,216,917.10</u>		

**State Bank of India
Bangladesh Operations
Statement of write off loans
As at and for the year ended 31st December 2022**

Account holder name	Date of Write Off	Write off date on account of charge offs	Write off amount on B/L	Suit file date
Deepa Trading Corporation	3/30/2014	3/30/2014	6,663,781	1/13/2013
S. Co. Steel Limited	3/30/2014	3/30/2014	89,687,281	1/28/2008
S.A. Trading & Export	3/30/2014	3/30/2014	3,706,724	7/26/2009
Shamema Alim	8/11/2015	8/11/2015	1,877,115	2/26/2008
Nexus Communication & Power Solution	12/14/2015	12/14/2015	913,647	4/15/2014
Mostafa Corporation Limited.	12/22/2015	12/22/2015	185,818,385	10/22/2013
T.J. International Limited	12/22/2015	12/22/2015	82,895,859	11/25/2013
SR Corporation	12/22/2015	12/22/2015	19,589,154	12/1/2013
Hallmark Apparels Ltd	3/31/2016	3/31/2016	24,143,661	10/1/2012
Clewiston Trading Ltd	3/31/2016	3/31/2016	176,253,590	5/18/2014
Nahar Trading Corporation Ltd	3/31/2016	3/31/2016	86,803,668	7/24/2014
Al-Amin Bread & Biscuits Ltd.	3/31/2016	3/31/2016	7,648,689	12/1/2013
Saimon Enterprise	3/31/2016	3/31/2016	23,011,401	5/28/2012
M/S Motiur Rahman Khan	6/28/2017	6/28/2017	27,513,654	5/22/2014
Mujibur Rahman	6/28/2017	6/28/2017	4,821,044	9/29/2016
Dr Rahid Nazrul Islam	6/28/2017	6/28/2017	11,279,198	1/31/2017
United Airways (BD) Ltd.	12/28/2017	12/28/2017	253,922,593	1/25/2017
Pioneer Builders Ltd.	1/31/2018	1/31/2018	15,680,699	11/27/2013
Halda Enterprise Ltd(HEL)	12/10/2018	12/10/2018	39,090,976	6/28/2016
Total			1,061,321,121	



**State Bank of India
Bangladesh Operations
Highlights on the overall Activities
As at and for the year ended 31 December 2022**

(Figures in Taka)

Sl. #	Particulars	2022	2021
1	Fund deposit with Bangladesh Bank	6,314,083,718	4,712,633,658
2	Capital surplus/(deficit)	12,029,279,833	9,963,371,525
3	Total assets	55,583,870,064	56,794,476,716
4	Total deposits	15,053,697,826	11,097,960,821
5	Total Borrowings	22,177,750,000	30,466,144,500
6	Total loans & advances	30,926,997,681	36,369,282,678
7	Total contingent liabilities & commitments	36,749,838,651	35,913,069,340
8	Credit deposit ratio (Loans & advances/Deposits including obu borrowings)	83.07%	87.50%
9	Percentage of classified loans against total loans & advances	0.36%	0.17%
10	Profit after tax & provisions	1,806,423,690	1,023,845,993
11	Amount of classified loans during the current year	110,219,209	61,826,996
12	Provision kept against classified loans	119,889,933	193,353,546
13	Provisions surplus/(deficit)	103,477,430	164,938,615
14	Provision Coverage Ratio(%)	108.77%	312.73%
15	Cost of fund	3.07%	3.81%
16	Interest earning other assets	-	-
17	Non-Interest earning other assets	1,483,628,430	798,908,867
18	Return on Investment (ROI) [Int. Income from Investment/Total Investment]	5.05%	4.69%
19	Return on assets (ROA) [PAT/Average assets]	3.25%	3.14%
20	Return on Equity (ROE) [PAT/Average shareholders equity]	11.84%	7.73%
21	Income from investments	605,074,148	470,795,502
22	Cash reserve requirement (CRR) maintenance (%)	2.58%	2.80%
23	Statutory Liquidity Reserve maintenance (%)	25.69%	24.90%
24	Capital Adequacy Ratio (%)	68.84%	61.86%
25	Weighted average earning per share	Not Applicable	Not Applicable
26	Net income per share [(PAT-Dividend on preference share/No. of Ordinary Shares)]	Not Applicable	Not Applicable
27	Price earning ratio (Market price per share/EPS)	Not Applicable	Not Applicable
28	Net Asset Value per Share (NAV) [(Shareholders equity- Preference Share)/No. of Ordinary Share]	Not Applicable	Not Applicable

