

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 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 2023 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 presents fairly, in all material respects, the financial position of the Bank as at 31 December 2023, 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.

Key Audit Matters

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

1) Loans and Advances	
See note# 8 to the financial statements	
The key audit matter	How the matter was addressed in our audit
Recognition of interest income from loans and advances has significant and wide influence on financial statements.	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.
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.	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.

At year end the Bank reported total loans and advance of BDT 12,110 million (2022: BDT 30,926 million) including off-shore Banking Unit.
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2) Valuation of treasury bill and treasury bond

See notes# 7 and to the financial statements

The key audit matter	How the matter was addressed in our audit
<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.</p> <p>At year end the Bank reported total investment in treasury bill and treasure bond of BDT 9,459 million (2022: BDT 11,976 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>

3) Recognition of Interest Income from loans

See note# 19.1 and to the financial statements

The key audit matter	How the matter was addressed in our audit
<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 1,983 million (2022: BDT 2,560 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>

4) Income generated from Indian Visa Application Centre (IVAC) Commission	
See note# 22 to the financial statements	
The key audit matter	How the matter was addressed in our audit
Recognition of Commission from IVAC has significant and wide influence on financial statements.	We tested the design and operating effectiveness of key controls over Recognition and measurement of IVAC Commission.
The measurement of the commission depends on per VISA commission that is recognized as the aforementioned income.	We have performed test of operating effectiveness on automated control in place to measure and recognize IVAC commission.
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.	We have also performed substantive procedure to check whether IVAC commission is recognized completely and accurately.
At year end the Bank reported total commission income BDT 1,534 million (202: BDT 992 million).	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.

5) IT systems and controls	
The key audit matter	How the matter was addressed in our audit
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.	We tested the design and operating effectiveness of the bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.
We 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.	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. We tested the periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization.
	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.

6) Legal and regulatory matters	
The key audit matter	How the matter was addressed in our audit
We focused on this area because the Bank operate in a legal and regulatory environment that is exposed to significant litigation and	We obtained an understanding of the Bank's key controls over the legal compliance. We enquired to those charged with governance to obtain their view on

<p>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>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>	<p>the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p>
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Other information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance 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 the financial statements that give a 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 skepticism throughout the audit. We also:

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

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.

Report on other Legal and Regulatory Requirements

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

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on 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; and
- (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;
- (iii) in our opinion, proper books of accounts as required by law have been kept by the Bank and 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 of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (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;
- (xi) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Dhaka, 22 February 2024

DVC: 240229/1512 AS 887802



Shaikh Hasibur Rahman FCA
Partner
Enrolment No: 1512
Hoda Vasi Chowdhury & Co
Chartered Accountants



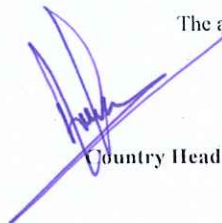
**State Bank of India
Bangladesh Operations
Domestic and Off-Shore Banking Unit
Balance Sheet
As at 31 December 2023**

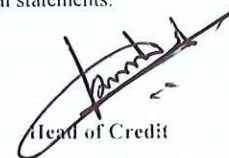
Particulars	Notes	31.12.2023 Taka	31.12.2022 Taka
PROPERTY AND ASSETS			
Cash	4	2,299,938,057	1,397,994,142
Cash in hand (Including foreign currency)		37,844,664	41,017,662
Balance with Bangladesh bank and its agent bank(s) (Including foreign currency)		2,262,093,393	1,356,976,480
Balance with other banks and financial institutions	5	5,588,260,854	9,545,713,219
Inside Bangladesh		5,218,143,865	8,512,193,391
Outside Bangladesh		370,116,990	1,033,519,828
Money at call and short notice	6	7,250,000,000	150,000,000
Investments	7	9,459,507,932	11,979,216,917
Government		9,456,369,042	11,976,078,027
Others		3,138,890	3,138,890
Loans and advances	8	12,110,824,495	30,926,997,681
Loans, cash credit, overdrafts etc.		12,110,824,495	10,406,880,453
Bills purchased & discounted		-	20,520,117,228
Fixed assets including premises, furniture and fixtures	9	77,505,868	100,319,675
Other assets	10	949,063,229	1,483,628,430
Non-banking assets	11	-	-
Total assets		<u>37,735,100,435</u>	<u>55,583,870,064</u>
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	12	-	22,177,750,000
Deposit and other accounts	13	17,222,145,372	15,053,697,826
Current & other accounts		5,812,879,080	6,194,438,996
Savings deposits		940,854,005	902,705,987
Fixed deposits		5,388,082,301	5,883,307,280
Other deposits		5,080,329,986	2,073,245,563
Other liabilities	14	2,622,276,010	3,096,648,573
Total liabilities		<u>19,844,421,382</u>	<u>40,328,096,399</u>
Capital and shareholders' equity		17,890,679,052	15,255,773,666
Fund deposited with Bangladesh Bank	15	6,334,662,899	6,314,083,718
Retained earnings	16	11,485,539,209	8,880,474,085
Other reserve	17	70,476,944	61,215,863
Total liabilities and shareholders' equity		<u>37,735,100,435</u>	<u>55,583,870,064</u>



Particulars	Notes	31.12.2023 Taka	31.12.2022 Taka
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements		-	-
Letters of guarantee	18.1	54,382,475,274	35,127,413,847
Irrevocable letters of credit	18.2	1,441,094,091	1,622,424,804
Bills for collection		-	-
Other contingent liabilities		-	-
Total contingent liabilities		55,823,569,365	36,749,838,651
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		55,823,569,365	36,749,838,651

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, 22 February 2024

DVC No. 240229/15/2 AS 882802


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 2023**

Particulars	Notes	2023 Taka	2022 Taka
OPERATING INCOME			
Interest income	19.1	1,983,423,846	2,559,406,306
Interest paid on deposits and borrowings etc.	20	(618,814,648)	(1,144,830,606)
Net interest income		1,364,609,199	1,414,575,700
Investment income	21	687,870,569	605,074,148
Commission, exchange and brokerage	22	1,986,968,767	1,409,660,786
Other operating income	23	40,621,918	116,547,526
		2,715,461,253	2,131,282,460
Total operating income (a)		4,080,070,452	3,545,858,160
OPERATING EXPENSE	24		
Salaries and allowances	24.1	139,840,016	151,391,826
Rent, taxes, insurance, electricity etc.	24.2	130,053,031	54,463,292
Legal expenses		765,852	700,006
Postage, stamps, telecommunication etc.	24.3	9,454,317	8,558,790
Stationery, printing, advertisement etc.	24.4	17,764,007	16,511,134
Chief executive's salary & fees		-	-
Directors' fees & expenses		-	-
Auditors' fee	24.5	1,690,204	1,011,499
Charges on loan losses		-	-
Depreciation on and repairs to bank's assets	24.6	58,423,539	85,273,855
Other expenses	24.7	141,782,100	117,550,772
Total operating expenses (b)		499,773,066	435,461,174
Profit before provision (c = (a-b))		3,580,297,386	3,110,396,986
Provision against loans and advances			
Loans and advances		4,041,107	3,807,154
Special Provision for COVID -19		(2,864,159)	(3,871,647)
Off balance sheet items		3,344,493	177,473,463
Offshore banking unit		(220,964,458)	(148,356,789)
Total provision (d)	25	(216,443,017)	29,052,182
Profit before taxation (e = c-d)		3,796,740,403	3,081,344,805
Provision for taxation (f)			
Current tax expense	14.5	1,441,017,942	1,282,896,976
Deferred tax expense	10.1	9,363,151	(7,975,861)
Total provision for tax		1,450,381,093	1,274,921,115
Net profit after taxation (g = e-f)		2,346,359,310	1,806,423,690
Appropriations			
Statutory reserve		-	-
General reserve		-	-
Dividend		-	-
Retained earnings		2,346,359,310	1,806,423,690

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, 22 February 2024

DVC No. 240229/1512 AS882802

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 2023**

Particulars	Notes	2023 Taka	2022 Taka
Cash flows from operating activities			
Interest receipts		3,364,725,542	2,777,054,889
Interest payment		(394,526,357)	(1,481,106,888)
Dividend received		2,284,722	-
Fees & commissions receipts		1,850,117,688	1,223,059,686
Received from loan write off recovery		51,048,787	113,047,275
Cash payments to employees		(133,954,262)	(145,716,544)
Cash payments to suppliers		(9,147,421)	(20,132,033)
Income tax paid		(531,920,514)	(250,000,000)
Receipts from other operating activities	26	40,621,918	116,547,526
Payment for other operating activities	27	(319,382,745)	(279,392,325)
Operating profit/(loss) before changes in operating assets & liabilities (i)		3,919,867,357	2,053,361,586
Change in operating assets and liabilities			
Loans & advances to customers		18,816,173,187	5,442,284,998
Other assets		(2,458,281,024)	(68,995,403)
Deposits from customers	27.1	(17,649,677,454)	(4,332,657,495)
Other liabilities		(1,413,147,373)	(158,127,421)
Cash generated from operating assets and liabilities (ii)		(2,704,932,664)	882,504,679
Net cash from operating activities (a)=(i)+(ii)		1,214,934,693	2,935,866,265
Cash flows from investing activities			
Payments for purchase of securities		2,519,708,985	(1,947,718,860)
Investment in prize bond		64,600	(245,500)
Purchase/sale of property, plant & equipment		-	-
Net cash (used in)/flow from investing activities (b)		2,519,773,585	(1,947,964,360)
Cash flows from financing activities			
Capital Transferred to Domestic Banking Unit		-	(1,051,704,447)
Receipts from Off-Shore Banking Unit		-	1,051,704,447
Net cash flow from/(used in) financing activities (c)		-	-
Net increase in cash and cash equivalents (a+b+c)		3,734,708,278	987,901,905
Effects of exchange rate changes on cash & cash equivalents		309,718,673	656,397,286
Cash and cash equivalents at the beginning of the year		11,093,970,361	9,449,671,170
Cash and cash equivalents at the end of the year (*)		15,138,397,312	11,093,970,361
(*) Cash and cash equivalents:			
Cash in hand		37,844,664	41,017,662
Prize bonds		198,400	263,000
Money at call on short notice		7,250,000,000	150,000,000
Balance with Bangladesh Bank and its agent bank(s)		2,262,093,393	1,356,976,480
Balance with other banks and financial institutions		5,588,260,854	9,545,713,219
		15,138,397,312	11,093,970,361

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

Dhaka, 22 February 2024

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 2023

(Figures in Taka)

Particulars	Fund deposited with Bangladesh Bank	Other Reserve	Retained Earnings	Total Equity
Balance as at 01 January 2023	6,314,083,717	61,215,863	8,880,474,085	15,255,773,665
Net profit for the year	-	-	2,346,359,310	2,346,359,310
Amortization gain on HTM Securities transferred to P&L	-	(61,215,863)	-	(61,215,863)
Amortization gain on HTM Securities	-	70,476,944	-	70,476,944
Fund utilized which were kept as Capital	20,579,182	-	(20,579,182)	-
Last Year Profit Transferred from OBU Profit & Loss Account	-	-	-	-
Last Year Profit Transferred to DBU Profit & Loss Account	-	-	-	-
Fund transferred to Start-up Fund Account (as per BB instructions)	-	-	(18,064,237)	(18,064,237)
Excess Revaluation Reserve Transferred to Profit & Loss Account	-	-	-	0
Exchange fluctuation of OBU retained profit	-	-	297,349,233	297,349,233
Balance as at 31 December 2023	6,334,662,899	70,476,944	11,485,539,209	17,890,679,053

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	6,314,083,717	61,215,863	8,880,474,085	15,255,773,665

Dhaka, 22 February 2024

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 2023

(Figures in Taka)

Particulars	0 - 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	Above 5 Years	Total
ASSETS						
Cash in hand	37,844,664	-	-	-	-	37,844,664
Balance with Bangladesh Bank	2,262,093,393	-	-	-	-	2,262,093,393
Balance with other bank, Other Banks and financial Institutions (Including foreign currencies)	395,760,854	1,900,000,000	3,292,500,000	-	-	5,588,260,854
Money at call and on short notice	7,250,000,000	-	-	-	-	7,250,000,000
Investments	198,400	1,236,798,878	3,563,603,621	3,744,047,243	914,859,789	9,459,507,932
Loans and advances	3,631,898,340	3,826,323,025	3,648,829,172	439,716,294	564,057,663	12,110,824,495
Fixed assets including premises, furniture & fixtures	-	-	-	-	77,505,868	77,505,868
Other assets	-	-	-	-	949,063,229	949,063,229
Non - banking assets	-	-	-	-	-	-
Total Assets (A)	13,577,795,652	6,963,121,904	10,504,932,793	4,183,763,538	2,505,486,549	37,735,100,435
LIABILITIES						
Borrowings from Bangladesh bank, other Banks, financial institutions and agents	-	-	-	-	-	-
Convertible subordinated debts	-	-	-	-	-	-
Money at call and on short notice	-	-	-	-	-	-
Deposits & other accounts	4,422,409,387	3,776,239,663	8,165,260,035	858,236,287	-	17,222,145,372
Provision & Other Liabilities	2,622,276,010	-	-	-	-	2,622,276,010
Total liabilities (B)	7,044,685,397	3,776,239,663	8,165,260,035	858,236,287	-	19,844,421,382
Amount of net liquidity difference (A-B)	6,533,110,255	3,186,882,241	2,339,672,758	3,325,527,251	2,505,486,549	17,890,679,053

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

Dhaka, 22 February 2024

Country Head

Head of Credit

**State Bank of India
Bangladesh Operations
Notes to Financial Statements
As at and for the year ended 31 December 2023**

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 2023 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 'I' 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 2023.

The financial statements were authorised for issue by the SBI Country Officer and the Chief Financial Officer on 22 February 2024

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 accreted.

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/ Amortized
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. BRPD Circular No. 52 dated 20 Oct 2020, BRPD Circular No. 16 dated 21 July 2020 and BRPD Circular No. 03 dated 21 April 2029. The guidance in the circulars follow a formulaic approach whereby s. According to BRPD Circular Letter No-50 dated 14.12.2021 additional 2% general provision and CMSME sector as per BRPD Circular Letter no-52 dated 29.12.2021 additional 1.5% general provision has been kept as the specific general provision-COVID-19. These circulars also provide scope for further provisioning based on qualitative judgments. The rates of provision for different classifications are given below:



Particulars

	Rates	
	2023	2022
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.

	Rates	
	2023	2022
Specific provision on:		
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

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

3.20.1 Income tax

Provision for taxation has been calculated using tax rates as prescribed in the Income Tax Act 2023 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 2023 has been made on the basis of the provisions of the Income Tax Act 2023 and the Finance Act 2023. 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 managed and
- 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 and functions in

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 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 2 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 2023, 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 across the country.

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 Dhaka & Chittagong.

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 CSR budget of BDT 50 lacs has been achieved by bank.

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 Bank, the 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.

3.30.1 Sound progress in 2023:

By drafting the "Go green, to keep it clean" in 2023, 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 2023, 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" with slogan

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 filling 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 much. 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 the less fuel use to save the nature and costing.

Sl. No.	Particulars	Costing (Per Unit) @	Costing (Per Unit) @	Costing (Per Unit) @ BDT
		2021	2022	2023
1	Paper Usage	0.011	0.01	0.02
2	Electricity Consumption	0.06	0.058	0.042
3	Water Consumption	0.005	0.005	0.005
4	Fuel Consumption	0.005	0.004	0.013

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.
8. Energy efficiency plant and machineries

Our Green Finance target BDT 18.98 Crore for Year 2023 which is set by Bangladesh Bank and we already achieved the target of Green Finance through disbursement of total 59,304 Crore during the year 2023. We already achieved our SLF target for year 2023 through disbursement of BDT 142.656 Crore during the year 2023.

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.

3.30.9 Financial Highlights of 2023:

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:

- i. Standardized method for credit and market risk.
- ii. Basic indicator approach for operational risk.
- iii. 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 2023, banking staffs have been attended in 53 training courses, seminars and workshops which were arranged by in-house and external training institutions. The objectives of designing all training programmes were 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 2022	ALPHA	AAA	AR-2
2	Jan to Dec 2021	ALPHA	AAA	AR-2
3	Jan to Dec 2020	ALPHA	AAA	AR-2
4	Jan to Dec 2019	ALPHA	AAA	AR-2
5	Jan to Dec 2018	ALPHA	AAA	AR-2
6	Jan to Dec 2017	ALPHA	AA	AR-2
7	Jan to Dec 2016	ALPHA	AA	AR-2
8	Jan to Dec 2015	ALPHA	AA	AR-2
9	Jan to Dec 2014	ALPHA	AA-	AR-2
10	Jan to Dec 2013	ALPHA	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 2023.



	31.12.2023 Taka	31.12.2022 Taka
4 Cash		
4.1 Cash in hand		
Local currency	25,922,171	36,176,169
Foreign currency	11,632,893	1,704,693
ATM cash balance	289,600	3,136,800
	37,844,664	41,017,662
4.2 Balance with Bangladesh bank and its agent bank(s)		
Local currency (Note: 4.2a)	1,242,321,750	809,401,293
Foreign currency (Note: 4.2b)	1,019,771,643	547,575,187
	2,262,093,393	1,356,976,480
Off-Shore Banking Unit	-	-
Total	2,299,938,057	1,397,994,142
4.2a Local currency		
Lien with Bangladesh Bank	-	-
Free Balance with Bangladesh Bank	1,242,321,750	809,401,293
	1,242,321,750	809,401,293
4.2b Foreign Currency		
Lien with Bangladesh Bank	-	-
Free Balance with Bangladesh Bank	1,019,771,643	547,575,187
	1,019,771,643	547,575,187
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 2023 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)	598,067,000	969,423,000
Actual reserve maintained	1,209,396,293	1,214,313,000
Surplus/ (deficit)	611,329,293	244,890,000
Average Maintained (%)	7.05%	2.58%
ii. Bi- Weekly bank's CRR maintenance		
Required reserve DBU (4%) & OBU (2%) of total time & demand liabilities)	683,866,000	1,204,313,000
Actual reserve maintained	1,209,396,293	1,214,313,000
Surplus/ (deficit)	525,530,293	10,000,000
Average Maintained (%)	7.05%	2.58%
4.3.2 Statutory Liquidity Reserve (SLR)		
Required reserve DBU & OBU (13% of total time & demand liabilities)	2,230,786,000	6,107,128,000
Actual reserve maintained	10,038,998,550	12,069,425,370
Surplus/ (Deficit)	7,808,212,550	5,962,297,370
Average Maintained (%)	58.50%	25.69%
5 Balance with other banks and financial institutions		
Inside Bangladesh (Note: 5.1)	5,218,143,865	8,512,193,391
Outside Bangladesh (Note: 5.2)	370,116,990	1,033,519,828
	5,588,260,854	9,545,713,219

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)

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	

31.12.2023	31.12.2022
Taka	Taka
6,966,661	5,132,548
-	3,523,046
7,500	4,377,474
69,972	69,972
7,044,133	13,103,040

On Short Term Deposit (STD) Accounts

Uttara Bank Limited	
Standard Bank Ltd. Gulshan Branch	

16,079,057	14,553,757
2,520,675	36,595
18,599,732	14,590,351
25,643,865	27,693,391

b) 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
900,000,000	300,000,000
-	780,000,000
500,000,000	300,000,000
500,000,000	500,000,000
-	160,000,000
-	540,000,000
-	640,000,000
-	-
-	-
1,900,000,000	4,120,000,000
-	2,334,500,000
1,925,643,865	6,482,193,391
3,292,500,000	2,030,000,000
5,218,143,865	8,512,193,391

Term Placement (USD)

Sub-total DBU

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

Sl. #	Bank / Financial Institute Name	Placement Amount	Placement Date	Maturity Date
01	Mercantile Bank Limited (Term)	900,000,000	28/12/23	28/01/24
02	Southeast Bank Limited (Term)	500,000,000	22/10/23	18/01/24
03	United Commercial Bank Limited	500,000,000	26/12/23	27/03/24
		1,900,000,000		

2023	2022
Amount (USD)	Amount (BDT)
-	-
-	-
-	-
-	2,334,500,000
-	1,877,150,000

Term Placement (USD)

Banking company

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

(For conversion MID rate applied Dec 23: 109.75 and in Dec 22@ 101.50)

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	-	-	-

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	

3,246,842	25,334,442
1,505,694	263,425
107,651,499	691,579,655
1,784,748	971,645
114,188,783	718,149,167

On demand deposit accounts (Interest bearing)

JP Morgan Chase Bank	
----------------------	--

115,848,962	153,518,752
-------------	-------------

ACU Dollar Nostro A/C

Add: Off-Shore Banking Unit

31.12.2023	31.12.2022
Taka	Taka
32,539,835	65,056,655
148,388,797	218,575,407
262,577,580	936,724,574
107,539,410	96,795,254
370,116,990	1,033,519,828

5.2.1 Foreign currency wise break-up

Currency Name	Amount in FC	Conversion Rate	31.12.2023 Taka	31.12.2022 Taka
US Dollar	2,332,941	109.75	362,252,760	1,006,950,316
Great Britain Pound	10,706	140.64	1,505,694	263,425
EURO	26,602	122.05	3,246,842	25,334,442
Japanese Yen	2,298,156	0.78	1,784,748	971,645
ISB Mumbai (INR Account)	1,007,093.00	1.32	1,326,946	-
			370,116,990	1,033,519,828

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

395,760,854	1,061,213,219
1,900,000,000	6,454,500,000
3,292,500,000	2,030,000,000
-	-
-	-
5,588,260,854	9,545,713,219

6 Money at call and short notice

Banking company
NCC Bank Limited
NCC Bank Limited
NCC Bank Limited
Jamuna Bank Limited
Jamuna Bank Limited
Dhaka Bank Limited
Prime Bank Limited
Prime Bank Limited
Bank Asia Limited
United Commercial Bank Limited

370,000,000	150,000,000
500,000,000	
500,000,000	
960,000,000	
500,000,000	
1,200,000,000	
500,000,000	
1,000,000,000	
750,000,000	
970,000,000	-
7,250,000,000	150,000,000

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

7,250,000,000	150,000,000
-	-
-	-
-	-
-	-
7,250,000,000	150,000,000

7 Investments

Government Securities
Other Investments
Off-shore Banking Unit

(Note: 7.1)	9,456,369,042	11,976,078,027
(Note: 7.2)	3,138,890	3,138,890
	9,459,507,932	11,979,216,917
	-	-
	9,459,507,932	11,979,216,917

Investment in securities are classified as follows:

(Note: 7.1)	9,456,369,042	11,976,078,027
(Note: 7.2)	3,138,890	3,138,890
	9,459,507,932	11,979,216,917

Treasury bills and treasury bonds have 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

1,236,798,878	4,597,803,032
3,088,651,660	232,289,515

182 day Treasury bills
364 day treasury bills

31.12.2023 Taka	31.12.2022 Taka
474,951,961	-
-	-
4,800,402,500	4,830,092,547

Treasury bonds

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

1,556,501,036	2,450,204,626
2,187,546,207	3,211,475,481
908,131,572	1,475,775,228
3,589,327	8,267,146
-	-
4,655,768,142	7,145,722,480
198,400	263,000
9,456,369,042	11,976,078,027

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	31.12.2023 Taka	31.12.2022 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

198,400	263,000
1,236,798,878	767,712,395
3,563,603,621	47,556,833
3,744,047,243	11,160,545,799
911,720,899	-
9,456,369,042	11,976,078,027

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)

537,355,755	494,120,853
5,651,258,028	4,870,806,800
2,663,426,884	3,124,942,296
17,656,823	21,545,500
169,830,636	294,936,967
558,181,744	10,127,427
1,379,992,218	539,423,359
287,189,512	286,413,619
38,869,184	29,348,347
11,303,760,784	9,671,665,169

b. Bills purchase & discount

(Note - 8.15)

DBU Total: (a+b)

Add: Off-Shore Banking Unit:

Over Draft / Term Loans

Bills purchase & discount

11,303,760,784	9,671,665,169
807,063,711	735,215,283
-	20,520,117,228
12,110,824,495	30,926,997,681

8.1 Net loans and advances

Gross loans and advances

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

11,303,760,784	9,671,665,169
14,918,766	11,845,046
106,672,079	127,907,980
121,590,845	139,753,026
11,182,169,939	9,531,912,144
807,063,711	21,255,332,511
11,989,233,650	30,787,244,655

Add: Off-Shore Banking Unit

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

3,631,898,340	4,109,490,530
3,826,323,025	2,235,121,821
3,008,181,394	24,144,258,898



More than 1 year to 5 years
More than 5 years

31.12.2023	31.12.2022
Taka	Taka
1,080,364,072	372,359,109
564,057,663	65,767,323
12,110,824,495	30,926,997,681

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

725,206,032	285,471,016
4,063,882,273	3,705,504,534
6,475,803,295	5,651,341,272
38,869,184	29,348,347
-	-
11,303,760,784	9,671,665,169

Outside Bangladesh

Term Loans
Cash credits
Overdrafts

-	-
-	-
-	-
11,303,760,784	9,671,665,169

Add: Off-Shore Banking Unit

Overdraft / Term Loan
Bill purchase & discount

807,063,711	735,215,283
-	20,520,117,228
807,063,711	21,255,332,511
12,110,824,495	30,926,997,681

8.4 Geographical location wise portfolio grouping

Inside Bangladesh

Dhaka Division
Chittagong Division
Khulna Division

8,007,011,445	7,202,428,103
3,283,369,185	2,450,123,163
13,380,154	19,113,904
11,303,760,784	9,671,665,169
807,063,711	21,255,332,511
12,110,824,495	30,926,997,681

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

-	-
8,657,449	4,759,286
30,211,735	24,589,061
38,869,184	29,348,347

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

287,189,512	286,413,619
37,240,103	31,558,379
4,769,330	6,031,977
836,263,405	186,259,222
479,101,404	-
890,673,319	274,696,006
364,847,099	389,406,812
1,719,140,232	1,578,315,602
305,132,111	-
133,834,728	144,568,784
5,422,673,205	5,906,920,895
10,480,864,446	8,804,171,296

Infrastructural

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

-	-
103,226,219	113,850,428
169,830,636	294,936,967
167,061,704	100,506,288
-	-
440,118,559	509,293,683

Consumers

i) Commercial lending
ii) Household
iii) House building loan
iv) Small and medium enterprise

-	-
5,481,422	4,103,345
37,395,207	38,658,788
176,340,279	184,215,058

v) Non-banking financial institutions
vi) Others

Add: Off-Shore Banking Unit

31.12.2023 Taka	31.12.2022 Taka
51,331,721	51,331,721
73,359,965	50,542,931
343,908,595	328,851,844
11,303,760,784	9,671,665,169
807,063,711	21,255,332,511
12,110,824,495	30,926,997,681

8.6 Staff loan

Overdraft Loan (Interest Bearing)
Overdraft Loan (Interest Free)
Car and motorcycle loan
House building Loan

17,812,195	11,558,059
1,318,605	677,000
-	-
19,738,384	17,113,288
38,869,184	29,348,347

8.7 Detail of large loan

Total capital of the Bank was Taka 17,890 million for BD. Operations as at 31 December 2023 (Taka 15,255 million for BD. Operations as at 31 December 2022 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 2023 and 2022.

8.8 Grouping as per classification rules

Unclassified

Standard including staff loan
Special Mention Account (SMA)

Add: Off-Shore Banking Unit(UC)

11,168,109,604	9,521,333,664
-	40,112,296
11,168,109,604	9,561,445,960
807,063,711	21,255,332,511
11,975,173,315	30,816,778,472

Classified

Sub standard
Doubtful
Bad/ Loss

21,162,641	-
-	-
114,488,539	110,219,209
135,651,180	110,219,209
12,110,824,495	30,926,997,681

8.9 Loan type wise total loan

Overdraft
Demand Loan
Term Loan
Cash Credit
Staff Loan

537,355,755	494,120,853
5,651,258,028	4,871,813,634
725,206,032	285,471,016
4,351,071,785	3,990,911,319
38,869,184	29,348,347
11,303,760,784	9,671,665,169

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

807,063,711	735,215,283
-	20,520,117,228
807,063,711	21,255,332,511
12,110,824,495	30,926,997,681

8.10 Sector-wise allocation of loans and advances

Agriculture, fishing, forestry and dairy firm
Industry (jute, textile, garments, chemicals, cements etc.)
Transport Operator Loan
Working capital financing
Export credit
Commercial credit
Small and cottage industries
Miscellaneous

287,189,512	286,413,619
1,439,004,199	312,286,361
169,830,636	294,936,967
7,239,022,071	8,019,212,094
-	-
-	-
2,050,361,599	614,179,343
118,352,767	144,636,786
11,303,760,784	9,671,665,169

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

807,063,711	735,215,283
-	20,520,117,228
807,063,711	21,255,332,511
12,110,824,495	30,926,997,681

8.11 LOANS & ADVANCES(SME)

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

2,433,773	3,579,030
1,918,261,349	1,773,037,871
842,349,761	621,712,775

	31.12.2023 Taka	31.12.2022 Taka
Current account debit balance	-	165,532,846
	2,763,044,883	2,563,862,523
LOANS & ADVANCES(NON-SME)		
Medium Term Loan Account (Debit Balance)	742,510,642	1,034,220,557
Demand Loan Account	3,734,315,285	3,098,775,763
Cash credit account debit balance	3,791,290,071	3,369,198,544
Current account debit balance	272,599,903	493,905,716
Offshore Banking Unit	807,063,711	20,367,034,579
	9,347,779,612	28,363,135,158
	12,110,824,495	30,926,997,681

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

Collateral of moveable/immoveable assets	7,565,560,114	6,382,130,261
Nonbanking financial institutions guarantee	51,331,721	51,331,721
Local banks/foreign banks guarantee	365,644,655	339,725,433
Export documents	-	-
Cash and quasi cash	73,359,965	49,865,931
Personal guarantee	5,481,422	703,826
Other securities	3,242,382,906	2,847,907,997
	11,303,760,784	9,671,665,169
Add: Off-Shore Banking Unit		
Overdraft / Term Loan	807,063,711	735,215,283
Bill purchase & discount	-	20,520,117,328
	807,063,711	21,255,332,511
	12,110,824,495	30,926,997,681

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 2023	Required provision December 2022
All unclassified loans (Other than Small & Medium enterprise financing, Consumer Financing, BHs/ MBs/ SDs, Housing & loans for professional)	8,138,748,339	8,138,748,339	1%	81,387,483.39	67,173,126
Small & Medium enterprise financing	2,678,725,424	2,678,725,424	0.25%	6,696,813.56	6,162,157
Housing & loan for professional	19,095,724	19,095,724	1%	190,957.24	215,455
Consumer finance	5,481,422	5,481,422	2%	109,628.45	37,016
Special Mentioned	-	-	0%	-	100,281
Short-term	287,189,512	287,189,512	1.0%	2,871,895.12	2,864,136
Staff Loan	38,869,184	38,869,184	0%	-	-
Total	11,168,109,604	11,168,109,604		91,256,778	76,552,171
Add: Off- Shore	807,063,711	807,063,711	1.00%	8,070,637	212,553,325.11
Total	11,975,173,315	11,975,173,315		99,327,415	289,105,496

Specific provision (COVID-2019)

Status	Outstanding	Base for provision	Rate (%)	Required provision December 2023	Required provision December 2022
Standard Loan (for deferral benefits) for	229,574,663	229,574,663	1.5% / 2%	4,309,260	7,173,419
Standard Loan (for deferral benefits) for	-	-	1%	-	-
Total	229,574,663	229,574,663		4,309,260	7,173,419

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



Name of Exposure	Outstanding	Rate (%)	31.12.2023	31.12.2022
			Taka Required provision December 2023	Taka Required provision December 2022
Acceptances and endorsements	-	1%	-	-
Letter of guarantees	54,382,475,274	Basel-III	403,557,272	488,724,062
Irrevocable letter of credits	1,441,094,091	1%	20,680,381	17,681,346
Total	55,823,569,365		424,237,653	506,405,408
Total required provision for unclassified assets (including off-balance sheet items)			527,874,328	802,684,323
Provision maintained for unclassified assets (including off-balance sheet items)			653,788,836	860,175,859
Excess/(Short) provision at 31 December 2023 / 2022			125,914,509	57,491,536

Provision required for classified loans & advances (Specific provision)

Status	Outstanding	Base for provision	Rate	Required provision December 2023	Required provision December 2022
Sub-standard	21,162,641	10,172,037	20%	508,602	-
Doubtful	-	-	50%	-	-
Bad/Loss	114,488,539	68,436,789	100%	68,436,789	53,459,720
Total	135,651,180	78,608,825		68,945,391	53,459,720

Total provision maintained for classified assets:

Sub Standard	3,174,396	-
Doubtful	-	-
Bad/loss	103,497,683	99,445,614
	106,672,079	99,445,614
Excess/(Short) of provision	37,726,689	45,985,894

8.14 Particulars of loans and advances

i) Debts considered good in respect of which Bank is fully secured	624,218,245	389,591,364
ii) Debts considered good for which Bank holds no other security than the debtor's personal security	67,822,565	2,956,348
iii) Debts considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtors	11,418,783,685	9,279,117,457
iv) Debts adversely classified; for which no provision is created	-	-
	12,110,824,495	9,671,665,169
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	106,672,079	99,445,614
c) Interest creditable to the Interest Suspense a/c	14,918,766	11,845,045
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)	1,010,272,334	1,061,321,121
xii) The amount of written off loans for which law suit filed	1,010,272,334	1,061,321,121
8.15 Suit filed by the bank (branch wise)		
Dhaka Region	577,607,678	556,945,037
Chittagong Region	568,315,836	614,595,293
Sylhet Region	-	-
	1,145,923,514	1,171,540,330
8.16 Bill Purchased & discounted under the following		

Inside Bangladesh
Outside Bangladesh
DBU Total
Add: Off-Shore Banking Unit(Inside Bangladesh)

31.12.2023 Taka	31.12.2022 Taka
-	-
-	-
-	-
-	20,520,117,228
-	20,520,117,228

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
-	8,529,764,937
-	1,583,522,272
-	225,306,525
-	20,520,117,228

8.18 Write off of loans & advances

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

1,061,321,121	1,157,891,058
-	16,477,337
1,061,321,121	1,174,368,396
51,048,787	113,047,275
1,010,272,334	1,061,321,121

Less: Recovery of Write off loans

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

563,880,631	537,952,851
-	-
563,880,631	537,952,851
14,943,170	25,927,782
578,823,801	563,880,632
-	-
578,823,800	563,880,631

Less: Disposal/adjustment during the year

B. Accumulated Depreciation

Opening balance
Add: Charged during the year

463,560,958	392,819,409
37,756,977	70,741,550
501,317,936	463,560,958
-	-
501,317,936	463,560,958
77,505,868	100,319,675

Written down value (A-B)

A schedule of Fixed Assets is given in Annexure-C

10 Other assets

Income generating other assets

Interest receivable on treasury bond
Dividend receivable From CDBL
Interest receivable on Inter Branch Call Money(OBU)
Interest receivable on Inter Bank Call Money

98,863,427	124,387,630
-	-
17,408,454	-
24,357,139	49,225,949
140,629,020	173,613,579

Non-income generating other assets

Stationery, stamps, printing materials etc.
Security Deposits for Rent & Other Services
Memento Coin
Deferred Expenses
Excise duty
Advance Payment of Income Tax
Deferred tax asset
ISO Reconciliation
Inter Branch (FC)

(Note-10.3)

(Note-10.2)

41,878,586	2,750,786
110,143,775	49,992,698
-	-
-	-
7,889,401	8,512,254
601,489,862	531,920,514
16,090,678	25,453,829
-	28,965
32,669	-
777,524,972	618,659,046
918,153,992	792,272,626
30,909,237	691,355,805
949,063,229	1,483,628,430

Add: Off-Shore Banking Unit

10.1 Maturity Grouping of other Assets

	31.12.2023 Taka	31.12.2022 Taka
Less than 1 (one) month	347,573,367	951,707,916
Within 1 (one) year	601,489,862	531,920,514
More than 1 Year	-	-
	<u>949,063,229</u>	<u>1,483,628,430</u>

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)	16,090,678	7,716,543
Deferred tax assets on Right of Use (ROU) Assets	(Note 10.2.2)	(0)	17,737,286
		<u>16,090,678</u>	<u>25,453,829</u>

10.2.1 Deferred tax Asset on Fixed Assets

Opening balance	7,716,543	1,380,098
Less: Deferred Tax Expense during the year	8,374,135	6,336,445
	<u>16,090,678</u>	<u>7,716,543</u>

10.2.2 Deferred tax assets on Right of Use (ROU) Assets

Particulars	Accounting Base	Tax Base	Temporary Difference
Right of Use (ROU) Assets	-	-	-
Lease Liability	0	-	-
	<u>0</u>	<u>-</u>	<u>-</u>
Tax rate			40%
Deferred tax assets as at 31 December 2023			<u>-</u>
Deferred tax assets as at 31 December 2022			17,737,286
Deferred tax assets as at 31 December 2023			-
Deferred tax income for the year 2023			<u>17,737,286</u>

10.3 Advance Payment of Income Tax

Balance at the beginning of the year	531,920,514	250,000,000
Add: Addition during the year	601,489,862	531,920,514
	<u>1,133,410,376</u>	<u>781,920,515</u>
Less: Paid during the year	531,920,514	250,000,000
	<u>601,489,862</u>	<u>531,920,514</u>

11 Non-banking assets
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 2023.

12 Borrowings from other banks, financial institutions & agents

Domestic Banking Unit	-	-
Off-Shore Banking Unit	-	22,177,750,000
	<u>-</u>	<u>22,177,750,000</u>

13 Deposit and other accounts

Local currency		
Current & other accounts	3,328,072,784	3,575,386,735
Bills payable	122,136,667	221,108,987
Saving deposits	940,854,005	902,705,987
Fixed deposits	5,388,082,301	5,883,307,280
Short term deposit	4,956,725,814	1,828,856,707
Other deposits	140,559	667,571
	<u>14,736,012,130</u>	<u>12,410,033,266</u>
Foreign currency		
Current & other accounts	2,427,386,666	2,552,805,258
Other deposits	1,326,946	22,612,298
	<u>2,428,713,611</u>	<u>2,575,417,556</u>
	<u>17,164,725,741</u>	<u>14,985,450,822</u>
Add: Off-Shore Banking Unit	57,419,631	68,247,003
	<u>17,222,145,372</u>	<u>15,053,697,826</u>

13.1 Deposit details concentrating liquidity nature

i) Demand deposit

Current deposit	3,328,072,784	3,575,386,735
Savings deposit (10%)	94,085,401	90,270,599
Foreign currency deposit	2,427,386,666	2,552,805,258
Short term deposit	4,956,725,814	1,828,856,707
Other demand deposit-local currency	122,277,226	221,776,558
Other demand deposit-foreign currency	1,326,946	22,612,298
	<u>10,929,874,836</u>	<u>8,289,708,154</u>

	31.12.2023 Taka	31.12.2022 Taka
ii) Time deposit		
Savings deposit (90%)	846,768,605	812,435,388
Fixed deposit	5,388,082,301	5,883,307,280
Foreign currency deposit	-	-
Short term deposit	-	-
	6,234,850,905	6,695,742,668
	17,164,725,741	14,985,450,822
Add: Off-Shore Banking Unit	57,419,631	68,247,003
	17,222,145,372	15,053,697,826
13.2 Maturity wise grouping of deposits		
Payable on demand	4,364,989,756	3,879,047,148
Payable within 1 month	3,776,239,663	3,296,799,181
Over 1 month but within 3 months	8,165,260,035	7,128,578,956
Over 3 month but within 1 year	858,236,287	749,272,541
Over 1 year but within 5 years	-	-
Over 5 years	57,419,631	68,247,003
Off-Shore Banking Unit	17,222,145,372	15,053,697,826
14 Other liabilities		
Foreign Currency claims received accounts	248	248
Fixed Deposit interest account	68,696,469	89,688,294
Provision on loans and advances	14.1 751,516,291	746,994,850
Interest Suspense Account	14.3 14,918,766	11,845,046
Withholding tax payable (payable on interest)	14.5 2,141,440	2,141,475
Provision for current taxation	14.6 1,441,017,942	1,325,358,077
Cash Assistance	87,275	-
Lease obligation	(0)	66,611,702
Provision for Startup Fund	38,316,383	20,252,146
Provision for audit fees	287,500	287,500
Payable to Other Bank's	2,747,719	-
Interest Payable on Call Money	-	1,523
Other Provision	29,636,497	28,010,559
	2,349,366,529	2,291,191,419
Add: Off-Shore Banking Unit (Including Provision)	272,909,482	805,457,154
	2,622,276,010	3,096,648,573
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 stringent.		
a. General (For more details 14.2)		
Balance at the beginning of the year	611,913,451	413,261,910
Add: Provision made during the year	8,361,233	198,651,541
	620,274,684	611,913,451
b. Special Provision for COVID-19		
Balance at the beginning of the year	7,173,419	11,045,065
Add: Provision made during the year	(2,864,159)	(3,871,647)
	4,309,260	7,173,419
c. Specific		
Balance at the beginning of the year	127,907,980	160,763,480
Add: Provision made during the year	-	-
Less: Recoveries and provision no longer required	975,633	17,370,923
Write off during the year	-	15,484,576
	126,932,347	127,907,980
Net actual provision at the end of year (a+b+c)	751,516,291	746,994,850

Note: State Bank of India incorporated in Bangladesh as a Foreign Commercial Bank and following strengthen among the two regulatory instructions. In some cases account became NPA as per BB but Standard as per RBI and vice versa. Complying both the instructions provision maintain strengthen of the two. Some cases ledger balance differ with the actual situation. In the year 2023, BARAKA Limited is standard as per Bangladesh Bank norms but NPA as per RBI norms. As such provision kept as NPA (due to strengthen norms). The provision is avlable in Bad & Doubtful ledger where as per the provision should be kept in General Provision. The actual position of the Provision Accounts are given below (as per Bangladesh Bank):

a. General Provision (including special provision for COVID - 19)	
As per Bangladesh Bank norms (DBU & OBU)	653,788,836



As per Ledger the balance available
Excess/ (Shortfall)

31.12.2023	31.12.2022
Taka	Taka
633,528,568	
(20,260,268)	

c. Specific

As per Bangladesh Bank norms
As per Ledger the balance available
Excess/ (Shortfall)

106,672,079
126,932,347
20,260,268

In all report returns actual position has been consider instead of ledger balance for actual reflection of Bangladesh Bank norms.

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
Add: Provision made/ (adjusted) during the year

80,258,590	62,952,159
2,152,581	17,306,431
82,411,171	80,258,590

b. General Provision for Off Balance Sheet Exposure

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

538,828,280	357,483,170
3,344,493	181,345,110
542,172,773	538,828,280
624,583,944	619,086,869

Total General Provision (a+b)

624,583,944

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

11,845,046	13,374,878
7,233,720	5,539,609
19,078,766	18,914,487
(4,160,000)	7,069,441
-	-
14,918,766	11,845,046

Less: Amount of interest suspense recovered
Write off during the year

14.4 Withholding tax payable

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

2,141,475	2,164,031
619,058,497	819,508,444
621,199,972	821,672,475
619,058,532	819,531,000
2,141,440	2,141,475

Less: Paid during the year

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. 1,441,017,942.00 (79.10 crore on 31st Dec 23 & 65 crore on 19.02.24) has been provided for current Income Tax.

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

1,325,358,077	861,969,545
1,441,017,942	1,282,896,976
2,766,376,019	2,144,866,521
1,325,358,077	819,508,444
1,441,017,942	1,325,358,077

Less: Adjustment with advance tax

Details are 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

66,611,702	110,495,914
-	5,795,748
66,611,702	116,291,662
46,310,537	-
22,268,488	51,647,282
(1,967,323)	64,644,380
1,967,322	1,967,322
(0)	66,611,702

15 Fund deposited with Bangladesh Bank

Securities lien with Bangladesh Bank
Less: Transferred to Retained Earnings
Add: Fund Transferred from Surplus Profit & Loss Account

6,314,083,718	4,712,633,658
	1,601,450,060
20,579,181	-
6,334,662,899	6,314,083,718

SBI maintained capital in the form of deposit and lien of securities with Bangladesh Bank under section 13(3) of the Bank Company

31.12.2023

Taka

31.12.2022

Taka

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 1, whichever is higher.
- Tier II capital can be maximum up to 4% of the total RWA or 88.89% of CET1, 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.

Regulatory capital

1. Tier-I (Core capital)	15.1.1	17,804,111,430	15,169,103,974
2. Tier-2 (Supplementary capital)	15.1.2	653,788,836	860,175,859
A. Total regulatory Capital (1+2)		18,457,900,267	16,029,279,833
B. Total Risk Weighted Assets (RWA)	15.2	26,505,618,524	24,273,092,622
C. Total (including Tier II) required is 10%		69.64%	66.04%
D. Common Equity Tier I of at least @ 4.5% of the total RWA		67.17%	62.49%
E. Tier I capital will be at least @ 6% of to		67.17%	62.49%
F. Minimum Capital Requirement (MCR)			
10 % of RWA		2,650,561,852	2,427,309,262
As per The Banking Companies Act, 1991		5,000,000,000	4,000,000,000
Minimum Capital Required (higher one of above)		5,000,000,000	4,000,000,000
G. Surplus equity (A-F)		13,457,900,267	12,029,279,833

15.1.1 Tier - I (Core Capital)

Fund deposited with Bangladesh Bank	6,334,662,899	6,314,083,718
Statutory reserve	-	-
Retained Earnings	11,485,539,209	8,880,474,085
Actuarial gain / loss kept in books in Bangladesh	-	-
Sub-total	17,820,202,108	15,194,557,803
Amount deductible from CET I Capital (Regulatory		
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	16,090,678	25,453,829
Investment in subsidiary	-	-
Other if any	-	-
Sub-total	16,090,678	25,453,829
Total eligible Tier - I Capital	17,804,111,430	15,169,103,974

15.1.2 Tier - II (Supplementary Capital)

General Provision (Note 8.12)	653,788,836	860,175,859
Asset revaluation reserve	35,238,472	30,607,931
Preference Share	-	-
Perpetual Subordinated debt	-	-
Exchange Equalization Fund	-	-
Total eligible Tier - 2 Capital	689,027,309	890,783,790
Regulatory Adjustment		
Revaluation Reserve for Fixed Assets, Securities & Equity Securities	35,238,472	30,607,931
Total Admissible Tier-2 Capital	653,788,836	860,175,859
Total Regulatory Capital	18,457,900,267	16,029,279,833

	31.12.2023 Taka	31.12.2022 Taka
15.2 Risk Weighted Assets (RWA)		
1. Investment (credit) Risk	21,414,421,014	19,892,827,536
(i) On-balance sheet	7,089,889,268	10,794,405,050
(ii) Off-balance sheet	14,324,531,746	9,098,422,486
2. Market Risk	116,116,710	266,258,204
3. Operational risk	4,975,080,800	4,114,006,882
	<u>26,505,618,524</u>	<u>24,273,092,622</u>
(Bank has determined the RWA and other Basel data based on BD Operations Financials)		
16 Retained earnings		
Balance at the beginning of the year	8,880,474,085	8,506,367,927
Add: Net Profit for the year	2,346,359,310	1,806,423,690
Add: Net Profit received from Off-share Banking Unit (OBU)	-	-
Add: Transferred to Startup Fund (as per BB instructions)	(18,064,237)	(10,238,459)
Add: Excess Revaluation Reserve Transfer to Profit & Loss Account	-	15,664,474
Add: Exchange Fluctuation	297,349,233	163,706,514
Add: Amount transferred from deposit kept with Bangladesh Bank for Capital and SLR Purpose/ (Release from Fund Deposit with Bangladesh Bank)	15.0 (20,579,181)	(1,601,450,060)
	<u>11,485,539,209</u>	<u>8,880,474,085</u>
	<u>11,485,539,209</u>	<u>8,880,474,085</u>
17 Other reserve		
Balance at the beginning of the year	61,215,863	21,362,552
Add: Amortization gain on HTM securities during the year	70,476,944	61,215,863
	131,692,807	82,578,415
Less: Transferred to Profit & Loss Account at maturity	61,215,863	21,362,552
	<u>70,476,944</u>	<u>61,215,863</u>
Off-shore Banking Unit	-	-
	<u>70,476,944</u>	<u>61,215,863</u>
18 Contingent liabilities		
Acceptances and endorsements		
Letters of guarantee (Excluding Margin)	18.1 54,382,475,274	35,127,413,847
Irrevocable letters of credit (Excluding Margin)	18.2 1,441,094,091	1,622,424,804
Bills for collection	-	-
Other contingent liabilities	-	-
	<u>55,823,569,365</u>	<u>36,749,838,651</u>
18.1 Letter of guarantee		
Letter of Guarantee (Local)	-	-
Letter of Guarantee (Foreign)	-	-
Foreign counter Guarantee	54,520,735,082	36,154,490,313
	<u>54,520,735,082</u>	<u>36,154,490,313</u>
Less: Margin(cash)	138,259,808	1,027,076,466
	<u>54,382,475,274</u>	<u>35,127,413,847</u>
Balance for which the Bank is contingently liable in respect of guarantee issued favoring:		
Directors	-	-
Government	-	-
Bank and other financial institution	54,520,735,082	36,154,490,313
Others	-	-
	<u>54,520,735,082</u>	<u>36,154,490,313</u>
Less : Margin (cash)	138,259,808	1,027,076,466
	<u>54,382,475,274</u>	<u>35,127,413,847</u>
18.2 Irrevocable letter of credit		
Letter of Credit (Inland)	2,068,038,060	1,768,134,586
Letter of Credit (General)	-	-
Back to Back L/C	-	-
	<u>2,068,038,060</u>	<u>1,768,134,586</u>
Less: Margin	626,943,969	145,709,781
	<u>1,441,094,091</u>	<u>1,622,424,804</u>
18.3 Suit filed against the bank		
Sonali Bank Limited, Head Office, Motijheel, Dhaka-1000 filed a suite against the bank. Bank has made 100% provision against the claim which is kept under Provision for Standard assets.		

		2023 Taka	2022 Taka
19 Income statement			
Income			
Interest, discount and similar income	(Note-19.1)	1,482,996,556	931,622,180
Fees, commission and brokerage	(Note-19.2)	1,982,578,767	1,394,515,487
Gains less losses arising from investment securities		687,870,569	605,074,148
Income from non-banking assets		-	-
Other operating income	(Note-22)	40,621,918	116,547,526
Interest Income from Interbranch Call Money		-	(78,504,695)
		4,194,067,809	2,969,254,646
Expenses			
Interest, fees and commission	(Note-20)	382,426,436	307,421,414
Administrative expenses	(Note-19.3)	275,346,644	240,933,517
Other operating expenses		140,233,385	113,433,802
Depreciation on banking assets	(Note-28)	37,756,977	70,741,550
		835,763,443	732,530,283
Operating profit (DBU)		3,358,304,366	2,236,724,363
Operating profit (OBU)		221,993,020	873,672,623
		3,580,297,386	3,110,396,986
19.1 Interest, discount and similar income			
Interest on loans and advances	(Note 19.1.1)	846,888,080	607,120,163
Interest on money at call and short notice	(Note 19.1.2)	620,888,737	322,299,673
Interest on balance with other banks	(Note 19.1.3)	15,219,739	2,202,344
Interest on treasury bills & bonds		-	-
Interest on fixed deposits with other banks		-	-
Interest on other sundry income		-	-
		1,482,996,556	931,622,180
Add: Off-Shore Banking Unit		500,427,290	1,627,784,126
		1,983,423,846	2,559,406,306
19.1.1 Interest on loans and advances			
Cash Credits		376,373,072	244,999,580
Overdrafts		46,702,816	47,673,606
Demand Loan		437,290	754,311
Term Loan		423,374,903	313,692,665
		846,888,080	607,120,163
Add: Offshore Banking Unit		500,427,290	1,627,784,126
		1,347,315,371	2,234,904,289
19.1.2 Interest on Money at Call		620,888,737	322,299,673
		620,888,737	322,299,673
19.1.3 Interest on Balance With Other Bank		15,219,739	2,202,344
		15,219,739	2,202,344
19.2 Fees, commission and brokerage			
Fees		-	-
Commission		1,982,578,767	1,394,515,487
		1,982,578,767	1,394,515,487
20 Interest paid on deposits and borrowings etc.			
Interest on deposits			
Recurring Depos		4,477,531	7,839,636
Short Term Deposit (STD)		98,873,767	36,447,730
Savings		17,994,285	16,693,323
Term		261,080,854	246,440,725
		382,426,436	307,421,414
Interest on money at call and short notice		-	78,504,695
Interest on local bank accounts		-	-
		382,426,436	385,926,109
Add: Off-Shore Banking Unit		236,388,211	758,904,497
		618,814,648	1,144,830,606

		2023 Taka	2022 Taka
21 Investment income			
Interest on treasury bonds		429,108,438	605,074,148
Interest (discount) on treasury bills		256,477,409	-
Dividend income		2,284,722	-
		<u>687,870,569</u>	<u>605,074,148</u>
22 Commission, exchange and brokerage			
Commission for Guarantees		205,311,250	128,414,646
Commission for LC negotiation/amendment/advising		57,331,998	45,343,334
Commission for inward & outward remittances		35,246,763	24,416,783
Commission on Visa Processing		1,534,889,987	992,260,536
Commission for miscellaneous		12,947,691	17,479,088
Foreign exchange earnings		136,851,079	186,601,100
		<u>1,982,578,767</u>	<u>1,394,515,487</u>
Add: Off-Shore Banking Unit		4,390,000	15,145,299
		<u>1,986,968,767</u>	<u>1,409,660,786</u>
23 Other operating income			
Miscellaneous Income		40,621,918	116,547,526
Add: Off-Shore Banking Unit		-	-
		<u>40,621,918</u>	<u>116,547,526</u>
* Details are as follows			
SWIFT Charges		7,262,665	4,977,588
Interest Income from Local Banks/ Written off recovery		33,359,253	111,569,937.94
Service & Other Charges from Vostro Account		-	-
		<u>40,621,918</u>	<u>116,547,526</u>
24 Operating expenses			
Salaries and allowances	24.1	133,954,262	145,716,544
Rent, taxes, insurance, electricity etc.	24.2	91,051,441	53,903,240
Legal expenses		765,852	700,006
Postage, stamps, telecommunication etc.	24.3	9,454,317	8,558,790
Stationery, printing, advertisement etc.	24.4	17,764,007	16,511,134
Auditors' fee	24.5	1,690,204	1,011,499
Depreciation on and repairs to bank's assets	24.6	20,666,562	14,532,305
		<u>275,346,644</u>	<u>240,933,517</u>
24.1 Salaries and allowances			
Basic Salary (B.S+H.R+CON)		83,682,760	98,691,797
Salary Casual Staff		37,372,740	30,144,367
Salary Leave Encash & Allowances		2,747,615	12,043,042
Gratuity		4,839,222	-
Provident Fund		5,311,925	4,837,339
		<u>133,954,262</u>	<u>145,716,544</u>
Add: Off-Shore Banking Unit		5,885,754	5,675,282
		<u>139,840,016</u>	<u>151,391,826</u>
24.2 Rent, taxes, insurance, electricity etc.			
Rent, rates & taxes		68,877,885	34,857,709
Insurance		14,050,552	11,110,153
Power & electricity		8,123,004	7,935,378
		<u>91,051,441</u>	<u>53,903,240</u>
Add: Off-Shore Banking Unit		39,001,590	560,053
		<u>130,053,031</u>	<u>54,463,292</u>
24.3 Postage, stamp, telecommunication etc.			
Postage & courier		7,666,897	7,046,140
Telephone-Office		1,787,420	1,512,651
		<u>9,454,317</u>	<u>8,558,790</u>
24.4 Stationery, printing, advertisement etc.			
Stationery & Printing		17,382,603	14,876,902



Advertisement Statutory
Advertisement Public Relation & Others

2023 Taka	2022 Taka
381,404	1,634,232
-	-
17,764,007	16,511,134

24.5 Auditors' fee

Auditors' Fee (Statutory Audit)
Auditors' Fee(Others)

287,500	287,500
1,402,704	723,999
1,690,204	1,011,499

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)

7,024,782	3,448,614
1,621,756	3,500,100
6,841,951	10,014,335
22,268,488	53,778,500
37,756,977	70,741,550

B. Repairs & maintenance expenses

Transport Maintenance
Equipment Maintenance
Hardware & Software Maintenance
Premises Maintenance

-	-
20,401,457	14,532,305
265,105	-
20,666,562	14,532,305
58,423,539	85,273,855

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)

755,008	837,948
985,962	712,016
332,828	457,005
1,967,322	1,967,322
-	-
51,342,375	40,360,219
2,152,588	1,791,766
16,629,845	13,346,440
7,955,911	6,863,707
10,792,427	6,239,618
1,199,060	1,246,565
-	-
4,018,701	3,729,343
4,592,056	892,090
-	-
18,142,356	15,323,135
-	-
848,423	2,855,665
5,953,021	5,819,799
841,470	1,008,564
11,724,031	9,982,601
140,233,385	113,433,802
1,548,715	4,116,970
141,782,100	117,550,772

Add: Off-Shore Banking Unit

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

5,016,740	21,178,078
(975,633)	(17,370,923)
(2,864,159)	(3,871,647)
-	-
1,176,948	(64,492)

b) Provision for Off Balance Sheet

Provision on LC & BG
Less: Recoveries/Provision no longer required

3,344,493	177,473,463
-	-

- c) Total DBU Provision (a+b)
d) Total OBU Provision
e) Grand total (c+d)

2023 Taka	2022 Taka
3,344,493	177,473,463
4,521,441	177,408,971
(220,964,458)	(148,356,789)
<u>(216,443,017)</u>	<u>29,052,182</u>

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
Interest Income from Local Banks / Recovery from Written Off
Service & Other Charges from Vostro

7,262,665	4,977,588
33,359,253	111,569,938
-	-
<u>40,621,918</u>	<u>116,547,526</u>

Add: Off-Shore Banking Unit

<u>40,621,918</u>	<u>116,547,526</u>
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27 Payment for other operating activities

- Rent, taxes, insurance, electricity etc.
Legal expenses
Postage, stamps, telecommunication etc.
Stationery, printing, advertisement etc.
Auditors' fee
Depreciation on and repairs to bank's assets
Other expenses

(91,051,441)	(53,903,240)
(765,852)	(700,006)
(9,454,317)	(8,558,790)
(17,764,007)	(16,511,134)
(1,690,204)	(1,011,499)
(58,423,539)	(85,273,855)
(140,233,385)	(113,433,802)
<u>(319,382,745)</u>	<u>(279,392,325)</u>

27.1 Deposits from customers (cash flow)

- Opening balance
Less: Adjusted figure
Adjusted closing balance

19,818,125,000	22,177,750,000
2,168,447,546	2,359,625,000
<u>17,649,677,454</u>	<u>19,818,125,000</u>

In the previous year inter branch borrowing balance has not been netted erroneously.

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	-
State Bank of India, West Germany (FF)	Inter Office	Nostro	3,246,842
State Bank of India, London	Inter Office	Nostro	1,505,694
State Bank of India, New York	Inter Office	Nostro	107,651,499
State Bank of India, Japan	Inter Office	Nostro	1,784,748

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:



		2023 Taka	2022 Taka
		2023	2022
AUD	=	109.750	101.500
USD	=	109.750	101.500
GBP	=	140.645	122.689
EUR	=	122.053	107.819
JPY	=	0.777	0.766

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. 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, 22 February 2024

Country Head

Head of Credit



**State Bank of India
Bangladesh Operations
Domestic Banking Unit
Balance Sheet
As at 31 December 2023**

Particulars	Notes	31.12.2023 Taka	31.12.2022 Taka
PROPERTY AND ASSETS			
Cash	4	2,299,938,057	1,397,994,142
Cash in hand (Including foreign currency)		37,844,664	41,017,662
Balance with Bangladesh bank and its agent bank(s) (Including foreign currency)		2,262,093,393	1,356,976,480
Balance with other Banks and Financial Institutions	5	2,188,221,444	7,418,917,965
Inside Bangladesh		1,925,643,865	6,482,193,391
Outside Bangladesh		262,577,580	936,724,574
Money at call and short notice	6	7,250,000,000	150,000,000
Investments	7	9,459,507,932	11,979,216,917
Government		9,456,369,042	11,976,078,027
Others		3,138,890	3,138,890
Loans and advances	8	11,303,760,784	9,671,665,169
Loans, cash credit, overdrafts etc.		11,303,760,784	9,671,665,169
Bills purchased & discounted		-	-
Fixed assets including premises, furniture and fixtures	9	77,505,868	100,319,675
Other assets	10	3,277,778,992	792,272,626
Non-banking assets	11	-	-
Total Property and Assets		35,856,713,078	31,510,386,494
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	12	-	-
Deposit and other accounts	13	17,164,725,741	14,985,450,822
Current & other accounts		5,755,459,450	6,126,191,993
Savings deposits		940,854,005	902,705,987
Fixed deposits		5,388,082,301	5,883,307,280
Other deposits		5,080,329,986	2,073,245,563
Other liabilities	14	2,349,366,529	2,291,191,419
Total liabilities		19,514,092,271	17,276,642,241
Capital and shareholders' equity		16,342,620,807	14,233,744,253
Fund deposited with Bangladesh Bank	15	6,334,662,899	6,314,083,718
Surplus in profit and loss account/ Retained earnings	16	9,937,480,964	7,858,444,673
Other reserve	17	70,476,944	61,215,863
Total liabilities and shareholders' equity		35,856,713,078	31,510,386,494

Particulars	Notes	31.12.2023 Taka	31.12.2022 Taka
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements	18.1	-	-
Letter of guarantee	18.2	54,382,475,274	35,127,413,847
Irrevocable letter of credits		1,441,094,091	1,622,424,804
Bills for collection		-	-
Other contingent liabilities		-	-
Total contingent liabilities		55,823,569,365	36,749,838,651
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		55,823,569,365	36,749,838,651

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, 22 February 2024

DVC No. 2402291512AS887802



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 2023**

Particulars	Notes	31.12.2023 Taka	31.12.2022 Taka
OPERATING INCOME			
Interest income	19.1	1,482,996,556	931,622,180
Interest paid on deposits and borrowing etc.	20	382,426,436	385,926,109
Net interest income		1,100,570,120	545,696,071
Investment income	21	687,870,569	605,074,148
Commission, exchange and brokerage	22	1,982,578,767	1,394,515,487
Other operating income	23	40,621,918	116,547,526
		2,711,071,253	2,116,137,161
Total operating income (a)		3,811,641,373	2,661,833,232
OPERATING EXPENSES	24		
Salaries and allowances	24.1	133,954,262	145,716,544
Rent, taxes, insurance, electricity etc.	24.2	91,051,441	53,903,240
Legal expenses		765,852	700,006
Postage, stamps, telecommunication etc.	24.3	9,454,317	8,558,790
Stationery, printing, advertisement etc.	24.4	17,764,007	16,511,134
Chief executive's salary & fees		-	-
Directors' fees & expenses		-	-
Auditors' fee	24.5	1,690,204	1,011,499
Charges on loan losses		-	-
Depreciation on and repairs to bank's assets	24.6	58,423,539	85,273,855
Other expenses	24.7	140,233,385	113,433,802
Total operating expenses (b)		453,337,007	425,108,869
Profit before provision (c=(a-b))		3,358,304,366	2,236,724,363
Provision against loans and advances			
Funded Loans and advances (Std & Bad Debt)		4,041,107	3,807,154
Special Provision for COVID -19		(2,864,159)	(3,871,647)
Off balance sheet items		3,344,493	177,473,463
Total provision (d)	25	4,521,441	177,408,971
Profit before taxation(e=c-d)		3,353,782,925	2,059,315,393
Provision for taxation (f)			
Current tax expense	14.5	1,441,017,942	1,282,896,976
Deferred tax expense	10.1	9,363,151	(7,975,861)
Total provision for tax		1,450,381,093	1,274,921,115
Net profit after taxation (g=e-f)		1,903,401,832	784,394,278
Appropriations			
Statutory reserve		-	-
General reserve		-	-
Dividend etc.		-	-
Retained earnings		1,903,401,832	784,394,278

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, 22 February 2024

DVC No. 240229/512 AS 887 802

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 2023**

Particulars	Note	31.12.2023 Taka	31.12.2022 Taka
Cash flows from operating activities			
Interest receipts		2,203,851,684	1,523,350,993
Interest payment		(540,811,199)	(335,731,689)
Dividend received		2,284,722	-
Fees & commissions receipts		1,845,727,688	1,207,914,387
Received from loan write off recovery		51,048,787	113,047,275
Cash payments to employees		(133,954,262)	(145,716,544)
Cash payments to suppliers		(9,147,421)	(20,132,033)
Income tax paid		(531,920,514)	(250,000,000)
Receipts from other operating activities	26	40,621,918	116,547,526
Payment for other operating activities	27	(319,382,745)	(279,392,325)
Operating profit/(loss) before changes in operating assets & liabilities (i)		2,608,318,657	1,929,887,590
Change in operating assets and liabilities			
Loans & advances to customers		(1,632,095,614)	(2,398,120,085)
Other assets		(2,458,281,024)	(68,995,403)
Deposits from customers		2,179,274,919	3,940,830,612
Other liabilities		(582,658,807)	(698,210,586)
Cash generated from operating assets and liabilities (ii)		(2,493,760,526)	775,504,538
Net cash flow from operating activities (a)=(i)+(ii)		114,558,130	2,705,392,128
Cash flows from investing activities			
Payments for purchase of securities		2,519,708,985	(1,947,718,860)
Investment in prize bond		64,600	(245,500)
Purchase/sale of property, plant & equipment		-	-
Net cash (used in)/ flow from investing activities (b)		2,519,773,585	(1,947,964,360)
Cash flows from financing activities			
Receipts from Offshore Banking Unit		-	1,051,704,447
Net cash flow from in financing activities (c)		-	1,051,704,447
Net (decrease)/increase in cash and cash equivalents (a+b+c)		2,634,331,715	1,809,132,215
Effects of exchange rate changes on cash & cash equivalents		136,851,080	186,601,101
Cash and cash equivalents at the beginning of the year		8,967,175,107	6,971,441,791
Cash and cash equivalents at the end of the year (*)		11,738,357,902	8,967,175,107
(*) Cash and cash equivalents:			
Cash in hand		37,844,664	41,017,662
Prize bonds		198,400	263,000
Money at call on short notice		7,250,000,000	150,000,000
Balance with Bangladesh Bank and its agent bank(s)		2,262,093,393	1,356,976,480
Balance with other banks and financial institutions		2,188,221,444	7,418,917,965
		11,738,357,902	8,967,175,107

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

Dhaka, 22 February 2024

Country Head

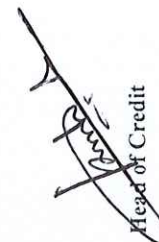
Head of Credit

State Bank of India
Bangladesh Operations
Domestic Banking Unit
Statement of Changes in Equity
For the year ended 31 December 2023

(Figures in Taka)				
Particulars	Fund deposited with Bangladesh Bank	Other Reserve	Retained Earnings	Total Equity
Balance as of 01 January 2023	6,314,083,717	61,215,863	7,858,444,674	14,233,744,254
Net profit for the year (DBU)	-	-	1,903,401,832	1,903,401,832
Amortization gain on HTM Securities transferred to P&L	-	(61,215,863)	-	(61,215,863)
Amortization gain on HTM Securities	-	70,476,944	-	70,476,944
Fund utilized which were kept as Capital	20,579,182	-	(20,579,182)	-
Fund transferred to Start-up Fund Account (as per BB instructions)	-	-	(18,064,237)	(18,064,237)
Excess Revaluation Reserve Transfer to Profit & Loss Account	-	-	-	-
Exchange fluctuation of OBU retained profit	-	-	214,277,877	214,277,877
Last Year Profit Transferred from OBU Profit & Loss Account	-	-	-	-
Balance as of 31 December 2023	6,334,662,899	70,476,944	9,937,480,964	16,342,620,807
(0.25)				
Balance as of 01 January 2022	4,712,633,657	21,362,552	7,454,663,480	12,188,659,689
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 Fund Transferred to Surplus 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	6,314,083,717	61,215,863	7,858,444,674	14,233,744,254


Country Head

Dhaka, 22 February 2024


Head of Credit

State Bank of India
Bangladesh Operations
Domestic Banking Unit

Liquidity Statement
(Assets & Liabilities Maturity Analysis)
For the year ended 31 December 2023

(Figures in Taka)						
Particulars	0 - 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	Above 5 Years	Total
ASSETS						
Cash in hand	37,844,664	-	-	-	-	37,844,664
Balance with Bangladesh Bank	2,262,093,393	-	-	-	-	2,262,093,393
Balance with other bank, Other Banks and financial Institutions (Including foreign currencies)	288,221,444	1,900,000,000	-	-	-	2,188,221,444
Money at call and on short notice	7,250,000,000	-	-	-	-	7,250,000,000
Investments	198,400	1,236,798,878	3,563,603,621	3,744,047,243	914,859,789	9,459,507,932
Loans and advances	3,631,898,340	3,826,223,025	2,841,765,461	439,716,294	564,057,663	11,303,760,784
Fixed assets including premises, furniture & fixtures	-	-	-	-	77,505,868	77,505,868
Other assets	-	-	-	-	3,277,778,992	3,277,778,992
Non - banking assets	-	-	-	-	-	-
Total Assets	13,470,256,242	6,963,121,904	6,405,369,082	4,183,763,538	4,834,202,312	35,856,713,078
LIABILITIES						
Borrowings from Bangladesh bank, other Banks, financial institutions and agents	-	-	-	-	-	-
Convertible subordinated debts	-	-	-	-	-	-
Money at call and on short notice	-	-	-	-	-	-
Deposits & other accounts	4,364,989,756	3,776,239,663	8,165,260,035	858,236,287	-	17,164,725,741
Provision & Other Liabilities	2,349,366,529	-	-	-	-	2,349,366,529
Total liabilities	6,714,356,286	3,776,239,663	8,165,260,035	858,236,287	-	19,514,092,271
Amount of net liquidity difference	6,755,899,956	3,186,882,241	(1,759,890,953)	3,325,527,251	4,834,202,312	16,342,620,807

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

Dhaka, 22 February 2024

Country Head

Head of Credit

	31.12.2023 Taka	31.12.2022 Taka
4 Cash		
4.1 Cash in hand		
Local currency	25,922,171	36,176,169
Foreign currency	11,632,893	1,704,693
ATM cash balance	289,600	3,136,800
	37,844,664	41,017,662
4.2 Balance with Bangladesh bank and its agent bank(s)		
Local currency	(Note: 4.2a) 1,242,321,750	809,401,293
Foreign currency	(Note: 4.2b) 1,019,771,643	547,575,187
	2,262,093,393	1,356,976,480
Sonali Bank as agent of Bangladesh Bank (local currency)	-	-
	2,299,938,057	1,397,994,142
4.2a Local currency		
Lien with Bangladesh Bank	-	-
Free Balance with Bangladesh Bank	1,242,321,750	809,401,293
	1,242,321,750	809,401,293
4.2b Foreign Currency		
Lien with Bangladesh Bank	-	-
Free Balance with Bangladesh Bank	1,019,771,643	547,575,187
	1,019,771,643	547,575,187
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)	598,067,000	969,423,000
Actual reserve maintained	1,209,396,293	1,214,313,000
Surplus/(deficit)	611,329,293	244,890,000
Maintained (%) DBU	7.05%	2.58%
ii. Bi- Weekly bank's CRR maintenance		
Required reserve DBU (4%) & OBU (2%) of total time & demand liabilities)	683,866,000	1,204,313,000
Actual reserve maintained	1,209,396,293	1,214,313,000
Surplus/(deficit)	525,530,293	10,000,000
Maintained (%)	7.05%	2.58%
4.3.2 Statutory Liquidity Reserve (SLR)		
Required reserve DBU & OBU (13% of total time & demand liabilities)	2,230,786,000	6,107,128,000
Actual reserve maintained	10,038,998,550	12,069,425,370
Surplus/(deficit)	7,808,212,550	5,962,297,370
Maintained (%)	58.50%	25.69%
5 Balance with other banks and financial institutions		
Inside Bangladesh	(Note: 5.1) 1,925,643,865	6,482,193,391
Outside Bangladesh	(Note: 5.2) 262,577,580	936,724,574
	2,188,221,444	7,418,917,965
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	6,966,661	5,132,548
Bangladesh Bank-NPSB Settlement A/C		3,523,046
Standard Chartered Bank-ATM Visa Domestic Settlement A/C	7,500	4,377,474
Sonali Bank Limited	69,972	69,972
	7,044,133	13,103,040

On Short Term Deposit (STD) Accounts

Uttara Bank Limited
Standard Bank Ltd. Gulshan Branch

31.12.2023 Taka	31.12.2022 Taka
16,079,057	14,553,757
2,520,675	36,595
18,599,732	14,590,351
25,643,865	27,693,391

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
900,000,000	300,000,000
-	780,000,000
500,000,000	300,000,000
500,000,000	500,000,000
-	160,000,000
-	540,000,000
-	640,000,000
-	-
-	-
1,900,000,000	4,120,000,000
-	2,334,500,000
1,925,643,865	6,482,193,391

c) Term Placement (USD)

Grand Total : (a+b+c)

* Details of Term Placements (BDT) : 2023

Sl. #	Bank/Financial Institute Name	Placement Amount	Placement Date	Maturity Date
01	Mercantile Bank Limited (Term)	900,000,000	28/12/23	28/01/24
02	Southeast Bank Limited (Term)	500,000,000	22/10/23	18/01/24
03	United Commercial Bank Limited	500,000,000	26/12/23	27/03/24
		1,900,000,000		

Term Placement (USD)

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

	2023 Amount (USD)	2021 Amount (BDT)	2021 Amount (BDT)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	2,334,500,000
-	-	-	2,334,500,000

(For conversion MID rate applied Dec 23 @ 109.75)

Sl. #	Bank/Financial Institute Name	Placement Amount	Placement Date	Maturity Date
1	SBI OBU Operations	-	Multiple	Multiple

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

3,246,842	25,334,442
1,505,694	263,425
107,651,499	691,579,655
1,784,748	971,645
114,188,783	718,149,167

On demand deposit accounts (Interest bearing)

JP Morgan Chase Bank
ACU Dollar Nostro A/C (ISB, Mumbai, INR&USD))

115,848,962	153,518,752
32,539,835	65,056,655
148,388,797	218,575,407
262,577,580	936,724,574

5.2.1 Foreign currency wise break-up

Currency name	Amount in FC	Conversion Rate	31.12.2023 Taka	31.12.2022 Taka
US Dollar	2,320,851	109.7500	254,713,350	910,155,062
Great Britain Pound	10,706	140.6447	1,505,694	263,425
EURO	26,602	122.0530	3,246,842	25,334,442
Japanese Yen	2,298,156	0.7766	1,784,748	971,645
ISB Mumbai (INR Account)	1,007,093.00	1.3176	1,326,946	
			262,577,580	936,724,574

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

Up to 1 month

288,221,444	964,417,965
-------------	-------------

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

31.12.2023 Taka	31.12.2022 Taka
1,900,000,000	6,454,500,000
-	-
-	-
-	-
2,188,221,444	7,418,917,965

6 Money at call and short notice

Banking company

NCC Bank Limited
NCC Bank Limited
NCC Bank Limited
Jamuna Bank Limited
Jamuna Bank Limited
Dhaka Bank Limited
Prime Bank Limited
Prime Bank Limited
Bank Asia Limited
United Commercial Bank Limited

370,000,000	150,000,000
500,000,000	-
500,000,000	-
960,000,000	-
500,000,000	-
1,200,000,000	-
500,000,000	-
1,000,000,000	-
750,000,000	-
970,000,000	-
7,250,000,000	150,000,000

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

7,250,000,000	150,000,000
-	-
-	-
-	-
-	-
7,250,000,000	150,000,000

7 Investments

Government Securities
Other Investments

(Note: 7.1)
(Note: 7.2)

9,456,369,042	11,976,078,027
3,138,890	3,138,890
9,459,507,932	11,979,216,917
-	-
9,459,507,932	11,979,216,917

Off-Shore Banking Unit

Investment in securities are classified as follows:

Held to maturity
Other Investments

9,456,369,042	11,976,078,027
3,138,890	3,138,890
9,459,507,932	11,979,216,917

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

1,236,798,878	4,597,803,032
3,088,651,660	232,289,515
474,951,961	-
-	-
4,800,402,500	4,830,092,547

Treasury bonds

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

1,556,501,036	2,450,204,626
2,187,546,207	3,211,475,481
908,131,572	1,475,775,228
3,589,327	8,267,146
-	-
4,655,768,142	7,145,722,480
198,400	263,000
9,456,369,042	11,976,078,027

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	31.12.2023 Taka	31.12.2022 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	-	-

	31.12.2023 Taka	31.12.2022 Taka
	1,142,361	3,138,890
7.3 Maturity wise grouping of investment (Other than CDBL Shares)		
Payable on demand	198,400	263,000
Below three months	1,236,798,878	767,712,395
Over three months but below one year	3,563,603,621	47,556,833
Over one year but below five years	3,744,047,243	11,160,545,799
Over five years	911,720,899	-
	9,456,369,042	11,976,078,027
8 Loans and advances		
a. Loans, Cash Credits, Overdrafts etc.:		
Overdrafts	537,355,755	494,120,853
Demand loans	5,651,258,028	4,870,806,800
Cash credit	2,663,426,884	3,124,942,296
House building loan	17,656,823	21,545,500
Transport loan	169,830,636	294,936,967
Term loans (Other)	558,181,744	10,127,427
Loan against trust receipts(cash credit)	1,379,992,218	539,423,359
Agricultural loan(cash credit)	287,189,512	286,413,619
Staff loans	38,869,184	29,348,347
(Note - 8.6)	11,303,760,784	9,671,665,169
b. Bills purchase & discount	-	-
(Note - 8.15)	11,303,760,784	9,671,665,169
Total: (a+b)		
8.1 Net loans and advances	11,303,760,784	9,671,665,169
Gross loans and advances	14,918,766	11,845,046
Less: Interest suspense	106,672,079	127,907,980
Provision for loans & advances(Specific provision)	121,590,845	139,753,026
	11,182,169,939	9,531,912,144
8.2 Maturity wise grouping of loans and advances		
Repayable on demand	3,631,898,340	4,109,490,530
More than 1 months to 3 months	3,826,323,025	2,235,121,821
More than 3 months to 1 Year	2,841,765,461	2,888,926,386
More than 1 year to 5 years	439,716,294	372,359,109
More than 5 years	564,057,663	65,767,323
	11,303,760,784	9,671,665,169
8.3 Loans and advances under the following broad categories		
Inside Bangladesh		
Term Loans	725,206,032	285,471,016
Cash Credits	4,063,882,273	3,705,504,534
Overdrafts & Demand Loan & Agriculture Loan	6,475,803,295	5,651,341,272
Staff Loan	38,869,183.60	29,348,347
Bills purchase & discount	-	-
	11,303,760,784	9,671,665,169
Outside Bangladesh		
Term Loans	-	-
Cash credits	-	-
Overdrafts	-	-
	11,303,760,784	9,671,665,169
8.4 Geographical location wise portfolio grouping		
Inside Bangladesh		
Dhaka Division	8,007,011,445	7,202,428,103
Chittagong Division	3,283,369,185	2,450,123,163
Khulna Division	13,380,154	19,113,904
	11,303,760,784	9,671,665,169
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	8,657,449	4,759,286
Senior Executives	30,211,735	24,589,061
Others	38,869,184	29,348,347

	31.12.2023 Taka	31.12.2022 Taka
Industries		
i) Agricultural and Jute	287,189,512	286,413,619
ii) Readymade garments	37,240,103	31,558,379
iii) Textile	4,769,330	6,031,977
iv) Food & allied	836,263,405	186,259,222
v) Chemical	479,101,404	-
vi) Cement	890,673,319	274,696,006
vii) Rubber, Plastic, Printing Publishing & allied Industries	364,847,099	389,406,812
viii) Metal Products & Steel	1,719,140,232	1,578,315,602
ix) Household	305,132,111	-
x) IT based	133,834,728	144,568,784
xi) Other	5,422,673,205	5,906,920,895
	10,480,864,446	8,804,171,296
Infrastructural		
i) Power	-	-
ii) Construction	103,226,219	113,850,428
iii) Transport	169,830,636	294,936,967
iv) Feed / Trade & Commerce	167,061,704	100,506,288
v) Others	-	-
	440,118,559	509,293,683
Consumers		
i) Commercial lending	-	-
ii) Household	5,481,422	4,103,345
iii) House building loan	37,395,207	38,658,788
iv) Small and medium enterprise	176,340,279	184,215,058
v) Non-banking financial institutions	51,331,721	51,331,721
vi) Others	73,359,965	50,542,931
	343,908,595	328,851,844
	11,303,760,784	9,671,665,169
8.6 Staff loan		
Overdraft Loan (Interest Bearing)	17,812,195	11,558,059
Overdraft Loan (Interest Free)	1,318,605	677,000
Car and motorcycle loan	-	-
House building Loan	19,738,384	17,113,288
	38,869,184	29,348,347
8.7 Detail of large loan		
Total capital of the Bank was Taka 17,890 million for BD. Operations as at 31 December 2023 (Taka 15,255 million for BD. Operations as at 31 December 2022 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	11,168,109,604	9,521,333,664
Special Mention Account (SMA)	-	40,112,296
	11,168,109,604	9,561,445,960
Classified		
Sub standard	21,162,641	-
Doubtful	-	-
Bad / Loss	114,488,539	110,219,209
	135,651,180	110,219,209
	11,303,760,784	9,671,665,169
8.9 Loan type wise total loan		
Overdraft	537,355,755	494,120,853
Demand Loan	5,651,258,028	4,871,813,634
Term Loan	725,206,032	285,471,016
Cash Credit	4,351,071,785	3,990,911,319
Staff Loan	38,869,184	29,348,347
	11,303,760,784	9,671,665,169

8.10 Sector-wise allocation of loans and advances

Agriculture, fishing, forestry and dairy firm
Industry (jute, textile, garments, chemicals, cements etc.)
Transport Operator Loan
Working capital financing
Small and cottage industries
Miscellaneous

31.12.2023 Taka	31.12.2022 Taka
287,189,512	286,413,619
1,439,004,199	312,286,361
169,830,636	294,936,967
7,239,022,071	8,019,212,094
2,050,361,599	614,179,343
118,352,767	144,636,786
11,303,760,784	9,671,665,169

8.10.1 LOANS & ADVANCES(SME)

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

2,433,773	3,579,030
1,918,261,349	1,773,037,871
842,349,761	621,712,775
-	165,532,846
2,763,044,883	2,563,862,523

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

742,510,642	1,034,220,557
3,734,315,285	3,098,775,763
3,791,290,071	2,480,900,611
272,599,903	493,905,716
-	-
8,540,715,901	7,107,802,647
11,303,760,784	9,671,665,169

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

7,565,560,114	6,382,130,261
51,331,721	51,331,721
365,644,655	339,725,433
-	-
73,359,965	49,865,931
5,481,422	703,826
3,242,382,906	2,847,907,997
11,303,760,784	9,671,665,169

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)	8,138,748,339	8,138,748,339	1%	81,387,483	67,173,126
Small & Medium enterprise financing	2,678,725,424	2,678,725,424	0.25%	6,696,814	6,162,157
Housing & loan for professional	19,095,724	19,095,724	1%	190,957	215,455
Consumer finance	5,481,422	5,481,422	2%	109,628	37,016
Special Mentioned Account	-	-	0%	-	100,281
Short-term Agriculture Loan	287,189,512	287,189,512	1.0%	2,871,895	2,864,136
Staff Loan	38,869,184	38,869,184	0%	-	-
Total	11,168,109,604	11,168,109,604	N/A	91,256,778	76,552,171

Specific provision (COVID-2019)

Status	Outstanding	Base for provision	Rate (%)	Required provision December 2023	Required provision December 2022
--------	-------------	--------------------	----------	-------------------------------------	-------------------------------------

				31.12.2023 Taka	31.12.2022 Taka
Standard Loan (for deferral benefits)	229,574,663	229,574,663	1.5% / 2%	4,309,260	7,173,419

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

Name of Exposure	Outstanding	Rate (%)	Required provision December 2023	Required provision December 2022
Acceptances and endorsements	-	1%	-	-
Letter of guarantees	36,154,490,313	Basel	403,557,272	488,724,062
Irrevocable letter of credits	1,768,134,586	1%	20,680,381	17,681,346
Total	37,922,624,899		424,237,653	506,405,408
Total required provision for unclassified assets (including off-balance sheet items)			519,803,690	590,130,998
Provision maintained for unclassified assets (including off-balance sheet items)			644,844,211	647,549,236
Excess/(Short) provision at 31 December 2023 / 2022			125,040,521	57,418,237

Provision required for classified loans & advances (Specific provision)

Status	Outstanding	Base for provision	Rate	Required provision December 2023	Required provision December 2022
Sub-standard	-	-	20%	508,602	-
Doubtful	-	-	50%	-	-
Bad/Loss	110,219,209	53,459,720	100%	68,436,789	53,459,720
Total	110,219,209	53,459,720		68,945,391	53,459,720
Total provision maintained for classified assets:				3,174,396	-
Sub Standard				-	-
Doubtful				103,497,683	99,445,614
Bad/loss				106,672,079	99,445,614
				37,726,689	45,985,894

Excess/(Short) of provision

8.13 Particulars of loans and advances

i)	Debts considered good in respect of which Bank is fully secured	457,802,312	389,591,364
ii)	Debts considered good for which Bank holds no other security than the debtor's personal security	67,822,565	2,956,348
iii)	Debts considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtors	10,778,135,907	9,279,117,457
iv)	Debts adversely classified; for which no provision is created	-	-
		11,303,760,784	9,671,665,169
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	106,672,079	99,445,614
c)	Interest creditable to the Interest Suspense a/c	14,918,766	11,845,045
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)	1,174,368,396	1,061,321,121

xii) The amount of written off loans for which law suit filed

31.12.2023	31.12.2022
Taka	Taka
1,174,368,396	1,061,321,121

8.14 Suit filled by the bank (branch wise)

Dhaka Region
Chittagong Region

577,607,678	556,945,037
568,315,836	614,595,293
1,145,923,514	1,171,540,330

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
Add: Write off during the year

1,061,321,121	1,157,891,059
-	16,477,337
1,061,321,121	1,174,368,396
51,048,787	113,047,275
1,010,272,334	1,061,321,121

Less: Recovery of Write off loans

Details are given in Annexure-G

8.18 Cash Incentive for Good Borrower

As per Bangladesh bank circular the bank has completed the formalities. During the year December 2023 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 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

563,880,634	537,952,853
-	-
563,880,634	537,952,853
14,943,170	25,927,782
578,823,804	563,880,634
-	-
578,823,804	563,880,634

Less: Disposal/adjustment during the year

B. Accumulated Depreciation

Opening balance
Add: Charged during the year

463,560,960	392,819,410
37,756,977	70,741,550
501,317,937	463,560,960
-	-
501,317,937	463,560,960
77,505,868	100,319,675

Less: Disposal/adjustment during the year

Written down value (A-B)

A schedule of Fixed Assets is given in Annexure C.

10 Other assets

Income generating other assets

Interest receivable on treasury bond
Dividend receivable From CDBL
Interest receivable on Inter Branch Call Money(OBU)
Interest receivable on Inter Bank Call Money

98,863,427	124,387,630
-	-
17,408,454	-
24,357,139	49,225,949
140,629,020	173,613,579

Non-income generating other assets

Stationery, stamps, printing materials etc.
Security Deposits for Rent & Other Services
Memento Coin
Deferred tax asset
Excise duty

41,878,586	2,750,786
110,143,775	49,992,698
-	-
16,090,678	25,453,829
7,889,401	8,512,254

(Note 10.1)

Receivables from OBU
Advance Payment of Income Tax
ISO Reconciliation
Inter Branch (FC)

(Note 10.2)

31.12.2023 Taka	31.12.2022 Taka
2,359,625,000	-
601,489,862	531,920,514
-	28,965
32,669	-
-	-
3,137,149,972	618,659,046
3,277,778,991	792,272,625

Maturity Grouping of other Assets

Less than 1 (one) year
Within 1 (one) year
More than 1 Year

3,167,635,216	742,279,927
110,143,775	49,992,698
-	-
3,277,778,992	792,272,626

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)	16,090,678	7,716,543
Deferred tax assets on Right of Use (ROU) Assets	(Note 10.1.2)	(0)	17,737,286
		16,090,678	25,453,829

10.1.1 Deferred tax Asset on Fixed Assets

Opening balance
Deferred tax (expense)/income during the year

7,716,543	1,380,098
8,374,135	6,336,445
16,090,678	7,716,543

10.1.2 Deferred tax assets on Right of Use (ROU) Assets

Particulars	Accounting Base	Tax Base	Temporary Difference
Right of Use (ROU) Assets	-	-	-
Lease Liability	0	-	0
	0	-	40%
Tax rate			0
Deferred tax Assets as at 31 December 2022			17,737,286
Deferred tax assets as at 31 December 2022			0
Deferred tax assets as at 31 December 2023			17,737,286
Deferred tax income for the year 2023			

10.3 Advance Payment of Income Tax

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

Less: Paid during the year

531,920,514	250,000,000
601,489,862	531,920,514
1,133,410,376	781,920,515
531,920,514	250,000,000
601,489,862	531,920,514

11 Non-banking assets

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 2023.

12 Borrowings from other banks, financial institutions & agents

-	-
-	-

13 Deposit and other accounts

Local currency
Current & other accounts
Bills payable
Saving deposits
Fixed deposits
Short term deposit
Other deposits (Loan Account Credit Balance)

3,328,072,784	3,573,386,735
122,136,667	221,108,987
940,854,005	902,705,987
5,388,082,301	5,883,307,280
4,956,725,814	1,828,856,707
140,559	667,571
14,736,012,130	12,410,033,266

Foreign currency

Current & other accounts
Other deposits

2,427,386,666	2,552,805,258
1,326,946	22,612,298

31.12.2023	31.12.2022
Taka	Taka
2,428,713,611	2,575,417,556
17,164,725,741	14,985,450,822

13.1 Deposit details concentrating liquidity nature

i) Demand deposit

Current deposit	
Saving deposit (10%)	
Foreign currency deposit	
Short term deposit	
Other demand deposit-local currency	
Other demand deposit-foreign currency	

3,328,072,784	3,573,386,735
94,085,401	90,270,599
2,427,386,666	2,552,805,258
4,956,725,814	1,828,856,707
122,277,226	221,776,558
1,326,946	22,612,298
10,929,874,836	8,289,708,154

ii) Time deposit

Saving deposit (90%)	
Fixed deposit	
Foreign currency deposit	
Short term deposit	

846,768,605	812,435,388
5,388,082,301	5,883,307,280
-	-
-	-
6,234,850,905	6,695,742,668
17,164,725,741	14,985,450,822

13.2 Maturity wise grouping of deposits

Payable on demand	
Payable within 1 month	
Over 1 month but within 3 months	
Over 3 month but within 1 year	
Over 1 year but within 5 years	
Over 5 years	

4,364,989,756	3,810,800,144
3,776,239,663	3,296,799,181
8,165,260,035	7,128,578,956
858,236,287	749,272,541
-	-
17,164,725,741	14,985,450,822

14 Other liabilities

Inter Branch	
Fixed Deposit interest account	
Provision on loans and advances	
Interest Suspense Account	
Withholding tax payable (payable on interest)	
Provision for current taxation	
Cash Assistance	
Lease obligation	
Provision for Startup Fund	
Provision for audit fees	
Payable to other Bank	
Interest Payable on Call Money	
Other Provision	

(Note-14.1)
(Note-14.3)
(Note-14.4)
(Note-14.5)
(Note-14.6)

248	248
68,696,469	89,688,294
751,516,291	746,994,850
14,918,766	11,845,046
2,141,440	2,141,475
1,441,017,942	1,325,358,077
87,275	-
(0)	66,611,702
38,316,383	20,252,146
287,500	287,500
2,747,719	-
-	1,523
29,636,497	28,010,559
2,349,366,529	2,291,191,419

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	

611,913,451	413,261,910
8,361,233	198,651,541
620,274,684	611,913,451

b. Special Provision for COVID-19

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

7,173,419	11,045,065
(2,864,159)	(3,871,647)
4,309,260	7,173,419

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	

127,907,980	160,763,480
975,633	17,370,923
-	15,484,576
126,932,347	127,907,980
751,516,291	746,994,850

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

31.12.2023 Taka	31.12.2022 Taka
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Note: State Bank of India incorporated in Bangladesh as a Foreign Commercial Bank and following strengthen among the two regulatory instructions. In some cases account became NPA as per BB but Standard as per RBI and vice versa. Complying both the instructions provision maintain strengthen of the two. Some cases ledger balance differ with the actual situation. In the year 2023, BARAKA Limited is standard as per Bangladesh Bank norms but NPA as per RBI norms. As such provision kept as NPA (due to strengthen norms). The provision is avlable in Bad & Doubtful ledger where as per the provision should be kept in General Provision. The actual position of the Provision Accounts are given below (as per Bangladesh Bank):

a. General (including special provision for COVID - 19)	
As per Bangladesh Bank norms (DBU)	644,844,211
As per Ledger the balance available	624,583,944
Excess/ (Shortfall)	(20,260,268)
c. Specific	
As per Bangladesh Bank norms	106,672,079
As per Ledger the balance available	126,932,347
Excess/ (Shortfall)	20,260,268

In all report returns actual position has been consider instead of ledger balance for actual reflection of Bangladesh Bank norms.

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	80,258,590	62,952,159
Add: Provision made/ (adjusted) during the year	2,152,581	17,306,431
	82,411,171	80,258,590
ii. General Provision for Off Balance Sheet Exposure		
Balance at the beginning of the year	538,828,280	357,483,170
Add: Provision made/ (adjusted) during the year	3,344,493	181,345,110
	542,172,773	538,828,280
Total General Provision a (i+ ii)	624,583,944	619,086,869

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	11,845,046	13,374,878
Add: Amount transferred during the year	7,233,720	5,539,609
	19,078,766	18,914,487
Less: Amount of interest suspense recovered	(4,160,000)	(7,069,441)
	14,918,766	11,845,046

14.4 Withholding tax payable

Balance at the beginning of the year	2,141,475	2,164,031
Add: Addition during the year	619,058,497	819,508,444
	621,199,972	821,672,475
Less: paid during the year	619,058,532	819,531,000
	2,141,440	2,141,475

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	1,325,358,077	861,969,545
Add: Provision made during the year	1,441,017,942	1,282,896,976
	2,766,376,019	2,144,866,521
Less: Adjustment with adv tax	1,325,358,077	819,508,444
	1,441,017,942	1,325,358,077

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

31.12.2023 Taka	31.12.2022 Taka
66,611,702	110,495,914
-	5,795,748
66,611,702	116,291,662
46,310,537	-
22,268,488	51,647,282
(1,967,323)	64,644,380
1,967,322	1,967,322
(0)	66,611,702

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

6,314,083,718	4,712,633,658
20,579,181	1,601,450,060
6,334,662,899	6,314,083,718

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

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 CET1, whichever is higher.
- Tier II capital can be maximum up to 4% of the total RWA or 88.89% of CET1, 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.

Regulatory capital

1. Tier-1 (Core capital)
2. Tier-2 (Supplementary capital)
A. Total regulatory Capital (1+2)

B. Total Risk Weighted Assets (RWA)
C. Total (including Tier II) required is 10%
D. Common Equity Tier I of at least @ 4.5% of the total RWA
E. Tier I capital will be at least @ 6% of total
F. Minimum Capital Requirement (MCR)
10 % of RWA
As per The Banking Companies Act, 1991
Minimum Capital Required (higher one of above)

G. Surplus equity (A-F)

0	17,804,111,430	15,169,103,974
0	653,788,836	860,175,859
	18,457,900,267	16,029,279,833
0	26,505,618,524	24,273,092,622
	69.64%	66.04%
	67.17%	62.49%
	67.17%	62.49%
	2,650,561,852	2,427,309,262
	5,000,000,000	4,000,000,000
	5,000,000,000	4,000,000,000
	13,457,900,267	12,029,279,833



15.2.1 Tier - I (Core Capital)

Fund deposited with Bangladesh Bank
Statutory reserve
Retained Earnings
Actuarial gain / loss kept in books in Bangladesh
Sub-total
Amount deductible from CET 1 Capital (Regulatory)

31.12.2023 Taka	31.12.2022 Taka
--------------------	--------------------

6,334,662,899	6,314,083,718
-	-
11,485,539,209	8,880,474,085
-	-
17,820,202,108	15,194,557,803

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
Investment in subsidiary
Other if any
Sub-total
Total eligible Tier - 1 Capital

-	-
-	-
-	-
-	-
16,090,678	25,453,829
-	-
-	-
16,090,678	25,453,829
17,804,111,430	15,169,103,974

15.2.2 Tier - II (Supplementary Capital)

General Provision (Note 8.12)
Asset revaluation reserve
Preference Share
Perpetual Subordinated debt
Exchange Equalization Fund
Total eligible Tier - 2 Capital

653,788,836	860,175,859
35,238,472	30,607,931
-	-
-	-
-	-
689,027,309	890,783,790

Regulatory Adjustment
Revaluation Reserve for Fixed Assets, Securities & Equity Securities
Total Admissible Tier-2 Capital
Total Regulatory Capital

35,238,472	30,607,931
653,788,836	860,175,859
18,457,900,267	16,029,279,833

15.2.3 Risk Weighted Assets (RWA)

1. Investment (credit) Risk
 - (i) On-balance sheet
 - (ii) Off-balance sheet
2. Market Risk
3. Operational risk

21,414,421,014	19,892,827,536
7,089,889,268	10,794,405,050
14,324,531,746	9,098,422,486
116,116,710	266,258,204
4,975,080,800	4,114,006,882
26,505,618,524	24,273,092,622

Surplus in profit and loss account/ retained earnings

- 16 Balance at the beginning of the year
- Add: Net Profit for the year
- Add: Net Profit received from Off-shore Banking Unit (OBU)
- Add: Transferred to Startup Fund (as per BB instructions)
- Add: Excess Revaluation Reserve Transfer to Profit & Loss Account
- Add: Exchange fluctuation of retained profit (USD)
- 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)

7,858,444,673	7,454,663,480
1,903,401,832	784,394,278
-	1,051,704,447
(18,064,236.90)	(10,238,459)
-	15,664,474
214,277,877	163,706,514
-	-
(20,579,181)	(1,601,450,060)
9,937,480,964	7,858,444,673



31.12.2023 Taka	31.12.2022 Taka
--------------------	--------------------

The profit and loss account as at 31 December 2023 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
Add: Amortization gain on HTM securities during the year

Less: Transferred to Profit & Loss Account at maturity

Off-shore Banking Unit

61,215,863	21,362,552
70,476,944	61,215,863
131,692,807	82,578,415
61,215,863	21,362,552
70,476,944	61,215,863
-	-
70,476,944	61,215,863

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)

Irrevocable letter of credits(Excluding Margin)

Bills for collection

Other contingent liabilities

(Note 18.1)

(Note 18.2)

54,382,475,274	35,127,413,847
1,441,094,091	1,622,424,804
-	-
-	-
55,823,569,365	36,749,838,651

18.1 Letter of guarantee

Letter of Guarantee (Local)

Letter of Guarantee (Foreign)

Foreign counter Guarantee

Less: Margin(Cash)

-	-
54,520,735,082	36,154,490,313
54,520,735,082	36,154,490,313
138,259,808	1,027,076,466
54,382,475,274	35,127,413,847

Balance for which the Bank is contingently liable in respect of guarantee issued favoring

Directors

Government

Bank and other financial institution

Others

Less : Margin(Cash)

-	-
-	-
54,520,735,082	36,154,490,313
-	-
54,520,735,082	36,154,490,313
138,259,808	1,027,076,466
54,382,475,274	35,127,413,847

18.2 Irrevocable letter of credit

Letter of Credit (Inland)

Letter of Credit (General)

Back to Back L/C

Less: Margin

2,068,038,060	1,768,134,586
-	-
-	-
2,068,038,060	1,768,134,586
626,943,969	145,709,781
1,441,094,091	1,622,424,804

18.3 Suit filed against the bank

Sonali Bank Limited, Head Office, Motijheel, Dhaka-1000 filed a suite against the bank. Bank has made 100% provision against the claim which is kept under Provision for Standard assets.



		2023 Taka	2022 Taka
19 Income statement			
Income			
Interest, discount and similar income	(Note-19.1)	1,482,996,556	931,622,180
Fees, commission and brokerage	(Note-19.2)	1,982,578,767	1,394,515,487
Gains less losses arising from investment securities		687,870,569	605,074,148
Income from non-banking assets		-	-
Other operating income	(Note-24)	40,621,918	116,547,526
Interest Income from Interbranch Call Money		-	(78,504,695)
		4,194,067,809	2,969,254,646
Expenses			
Interest, fees and commission	(Note-20)	382,426,436	307,421,414
Administrative expenses	(Note-20.1)	275,346,644	240,933,517
Other operating expenses	(Note-30)	140,233,385	113,433,802
Depreciation on banking assets	(Note-28)	37,756,977	70,741,550
		835,763,443	732,530,283
Operating profit		3,358,304,366	2,236,724,363
19.1 Interest, discount and similar income			
Interest on loans and advances	(Note 19.1.1)	846,888,080	607,120,163
Interest on money at call and short notice		620,888,737	322,299,673
Interest on balance with other banks		15,219,739	2,202,344
Interest on treasury bills & bonds		-	-
Interest on fixed deposits with other banks		-	-
Interest on other sundry income		-	-
		1,482,996,556	931,622,180
19.1.1 Interest on loans and advances			
Cash Credits		376,373,072	244,999,580
Overdrafts		46,702,816	47,673,606
Demand Loan		437,290	754,311
Term Loan		423,374,903	313,692,665
		846,888,080	607,120,163
19.1.2 Interest on Money at Call			
		620,888,737	322,299,673
19.1.3 Interest on Balance With Other Bank			
		15,219,739	2,202,344
19.2 Fees, commission and brokerage			
Fees		-	-
Commission		1,982,578,767	1,394,515,487
		1,982,578,767	1,394,515,487
20 Interest paid on deposits and borrowing etc.			
Interest on deposits			
Recurring Deposit		4,477,531	7,839,636
Short Term Deposit (STD)		98,873,767	36,447,730
Savings		17,994,285	16,693,323
Term		261,080,854	246,440,725
		382,426,436	307,421,414
Interest on money at call and short notice		-	78,504,695
		382,426,436	385,926,109
21 Investment income			
Interest on treasury bonds		429,108,438	605,074,148
Interest (discount) on treasury bills		256,477,409	-
Dividend income		2,284,722	-
		687,870,569	605,074,148
22 Commission, exchange and brokerage			
Commission for Guarantees		205,311,250	128,414,646
Commission for LC negotiation/amendment/advising		57,331,998	45,343,334
Commission for Foreign bill negotiation		-	-
Commission for inward & outward remittances		35,246,763	24,416,783
Commission on Visa Processing		1,534,889,987	992,260,536
Commission for miscellaneous		12,947,691	17,479,088
Foreign exchange earnings		136,851,079	186,601,100
		1,982,578,767	1,394,515,487
23 Other operating income			
Miscellaneous Income		40,621,918	116,547,526
		40,621,918	116,547,526
* Details are as follows			
SWIFT Charges		7,262,665	4,977,588
Interest Income from Local Banks/ Written off recovery		33,359,253	111,569,937.94
Service & Other Charges from Vostro Account		-	-
		40,621,918	116,547,526
24 Operating Expenses			
Salaries and allowances		133,954,262	145,716,544
Rent, taxes, insurance, electricity etc.		91,051,441	53,903,240
Legal expenses		765,852	700,006
Postage, stamps, telecommunication etc.		9,454,317	8,558,790
Stationery, printing, advertisement etc.		17,764,007	16,511,134
Chief Executive's salary & fees		-	-
Auditors' fee		1,690,204	1,011,499
Depreciation and repair of bank's asset		20,666,562	14,532,305
		275,346,644	240,933,517

	2023 Taka	2022 Taka
24.10 Salaries and allowances		
Basic Salary (B.S+H.R+CON)	83,682,760	98,691,797
Salary Casual Staff	37,372,740	30,144,367
Salary Leave Encash & Allowances	2,747,615	12,043,042
Provident Fund	5,311,925	4,837,339
Gratuity	4,839,222	-
	133,954,262	145,716,544
24.20 Rent, taxes, insurance, electricity etc.		
Rent, rates & taxes	68,877,885	34,857,709
Insurance	14,050,552	11,110,153
Power & electricity	8,123,004	7,935,378
	91,051,441	53,903,240
24.30 Postage, stamp, telecommunication etc.		
Postage & courier	7,666,897	7,046,140
Telephone-Office	1,787,420	1,512,651
	9,454,317	8,558,790
24.40 Stationery, printing, advertisement etc.		
Stationery & Printing	17,382,603	14,876,902
Advertisement Statutory	381,404	1,634,232
Advertisement Public Relation & Others	-	-
	17,764,007	16,511,134
24.50 Auditors' fee		
Audit Fee (Statutory Audit)	287,500	287,500
Audit Fee (Others)	1,402,704	723,999
	1,690,204	1,011,499
24.60 Depreciation on and repairs to bank's assets		
A. Depreciation of property plant and equipments		
Furniture & fixtures	7,024,782	3,448,614
Office equipments	1,621,756	3,500,100
IT hardware	6,841,951	10,014,335
Right to use of asset (asset under lease)	22,268,488	53,778,500
	37,756,977	70,741,550
B. Repairs & maintenance expenses		
Transport Maintenance	20,401,457	14,532,305
Equipment Maintenance	-	-
Hardware & Software Maintenance	265,105	-
Premises Maintenance	20,666,562	14,532,305
	58,423,539	85,273,855
24.70 Other expenses		
Water Consumption	755,008	837,948
Traveling expenses	985,962	712,016
Halting allowance	332,828	457,005
Finance expenses	1,967,322	1,967,322
Computer expenses (including maintenance)	51,342,375	40,360,219
Petrol, Oil and Lubricants	2,152,588	1,791,766
Security	16,629,845	13,346,440
Membership / Club subscription	7,955,911	6,863,707
Entertainment: canteen & other	10,792,427	6,239,618
News paper/Books	1,199,060	1,246,565
Finacle Expenses	4,018,701	3,729,343
Children Education	4,592,056	892,090
Other Allowances	18,142,356	15,323,135
Charges Donation	848,423	2,855,665
Rentals Car/ Transportation Exp.	5,953,021	5,819,799
Training	841,470	1,008,564
Charges (Others)	11,724,031	9,982,601
	140,233,385	113,433,802
25 Provisions		
a) Provision on loans & advances		
Provision made/ (adjusted) during the year for STD account	5,016,740	21,178,078
Specific Provision made during the year	(975,633)	(17,370,923)
Specific Provision made during the year (COVID-19)	(2,864,159)	(3,871,647)
Recoveries/Provision no longer required	-	-
	1,176,948	(64,492)
b) Provision for Off Balance Sheet		
Provision on LC & BG	3,344,493	177,473,463
Less: Recoveries/Provision no longer required	-	-
	3,344,493	177,473,463
	4,521,441	177,408,971
Grand Total (a+b)		

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
Interest Income from Local Banks/ Written off recovery
Service & Other Charges from Vostro Account

2023 Taka	2022 Taka
7,262,665	4,977,588
33,359,253	111,569,937.94
-	-
40,621,918	116,547,526

27 Payment for other operating activities

Rent, taxes, insurance, electricity etc.
Legal expenses
Postage, stamps, telecommunication etc.
Stationery, printing, advertisement etc.
Auditors' fee
Charges on loan losses
Depreciation on and repairs to bank's assets
Other expenses

(91,051,441)	(53,903,240)
(765,852)	(700,006)
(9,454,317)	(8,558,790)
(17,764,007)	(16,511,134)
(1,690,204)	(1,011,499)
-	-
(58,423,539)	(85,273,855)
(140,233,385)	(113,433,802)
(319,382,745)	(279,392,325)

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 2023 (2022 - nil).

28.2 Transactions with Nostro Accounts

Name of the Related Parties	Relationship	Transaction Nature	Balance as at 31.12.2023
State Bank of India, West Germany (FF)	Inter Office	Nostro	3,246,842
State Bank of India, London			1,505,694
State Bank of India, New York			107,651,499
State Bank of India, Japan			1,784,748

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:

	2023	2022
AUD	109.750	101.500
USD	109.750	101.500
GBP	140.645	122.689
EUR	122.053	107.819
JPY	0.777	0.766
INR	1.318	-

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.

2023 Taka	2022 Taka
--------------	--------------

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, 22 February 2024

Country Head

Head of Credit



**State Bank of India
Bangladesh Operation
Off-shore Banking Unit
Balance Sheet
As at 31 December 2023**

Particulars	Notes	31.12.2023		31.12.2022	
		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	30,979,858	3,400,039,410	20,953,648	2,126,795,254
In Bangladesh		30,000,000	3,292,500,000	20,000,000	2,030,000,000
Outside Bangladesh		979,858	107,539,410	953,648	96,795,254
Money at call on short notice	6	-	-	-	-
Investments	7	-	-	-	-
Government		-	-	-	-
Others		-	-	-	-
Outside Bangladesh		-	-	-	-
Loans and advances	8	7,353,656	807,063,711	209,412,143	21,255,332,511
Loans, cash credits, overdrafts, etc.		7,353,656	807,063,711	7,243,500	735,215,283
Bills purchased and discounted		-	-	202,168,643	20,520,117,228
Fixed assets including premises, furniture & fixtures	9	-	-	-	-
Other assets	10	281,633	30,909,237	6,811,387	691,355,805
Non banking assets	11	-	-	-	-
Total assets		38,615,147	4,238,012,358	237,177,178	24,073,483,570
LIABILITIES AND CAPITAL					
		-38,615,146.77			
Liabilities		-			
Borrowing from other banks, financial institutions & agents	12	21,500,000	2,359,625,000	218,500,000	22,177,750,000
In Bangladesh		21,500,000	2,359,625,000	23,000,000	2,334,500,000
Outside Bangladesh		-	-	195,500,000	19,843,250,000
Deposits and other accounts	13	523,186	57,419,631	672,384	68,247,003
Current deposits and other accounts		523,186	57,419,631	672,384	68,247,003
Bills payable		-	-	-	-
Savings bank deposits		-	-	-	-
Term deposits		-	-	-	-
Other liabilities	14	2,487,138	272,909,482	7,935,538	805,457,154
Total liabilities		24,510,323	2,689,954,113	227,107,923	23,051,454,158
Capital / equity		14,104,823	1,548,058,245	10,069,255	1,022,029,412
Fund deposited with Bangladesh Bank	15	-	-	-	-
Surplus in profit and loss account/ Retained earnings	16	14,104,823	1,548,058,245	10,069,255	1,022,029,412
Other reserve	17	-	-	-	-
Total liabilities and equity		38,615,147	4,238,012,358	237,177,178	24,073,483,570



Notes	31.12.2023		31.12.2022	
	USD	Taka	USD	Taka

OFF BALANCE SHEET ITEMS

Contingent liabilities

Acceptances and endorsements

Letter of guarantee

Irrevocable letters of credit

Bills for collection

18.1

18.2

	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-

Other Commitments:

Documents credit and short term trade -related transactions

Forward assets purchased and forward deposits placed

Undrawn note issuance and revolving underwriting facilities

Undrawn formal standby facilities, credit lines and

	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-


Country Head

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


Head of Credit

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

Dhaka, 22 February 2024

DVC No. 240229/1512 AS 882802



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
Profit and Loss Account
For the year ended 31 December 2023**

Particulars	Notes	2023		2022	
		USD	Taka	USD	Taka
OPERATING INCOME					
Interest income	19.1	4,559,702	500,427,290	19,077,458	1,627,784,126
Less: Interest paid on deposits, borrowings, etc.	20	(2,154,370)	(236,388,211)	(8,894,281)	(758,904,497)
Net interest income		2,405,332	264,039,079	10,183,178	868,879,629
Income from investment	21	-	-	-	-
Commission, exchange and brokerage	22	40,000	4,390,000	177,501	15,145,299
Other operating income	23	-	-	-	-
Total operating income		2,445,332	268,429,079	10,360,679	884,024,928
OPERATING EXPENSE	24				
Salaries and allowances	24.1	53,629	5,885,754	66,514	5,675,282
Rent, taxes, insurance, lighting and traveling	24.2	355,368	39,001,590	6,564	560,053
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	14,111	1,548,715	48,250	4,116,970
Total operating expenses (b)		423,108	46,436,059	121,328	10,352,305
Profit before provision (c = (a-b))		2,022,225	221,993,020	10,239,351	873,672,623
Provision for loans & advance, other assets & off Balance Sheet items	25	(2,013,344)	(220,964,458)	(1,738,726)	(148,356,789)
Profit before taxation		4,035,568	442,957,478	11,978,077	1,022,029,412
Provision for taxation					
Current tax	14.5	-	-	-	-
Deferred tax	10.1	-	-	-	-
Net profit after taxation		4,035,568	442,957,478	11,978,077	1,022,029,412
Retained earnings		4,035,568	442,957,478	11,978,077	1,022,029,412

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, 22 February 2024

DVC No. 240229/1512AS882802

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 2023**

	2023		2022	
	USD	Taka	USD	Taka
Cash flows from operating activities				
Interest received in cash	11,089,456	1,160,873,858	15,984,507	1,253,703,896
Interest payments	1,630,402	146,284,842	(12,670,925)	(1,145,375,199)
Dividend received	-	-	-	-
Fees and commission received in cash	40,000	4,390,000	149,215	15,145,299
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)	12,759,858	1,311,548,700	3,462,797	123,473,996
Change in operating assets and liabilities				
Loans and advances to customers	202,058,487	20,448,268,801	131,586,833	7,840,405,082
Other assets	-	-	-	-
Deposits from other Banks	(197,000,000)	(19,818,125,000)	(138,560,000)	(8,288,394,500)
Deposit from customers	(149,199)	(10,827,373)	47,238	14,906,393
Other liabilities	(7,642,937)	(830,488,566)	7,698,058	540,083,165
Cash generated from operating assets and liabilities (ii)	(2,733,648)	(211,172,138)	772,129	107,000,139
Net cash flow from operating activities (a)=(i)+(ii)	10,026,210	1,100,376,562	4,234,926	230,474,135
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)
Net cash flows from financing activities (c)	-	-	(12,325,865)	(1,051,704,447)
Net increase/(decrease) in cash and cash equivalents (a+b+c)	10,026,210	1,100,376,562	(8,090,939)	(821,230,312)
Effects of exchange rate changes on cash & cash equivalents	-	172,867,595	-	469,796,187
Opening cash and cash equivalents	20,953,648	2,126,795,254	29,044,586	2,478,229,379
Closing cash and cash equivalents	30,979,858	3,400,039,410	20,953,648	2,126,795,254

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

Dhaka, 22 February 2024

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 2023**

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 109.75 & 101.50 :2022,:2022 (Closing mid rate as at 31st December 2023).



		31.12.2023		31.12.2022	
		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)		30,000,000	3,292,500,000	20,000,000	2,030,000,000
Outside Bangladesh (Note -5.2)		979,858	107,539,410	953,648	96,795,254
		30,979,858	3,400,039,410	20,953,648	2,126,795,254
5.1 In Bangladesh:					
Schedule Banks in Bangladesh		30,000,000	3,292,500,000	20,000,000	2,030,000,000
		30,000,000	3,292,500,000	20,000,000	2,030,000,000
Sl. No.	BANK	Deal Date	Maturity Date	USD	BDT
1	BRAC BANK LIMITED	10-02-23	02/01/2024	2,500,000	274,375,000
2	BRAC BANK LIMITED	20/12/2023	03/01/2024	5,000,000	548,750,000
3	PRIME BANK LIMITED	10/10/2023	08/01/2024	5,000,000	548,750,000
4	EASTERN BANK LTD	12/11/2023	09/01/2024	3,000,000	329,250,000
5	EASTERN BANK LTD	07/12/2023	10/01/2024	3,000,000	329,250,000
6	EASTERN BANK LTD	11/12/2023	11/01/2024	3,500,000	384,125,000
7	EASTERN BANK LTD	15/11/2023	16/01/2024	2,000,000	219,500,000
8	PRIME BANK LIMITED	13/12/2023	08/02/2024	6,000,000	658,500,000
				30,000,000	3,292,500,000
5.2 Outside Bangladesh					
Current Account		979,858	107,539,410	953,648	96,795,254
		979,858	107,539,410	953,648	96,795,254
8. Loans and advances					
i) Loans, cash credits, overdrafts, etc.					
Term loan		5,837,337	640,647,777	-	-
Cash Credit		-	-	-	-
Over draft		1,516,318	166,415,933	7,243,500	735,215,283
		7,353,656	807,063,711	7,243,500	735,215,283
ii) Bills purchased and discounted (note-6)					
Inside Bangladesh					
Inland bills purchased and discounted*		-	-	202,168,643	20,520,117,228
Outside Bangladesh					
Foreign bills purchased and discounted		-	-	-	-
		-	-	202,168,643	20,520,117,228
		7,353,656	807,063,711	209,412,143	21,255,332,511
8.1 Geographical location-wise loans and advances					
Dhaka		4,790,935	525,805,089	99,077,785	10,056,395,159
Chittagong		2,562,721	281,258,622	110,334,358	11,198,937,352
Sylhet		-	-	-	-
Rajshahi		-	-	-	-
Khulna		-	-	-	-
Barisal		-	-	-	-
		7,353,656	807,063,711	209,412,143	21,255,332,511
8.2 Classification of loans and advances					
Unclassified					
(i) Standard		7,353,656	807,063,711	209,412,143	21,255,332,511
(ii) Special mention account		-	-	-	-
Classified					
(i) Substandard		-	-	-	-
(ii) Doubtful		-	-	-	-
(iii) Bad / loss		-	-	-	-

	31.12.2023		31.12.2022	
	USD	Taka	USD	Taka
	7,353,656	807,063,711	209,412,143	21,255,332,511
8.3 Bills purchased and discounted				
In Bangladesh	-	-	202,168,643	20,520,117,228
Outside Bangladesh	-	-	-	-
	-	-	202,168,643	20,520,117,228
9. Fixed assets including premises, furniture and fixtures				
Furniture and fixtures	-	-	-	-
Office equipment and machinery	-	-	-	-
	-	-	-	-
10. Other assets				
Inter Branch Account	-	-	-	-
Receivables from DBU(i)	-	-	-	-
Interest income receivable on loans & advance	281,633	30,909,237	6,811,387	691,355,805
Exchange Fluctuation of receivables from DBU	-	-	-	-
	281,633	30,909,237	6,811,387	691,355,805
12. Borrowing from other banks, financial institutions & agents				
Domestic Operations	21,500,000	2,359,625,000	23,000,000	2,334,500,000
State Bank of India, Hongkong	-	-	195,500,000	19,843,250,000
	21,500,000	2,359,625,000	218,500,000	22,177,750,000
13. Deposits and other accounts				
Current deposits and other accounts (Note- 10.1)	523,186	57,419,631	672,384	68,247,003
Savings deposits account (Note- 10.2)	-	-	-	-
	523,186	57,419,631	672,384	68,247,003
13.1 Current deposits and other accounts				
Inter Branch a/c	-	-	-	-
Bangladesh Bank	-	-	-	-
Other Current A/C	523,186	57,419,631	672,384	68,247,003
	523,186	57,419,631	672,384	68,247,003
13.2 Savings deposits account				
Deposits from banks	-	-	-	-
Deposits from customers	-	-	-	-
	-	-	-	-
14 Other liabilities				
Interest payable on inter branch borrowings	186,081	20,368,487	3,970,853	403,041,541
ISO Reconciliation	-	-	285	28,965
Provision on loans and advances (Note-14.1)	81,500	8,944,625	2,094,844	212,626,623
Provision for Current Taxation (v)	-	-	-	-
TDS Account (including 20% TDS payable on interest payable on Borrowings from abroad)	2,219,259	243,563,700	1,869,259	189,729,812
Inter Brach Adjustment Accounts	298	32,669	298	30,214
	2,487,138	272,909,482	7,935,538	805,457,154
14.1 Provision for loans and advances				
Provision for bad and doubtful debts (ii)	-	-	-	-
Provision on unclassified loans (iii)	81,500	8,944,625	2,094,844	212,626,623
On Special Provision for COVID- 19 (iv)	(0)	(0)	(0)	(0)
	81,500	8,944,625	2,094,844	212,626,623
i) Fresh provision on loans & advance made during the year				
On classified loans & advances as per BBK circular (ii)	-	-	-	-
On unclassified loans & advances(iii)	81,500	8,944,625	2,094,844	212,626,623
On Special Provision for COVID- 19 (iv)	(0)	(0)	(0)	(0)

31.12.2023		31.12.2022	
USD	Taka	USD	Taka
81,500	8,944,625	2,094,844	212,626,623

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
Adjustment
Add: Additional provision for the year
Less: Provision written back
Provision held at the end of the year

2,094,844	212,626,623	3,410,589	291,008,472
(6,624)	-	(397,118)	-
-	-	-	-
2,006,719	203,681,998.37	918,627	78,381,849
81,500	8,944,625	2,094,844	212,626,623

b) Breakup of unclassified loans & advances

General provision for loans & advances
General provision for Off- Balance Sheet item

81,500	8,944,625	2,094,844	212,626,623
-	-	-	-
81,500	8,944,625	2,094,844	212,626,623

iv) Provision for Special Provision for COVID -19

Opening Balance
Add: Additional provision for the year
Add: Exchange Fluctuation
Less: Payment made during the year

(0)	(0)	145,898	12,448,766
-	-	-	-
-	-	-	-
-	-	(145,898)	(12,448,766)
(0)	(0)	(0)	(0)

v) Provision for Current Taxation

Opening Balance
Add: Additional provision for the year
Add: Exchange Fluctuation
Less: Payment made during the year

-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

16. Retained Earning account

Opening balance
Add: Exchange Fluctuation
Add: Income tax provision
Add: Net profit for the year
Less: Transferred to retained earning (DBU)

10,069,255	1,022,029,412	12,325,865	1,051,704,447
-	83,071,356	(1,908,822)	-
-	-	-	-
4,035,568	442,957,478	11,978,077	1,022,029,412
-	-	12,325,865	1,051,704,447
14,104,823	1,548,058,245	10,069,255	1,022,029,412

18. Contingent liabilities

18.1 Irrevocable letter of credits

Letter of credits
Back to back letter of credit
Less: Margin

-	-	-	-
-	-	-	-
-	-	-	-

18.2 Letter of guarantee

Letter of guarantee (Local)
Letter of guarantee (Foreign)
Foreign counter guarantees
Less: Margin

-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

19.1 Interest income

Overdraft
Term Loan
Bills Discount
Others

31.12.2023		31.12.2022	
USD	Taka	USD	Taka
-	-	-	-
132,336	14,523,879	82,424	8,366,028
601,179	65,979,406	1,269,717	128,876,277
2,114,980	232,119,101	13,475,771	1,367,790,774
-	-	-	-
2,848,496	312,622,387	14,827,912	1,505,033,078

Interest on loans and advances

Interest on balance with other banks and financial institutions
Interest received from foreign banks

1,673,899	183,710,367	1,147,320	116,452,993
37,308	4,094,537	62,050	6,298,055
1,711,206	187,804,904	1,209,370	122,751,048
4,559,702	500,427,290	16,037,282	1,627,784,126

Total interest income

20 Interest paid on deposits, borrowings, etc.

Interest paid on Inter Branch Borrowings
Interest paid on Bangladesh Bank

2,153,879	236,388,211	7,476,892	758,904,497
-	-	-	-
2,153,879	236,388,211	7,476,892	758,904,497

22. Commission/ fees

Commission for handling
Commission for LC negotiation/amendment/advising
Commission for foreign bill negotiation
Commission for outward remittances
Commission acceptance on bills
Commission for inward remittance
Commission for miscellaneous

40,000	4,390,000	-	-
-	-	148,820	15,105,278
-	-	-	-
-	-	-	-
-	-	-	-
-	-	161	16,342
-	-	233	23,680
40,000	4,390,000	149,215	15,145,299

23. Other operating income

Swift
Exchange Gain/(Loss)
Postage & courier

-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

24.1 Salaries and allowances

Basic Salary
Other Allowances
Provident Fund

51,011	5,598,454	53,143	5,394,030
1,194	131,055	1,217	123,500
1,424	156,246	1,554	157,752
53,629	5,885,754	55,914	5,675,282

24.2 Rent, taxes, insurance, electricity etc.

Rent, rates & taxes

355,368	39,001,590	5,518	560,053
355,368	39,001,590	5,518	560,053

24.2.1 Office Rent

Office Rent
Electricity (Office)
Tax on Interest Payment on Borrowings

2,327	255,405	2,759	280,026
3,040	333,685	2,759	280,026
350,000	38,412,500	-	-
355,368	39,001,590	5,518	560,053

24.3 Postage, stamp, telecommunication etc.

Postage & courier

-	-	-	-
-	-	-	-

24.4 Stationery, printing, advertisement etc.

Stationery & Printing

-	-	-	-
-	-	-	-

24.5 Auditors' fee

Audit Fee(Statutory Audit)

31.12.2023		31.12.2022	
USD	Taka	USD	Taka
-	-	-	-
-	-	-	-

24.7 Other expenses

Finacle Expenses
Others

-	-	-	-
14,111	1,548,715	40,561	4,116,970
14,111	1,548,715	40,561	4,116,970

25 Provision for loan

Provision against classified loan
Provision against unclassified loan

-	-	-	-
(2,013,344)	(220,964,458)	(1,461,643)	(148,356,789)
(2,013,344)	(220,964,458)	(1,461,643)	(148,356,789)

Dhaka, 22 February 2024


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 2023

Name of Bank	Currency Type	A/C Type	2023			2022		
			FC Amount	Exchange Rate	Equivalent Taka	FC Amount	Exchange Rate	Equivalent Taka
Standard Chartered Bank, Karachi Branch	USD	CD	-	109.75000	-	-	101.50000	-
Deutsche Bank, Mumbai	USD	CD	-	109.75000	-	-	101.50000	-
JP Morgan Chase Bank	USD	CD	1,055,571	109.75000	115,848,962	1,512,500	101.50000	153,518,752
ACU Dollar Nostro a/c (ISB Mumbai)	USD	CD	284,400	109.75000	31,212,889	640,952	101.50000	65,056,655
Bank of America	USD	CD	-	109.75000	-	-	101.50000	-
Deutsche Bank Trust Company, New York	USD	CD	-	109.75000	-	-	101.50000	-
State Bank of India, West Germany (FF)	EURO	CD	26,602	122.03300	3,246,842	234,973	107.81860	25,334,442
State Bank of India, London	GBP	CD	10,706	140.64470	1,505,694	2,157	122.13090	263,425
State Bank of India, New York	USD	CD	980,879	109.75000	107,651,499	6,813,593	101.50000	691,579,655
State Bank of India, Japan	JYEN	CD	2,298,156	0.77660	1,784,748	1,276,968	0.76090	971,645
Citi N.A.	USD	CD	979,858	109.75000	107,539,410	953,648	101.50000	96,795,254
ISB Mumbai INR Account	INR	CD	1,007,093	1.31760	1,326,946	-	0.00000	-
Total			6,643,265		370,116,990	11,434,791		1,033,519,828



State Bank of India
Bangladesh Operations
Details of Large Loan
As at 31 December 2023

Number of Clients: 2
 Amount of outstanding advances: 312
 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	140	80	136	49	185
2	Walton Hi-Tech Inds. Ltd.	174	60	110	17	127
3						
4						
Total		314	140	246	66	312



Annexure - C

State Bank of India
Bangladesh Operations
Schedule of Fixed Assets including premises, furniture and fixtures
As at 31 December 2023

Particulars	COST			Rate %	DEPRECIATION				Written down value of 31 December 2023
	Balance as of 01 January 2023	Addition during the year	Adjustment/ disposal during the year		Balance as of 01 January 2023	Charged for the year	Adjustment/ disposal during the year	Balance as of 31 December 2023	
Furniture & fixture	97,057,176	2,369,689	-	10%	60,835,704	7,024,782	-	67,860,487	31,566,378
Office Appliances	64,569,755	9,780,029	-	25%	53,460,982	1,621,756	-	55,082,738	19,267,046
Computer	160,156,261	2,793,453	-	25%	129,435,318	6,841,951	-	136,277,270	26,672,444
Right-of-use asset (under lease)	242,097,443	-	-	-	219,828,955	22,268,488	-	242,097,443	-
As on 31 December 2023	563,880,635	14,943,170	-		463,560,960	37,756,977	-	501,317,938	77,505,868
As on 31 December 2022	537,952,854	25,927,782	-		392,819,410	70,741,550	-	463,560,960	100,319,675



**State Bank of India
Bangladesh Operations
Statement of Tax position
As at 31 December 2023**

(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	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	1,325,358,077	1,325,358,077	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
2022	2023-24	1,282,896,976	1,276,900,983	1,276,900,983	Submitted & Completed U/S 82BB



State Bank of India
Bangladesh Operations
Unreconciled Entries and amount in Local & Nostro Account
As at 31 December 2023

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
1	State Bank of India, London	GBP	2023	2	-	-	-	-	-	-	-	-
2	State Bank of India, New York	USD	2023	2	-	-	13,389	6	-	13,389	4	50,574
3	State Bank of India, Frankfurt	EURO	2023	3	-	-	-	-	-	-	1	2,275
4	Deutsche Bank Trust Com. America, USA	USD	2023	4	-	-	-	-	-	-	-	-
5	State Bank of India, Tokyo	USD	2023	5	-	-	-	1	5,000	-	-	-
6	Bank of America	USD	2023	6	-	-	-	2	61,296	61,296	13	214,817
7	JP Morgan Chase bank, USA	USD	2023	7	-	-	-	-	-	-	1	49,925
8	State Bank of India, ISB Mumbai	USD	0	8	-	-	-	-	-	-	3	7,497
9	Citi, N.A	USD	0	8	-	-	-	1	373	373	22	325,087
Total					-	-	13,389	6	13,389	61,704	22	325,342



State Bank of India
Bangladesh Operations
Investment Schedule
As at 31 December 2023

ISIN Number	Purchase Date	Face Value (Scrip currency)	Maturity Date	Purchase Cost	Primary Yield(YT M)	Coupon	Present Value	Portfolio	Type of Security	Remarks
BD0925141154	13-Oct-10	150,000,000.00	13-Oct-25	150,614,400.00	8.90%	8.95%	150,072,999.88	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%	150,058,371.52	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%	100,029,168.06	HTM	T Bond	Lien for Capital
BD0930201209	24-Nov-10	350,000,000.00	24-Nov-30	354,728,850.00	9.30%	9.45%	351,630,662.05	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
BD0930121209	29-Sep-10	120,000,000.00	29-Sep-30	120,435,096.00	9.21%	9.25%	120,146,706.48	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%	120,109,944.12	HTM	T Bond	Lien for Capital
BD0930121209	29-Sep-10	100,000,000.00	29-Sep-30	100,181,034.00	9.23%	9.25%	100,061,045.46	HTM	T Bond	Lien for Capital
BD0927151151	17-Oct-12	1,100,000.00	17-Oct-27	1,097,723.93	11.96%	11.93%	1,099,425.23	HTM	T Bond	Lien for Capital
BD0927111155	19-Sep-12	4,400,000.00	00-Jan-00	4,400,000.00	11.88%	11.88%	4,400,000.00	HTM	T Bond	Kept as SLR
BD0927231151	19-Dec-12	1,000,000.00	19-Dec-27	1,001,371.00	12.08%	12.10%	1,000,363.50	HTM	T Bond	Kept as SLR
BD0932161203	25-Oct-12	1,200,000.00	25-Oct-32	1,198,214.73	12.18%	12.16%	1,199,211.10	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	Kept as SLR
BD0932241203	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	Kept as SLR
BD0932201207	28-Nov-12	600,000.00	28-Nov-32	598,219.19	12.22%	12.18%	599,202.77	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	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	Lien for Capital
BD0909146147	19-Jun-13	2,600,000.00	19-Jun-28	2,589,522.57	12.46%	12.40%	2,596,876.63	HTM	T Bond	Lien for Capital
BD0928351156	20-Mar-13	500,000.00	20-Mar-28	499,662.94	12.39%	12.38%	499,899.90	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%	1,397,894.82	HTM	T Bond	Kept as SLR
BD0928041153	24-Jul-13	1,000,000.00	24-Jul-28	995,301.07	12.47%	12.40%	998,575.57	HTM	T Bond	Kept as SLR
BD0928121153	25-Sep-13	2,400,000.00	25-Sep-28	2,391,944.69	12.47%	12.42%	2,397,457.19	HTM	T Bond	Lien for Capital
BD0933121206	25-Sep-13	1,200,000.00	25-Sep-33	1,193,893.44	12.55%	12.48%	1,197,031.58	HTM	T Bond	Lien for Capital
BD0909146150	26-Jun-13	1,300,000.00	26-Jun-33	1,293,384.56	12.59%	12.48%	1,296,865.08	HTM	T Bond	Lien for Capital
BD0933241202	26-Dec-13	1,300,000.00	26-Dec-33	1,294,273.27	12.39%	12.33%	1,297,137.11	HTM	T Bond	Kept as SLR
BD0933361208	27-Mar-13	900,000.00	27-Mar-33	898,032.33	12.51%	12.48%	899,093.97	HTM	T Bond	Lien for Capital
BD0929201152	24-Dec-14	1,600,000.00	26-Nov-29	1,588,417.60	11.57%	11.47%	1,595,418.50	HTM	T Bond	Lien for Capital
BD0934201205	24-Dec-14	1,400,000.00	26-Nov-34	1,390,251.80	12.07%	11.98%	1,394,667.10	HTM	T Bond	Lien for Capital
BD0929201152	26-Nov-14	900,000.00	26-Nov-29	898,091.10	11.50%	11.47%	899,254.15	HTM	T Bond	Lien for Capital
BD0934201205	26-Nov-14	700,000.00	26-Nov-34	695,802.80	12.06%	11.98%	697,710.35	HTM	T Bond	Lien for Capital
BD0934161201	29-Oct-14	1,500,000.00	29-Oct-34	1,494,369.00	12.03%	11.98%	1,496,949.27	HTM	T Bond	Lien for Capital
BD0928131103	22-Nov-18	200,000,000.00	22-Nov-28	207,367,800.00	6.64%	7.15%	203,604,227.28	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%	152,432,632.86	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%	101,442,171.55	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%	101,227,764.70	HTM	T Bond	Lien for Capital
BD0928131103	11-Aug-21	150,000,000.00	18-Mar-26	152,314,200.00	3.88%	4.25%	151,111,642.50	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%	201,078,018.85	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%	200,675,767.26	HTM	T Bond	Kept as SLR
BD0926021108	07-Sep-21	100,000,000.00	20-Jul-26	114,301,800.00	4.30%	7.59%	107,492,953.33	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%	150,642,797.20	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%	150,463,590.64	HTM	T Bond	Lien for Capital





ISIN Number	Purchase Date	Face Value (Scrip currency)	Maturity Date	Purchase Cost	Primary Yield(YT M)	Coupon	Present Value	Portfolio	Type of Security	Remarks
BD0926541055	15-Sep-21	150,000,000.00	15-Sep-26	150,526,645.00	4.89%	4.97%	150,284,954.02	HTM	T. Bond	Lien for Capital
BD0925371058	07-Oct-21	750,000,000.00	29-Apr-25	827,985,000.00	4.90%	8.12%	779,034,416.64	HTM	T. Bond	Kept as SLR
BD0925021039	26-Dec-21	370,000,000.00	15-Jul-25	386,891,240.00	5.75%	7.19%	377,306,079.71	HTM	T. Bond	Kept as SLR
BD0927841058	18-May-27	500,000,000.00	18-May-27	502,664,500.00	7.57%	7.70%	501,799,194.40	HTM	T. Bond	Kept as SLR
BD0924871025	03-Aug-22	250,000,000.00	08-Jun-24	249,583,500.00	7.30%	7.21%	249,901,510.52	HTM	T. Bond	Kept as SLR
BD0924871025	03-Aug-22	150,000,000.00	08-Jun-24	149,648,250.00	7.34%	7.21%	149,916,821.60	HTM	T. Bond	Kept as SLR
BD0924021050	10-Aug-22	500,000,000.00	08-Jun-24	149,520,900.00	7.39%	7.21%	149,886,707.04	HTM	T. Bond	Lien for Capital
BD0924871025	19-Jun-23	500,000,000.00	10-Jul-24	508,724,000.00	7.43%	8.43%	502,380,405.31	HTM	T. Bond	Lien for Capital
BD0924371059	25-Sep-23	488,000,000.00	08-Jun-24	495,907,500.00	8.10%	7.21%	498,160,752.10	HTM	T. Bond	Kept as SLR
BD0936437245	09-Jan-23	150,000,000.00	12-Jun-24	138,929,850.00	7.99%	8.10%	149,787,112.50	HTM	T. Bond	Lien for Capital
BD0918201247	03-Jul-23	100,000,000.00	01-Jan-24	96,487,900.00	7.30%	-	100,000,000.00	HTM	T. Bill	Lien for Capital
BD0936401241	03-Jul-23	200,000,000.00	01-Jul-24	184,728,000.00	8.29%	-	192,363,999.81	HTM	T. Bill	Lien for Capital
BD0936401241	03-Jul-23	200,000,000.00	01-Jul-24	184,643,000.00	8.34%	-	192,321,499.92	HTM	T. Bill	Lien for Capital
BD0918209240	04-Sep-23	200,000,000.00	01-Jul-24	92,279,000.00	8.39%	-	96,139,500.28	HTM	T. Bill	Lien for Capital
BD0918209240	04-Sep-23	200,000,000.00	04-Mar-24	192,901,400.00	7.38%	-	197,542,792.42	HTM	T. Bill	Lien for Capital
BD0918209240	04-Sep-23	200,000,000.00	04-Mar-24	192,892,200.00	7.39%	-	197,539,607.76	HTM	T. Bill	Lien for Capital
BD0918210248	11-Sep-23	250,000,000.00	11-Mar-24	241,115,250.00	7.59%	-	246,582,788.65	HTM	T. Bill	Lien for Capital
BD0918210248	11-Sep-23	250,000,000.00	11-Mar-24	241,103,750.00	7.40%	-	246,578,365.35	HTM	T. Bill	Lien for Capital
BD0936410242	11-Sep-23	200,000,000.00	09-Sep-24	185,565,600.00	7.80%	-	190,006,953.86	HTM	T. Bill	Lien for Capital
BD0936410242	11-Sep-23	200,000,000.00	09-Sep-24	185,514,000.00	7.83%	-	189,971,230.40	HTM	T. Bill	Lien for Capital
BD0918231244	26-Dec-23	300,000,000.00	25-Jun-24	284,145,600.00	11.19%	-	284,668,272.54	HTM	T. Bill	Lien for Capital
BD0918231244	26-Dec-23	150,000,000.00	25-Jun-24	142,069,500.00	11.19%	-	142,330,945.08	HTM	T. Bill	Lien for Capital
BD0918231244	26-Dec-2023	150,000,000.00	25-Jun-2024	142,067,700.00	11%	-	142,329,204.42	HTM	T. Bill	Lien for Capital
		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	
		9,486,238,890		9,478,762,573			9,459,309,532			

Break down for FS

Fund Deposited with BB

SLR Investment

Central Depository Bangladesh Limited(CDBL)

Prize Bond

Total Investment in Securities

Amount (Cost Price)

6,295,123,885.76

3,183,638,687.68

3,138,890.00

198,400.00

9,482,099,863

Amount (P.V)

6,334,662,898.95

3,121,507,743.15

3,138,890.00

198,400.00

9,459,507,932

Particulars

T. Bills

T. Bonds

CDBL

Prize Bond

2,761,904,261.66

6,694,266,380.44

3,138,890.00

198,400.00

9,459,507,932.10

**State Bank of India
Bangladesh Operations
Statement of write off loans
As at and for the year ended 31st December 2023**

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	30-03-14	30-03-14	6,663,781.36	13-01-13
S. Co. Steel Limited	30-03-14	30-03-14	89,687,280.95	28-01-08
S.A. Trading & Export	30-03-14	30-03-14	3,706,724.13	26-07-09
Shamema Alim	11-08-15	11-08-15	1,877,115.02	26-02-08
Nexus Communication & Power Solution	14-12-15	14-12-15	913,646.98	15-04-14
Mostafa Corporation Limited.	22-12-15	22-12-15	185,818,385.31	22-10-13
T.J. International Limited	22-12-15	22-12-15	78,696,203.61	25-11-13
Hallmark Apparels Ltd	31-03-16	31-03-16	24,143,660.72	01-10-12
Clewiston Trading Ltd	31-03-16	00-01-00	176,253,589.57	18-05-14
Nahar Trading Corporation Ltd	31-03-16	31-03-16	77,043,660.16	24-07-14
Al-Amin Bread & Biscuits Ltd.	31-03-16	31-03-16	7,648,688.84	01-12-13
Saimon Enterprise	31-03-16	31-03-16	23,011,401.40	28-05-12
M/S Motiur Rahman Khan	28-06-17	28-06-17	27,513,654.10	22-05-14
Mujibur Rahman	28-06-17	28-06-17	4,821,044.13	29-09-16
Dr Rahid Nazrul Islam	28-06-17	28-06-17	11,279,198.31	31-01-17
United Airways (BD) Ltd.	28-12-17	28-12-17	253,922,593.41	25-01-17
Pioneer Builders Ltd.	31-01-18	31-01-18	15,680,699.40	27-11-13
Halda Enterprise Ltd(HEL)	10-12-18	10-12-18	21,591,006.26	28-06-16
Total			1,010,272,334	



**State Bank of India
Bangladesh Operations
Highlights on the overall Activities
As at and for the year ended 31 December 2023**

(Figures in Taka)

Sl. #	Particulars	2023	2022
1	Fund deposit with Bangladesh Bank	6,334,662,899	6,314,083,718
2	Capital surplus/(deficit)	13,457,900,267	12,029,279,833
3	Total assets	37,735,100,435	55,583,870,064
4	Total deposits	17,222,145,372	15,053,697,826
5	Total Borrowings	-	22,177,750,000
6	Total loans & advances	12,110,824,495	30,926,997,681
7	Total contingent liabilities & commitments	55,823,569,365	36,749,838,651
8	Credit deposit ratio (Loans & advances/Deposits including obu borrowings)	70.32%	83.07%
9	Percentage of classified loans against total loans & advances	1.12%	0.25%
10	Profit after tax & provisions	2,346,359,310	1,806,423,690
11	Amount of classified loans during the current year	135,651,180	78,608,825
12	Provision kept against classified loans	121,590,845	193,353,546
13	Provisions surplus/(deficit)	163,641,197	103,477,430
14	Provision Coverage Ratio(%)	89.63%	245.97%
15	Cost of fund	3.59%	3.81%
16	Interest earning other assets	-	-
17	Non-Interest earning other assets	949,063,229	1,483,628,430
18	Return on Investment (ROI) [Int. Income from Investment/Total Investment]	7.27%	5.05%
19	Return on assets (ROA) [PAT/Average assets]	6.22%	3.14%
20	Return on Equity (ROE) [PAT/Average shareholders equity]	13.11%	11.84%
21	Income from investments	687,870,569	605,074,148
22	Cash reserve requirement (CRR) maintenance (%)	7.05%	2.58%
23	Statutory Liquidity Reserve maintenance (%)	58.50%	25.69%
24	Capital Adequacy Ratio (%)	69.64%	66.04%
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

