

## 2.5 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

### 2.5.1 Current tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Profit and Loss Statement because it excludes items of income or expense that are taxable or deductible. The Bank's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the date of Balance Sheet.

Provision for current income tax has been made @ 40% on accounting profit made by the Bank after considering some of the add backs of income and disallowances of expenditure as per Income Tax Ordinance 1984.

### 2.5.2 Deferred tax

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the date of Balance Sheet. The impact on the account of changes in the deferred tax assets and liabilities has also been recognized in the Profit and Loss Accounts as per IAS 12 "Income Taxes".

## 2.6 Assets and basis of their valuation

### 2.6.1 Cash and cash equivalents

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

### 2.6.2 Investments

All investments securities are initially recognized at cost, including acquisition charges associated with the investment. Premiums are amortized and discount accredited, using the effective yield method and are taken to discount income. The valuation method of Marking to Market for investments used are:

#### 2.6.2.1 Held to maturity (HTM)

Investments which have 'fixed or determinable payments' and fixed maturity that the group has the positive intent and ability to held to maturity, other than those that meet the definition of 'Held at amortized cost others' are classified as held to maturity. These investment are subsequently measured at amortized cost, less any provision for impairment in value. Amortized cost is calculated by taking into account any discount or premium in acquisition. Any gain or loss on such investments is recognized in the statement of income when the investment is derecognized or impaired as per IAS -39 " Financial Instruments - Recognition and Measurement". Value of Investments has been shown as

Investment Class	Initial Recognition	Subsequent Measurement	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 Gain to Revaluation reserve/ Loss to P&L (in case of Discount or Premium)
Prize Bond & Other Bond	Cost	None	None
Unquoted Shares (ordinary)	Cost	Cost	None

### 2.6.2 Loans and advances

(a) Interest on loans and advances is calculated on a daily product basis but charged and accounted for quarterly on accrual basis. Interest on classified loans and advances is kept in interest suspense account as per directives of Bangladesh Bank and such interest is not accounted for as income until realized from borrowers.

(b) Interest is not charged on bad and doubtful loans and advances from the date of filing money suits against the borrowers.



(c) Provision for loans and advances is made on the basis of periodical review by the management and of instructions contained in Bangladesh Bank's BCD circular nos. 34 of 16 November 1989, 20 of 27 December 1994 and 12 of 04 September 1995 and BRPD circular nos. 16 of 06 December 1998, 9 of 14 May 2001, 2 of 15 February 2005, 9 of 20 August 2005, 17 of 6 December 2005, 5 of 5 April 2008, 07 of 14 June 2012, 14 of 23 September 2012, 19 of 27 December 2012 and 5 of 29 May 2013 respectively at the following rates:

**(i) General provision on unclassified loans and advances**

	Rate (%)
Standard general loans and advances	1%
Standard Small & Medium enterprise Financing	0.25%
Standard loans to Merchant Banking/BHs/SDs	2%
Standard Housing Finance and loans for professional to set up a business	2%
Standard Consumers loan Scheme other than HF and LP	5%
Standard Short term Agri and Micro credit	1%
Special Mention Account general Loans and advances	1%
Special mention account Small & Medium enterprise Financing	0.25%
Special mention account loans to BHs/MBs/Sds	2%
Special mention account HF and LP	2%
Special mention account Consumer's loan scheme other than HF & LP	1%

**(ii) Specific provision on classified loans and advances**

Substandard (Agri & Micro credit)	5%
Doubtful (Agri & Micro credit)	5%
Substandard	20%
Doubtful	50%
Bad or Loss	100%

(d) Loans and advances are written off to the extent that there is no realistic prospect of recovery, and against which legal cases are pending for more than five years as per guidelines of Bangladesh Bank subject to getting approval from Corporate Centre Mumbai. These write offs, however, will not undermine/affect the claim amount against the borrowers. Detailed memorandum records for all such written off accounts are meticulously maintained and followed up.

**2.6.3 Fixed assets and depreciation**

**a) Recognition**

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

Furniture, fixture and equipments have been accounted for at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

**b) Depreciation**

- (i) Depreciable assets are stated at cost less accumulated depreciation.
- (ii) Depreciation has been charged on written down value method at the following rates. Depreciation is charged for full year on assets purchased within first six months of the year and 50% depreciation is charged in case assets purchased during the last six months of the year.
- (iii) No depreciation is charged in the year of disposal.

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

**c) Sale of fixed assets**

Sale price of fixed assets is determined on the basis of fair value of the assets. Gain or loss on sale of assets are recognized in profit & loss account as per provision of IAS 16 Property plant & equipments.



**d) Leases**

In according to IFRS 16 Leases, a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Control is conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.

An asset is typically identified by being explicitly specified in a contract, but an asset can also be identified by being implicitly specified at the time it is made available for use by the customer.

Upon lease commencement the bank recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the Bank. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar. After lease commencement, the Bank measures the right-of-use asset using a cost model. Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the incremental borrowing rate.

**e) Impairment**

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss is recognized as an expenses in the Profit & Loss Account.

**f) Others**

Useful life and method of depreciation of property plant & equipment are reviewed periodically. As useful lives of assets do not differ significantly from that previously estimated, Bank Management does not consider to revalue its assets in the meantime.

**2.6.4 Other Assets**

Other assets include all other financial assets and interest, fees and other unrealized income receivable, prepaid interest expenses on fixed deposits, advance for operating and capital expenditure, security deposits and stocks of stationery & stamps etc. Provision for other assets is made as per BRPD circular no. 14 of 25 June 2001.

**2.7 Retirement benefits to the employees****a) 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.

**b) Gratuity**

The bank has a gratuity scheme, which covers all of its permanent employees. The gratuity is payable equivalent to 01-02 months' last drawn basic salary for each completed year of service (ranging between a maximum of 15-30 lacs) depending on the number of years of service with the bank (minimum 8 years).

**2.8 Revenue recognition**

The revenue during the year is recognized as follows which satisfy all conditions of revenue recognition as prescribed by IFRS 15 "Revenue from Contracts with Customers".

- (i) Interest is calculated on daily product basis on unclassified loan and advances but charged on a quarterly basis.
- (ii) Interest is charged on classified loans and advances as per Bangladesh Bank's BRPD circular no. 16 of 06 December 1998 and other related circulars and such interest is not taken into income.
- (iii) Dividend income is recognized at the time when right to receive is established.
- (iv) Commission and discount on bills purchased and discounted are recognized at the time of realization.



## 2.9 Cash flow statement

Cash Flow Statement is prepared principally in accordance with IAS-7 "Statement of Cash Flows" under direct method as per guidelines of BRPD circular no. 14 dated 25 June 2003. The Cash Flow Statement shows the structure of and changes in cash and cash equivalents during the financial year. It reported cash flows during the period classified by operating activities, investing activities and financing activities.

## 2.10 Statement of liquidity

The liquidity statement has been prepared in accordance with the remaining maturity period of the value of the assets and liabilities as on the reporting date as per the guidelines provided by Bangladesh Bank in BRPD Circular No 14 of 25 June 2003, DOS Circular No 02 of 29 March 2011.

## 2.11 Statement of changes in equity

Statement of changes in equity is prepared in accordance with IAS-1 "Presentation of Financial Statements" and under the guidelines of BRPD circular no. 14 dated 25 June 2003.

## 2.12 Reconciliation of books of account

Books of account in regard to inter bank (inside Bangladesh and outside Bangladesh) and inter branch transactions are being regularly reconciled. The Bank however, formed a task force to take positive steps to eliminate the long outstanding inter branch entries within the shortest period of time.

## 2.13 Risk Management

The risk of the Bank may be defined as the possibility of losses, financial or otherwise. The risk management of the Bank covers six core risks i.e. Credit Risk, Internal Control & Compliance Risk, Money Laundering Risk, Asset Liability Management Risk (Balance Sheet Risk), Foreign Exchange Risk and Information Technology Risk. Moreover, Operational Risk, Market Risk, Liquidity Risk, Residual Risk, Reputation Risk, Strategic Risk, Settlement Risk and Environmental & Climate Change Risk are also brought into consideration. Success or failure of the Bank depends to a great extent on proper identification and minimization of these risks. The prime objective of the risk management is that Bank takes well calculative business risks while safeguarding the Bank's capital, its financial resources and profitability from various risk areas. A separate Risk Management Unit (RMD) has been formed headed by one India Based Officer where all the Chief Executive Officer & Division Heads of Country Head Office are the members and the Division Head (SAVP- Risk & Compliance) is the member secretary. The Committee is responsible to our Honorable Country Head for compliance and implementation of the decisions.

Monthly meeting of Risk Management Committee is being arranged on regular basis where different risks are discussed and decisions are gradually implemented. Minutes of Risk Management Department meeting along with risk management papers are submitted to Bangladesh Bank on quarterly basis. Yearly Health Report of the bank is in place before the senior Management in which analytical & exhaustive information are highlighted. Yearly summary report on the audit findings are also being placed before the Audit committee of the Local Management for mentioning & highlighting different incidences and the decisions are implemented by the Bank. As a part of risk management, adequate capital is being maintained against Credit Risk, Market Risk, Operational and other Risks under Basel-III accord. Under the second pillar of Basel, a Supervisory Review Process (SRP) team has been formed to review, monitor and maintain adequate capital considering all relevant risks. Stress Testing is done on quarterly basis to assess the impact of different risks associated with banking business on asset, liability & ultimately on capital and the report is submitted before the Local Management and to Bangladesh Bank regularly.

### a) Credit Risk Management

Credit risk is the possibility that a borrower or counter party will fail to meet its obligations in accordance with agreed terms. The failure may result from unwillingness of the counter party or decline in his/her financial condition. Credit risk, therefore, arises from the bank's dealing with or lending to corporate, individuals, other banks or financial institutions. A separate Credit Division has been formed at Head Office since the inception of the bank, which is assigned with the duties of marketing and assessment of credit products, maintaining effective relationship with the customer and exploring new business opportunities. In line with Bangladesh Bank guidelines the bank has segregated marketing, approval and monitoring/recovery functions.

The credit risk management includes borrower risk analysis, financial statement analysis, industrial analysis, historical performance of the customer, security of the proposed credit facility and market reputation of the borrower etc. SBI takes its lending decision based on the credit risk assessment report by Appraisal Team. In determining Single Borrowing/Large Loan limit, the instructions of Bangladesh Bank are strictly followed.



#### **b) Foreign Exchange Risk Management**

Foreign Exchange Risk is defined as the potential change in earnings arising from the change in market prices. The market directly affects each country's bond, equities, private property, manufacturing and all assets that are available to foreign investors. Foreign exchange rates also play a major role in determining whom finances government deficits, which buy equities in companies and literally affects and influences the economic scenario. Due to high risk market the role of treasury operations is crucial.

As per Bangladesh Bank's guidelines the bank has segregated the Front and Back office for Treasury Operations. Front Office independently conducts the transactions and the Back Office is responsible for verification of the deals and passing of their entries in books of accounts. All Nostro accounts are reconciled on monthly basis and all foreign exchange transactions are revalued at Marked-to-Market rate as determined by Bangladesh Bank.

#### **c) Asset Liability Management**

Assets Liability Management is the most important aspect for the Financial Institution to manage Balance Sheet Risk, especially for managing of liquidity risk and interest rate risk. Change in Market Liquidity and interest rate expose bank business to the risk of loss. Failure to identify the risks associated with business and failure to take timely measures in giving a sense of direction may threaten the survival of institution.

As such, it is important that senior management must understand the existence of such risk on the balance sheet and they should ensure that the structure of the banks business and the level of balance sheet risk it assumes are effectively managed and appropriate policies and procedures are established to control and limit these risks, and that resources are available for evaluating and controlling interest rate risk. To address all the risk elements of the balance sheet ALCO meeting was conducted every month in 2018, ATM desk of the bank analyses the balance sheet risk and prepares the monthly ALCO papers as per the guidelines of Bangladesh Bank. By strongly monitoring the maturity gap of assets and Liabilities and interest rate movement, bank is able to maintain optimum liquidity with required regulatory compliances. A policy Guideline on Assets Liability Management has been formulated, approved by appropriate authority of the bank and revised time to time.

#### **d) Money Laundering**

Money laundering has been identified as a major threat to the financial services community. It is important that the management of Banks view prevention of money laundering as part of their risk management strategies and not simply as a stand-alone requirement that is being imposed by the legislation. The management of SBI is fully aware that the financial system shall not be and cannot be used as a channel for criminal activities. Therefore, co-ordination and co-operation between the concerned parties are essential for its success. The bank has designated Chief Anti Money Laundering Compliance Officer (CAMLCO) at Head Office and branch compliance officers at branches to reimplement the anti money laundering initiatives of the bank. A dedicated Anti-Money Laundering department has been formed at Country Head Office level including Central Compliance Unit (CCU).

To strengthen the process, SBI since introduced automated software's in different areas of banking operations. Forecheck OFAC has been introduced for checking sanction list, AMLOCK has been introduced for transaction monitoring. ACUITY has been introduced for monitoring trade based money laundering. All staff members are covered with AML training.

#### **e) Internal Control and Compliance**

Internal Control and Compliance (ICC) is a critical component of Bank management and foundation for the safe and sound operation of banking organization. A system of strong internal control and compliance can help to ensure that the goals and objectives of a banking organization will be met, that the bank will achieve long-term profitability targets, and maintain reliable financial and managerial reporting. Operational loss may arise from error and fraud due to lack of strong internal control and compliance culture. Effective Internal Control & Compliance system can help to ensure that the bank will comply with laws and regulations as well policies, plans, internal rules and procedures, and decrease the risk of unexpected losses or damage to the bank's reputation.

Internal Control & Compliance Division of the Bank under direct supervision of Head of ICCD. ICCD comprising of following three units to manage the ICC risks:-

- a) Audit & Inspection unit;
- b) Monitoring Unit and
- c) Compliance Unit.

The units have been functioning independently and separately with direct reporting lines to the Head of IC & CD.

In addition, Departmental Control Function Checklist has been introduced in the branches and divisions at Head Office under direct supervision of Monitoring Unit of IC&CD which ensures compliance with regulatory rules and regulations as well as general banking norms and procedures.

Policy guidelines on RISK BASED INTERNAL AUDIT (RBIA) system have been formulated and the branches have already been brought under RBIA networks. As per RBIA, marks have been allocated for rating of the branches in terms of business risk and control risk. The branches scoring higher are being subjected to more frequent audits.

It is a policy of the Bank to put all branches of the Bank under any form of audit four times in a year and IC & CD has been working in that direction. All the activities of the Internal Control & Compliance Division are devoted to address and mitigate operational risks of the Bank in more effective way to ensure efficiency and effectiveness of performance, ensure reliability and completeness of financial and management information and to ensure compliance with legal and regularity requirements.

#### **f) Information technology**

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

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

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

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

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

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

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

We have established our website [www.sbibd.com](http://www.sbibd.com) 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 2018, we conducted 15 training programs at our Computer Lab on 7 (seven) different Topics/Modules covering 42 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.

#### **2.14 Disclosure on fraud and forgeries committed by bank employees:**

No incidents of fraud occurred during the period

#### **2.15 Off-balance sheet items**

Under general banking transactions, liabilities against acceptance, endorsement and other obligations and bills against which acceptances have been given and claims exist there against, have been shown as off-balance sheet items.

#### **2.16 Offsetting**

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

#### **2.17 Interest paid and other expenses**

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

#### **2.18 Reporting period**

These financial statements cover one calendar year from 01 January 2019 to 31 December 2019.

#### **2.19 Number of employees**

The number of employees employed in the Bank as on 31 December 2019 was 97, of which 78 were male and 19 were female. The number of employees per branch was 18.20 excluding 20 employees in the Country office of the Bank.

## 2.20 Provision for liability

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

## 2.21 Events after reporting period

In terms of provision of IAS 10 "Events after Reporting period" no material events have occurred after balance sheet date which could affect the values reported in the financial statements.

## 2.22 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.

## 2.23 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 2019, the training institute of the Bank has arranged a total of 22 training courses, seminars and workshops mostly conducted by the internal & External resource persons with 102 participants. The objectives of designing all training programmes are to bridge the gap between present level of competence and the required level of competence.

## 2.24 Audit committee

An audit committee was constituted by the Senior Management of State Bank of India, Bangladesh Operation. Subsequently, one of the member has retired from the bank on 31st December 2018 and reconstituted the Audit Committee is under process the earlier committee is as under:

Name	Status in the Bank	Status in the committee	Educational Qualification
Mr. Deepak Sisodliya	HRMD	Chairman	B. SC, CAIIB, MBA, CFP
Mr. Deba Prasad Das	VP Ops	Member	B. SC.
Mr. Mohammad Masudul Amin	SAVP (R&C)	Member Secretary	MBA, MBM, DAIBB
Mr. Protim Kumar Mallick	AVP IT	Member	BSC Eng, MBA
Mr. Maksudur Rahman	AVP(A&T)	Member	MBA (Finance), MPA(DU), ITP, ACGA
Mr. Sanjit Chandra Lodh	FAVP(A&T)	Member	B. SC.
Mr. Idrisur Rahman	JM ICC	Member	MBA Management





During the year, the Audit Committee of the Board conducted 4 (Four) meetings in which among others, the following issues were discussed:

**Facts**

- Discuss the Comprehensive Inspection report of Bangladesh Bank of Bangladesh Operations.
- Discuss the audit report of different Country Office departments and Branches conducted by the Bank's internal audit team from time to time.
- Discuss the fraud/forgeries & operational loss report.
- Review the position of reconciliation with other bank and Nostro Account.
- Review the status of the Special Mentioned Account (SMA) and Bad/Loss loan.
- Reviewing the Anti money laundering policy of the Bank.

**2.25 Credit Rating of the Bank**

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

Sl.	Year	Rating Agencies	Long Term	Short Term
1	Jan to Dec 2019	ALPHA	AAA	AR-2
2	Jan to Dec 2018	ALPHA	AAA	AR-2
3	Jan to Dec 2017	ALPHA	AA	AR-2
4	Jan to Dec 2016	ALPHA	AA	AR-2
5	Jan to Dec 2015	ALPHA	AA	AR-2
6	Jan to Dec 2014	ALPHA	AA-	AR-2
7	Jan to Dec 2013	ALPHA	AA-	ST-2
8	Jan to Dec 2012	CRISL	AA+	ST-2
9	Jan to Dec 2011	CRISL	AA	ST-2

2.26 Figures relating to the previous year included in this report have been rearranged, wherever considered necessary, to make them comparable with those of the current year for the purpose of comparison with current year's presentation.

2.27 Figures in these notes and in the annexed 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.

2.28 These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

**2.29 Statement of compliance**

The financial statements of the Bank are prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Bank Companies Act 1991, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, [the Securities and Exchange Rules 1987]. In case any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of IFRS, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRS are as follows:

**i) Investment in shares and securities**

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

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

**ii) Revaluation gains/losses on Government securities**

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

**Bangladesh Bank:** HFT securities are revalued on the basis of mark to market and at year end any gain on revaluation of securities which have not matured as at the balance sheet date are recognized 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 amortization of discount are recognized in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortized at the year end and gains or losses on amortization are recognized in other reserve as a part of equity.





**iii) Provision on loans and advances/investments**

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

**Bangladesh Bank:** As per BRPD circular No.14 (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 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 the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IAS 39.

**iv) Recognition of interest in suspense**

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

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

**v) Other comprehensive income**

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

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

**vi) Financial instruments - presentation and disclosure**

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

**vii) 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 under cash and cash equivalents. Money at call and on short notice is presented on the face of the balance sheet, and treasury bills, prize bonds are shown under investments.

**viii) Non-banking asset**

**IFRS:** No guidance for Non-banking asset is found in any IFRS.

**Bangladesh Bank:** As per BRPD 14, Non banking assets have been presented separately on face of financial statements.

**ix) Cash flow statement**

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

**Bangladesh Bank:** As per BRPD 14, cash flow is the mixture of direct and indirect methods.





**x) Balance with Bangladesh Bank: (Cash Reserve Requirement)**

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

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

**xi) Presentation of intangible asset**

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

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

**xii) Off-balance sheet items**

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

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

**xiii) Loans and advances/Investments net of provision**

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

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

**xiii) Lease Assets**

**IFRS:** Where property, plant and equipment have been financed by lease arrangement under which substantially all the risks and rewards of obligation are transferred to the lessees are treated as per IFRS 16.

**Compliance:** SBI recognized the IFRS 16 from 2019.

**2.30 Compliance Status with IFRS and IAS**

Sl.	International Accounting Standards (IASs)	Reference	Status
1	Presentation of Financial Statements	IAS 1	Complied with BB guidelines
2	Inventories	IAS 2	Not Applicable
3	Statement of Cash Flows	IAS 7	Complied with BB guidelines
4	Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8	Complied
5	Events after the Reporting Period	IAS 10	Complied
6	Income Taxes	IAS 12	Complied
7	Property, Plant and Equipment	IAS 16	Complied
8	Employee Benefits	IAS 19	Complied
9	Accounting for Government Grants and Disclosure of Government Assistance	IAS 20	Not Applicable
10	The Effects of Changes in Foreign Exchange Rates	IAS 21	Partially Complied
11	Borrowing Costs	IAS 23	Complied
12	Related Party Disclosures	IAS 24	Complied
13	Accounting and Reporting by Retirement Benefit Plans	IAS 26	Applicable
14	Separate Financial Statements	IAS 27	Applicable
15	Investments in Associates and Joint Ventures	IAS 28	Not Applicable
16	Financial Reporting in Hyperinflationary	IAS 29	Not Applicable
17	Financial Instruments: Presentation	IAS 32	Complied with BB guidelines
18	Earnings per Share	IAS 33	Not Applicable
19	Interim Financial Reporting	IAS 34	Not Applicable
20	Impairment of Assets	IAS 36	Complied
21	Provisions, Contingent Liabilities and Contingent Assets	IAS 37	Complied
22	Intangible Assets	IAS 38	Not Applicable
23	Financial Instruments: Recognition and Measurement	IAS 39	Complied with BB guidelines
24	Investment Property	IAS 40	Not Applicable
25	Agriculture	IAS 41	Not Applicable





Sl.	International Financial Reporting Standard (IFRS)	Reference	Status
1	First-time Adoption of International Financial Reporting Standards	IFRS 1	Not Applicable
2	Share-based Payment	IFRS 2	Not Applicable
3	Business Combinations	IFRS 3	Not Applicable
4	Insurance Contracts	IFRS 4	Not Applicable
5	Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	Not Applicable
6	Exploration for and Evaluation of Mineral Resources	IFRS 6	Not Applicable
7	Financial Instruments: Disclosures	IFRS 7	Partially Complied
8	Operating Segments	IFRS 8	Not Applicable
9	Consolidated Financial Statements	IFRS 10	Partially Complied
10	Joint Arrangements	IFRS 11	Not Applicable
11	Disclosure of Interests in Other Entities	IFRS 12	Not Applicable
12	Fair Value Measurement	IFRS 13	Partially Complied
13	Regulatory Deferral Accounts	IFRS 14	Not Applicable
14	Revenue from Contracts with Customers	IFRS 15	Complied
15	Leases	IFRS 16	Complied

**2.31 Claim not acknowledged as debt**

There was no claim against the bank not acknowledged as debt as on 31 December 2019.

**2.32 Approval of financial statements**

The financial statements were reviewed and subsequently approved by the Audit Committee Meeting on 20 February 2020



**3 Cash****Cash in hand**

Local currency

Foreign currency

ATM cash balance

**Balance with Bangladesh bank and its agent bank(s)**

Local currency

Foreign currency

Sonali Bank as agent of Bangladesh Bank (local currency)

	31.12.2019 Taka	31.12.2018 Taka
	23,730,038	27,174,964
	3,023,080	3,563,382
	1,806,100	2,907,100
	<b>28,559,218</b>	<b>33,645,446</b>
	672,010,010	457,512,672
	1,022,967,045	394,559,381
	<b>1,694,977,056</b>	<b>852,072,053</b>
	<b>1,723,536,273</b>	<b>885,717,499</b>

(Note: 3.1)

**3.1 a. Local currency**

Lien with Bangladesh Bank

Free Balance with Bangladesh Bank

**b. Foreign Currency**

Lien with Bangladesh Bank

Free Balance with Bangladesh Bank

	672,010,010	457,512,672
	<b>672,010,010</b>	<b>457,512,672</b>
	1,022,967,045	394,559,381
	<b>1,022,967,045</b>	<b>394,559,381</b>

**3.2 Statutory deposits**

The Cash Reserve Requirement (CRR) and the Statutory Liquidity Requirement (SLR) are maintained as per 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. Cash Reserve Requirement (CRR) and the Statutory Liquidity Requirement (SLR) and deposits there against with Bangladesh Bank at 31 December 2018 are as follows:

The Cash Reserve Requirement on the Bank's Time and Demand liabilities at the rate of 5.50% (Bi-weekly) & 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:

**3.2.1 Cash Reserve Requirement (CRR)****i. Daily Bank's CRR maintenance**

Required reserve DBU &amp; OBU (5% of total time &amp; demand liabilities)

Actual reserve maintained

Surplus/ (deficit)

	1,447,062,000	428,117,440
	1,601,768,000	506,652,000
	<b>154,706,000</b>	<b>78,534,560</b>

Maintained(%)

5.53%

5.92%

**ii. Bi- Weekly bank's CRR maintenance**

Required reserve DBU &amp; OBU (5.50% of total time &amp; demand liabilities)

Actual reserve maintained

Surplus/ (deficit)

	1,591,768,000	470,929,180
	1,601,768,000	506,652,000
	<b>10,000,000</b>	<b>35,722,820</b>

Maintained(%)

5.53%

5.92%

**3.2.2 Statutory Liquidity Reserve (SLR)**

Required reserve DBU &amp; OBU (13% of total time &amp; demand liabilities)

Actual reserve maintained

Surplus/ (Deficit)

	3,762,361,000	1,113,105,338
	9,801,292,530	8,655,486,632
	<b>7,542,381,294</b>	<b>7,542,381,294</b>

Maintained(%)

295.28%

101.09%



**4 Balance with other banks and financial institutions**

	31.12.2019 Taka	31.12.2018 Taka
Inside Bangladesh	(Note: 4.1) 29,503,682	19,274,662
Outside Bangladesh	(Note: 4.2) 779,156,780	514,844,324
	<b>808,660,463</b>	<b>534,118,986</b>

Details of balance held with banks and financial institutions outside Bangladesh are shown in annexure A

**4.1 Balance with other banks and financial institutions ( Inside Bangladesh )****On demand deposit accounts ( Current Account )**

Uttara Bank	1,206,903	2,077,091
Bangladesh bank-NPSB Settlement A/C	3,523,046	3,523,546
Standard Chartered Bank-ATM Visa Domestic Settlement A/C	8,935,697	4,959,379
Sonali Bank	69,972	69,972
	<b>13,735,617</b>	<b>10,629,988</b>

**On Short Term Deposit (STD) Accounts**

Uttara Bank	9,768,152	8,644,674
Standard Bank Ltd. Gulshan Branch	5,999,914	-
	<b>15,768,065</b>	<b>8,644,674</b>
	<b>29,503,682</b>	<b>19,274,662</b>

**4.2 Balance with other banks and financial institutions ( Outside Bangladesh )****On demand deposit accounts (Non interest bearing)**

State Bank of India, West Germany (FF)	19,016,900	8,315,694
State Bank of India, London	1,914,362	849,225
State Bank of India, New York	229,440,109	289,127,961
State Bank of India, Japan	3,600,206	1,997,304
	<b>253,971,577</b>	<b>300,290,185</b>

**On demand deposit accounts (Interest bearing)**

JP Morgan Chase Bank	297,839,076	153,410,033
ACU Dollar Nostro a/c	227,346,128	61,144,106
	<b>525,185,204</b>	<b>214,554,139</b>
	<b>779,156,780</b>	<b>514,844,324</b>

**4.3 Foreign currency wise break-up**

Currency name	Amount in FC	Conversion Rate		
US Dollar	8,938,411	84.4250	754,625,312	503,682,101
Great Britain Pound	17,290	110.7212	1,914,362	849,225
EURO	201,125	94.5529	19,016,900	8,315,694
Japanese Yen	4,640,338	0.7759	3,600,206	1,997,304
			<b>779,156,780</b>	<b>514,844,324</b>

**5 Money at call and short notice****Banking company**

Uttara Bank Limited	-	100,000,000
Dhaka Bank Limited	-	500,000,000
National Bank Ltd	150,000,000	120,000,000
Jamuna Bank Ltd	250,000,000	-
Southeast Bank Limited	-	400,000,000
NCC Bank Limited	-	400,000,000
The City Bank Limited	200,000,000	-
	<b>600,000,000</b>	<b>1,520,000,000</b>





**5.1 Maturity grouping of money at call and short notice**

	31.12.2019 Taka	31.12.2018 Taka
Up to 1 month	600,000,000	220,000,000
More than 1 month to 3 month	-	1,300,000,000
More than 3 month to 1 Year	-	-
More than 1 year to 5 years	-	-
More than 5 years	-	-
	<b>600,000,000</b>	<b>1,520,000,000</b>

**6 Investments**

Government Securities	(Note: 6.1) 9,837,717,902	8,621,428,865
Other Investments	(Note: 6.2) 3,138,890	3,138,890
	<b>9,840,856,792</b>	<b>8,624,567,755</b>
<b>Off-shore Banking Unit</b>	-	-
	<b>9,840,856,792</b>	<b>8,624,567,755</b>
<b>Investment in securities are classified as follows:</b>		
Held to maturity	9,837,717,902	8,621,428,865
Other Investments	3,138,890	3,138,890
	<b>9,840,856,792</b>	<b>8,624,567,755</b>

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

**6.1 Government securities**

**Treasury bill**

30 day Treasury bills	-	-
91 day Treasury bills	-	-
182 day Treasury bills	1,849,397,095	630,768,307
364 day treasury bills	3,272,583,366	3,273,242,722
	<b>5,121,980,461</b>	<b>3,904,011,028</b>

**Treasury bond**

2 year Treasury Bonds	1,159,475,097	1,158,039,637
5 year Treasury Bonds	105,800,000	110,599,997
10 year Treasury Bonds	1,717,167,566	1,715,299,208
15 year Treasury Bonds	721,385,760	720,646,101
20 year Treasury Bonds	1,011,909,018	1,012,832,894
	<b>4,715,737,441</b>	<b>4,717,417,837</b>
<b>Prize bonds</b>	10,500	7,400
	<b>9,837,728,402</b>	<b>8,621,436,265</b>

**6.2 Other investments**

**Quoted**

Unquoted : Shares of Central Depository Bangladesh Limited (CDBL)	3,138,890	3,138,890
	<b>3,138,890</b>	<b>3,138,890</b>

**Particulars**

Particulars	No. of Shares		
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	-	-
	<b>1,142,361</b>	<b>3,138,890</b>	<b>3,138,890</b>

**6.3 Maturity wise grouping of investment (Other than CDBL Shares)**

Payable on demand	10,500	7,400
Below three months	-	-
Over three months but below one year	5,121,980,461	3,904,011,028
Over one year but below five years	1,159,475,097	1,268,639,634
Over five years	3,556,262,344	3,448,778,203
	<b>9,837,728,402</b>	<b>8,621,436,265</b>



	31.12.2019 Taka	31.12.2018 Taka
<b>7 Loans and advances</b>		
<b>a. Loans, Cash Credits, Overdrafts etc.:</b>		
Overdrafts	637,538,530	457,116,057
Demand loans	1,564,927,525	2,257,091,929
Cash credit	4,325,730,167	2,466,548,362
House building loan	55,300,495	55,910,789
Transport loan	280,830,631	443,920,107
Term loans (Other)	228,773,146	378,087,749
Loan against trust receipts	160,910,947	303,751,696
Agricultural loan	150,000,000	150,023,500
Staff loans	42,566,018	50,777,858
	(Note - 7.6)	
	<b>7,446,577,459</b>	<b>6,563,228,047</b>
<b>b. Bills purchase &amp; discount</b>		
Total: (a+b)	(Note - 7.15) <b>755,857</b>	<b>1,234,690</b>
	<b>7,447,333,316</b>	<b>6,564,462,737</b>
<b>7.1 Net loans and advances</b>		
Gross loans and advances	<b>7,447,333,316</b>	<b>6,564,462,737</b>
Less:		
Interest suspense	4,444,745	44,961,516
Provision for loans & advances	86,655,038	149,629,758
	<b>91,099,783</b>	<b>194,591,274</b>
	<b>7,356,233,534</b>	<b>6,369,871,464</b>
<b>7.2 Maturity wise grouping of loans and advances</b>		
Repayable on demand	663,982,024	585,267,917
More than 1 months to 3 months	1,434,995,836	1,264,879,158
More than 3 months to 1 Year	1,541,742,394	1,358,971,066
More than 1 year to 5 years	1,761,832,880	1,552,970,144
More than 5 years	2,044,780,182	1,802,374,452
	<b>7,447,333,316</b>	<b>6,564,462,737</b>
<b>7.3 Loans and advances under the following broad categories</b>		
<b>Inside Bangladesh</b>		
Term Loans	564,904,272	928,696,503
Cash Credits	4,486,641,115	2,920,323,558
Overdrafts & Demand Loan & Agriculture Loan	2,352,466,055	2,715,442,676
Staff Loan	42,566,017.98	
Bills purchase & discount	755,857	
	<b>7,447,333,316</b>	<b>6,564,462,737</b>
<b>Outside Bangladesh</b>		
Term Loans		
Cash credits		
Overdrafts		
	<b>7,447,333,316</b>	<b>6,564,462,737</b>
<b>7.4 Geographical location wise portfolio grouping</b>		
<b>Inside Bangladesh</b>		
Dhaka Division	5,593,691,804	4,696,046,484
Chittagong Division	1,825,555,413	1,834,980,776
Khulna Division	28,086,100	33,435,477
	<b>7,447,333,316</b>	<b>6,564,462,737</b>

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.





**7.5 Significant concentration wise grouping**

**Staff**

Managing Director & CEO  
Senior Executives  
Others

**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

**Infrastructural**

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

**Consumers**

i) Commercial lending  
ii) Household  
iii) House building loan  
iv) Small and medium enterprise  
v) Non-banking financial institutions  
vi) Others

**7.6 Staff loan**

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

**7.7 Detail of large loan**

Total capital of the Bank was Taka 11,313.99 million for BD. Operations as at 31 December 2019 (Taka 9681.48 million at 31 December 2018 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.

**7.8 Grouping as per classification rules**

**Unclassified**

Standard including staff loan  
Special Mention Account (SMA)

	31.12.2019 Taka	31.12.2018 Taka
<b>Staff</b>		
Managing Director & CEO	11,205,787	6,093,343
Senior Executives	31,360,231	44,684,515
<b>Others</b>	<b>42,566,018</b>	<b>50,777,858</b>
<b>Industries</b>		
i) Agricultural and jute	150,000,000	150,023,500
ii) Readymade garments	24,578,844	83,683,881
iii) Textile	51,513,350	64,043,757
iv) Food & allied	238,042,718	234,605,080
v) Chemical	30,327,391	25,699,249
vi) Cement	322,637,563	347,320,118
vii) Rubber, Plastic, Printing Publishing & allied Industries	18,559,005	18,331,343
viii) Metal Products & Steel	846,525,660	836,390,653
ix) Household		
x) IT based	367,680,773	183,421,192
xi) Other	3,600,562,724	3,097,426,099
	<b>5,650,428,027</b>	<b>5,040,944,872</b>
<b>Infrastructural</b>		
i) Power		
ii) Construction	183,066,188	126,633,973
iii) Transport	468,353,766	443,920,107
iv) Feed / Trade & Commerce	167,525,636	378,781,711
v) Others		254,723,388
	<b>818,945,590</b>	<b>1,204,059,179</b>
<b>Consumers</b>		
i) Commercial lending		
ii) Household	9,309,303	
iii) House building loan	55,300,495	55,910,789
iv) Small and medium enterprise	768,586,937	119,508,793
v) Non-banking financial institutions	43,617,110	51,396,777
vi) Others	58,579,837	41,864,469
	<b>935,393,682</b>	<b>268,680,828</b>
	<b>7,447,333,316</b>	<b>6,564,462,737</b>
<b>7.6 Staff loan</b>		
Overdraft Loan (Interest Bearing)	11,426,826	12,022,346
Overdraft Loan (Interest Free)	714,798	817,510
Car and motorcycle loan		
House building Loan	30,424,394	37,938,002
	<b>42,566,018</b>	<b>50,777,858</b>
<b>7.7 Detail of large loan</b>		
<b>7.8 Grouping as per classification rules</b>		
<b>Unclassified</b>		
Standard including staff loan	7,317,822,353	6,112,629,341
Special Mention Account (SMA)		12,387,934
	<b>7,317,822,353</b>	<b>6,125,017,275</b>







Classified  
Sub standard  
Doubtful  
Bad / Loss

31.12.2019 Taka	31.12.2018 Taka
43,617,110	51,396,778
-	232,500,228
85,893,854	155,548,456
<b>129,510,963</b>	<b>439,445,462</b>
<b>7,447,333,316</b>	<b>6,564,462,737</b>

**7.9 Loan type wise total loan**

Overdraft  
Demand Loan  
Term Loan  
Cash Credit  
Staff Loan

787,538,530	457,116,057
1,565,683,382	2,257,091,929
564,904,272	928,696,503
4,486,641,115	2,870,780,390
42,566,018	50,777,858
<b>7,447,333,316</b>	<b>6,564,462,737</b>

**7.10 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

150,000,000	150,023,500
203,685,912	556,456,910
468,353,766	-
5,973,802,478	4,283,067,683
-	-
274,501,154	119,508,793
376,990,005	1,455,405,851
<b>7,447,333,316</b>	<b>6,564,462,737</b>

**7.11 Securities against 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

4,981,486,479	6,428,223,521
43,617,110	-
365,207,719	25,303,393
-	1,234,690
113,904,942	93,608,317
1,407,314	3,252,961
1,941,709,753	12,839,855
<b>7,447,333,316</b>	<b>6,564,462,737</b>

**7.12 Particulars of required provision for loans and advances**

**Provision required for unclassified loans and advances**

Status	Outstanding	Base for provision	Rate (%)	Required provision December 2019	Required provision December 2018
All unclassified loans (Other than Small & Medium enterprise Financing, Consumer Financing, BHs/MBs/SDs, Housing & loans for professional)	6,019,635,370	6,019,635,370	1%	60,196,354	51,347,699
Small & Medium enterprise financing	1,042,265,220	1,042,265,220	0.25%	2,605,663	1,766,708
Housing & loan for professional	54,046,442	54,046,442	1%	540,464	545,422
Consumer finance	9,309,303	9,309,303	5%	465,465	791,625
Special Mentioned Account	-	-	0%	-	30,970



				31.12.2019 Taka	31.12.2018 Taka
Short-term Agriculture Loan	150,000,000	150,000,000	1.0%	1,500,000	1,500,235
Staff Loan	42,566,018	42,566,018	0%	-	-
<b>Total</b>	<b>7,317,822,353</b>	<b>7,317,822,353</b>	<b>N/A</b>	<b>65,307,946</b>	<b>55,982,659</b>

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

Name of Exposure	Outstanding	Rate (%)	Required provision December 2019	Required provision December 2018
Acceptances and endorsements	-	1%	-	12,042
Letter of guarantees	27,906,239,274	Basel	206,955,655	200,009,539
Irrevocable letter of credits	1,587,225,480	1%	15,872,255	20,410,418
<b>Total</b>	<b>29,493,464,755</b>	<b>1%</b>	<b>222,827,910</b>	<b>220,431,999</b>

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

288,135,856

276,414,658

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

288,829,622

278,426,354

Excess/(Short) provision at 31 December 2019

693,766

2,011,696

**Provision required for classified loans & advances (Specific provision)**

Status	Outstanding	Base for provision	Rate	Required provision December 2019	Required provision December 2018
Sub-standard	43,617,110	41,131,315	20%	8,226,263.08	9,662,680
Doubtful	-	-	50%	-	76,177,944
Bad/Loss	85,893,854	23,749,781	100%	23,749,781.01	42,100,251
<b>Total</b>	<b>129,510,963</b>	<b>64,881,096</b>	<b>N/A</b>	<b>31,976,044</b>	<b>127,940,875</b>

31,976,044

127,940,875

Total provision maintained for classified assets:

Sub Standard

10,904,277

12,849,194

Doubtful

-

75,265,122

Bad/loss

75,750,760

61,515,441

86,655,038

149,629,757

Excess/(Short) of provision

54,678,993

21,688,882

**7.13 Particulars of loans and advances**

- i) Debts considered good in respect of which Bank is fully secured
- ii) Debts considered good for which Bank holds no other security than the debtor's personal security
- iii) Debts considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtors
- iv) Debts adversely classified; for which no provision is created
- 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

110,230,890

1,407,314

7,334,939,255

5,579,793,326

7,446,577,459

5,579,793,326





	31.12.2019 Taka	31.12.2018 Taka
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	75,750,760	61,515,442
c) Interest creditable to the Interest Suspense a/c	4,444,745	44,961,516
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	58,169,953	54,771,676
- Cumulative to date	1,164,808,040	1,151,988,099
The amount of written off loans for which law suit filed	1,222,977,992	1,206,759,775
<b>7.14 Suit filed by the bank (branch wise)</b>		
Dhaka Region	557,679,537	567,767,922
Chittagong Region	701,323,269	742,717,769
	<b>1,259,002,806</b>	<b>1,310,485,691</b>
<b>7.15 Bill Purchased &amp; discounted under the following:</b>		
Inside Bangladesh	755,857	1,234,690
Outside Bangladesh		
	<b>755,857</b>	<b>1,234,690</b>
<b>7.16 Maturity wise grouping of bill purchased &amp; discounted</b>		
Payable within 1 month		
Over 1 month but less than 3 months	755,857	1,234,690
Over 3 months but less than 6 months		
6 months and more		
	<b>755,857</b>	<b>1,234,690</b>
<b>7.17 Write off of loans &amp; advances</b>		
Balance at the beginning of the year	1,206,759,775	1,152,136,796
Add: Write off during the year	58,169,953	54,771,676
	1,264,929,727	1,206,908,471
Less: Recovery of Write off loans	41,951,735	148,696
(Details are in annexure - G)	<b>1,222,977,992</b>	<b>1,206,759,775</b>
<b>7.18 Cash Incentive for Good Borrower</b>		

As per Bangladesh bank circular the bank has completed the formalities. During the year December 2019 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 Fixed assets including premises, furniture and fixtures****A. Cost**

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

Less: Disposal/adjustment during the year

**B. Accumulated Depreciation**

Opening balance  
 Add: Charged during the year

Less: Disposal/adjustment during the year

**Written down value (A-B)**

	31.12.2019 Taka	31.12.2018 Taka
Opening balance	259,130,101	234,804,735
Add: Adjustment for implementation of IFRS-16 (asset under right to use)	230,505,946	-
Adjusted opening balance	489,636,047	234,804,735
Add: Addition during the year	21,819,991	38,101,831
	511,456,038	272,906,566
Less: Disposal/adjustment during the year	1,453,842	13,776,465
	<b>510,002,196</b>	<b>259,130,101</b>
Opening balance	171,231,843	153,941,763
Add: Charged during the year	76,810,715	17,290,080
	248,042,558	171,231,843
Less: Disposal/adjustment during the year	-	-
	<b>248,042,558</b>	<b>171,231,843</b>
<b>Written down value (A-B)</b>	<b>261,959,639</b>	<b>87,898,258</b>

A schedule of Fixed Assets is given in Annexure C.

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

**9 Other assets****Income generating other assets**

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

**Non-income generating other assets**

Stationery, stamps, printing materials etc.  
 Advance rent and advertisement  
 Memento Coin  
 Deferred Expenses  
 Deferred tax asset  
 Excise duty  
 Inter Branch lending (FC)  
 Advance Payment of Income Tax  
 ISO Reconciliation  
 Receivables from OBU

Interest receivable on treasury bond	74,365,559	72,695,003
Dividend receivable From CDBL	2,855,903	2,855,903
Interest receivable on Inter Bank Call Money	158,333	10,411,328
	<b>77,379,795</b>	<b>85,962,234</b>
Stationery, stamps, printing materials etc.	19,382,696	851,676
Advance rent and advertisement	9,723,446	90,014,707
Memento Coin	24,500	24,500
Deferred Expenses	-	-
Deferred tax asset (Note 9.1)	1,900,762	2,147,371
Excise duty	241,445	450,295
Inter Branch lending (FC)	-	500,550,000
Advance Payment of Income Tax	376,843,830	306,088,017
ISO Reconciliation	-	54,552
Receivables from OBU	-	-
	<b>408,116,678</b>	<b>900,181,118</b>
	<b>485,496,473</b>	<b>986,143,352</b>

**9.1 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 Bangladesh Accounting Standard (IAS) - 12.

Opening balance  
 Less: Deferred Tax Expense during the year

Opening balance	2,147,371	2,310,276
Less: Deferred Tax Expense during the year	246,609	162,905
	<b>1,900,762</b>	<b>2,147,371</b>

**10 Non-banking assets**

No non-banking assets acquired as claims are under the possession of the bank. State Bank of India, Bangladesh Operations has not acquired any such assets as on 31 December 2018.



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

**12 Deposit and other accounts**

**Local currency**

Current & other accounts  
Bills payable  
Saving deposits  
Fixed deposits  
Short term deposit  
Other deposits

**Foreign currency**

Current & other accounts  
Other deposits

**12.1 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

**ii) Time deposit**

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

**12.2 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

**13 Other liabilities**

Foreign Currency claims received accounts  
Fixed Deposit interest account  
Provision on loans and advances  
Interest Suspense Account  
Withholding tax payable (payable on interest)  
Provision for current taxation  
Inter branch adjustment account  
Lease obligation  
Short Term Deposit Interest Account  
Provision for audit fees  
Interest Payable on Call Money  
Other Provision

	31.12.2019 Taka	31.12.2018 Taka
1,499,391,742	1,499,391,742	1,920,196,494
113,076,336	113,076,336	55,023,271
485,053,128	485,053,128	456,615,010
4,495,913,168	4,495,913,168	4,439,002,977
186,008,109	186,008,109	903,510,782
151,586	151,586	2,683,422
<b>6,779,594,068</b>	<b>6,779,594,068</b>	<b>7,777,031,956</b>
1,754,086,535	1,754,086,535	802,781,185
1,235,982	1,235,982	1,221,342
<b>1,755,322,517</b>	<b>1,755,322,517</b>	<b>804,002,527</b>
<b>8,534,916,585</b>	<b>8,534,916,585</b>	<b>8,581,034,483</b>

1,499,391,742	1,499,391,742	1,920,196,494
48,505,313	48,505,313	45,661,501
1,754,086,535	1,754,086,535	802,781,185
76,263,325	76,263,325	371,252,045
151,586	151,586	2,683,422
1,235,982	1,235,982	1,221,342
<b>3,379,634,482</b>	<b>3,379,634,482</b>	<b>3,143,795,990</b>
436,547,815	436,547,815	410,953,509
4,495,913,168	4,495,913,168	4,439,002,977
222,821,121	222,821,121	587,282,008
<b>5,155,282,103</b>	<b>5,155,282,103</b>	<b>5,437,238,494</b>
<b>8,534,916,585</b>	<b>8,534,916,585</b>	<b>8,581,034,484</b>

2,778,000,951	2,778,000,951	2,778,000,951
1,027,411,678	1,027,411,678	1,027,411,678
1,707,045,229	1,707,045,229	1,707,045,229
1,452,897,116	1,452,897,116	1,452,897,116
1,615,679,510	1,615,679,510	1,615,679,510
<b>8,581,034,484</b>	<b>8,581,034,484</b>	<b>8,581,034,484</b>

99,045,065	99,045,065	88,571,432
375,484,659	375,484,659	428,056,111
4,444,745	4,444,745	44,961,516
		5,763
1,138,504,554	1,138,504,554	777,238,640
52,075	52,075	48,327
131,133,212	131,133,212	-
		5,100
287,500	287,500	-
		3,178,889
13,516,846	13,516,846	6,998,316
<b>1,762,468,657</b>	<b>1,762,468,657</b>	<b>1,349,064,094</b>





### 13.1 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 during the year

31.12.2019

Taka

31.12.2018

Taka

278,426,354

10,403,268

**288,829,622**

295,079,837

(16,653,483)

**278,426,354**

#### b. Specific

Balance at the beginning of the year

Add: Provision made during the year

Less: Recoveries and provision no longer require

Less: Write off during the year

149,629,757

31,254,907

78,011,410

16,218,217

**86,655,038**

**375,484,659**

68,355,245

133,568,294

164,454

52,129,328

**149,629,757**

**428,056,111**

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

### 13.2 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

57,994,355

8,007,357

**66,001,712**

91,608,125

(33,613,770)

**57,994,355**

#### b. General Provision for Off Balance Sheet Exposure

Balance at the beginning of the year

Add: Provision made/ (adjusted) during the year

220,431,999

2,395,911

**222,827,910**

**288,829,622**

203,471,712

16,960,287

**220,431,999**

**278,426,354**

**Total General Provision (a+b)**

### 13.3 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

44,961,516

1,434,965

**46,396,481**

25,098,777

22,505,087

**47,603,864**

Less: Amount of interest suspense recovered

Less: Write off during the year

41,951,736

**4,444,745**

2,642,348

**44,961,516**





	31.12.2019 Taka	31.12.2018 Taka
<b>13.4 Withholding tax payable</b>		
Balance at the beginning of the year	5,763	603
Add: Addition during the year	35,520,858	65,141,183
	<b>35,526,621</b>	<b>65,141,786</b>
Less: paid during the year	35,526,621	65,136,023
	<b>5,763</b>	<b>5,763</b>

**13.5 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.1,127,000,000 has been provided for current Income Tax.

Balance at the beginning of the year	777,238,640	560,000,000
Add: Provision made during the year	1,127,000,000	765,000,000
	<b>1,904,238,640</b>	<b>1,325,000,000</b>
Less: Adjustment with adv tax	765,734,086	547,761,360
	<b>1,138,504,554</b>	<b>777,238,640</b>

Details are in Annexure-D

**14 Fund deposited with Bangladesh Bank**

Securities lien with Bangladesh Bank	8,586,004,502	6,603,730,068
Transferred to IBG (Head Office) / Released from Capital Fund Transferred from Surplus Profit & Loss Account	27,822,129	1,982,274,433
	<b>8,613,826,631</b>	<b>8,586,004,502</b>

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

**14.1 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 1 (CET1) and Additional Tier 1 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 in a phased manner from 2016 to 2019.





	31.12.2019 Taka	31.12.2018 Taka
<b>Regulatory capital</b>		
1. Tier-1 (Core capital)	(Note 14.1.1) 10,781,888,901	9,186,741,170
2. Tier-2 (Supplementary capital)	(Note 14.1.2) 333,114,029	299,097,324
<b>3. Total regulatory Capital (1+2)</b>	<b>11,115,002,930</b>	<b>9,485,838,494</b>
<b>B. Total Risk Weighted Assets (RWA)</b>		
C. Total (including Tier II) required is 10%	(Note 14.2) 19,221,817,552	14,331,286,334
D. Common Equity Tier I of at least @ 4.5% of the total RWA	57.82%	66.19%
E. Tier I capital will be at least @ 6% of total RW	56.09%	64.10%
F. Minimum Capital Requirement (MCR) 10 % of RWA	56.09%	64.10%
As per The Bank Company Act, 1991	1,922,181,755	1,433,128,633
Minimum Capital Required (higher one of above)	4,000,000,000	4,000,000,000
<b>G. Surplus equity (A-F)</b>	<b>7,115,002,930</b>	<b>5,485,838,494</b>
<b>14.1.1 Tier - I (Core Capital)</b>		
Fund deposited with Bangladesh Bank	8,613,826,631	8,586,004,502
Statutory reserve	-	-
Retained Earnings	2,168,062,270	645,463,569
Actuarial gain / loss kept in books in Bangladesh	-	-
<b>Sub-total</b>	<b>10,781,888,901</b>	<b>9,231,468,071</b>
<b>Amount deductible from CET 1 Capital ( Regulatory Adjustments)</b>		
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	-	2,147,371
Investment in subsidiary	-	-
Other if any	-	-
<b>Sub-total</b>	-	<b>2,147,371</b>
<b>Total eligible Tier - 1 Capital (a)</b>	<b>10,781,888,901</b>	<b>9,186,741,170</b>
<b>14.1.2 Tier - II (Supplementary Capital)</b>		
General Provision	288,829,622	278,426,354
Asset revaluation reserve	44,284,407	20,670,970
Preference Share	-	-
Perpetual Subordinated debt	-	-
Exchange Equalization Fund	-	-
<b>Total eligible Tier - 2 Capital (b)</b>	<b>333,114,029</b>	<b>299,097,324</b>
<b>Total regulatory capital (a+b)</b>	<b>11,115,002,930</b>	<b>9,485,838,494</b>
<b>14.2 Risk Weighted Assets (RWA)</b>		
1. Investment (credit) Risk	15,379,121,172	11,334,173,096
(i) On-balance sheet	9,041,191,221	3,782,003,998
(ii) Off-balance sheet	6,337,929,951	7,552,169,098
2. Market Risk	53,612,625	276,083,939
3. Operational risk	3,789,083,756	2,721,029,299
	<b>19,221,817,552</b>	<b>14,331,286,334</b>

(Bank has determined the RWA peration as a whole)





**ACNABIN**

Chartered Accountants

	31.12.2019 Taka	31.12.2018 Taka
<b>15 Surplus in profit and loss account/ retained earnings</b>		
Balance at the beginning of the year	645,463,569	1,825,722,270
Add: Net Profit for the year	1,141,753,459	839,107,724
Add: Net Profit received from Off-share Banking Unit (OBU)	408,667,371	-
Add: Excess Revaluation Reserve Transfer to Profit & Loss Account	-	(37,091,991)
Add: Amount transferred from deposit kept with Bangladesh Bank for Capital and SLR Purpose/ (Release from Fund Deposit with Bangladesh Bank)	(27,822,129)	(1,982,274,433)
	<b>2,168,062,270</b>	<b>645,463,569</b>
<b>16 Other reserve</b>		
Balance at the beginning of the year	41,341,940	25,154,703
Add: Amortization gain on HTM securities during the year	156,669,780	41,341,940
	198,011,720	66,496,643
Less: Transferred to Profit & Loss Account at maturity	109,442,907	25,154,703
	88,568,814	41,341,940
Off-shore Banking Unit	-	-
	<b>88,568,814</b>	<b>41,341,940</b>
<b>17 Contingent liabilities</b>		
Acceptances and endorsements		
Letter of guarantee (Note 17.1)	27,906,239,274	26,492,435,039
Irrevocable letter of credits (Note 17.2)	1,587,225,480	2,041,041,838
Bills for collection	-	-
Other contingent liabilities	-	-
	<b>29,493,464,755</b>	<b>28,533,476,876</b>
<b>17.1 Letter of guarantee</b>		
Letter of Guarantee (Local)	-	-
Letter of Guarantee (Foreign)	27,906,239,274	26,492,435,039
Foreign counter Guarantee	-	-
	<b>27,906,239,274</b>	<b>26,492,435,039</b>
Less: Margin	144,535,000	50,112,430
	<b>27,761,704,274</b>	<b>26,442,322,609</b>
<b>Balance for which the Bank is contingently liable in respect of guarantee issued favoring</b>		
Directors	-	-
Government	-	-
Bank and other financial institution	27,906,239,274	26,492,435,039
Others	-	-
	<b>27,906,239,274</b>	<b>26,492,435,039</b>
Less: Margin	144,535,000	50,112,430
	<b>27,761,704,274</b>	<b>26,442,322,609</b>
<b>17.2 Irrevocable letter of credit</b>		
Letter of Credit (Inland)	1,587,225,480	2,041,041,838
Letter of Credit (General)	-	-
Back to Back L/C	-	-
	<b>1,587,225,480</b>	<b>2,041,041,838</b>
Less: Margin	630,570,503	82,354,135
	<b>956,654,977</b>	<b>1,958,687,703</b>
<b>17.3 Suit filed against the bank</b>		
No law suit has been filed against the bank for which Bank's are contingent liabilities.		
<b>17.4 General:</b>		
Last year's figures have been rearranged, wherever necessary, to conform to current year's presentation.		





		2019 Taka	2018 Taka
<b>18 Income statement</b>			
<b>Income</b>			
Interest, discount and similar income	(Note-18.1)	692,025,153	613,356,045
Fees, commission and brokerage	(Note-18.2)	1,675,096,658	1,330,756,522
Gains less losses arising from investment securities		529,409,553	443,851,524
Income from non-banking assets		-	-
Other operating income	(Note-22)	4,018,570	3,798,133
Interest Income from Interbranch Call Money		133,442,828	11,424,694
		<b>3,033,992,762</b>	<b>2,403,186,918</b>
<b>Expenses</b>			
Interest, fees and commission	(Note-19)	347,382,605	268,417,168
Administrative expenses	(Note-18.3)	231,527,912	258,206,086
Other operating expenses		145,624,696	138,181,295
Depreciation on banking assets	(Note-28)	76,810,715	17,290,080
		<b>801,345,928</b>	<b>682,094,629</b>
<b>Operating profit</b>		<b>2,232,646,834</b>	<b>1,721,092,289</b>
<b>18.1 Interest, discount and similar income</b>			
Interest on loans and advances	(Note 18.1.1)	692,025,153	543,654,953
Interest on money at call and short notice		-	69,701,092
Interest on balance with other banks		-	-
Interest on treasury bills & bonds		-	-
Interest on fixed deposits with other banks		-	-
Interest on other sundry income		-	-
		<b>692,025,153</b>	<b>613,356,045</b>
<b>18.1.1 Interest on loans and advances</b>			
Cash Credits		351,766,927	253,487,062
Overdrafts		54,840,537	33,842,801
Demand Loan		16,209,782	20,672,066
Term Loan		269,207,907	235,653,024
		<b>692,025,153</b>	<b>543,654,953</b>
<b>18.2 Fees, commission and brokerage</b>			
Fees		-	-
Commission		1,675,096,658	1,330,756,522
		<b>1,675,096,658</b>	<b>1,330,756,522</b>
<b>18.3 Administrative expenses</b>			
Salaries and allowances		145,065,454	133,114,314
Rent, taxes, insurance, electricity etc.		53,750,419	90,642,404
Legal expenses		901,540	1,450,878
Postage, stamps, telecommunication etc.		8,467,277	8,400,006
Stationery, printing, advertisement etc.		18,797,841	14,669,230
Chief Executive's salary & fees		-	-
Directors' fees & expenses		-	-
Auditors' fee		287,500	80,000
Repairs & maintenance of fixed assets		4,257,881	9,849,254
		<b>231,527,912</b>	<b>258,206,086</b>



	2019 Taka	2018 Taka
<b>19 Interest paid on deposits and borrowing etc.</b>		
Interest on deposits		
Recurring Deposit	10,895,861	13,276,281
Short Term Deposit (STD)	8,877,044	14,909,976
Savings	16,502,762	16,276,245
Term	311,106,937	223,954,665
	<b>347,382,605</b>	<b>268,417,168</b>
Interest on money at call and short notice	(133,442,828)	(11,424,694)
Interest on local bank accounts	-	-
	<b>213,939,777</b>	<b>256,992,473</b>
<b>20 Investment income</b>		
Interest on treasury bonds	369,883,870	443,851,524
Interest (discount) on treasury bills	156,669,780	-
Dividend income	2,855,903	-
	<b>529,409,553</b>	<b>443,851,524</b>
<b>21 Commission, exchange and brokerage</b>		
Commission for Guarantees	109,388,125	140,657,898
Commission for L.C negotiation/amendment/advising	28,165,055	25,652,319
Commission for inward & outward remittances	59,705,781	15,594,651
Commission on Visa Processing	1,318,313,615	1,036,011,320
Commission for miscellaneous	22,323,181	15,906,426
Foreign exchange earnings	137,200,901	96,933,909
	<b>1,675,096,658</b>	<b>1,330,756,522</b>
<b>22 Other operating income</b>		
Miscellaneous Income	4,018,570	3,798,133
	<b>4,018,570</b>	<b>3,798,133</b>
<b>23 Salaries and allowances</b>		
Basic Salary(B.S+H.R+CON)	100,437,070	80,168,096
Salary Casual Staff	36,374,874	44,181,530
Salary Leave Encash & Allowances	4,629,930	4,533,595
Provident Fund	3,623,581	4,231,094
	<b>145,065,454</b>	<b>133,114,314</b>
<b>24 Rent, taxes, insurance, electricity etc.</b>		
Rent, rates & taxes	33,999,027	71,390,335
Insurance	9,450,814	9,375,709
Power & electricity	10,300,577	9,876,360
	<b>53,750,419</b>	<b>90,642,404</b>
<b>25 Postage, stamp, telecommunication etc.</b>		
Postage & courier	4,404,639	5,676,956
Telephone-Office	4,062,638	2,723,050
	<b>8,467,277</b>	<b>8,400,006</b>





	2019 Taka	2018 Taka
<b>26 Stationery, printing, advertisement etc.</b>		
Stationery & Printing	18,317,061	13,859,473
Advertisement Statutory	480,780	333,132
Advertisement Public Relation & Others	-	476,625
	<b>18,797,841</b>	<b>14,669,230</b>
<b>27 Auditors' fee</b>		
Audit Fee(Statutory Audit)	287,500	300,000
	<b>287,500</b>	<b>300,000</b>
<b>28 Depreciation on and repairs to bank's assets</b>		
<b>A. Depreciation of property plant and equipments</b>		
Furniture & fixtures	3,575,834	3,216,279
Office equipments	4,438,649	3,935,352
IT hardware	12,660,254	10,138,448
Right to use of asset (asset under lease)	56,135,978	-
	<b>76,810,715</b>	<b>17,290,080</b>
<b>B. Repairs &amp; maintenance expenses</b>		
Transport Maintenance		
Equipment Maintenance	4,257,881	9,942,020
Hardware & Software Maintenance		
Premises Maintenance		
	<b>4,257,881</b>	<b>9,942,020</b>
	<b>81,068,596</b>	<b>27,232,100</b>
<b>29 Other expenses</b>		
Water Consumption	933,373	1,222,792
Traveling expenses	1,231,527	2,164,697
Halting allowance	467,901	565,681
Finance expenses	3,776,728	-
Consultancy Fees	965,000	-
Computer expenses (including maintenance)	26,880,490	33,516,651
Petrol, Oil and Lubricants	1,865,687	1,849,590
Security	18,100,126	17,061,434
Membership subscription	188,824	1,889,260
Entertainment: canteen & other	11,838,714	10,385,147
News paper/Books	2,138,960	2,217,331
Conveyance Allowance	-	1,517,112
Finacle Expenses	14,805,114	19,643,275
Children Education	854,054	783,825
Clearing Expenses	-	243,736
Other Allowances	3,495,912	3,287,799
Office Maintenance	9,148,321	3,443,236
Charges Donation	1,906,812	152,500
Rentals Car/ Transportation Exp.	6,086,708	6,631,796
Training	138,433	1,074,763
Charges Others	40,802,013	30,437,904
	<b>145,624,696</b>	<b>138,088,529</b>



**30 Provisions**

a) Provision on loans & advances  
Provision made/ (adjusted) during the year for STD account  
Specific Provision made during the year  
Recoveries/Provision no longer required

2019 Taka	2018 Taka
--------------	--------------

8,007,357	60,454,594
31,254,907	(3,225,036)
(78,011,410)	-
<b>(38,749,146)</b>	<b>57,229,557</b>
<b>(38,749,146)</b>	<b>57,229,557</b>

**b) Provision for Off Balance Sheet**

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

2,395,911	(3,253,583)
-	-
<b>2,395,911</b>	<b>(3,253,583)</b>
<b>2,395,911</b>	<b>(3,253,583)</b>
<b>(36,353,235)</b>	<b>53,975,974</b>

**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.

**31 Related party/(ies) transactions**

i) The bank had no transactions with related parties in the normal course of business on an arm length basis. As on 31 December 2016, the bank had following transactions with the 'Related Party/(ies)' as defined in the BRPD Circulars No. 14 issued by the Bangladesh Bank on 25 June 2003.

Name of the Related Parties	Relationship	Transaction Nature	Balance at year end
NIL	NIL	NIL	NIL

**32 Receipts from other operating activities**

SWIFT Charges  
Interest Income from Local Banks  
Service & Other Charges from Vostro Account

4,018,570.37	3,798,133
-	-
-	-
<b>4,018,570.37</b>	<b>3,798,133</b>

**33 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

(53,750,419)	(90,642,404)
(901,540)	(1,450,878)
(8,467,277)	(8,400,006)
(18,797,841)	(14,669,230)
(287,500)	(300,000)
-	-
(81,068,596)	(27,232,100)
(127,994,193)	(138,088,529)
<b>(291,267,366)</b>	<b>(280,783,147)</b>





**State Bank of India  
Bangladesh Operation  
Off-shore Banking Unit  
Balance Sheet  
As at 31 December 2019**

**PROPERTY AND ASSETS**

**Cash**

Cash in hand (including foreign currency)  
Balance with Bangladesh Bank and its Agents Bank  
(including foreign currency)

**Balance with other banks and financial institutions**

In Bangladesh  
Outside Bangladesh

**Money at call on short notice**

**Investments**

Government  
Others  
Outside Bangladesh

**Loans and advances**

Loans, cash credits, overdrafts, etc.  
Bills purchased and discounted

**Fixed assets including premises, furniture & fixtures**

**Other assets**

Non banking assets

**Total assets**

**LIABILITIES AND CAPITAL**

**Liabilities**

**Borrowing from other banks, financial institutions & agents**

In Bangladesh  
Outside Bangladesh

**Deposits and other accounts**

Current deposits and other accounts

Bills payable  
Savings bank deposits  
Term deposits

**Other liabilities**

**Total liabilities**

**Capital / equity**

Paid up capital  
Statutory reserve  
Other reserve  
Surplus in profit and loss account

**Total equity**

**Total liabilities and equity**

Notes	31.12.2019		31.12.2018	
	USD	Taka	USD	Taka
3	-	-	-	-
	8,229,480	694,773,819	422,601	35,255,515
4	8,229,480	694,773,819	422,601	35,255,515
	-	-	-	-
	-	-	-	-
	-	-	-	-
	284,645,847	24,031,225,646	177,874,774	14,839,202,997
5	22,163,693	1,871,169,776	11,784,117	983,089,994
6	262,482,154	22,160,055,870	166,090,656	13,856,113,003
7	-	-	-	-
8	4,358,006	367,924,694	2,456,211	204,909,401
	297,233,333	25,093,924,159	180,753,586	15,079,367,913
	287,180,000	24,245,171,500	172,945,375	14,427,967,942
	-	-	6,000,000	500,550,000
9	287,180,000	24,245,171,500	166,945,375	13,927,417,942
10	713,960	60,276,079	371,876	31,023,763
	713,960	60,276,079	371,876	31,023,763
	-	-	-	-
	-	-	-	-
11	4,294,554	362,567,725	2,537,715	211,708,837
	292,188,514	24,668,015,304	175,854,966	14,670,700,542
	-	-	-	-
	-	-	-	-
	-	-	-	-
12	5,044,819	425,908,855	4,898,620	408,667,371
	5,044,819	425,908,855	4,898,620	408,667,371
	297,233,333	25,093,924,159	180,753,586	15,079,367,913



Notes	31.12.2019		31.12.2018	
	USD	Taka	USD	Taka
<b>Off Balance Sheet Items</b>				
<b>Contingent liabilities</b>				
Acceptances and endorsements	-	-	-	-
Letter of guarantee	-	-	-	-
Irrevocable letters of credit	-	-	-	-
Bills for collection	-	-	-	-
<b>Other Commitments:</b>				
Documents credit and short term trade -related transactions	-	-	-	-
Forward assets purchased and forward deposits placed	-	-	-	-
Undrawn note issuance and revolving underwriting	-	-	-	-
Undrawn formal standby facilities, credit lines and	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-

**Off Balance Sheet Items**

**Contingent liabilities**

Acceptances and endorsements  
Letter of guarantee  
Irrevocable letters of credit  
Bills for collection

**Other Commitments:**

Documents credit and short term trade -related transactions  
Forward assets purchased and forward deposits placed  
Undrawn note issuance and revolving underwriting  
Undrawn formal standby facilities, credit lines and

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

  
Country Head

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

Dhaka,  
24 February 2020

  
Head of Risk Management Department

  
ACNABIN  
Chartered Accountants



**State Bank of India**  
**Bangladesh Operation**  
**Off-shore Banking Unit**  
**Profit and Loss Account**  
**For the year ended 31 December 2019**

Notes	2019		2018		
	USD	Taka	USD	Taka	
<b>OPERATING INCOME</b>					
Interest income	14	16,966,984	1,432,437,610	9,788,284	816,587,556
Less: Interest paid on deposits, borrowings, etc.	15	(10,880,333)	(918,572,099)	(6,473,715)	(540,069,644)
<b>Net interest income</b>		<b>6,086,651</b>	<b>513,865,511</b>	<b>3,314,569</b>	<b>276,517,912</b>
Income from investment		-	-	-	-
Commission, exchange and brokerage	16	70,390	5,942,639	112,454	9,381,442
Other operating income	17	(339)	(28,579)	2,703	225,460
<b>Total operating income</b>		<b>6,156,702</b>	<b>519,779,571</b>	<b>3,429,725</b>	<b>286,124,814</b>
<b>OPERATING EXPENSE</b>					
Salaries and allowances	18	58,577	4,945,392	51,219	4,272,933
Rent, taxes, insurance, lighting and traveling	19	5,719	482,789	2,886	240,745
Legal expenses		-	-	-	-
Postage, stamp, telegram and telephone	20	-	-	-	-
Auditors' fee	21	-	-	-	-
Stationery, printing and advertisement	22	-	-	-	-
Charges on loan loss		-	-	-	-
Managing director's salary		-	-	-	-
Directors' meeting fee		-	-	-	-
Repair, maintenance and depreciation of assets		-	-	-	-
Other expenses	23	4,641	391,783	5,786	482,711
<b>Total operating expenses (b)</b>		<b>68,936</b>	<b>5,819,964</b>	<b>59,891</b>	<b>4,996,389</b>
<b>Profit before provision (c = (a-b))</b>		<b>6,087,766</b>	<b>513,959,607</b>	<b>3,369,834</b>	<b>281,128,425</b>
Provision for loans & advance, other assets & off Balance Sheet items	24	1,042,946	88,050,752	417,669	34,843,999
<b>Profit before taxation</b>		<b>5,044,819</b>	<b>425,908,855</b>	<b>2,952,166</b>	<b>246,284,426</b>
<b>Provision for taxation</b>					
Current tax		-	-	-	-
Deferred tax		-	-	-	-
<b>Net profit after taxation</b>		<b>5,044,819</b>	<b>425,908,855</b>	<b>2,952,166</b>	<b>246,284,426</b>
<b>Retained earnings</b>		<b>5,044,819</b>	<b>425,908,855</b>	<b>2,952,166</b>	<b>246,284,426</b>


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

  
 Country Head

  
 Head of Risk Management Department

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

Dhaka,  
 24 February 2020

  
 ACNABIN  
 Chartered Accountants





**State Bank of India**  
**Bangladesh Operation**  
**Off-shore Banking Unit**  
**Cash Flow Statement**  
**For the year ended 31 December 2019**

	2019		2018	
	USD	Taka	USD	Taka
<b>Cash flows from operating activities</b>				
Interest received in cash	15,065,188	1,269,422,318	8,767,856	730,381,552
Interest payments	(11,646,904)	(983,970,192)	(6,680,562)	(557,680,978)
Dividend received	-	-	-	-
Fees and commission received in cash	70,390	5,942,639	112,454	9,381,442
Recovery of loans and advances in cash previously written-off	-	-	-	-
Cash paid to employees	-	-	-	-
Income tax paid	-	-	-	-
Cash received from other operating activities	(339)	(28,579)	2,703	225,460
Cash paid for other operating activities	-	-	(5,786)	(482,711)
<b>Operating profit/(loss) before changes in operating assets &amp; liabilities (i)</b>	<b>3,488,335</b>	<b>291,366,186</b>	<b>2,196,664</b>	<b>181,824,764</b>
<b>Change in operating assets and liabilities</b>				
Loans and advances to customers	(106,771,073)	(9,192,022,650)	(39,190,424)	(3,373,474,350)
Other assets	-	-	-	-
Deposits from other Banks	114,234,625	9,817,203,558	36,294,836	3,130,304,535
Deposit from customers	342,084	29,252,316	208,160	17,488,562
Other liabilities	1,353,505	122,386,264	412,147	37,593,821
<b>Cash generated from operating assets and liabilities (ii)</b>	<b>9,159,140</b>	<b>776,819,489</b>	<b>(2,275,281)</b>	<b>(188,007,432)</b>
<b>Net cash from operating activities (a)=(i)+(ii)</b>	<b>12,647,476</b>	<b>1,068,185,675</b>	<b>(78,617)</b>	<b>(6,182,668)</b>
<b>Cash flows from investing activities</b>				
Proceeds from sale of securities	-	-	-	-
Cash payments for purchase of securities	-	-	-	-
Purchase/ sale of property, plant & equipment of fixed assets	-	-	-	-
Sales of fixed assets	-	-	-	-
<b>Net cash used in investing activities (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>				
Loan paid	-	-	-	-
Transferred to Domestic Banking Unit	(4,840,596.64)	(408,667,371.21)	-	-
<b>Net cash flows from financing activities (c)</b>	<b>(4,840,597)</b>	<b>(408,667,371)</b>	<b>-</b>	<b>-</b>
<b>Net Increase in cash and cash equivalents (a+b+c)</b>	<b>7,806,879</b>	<b>659,518,304</b>	<b>(78,617)</b>	<b>(6,182,668)</b>
<b>Effects of exchange rate changes on cash &amp; cash equivalent</b>	<b>422,601</b>	<b>35,255,515</b>	<b>501,218</b>	<b>41,438,183</b>
<b>Opening cash and cash equivalent</b>	<b>8,229,480</b>	<b>694,773,819</b>	<b>422,601</b>	<b>35,255,515</b>
<b>Closing cash and cash equivalent</b>	<b>8,229,480</b>	<b>694,773,819</b>	<b>422,601</b>	<b>35,255,515</b>

The annexed notes form an integral part of these financial statements

Dhaka,  
24 February 2020

  
Country Head

  
Head of Risk Management Department



**State Bank of India  
Bangladesh Operations  
Off-shore Banking Unit  
Notes to the Financial Statements  
For the year ended 31 December 2019**

**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 2019.



**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 titled "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.

**2.7 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 84.425 (Closing mid rate as at 31st December 2019).



**ACNABIN**

Chartered Accountants

Note	31.12.2019		31.12.2018	
	USD	Taka	USD	Taka
<b>3 Cash in hand</b>				
In Local Currency	-	-	-	-
Foreign Currency Account	-	-	-	-
<b>4 Balance with other banks and financial institutions</b>				
In Bangladesh (Note -4.1)	-	-	-	-
Outside Bangladesh (Note -4.2)	8,229,480	694,773,819	422,601	35,255,515
	<b>8,229,480</b>	<b>694,773,819</b>	<b>422,601</b>	<b>35,255,515</b>
<b>4.1 In Bangladesh:</b>				
Sonal / Rupali / CBC	-	-	-	-
<b>4.2 Outside Bangladesh</b>				
Current Account	8,229,480	694,773,819	422,601	35,255,515
	<b>8,229,480</b>	<b>694,773,819</b>	<b>422,601</b>	<b>35,255,515</b>
<b>5 Loans and advances</b>				
<b>i) Loans, cash credits, overdrafts, etc.</b>				
Term loan	22,163,693	1,871,169,776	11,784,117	983,089,994
Cash Credit	-	-	-	-
Over draft	-	-	-	-
	<b>22,163,693</b>	<b>1,871,169,776</b>	<b>11,784,117</b>	<b>983,089,994</b>
<b>ii) Bills purchased and discounted (note-6)</b>				
<b>Inside Bangladesh</b>				
Inland bills purchased and discounted	262,482,154	22,160,055,870	166,090,656	13,856,113,003
<b>Outside Bangladesh</b>				
Foreign bills purchased and discounted	-	-	-	-
	<b>262,482,154</b>	<b>22,160,055,870</b>	<b>166,090,656</b>	<b>13,856,113,003</b>
	<b>284,645,847</b>	<b>24,031,225,646</b>	<b>177,874,774</b>	<b>14,839,202,997</b>
<b>5.1 Geographical location-wise loans and advances</b>				
Dhaka	142,951,497	12,068,680,099	83,289,928	6,948,462,276
Chittagong	141,694,351	11,962,545,548	94,584,845	7,890,740,721
Sylhet	-	-	-	-
Rajshahi	-	-	-	-
Khulna	-	-	-	-
Barisal	-	-	-	-
	<b>284,645,847</b>	<b>24,031,225,646</b>	<b>177,874,774</b>	<b>14,839,202,997</b>
<b>5.2 Classification of loans and advances</b>				
<b>Unclassified</b>				
(i) Standard	284,645,847	24,031,225,646	177,874,774	14,839,202,997
(ii) Special mention account	-	-	-	-
<b>Classified</b>				
(i) Substandard	-	-	-	-
(ii) Doubtful	-	-	-	-
(iii) Bad / loss	-	-	-	-
	<b>284,645,847</b>	<b>24,031,225,646</b>	<b>177,874,774</b>	<b>14,839,202,997</b>
<b>6 Bills purchased and discounted</b>				
In Bangladesh	262,482,154	22,160,055,870	166,090,656	13,856,113,003
Outside Bangladesh	-	-	-	-
	<b>262,482,154</b>	<b>22,160,055,870</b>	<b>166,090,656</b>	<b>13,856,113,003</b>
<b>7 Fixed assets including premises, furniture and fixtures</b>				
Furniture and fixtures	-	-	-	-
Office equipment and machinery	-	-	-	-
	-	-	-	-
<b>8 Other assets</b>				
Inter Branch Account	-	-	-	-
Receivables from DBU(i)	-	-	-	-
Interest income receivable on loans & advance	4,358,006	367,924,693	2,456,211	204,909,401
Exchange Fluctuation of receivables from DBU	-	-	-	-
	<b>4,358,006</b>	<b>367,924,693</b>	<b>2,456,211</b>	<b>204,909,401</b>



# ACNABIN

Chartered Accountants

Note	31.12.2019		31.12.2018	
	USD	Taka	USD	Taka
<b>9 Borrowing from other banks, financial institutions &amp; agents</b>				
Dhaka Branch	-	-	6,000,000	500,550,000
State Bank of India, Hongkong	287,180,000	24,245,171,500	166,945,375	13,927,417,942
	<b>287,180,000</b>	<b>24,245,171,500</b>	<b>172,945,375</b>	<b>14,427,967,942</b>
<b>10 Deposits and other accounts</b>				
Current deposits and other accounts (Note- 10.1)	713,960	60,276,079	371,876	31,023,763
Savings deposits account (Note- 10.2)	-	-	-	-
	<b>713,960</b>	<b>60,276,079</b>	<b>371,876</b>	<b>31,023,763</b>
<b>10.1 Current deposits and other accounts</b>				
Inter Branch a/c	-	-	-	-
Bangladesh Bank	-	-	-	-
Other Current A/C	-	-	162,244	13,535,200
	-	-	<b>162,244</b>	<b>13,535,200</b>
<b>10.2 Savings deposits account</b>				
Deposits from banks	-	-	-	-
Deposits from customers	-	-	-	-
	-	-	-	-
<b>11 Other liabilities</b>				
Interest payable on inter branch borrowings	1,446,881	122,152,903	680,309	56,754,810
ISO Reconciliation	-	-	654	54,552
Provision on loans and advances (Note-11.1)	2,847,458	240,396,682	1,804,512	150,541,418
Provision for Current Taxation (iv)	-	-	-	-
TDS Account	215	18,140	67	5,586
Payable to DBU	-	-	52,172	4,352,471
	<b>4,294,554</b>	<b>362,567,725</b>	<b>2,537,715</b>	<b>211,708,837</b>
<b>11.1 Provision for loans and advances</b>				
Provision for bad and doubtful debts (i)	-	-	-	-
Provision on unclassified loans(ii)	2,847,458	240,396,682	1,804,512	150,541,418
	<b>2,847,458</b>	<b>240,396,682</b>	<b>1,804,512</b>	<b>150,541,418</b>
<b>i) Fresh provision on loans &amp; advance made during the year</b>				
On classified loans & advances as per BBK circular (ii)	-	-	-	-
On unclassified loans & advances(iii)	1,064,321	89,855,264	417,669	34,843,999
	<b>1,064,321</b>	<b>89,855,264</b>	<b>417,669</b>	<b>34,843,999</b>
<b>ii) The movement in specific provision for bad and doubtful debts:</b>				
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	-	-	-	-
<b>Provision held at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>iii) The movement in general provision on unclassified loans:</b>				
Provision held at the beginning of the year	1,783,138	150,541,418	1,386,844	114,657,286
Adjustment	-	-	-	1,040,133
Add: Additional provision for the year	1,064,321	89,855,264	417,669	34,843,999
Less: Provision written back	-	-	-	-
<b>Provision held at the end of the year</b>	<b>2,847,458</b>	<b>240,396,682</b>	<b>1,804,512</b>	<b>150,541,418</b>







Note	31.12.2019		31.12.2018	
	USD	Taka	USD	Taka
	2019		2018	
	USD	Taka	USD	Taka
<b>14 Interest income</b>				
Overdraft	-	-	32,492	2,710,656
Term Loan	678,706	57,299,764	799,147	66,668,852
Bills Discount	12,488,472	1,054,339,274	6,497,280	542,035,391
Others	3,723,641	314,368,400	2,396,597	199,936,135
	<b>16,890,820</b>	<b>1,426,007,438</b>	<b>9,725,517</b>	<b>811,351,233</b>
<b>Interest on loans and advances</b>				
Interest on balance with other banks and financial institutions	76,164	6,430,172	62,767	5,236,323
Interest received from foreign banks	-	-	-	-
	<b>76,164</b>	<b>6,430,172</b>	<b>62,767</b>	<b>5,236,323</b>
<b>Total interest income</b>	<b>16,966,984</b>	<b>1,432,437,610</b>	<b>9,788,284</b>	<b>816,587,556</b>
<b>15 Interest paid on deposits, borrowings, etc.</b>				
Interest paid on Inter Branch Borrowings	10,880,333	918,572,099	6,473,715	540,069,644
Interest paid on Bangladesh Bank	-	-	-	-
	<b>10,880,333</b>	<b>918,572,099</b>	<b>6,473,715</b>	<b>540,069,644</b>
<b>16 Commission / fees</b>				
Commission for handling	64,464	5,442,362	85,714	7,150,680
Commission for L/C negotiation/amendment/advising	4,694	396,299	22,665	1,890,824
Commission for foreign bill negotiation	-	-	65	5,423
Commission for outward remittances	309	26,087	1,340	111,790
Commission acceptance on bills	-	-	34	2,878
Commission for inward remittance	506	42,719	1,035	86,345
Commission for miscellaneous	417	35,171	1,600	133,502
	<b>70,390</b>	<b>5,942,639</b>	<b>112,454</b>	<b>9,381,442</b>
<b>17 Other operating income</b>				
Swift	-	-	425	35,456
Exchange Gain/(Loss)	(339)	(28,579)	2,278	190,005
Postage & courier	-	-	-	-
	<b>(339)</b>	<b>(28,579)</b>	<b>2,703</b>	<b>225,460</b>
<b>18 Salaries and allowances</b>				
Basic Salary	56,786	4,794,179	49,075	4,094,054
Other Allowances	190	16,066	587	48,976
Provident Fund	1,601	135,147	1,552	129,904
	<b>58,577</b>	<b>4,945,392</b>	<b>51,219</b>	<b>4,272,933</b>
<b>19 Rent, taxes, insurance, electricity etc.</b>				
Rent, rates & taxes	5,719	482,789	2,886	240,745
	<b>5,719</b>	<b>482,789</b>	<b>2,886</b>	<b>240,745</b>
<b>20 Postage, stamp, telecommunication etc.</b>				
Postage & courier	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>21 Stationery, printing, advertisement etc.</b>				
Stationery & Printing	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>22 Auditors' fee</b>				
Audit Fee(Statutory Audit)	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>23 Other expenses</b>				
Account maintenance charge	-	-	-	-
Others	4,641	391,783	5,786	482,711
	<b>4,641</b>	<b>391,783</b>	<b>5,786</b>	<b>482,711</b>
<b>24 Provision for loan :</b>				
Provision against classified loan	-	-	-	-
Provision against unclassified loan	1,042,946	88,050,752	417,669	34,843,999
	<b>1,042,946</b>	<b>88,050,752</b>	<b>417,669</b>	<b>34,843,999</b>

**State Bank of India  
Bangladesh Operations  
Balance with other banks and financial institutions (Outside Bangladesh on Demand Deposit Accounts )  
As at 31 December 2019**

Name of Bank	Currency Type	A/C Type	2019			2018		
			FC Amount	Exchange Rate	Equivalent Taka	FC Amount	Exchange Rate	Equivalent Taka
Standard Chartered Bank, Karachi Branch	USD	CD	-	84.4250	-	-	84.4250	-
Deutsche Bank, Mumbai	USD	CD	-	84.4250	-	-	84.4250	-
JP Morgan Chase Bank	USD	CD	3,527,854	84.4250	297,839,076	3,527,854	84.4250	297,839,076
ACU Dollar Nostro a/c (ISB Mumbai)	USD	CD	2,692,877	84.4250	227,346,128	2,692,877	84.4250	227,346,128
Bank of America	USD	CD	-	84.4250	-	-	84.4250	-
Deutsche Bank Trust Company, New York	USD	CD	-	84.4250	-	-	84.4250	-
State Bank of India, West Germany (FF)	EURO	CD	201,124	94.5529	19,016,900	201,124	94.5529	19,016,900
State Bank of India, London	GBP	CD	17,290	110.7212	1,914,362	17,290	110.7212	1,914,362
State Bank of India, New York	USD	CD	2,717,680	84.4250	229,440,109	2,717,680	84.4250	229,440,109
State Bank of India, Japan	JYEN	CD	4,640,039	0.7759	3,600,206	4,640,039	0.7759	3,600,206
<b>Total</b>			<b>13,796,864</b>	<b>N/A</b>	<b>779,156,780</b>	<b>13,796,864</b>	<b>N/A</b>	<b>779,156,780</b>







**State Bank of India  
Bangladesh Operations  
Details of Large Loan  
As at 31 December 2019**

Number of Clients:	5
Amount of outstanding advances:	422
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	50	70	39.97	20.74	61
2	Walton Hi-Tech Inds. Ltd.	40	60	35.70	45.60	81
3	Apex Footwear Ltd.	100	0	102.12	0.00	102
4	BRAC	110	0	110.00	0.00	110
5	IFAD AUTOS LIMITED	72.5	25	43.43	24.31	68
<b>Total</b>				<b>331</b>	<b>91</b>	<b>422</b>



State Bank of India  
Bangladesh Operations  
Schedule of Fixed Assets  
As at 31 December 2019

Annexure - C

(Figures in Taka)

Particulars	COST				Rate %	DEPRECIATION				Written down value of 31 December 2019
	Balance as of 1 January 2018	Addition during the year	Adjustment /disposal during the year	Balance as of 31 December 2019		Balance as of 1 January 2018	Charged for the year	Adjustment/disposal during the year	Balance as of 31 December 2019	
Furniture & fixture	78,896,158	8,355,279	1,049,189	86,202,248	10%	47,591,558	3,575,834	-	51,167,392	35,034,856
Office Appliances	51,515,423	5,326,437	394,667	56,447,193	25%	37,150,306	4,438,649	-	41,588,955	14,858,238
Computer	128,718,520	8,138,275	9,985	136,846,810	25%	86,489,979	12,660,254	-	99,150,233	37,696,577
Right to use of asset (asset under lease)	230,505,946	-	-	230,505,946	-	-	56,135,978	-	56,135,978	174,369,968
<b>As on 31 December 2019</b>	<b>489,636,047</b>	<b>21,819,991</b>	<b>1,453,841</b>	<b>510,002,197</b>		<b>171,231,843</b>	<b>76,810,715</b>	<b>-</b>	<b>248,042,558</b>	<b>261,959,639</b>
<b>As on 31 December 2018</b>	<b>234,804,735</b>	<b>38,101,831</b>	<b>13,776,465</b>	<b>259,130,101</b>		<b>153,941,763</b>	<b>17,290,080</b>	<b>-</b>	<b>171,231,842</b>	<b>87,898,259</b>



**State Bank of India**  
**Bangladesh Operations**  
**Statement of Tax position**  
**As at 31 December 2019**

(Figures in Taka)

Accounting Year	Assessment Year	Tax provision	Tax as per assessment	Advance Tax as per assessment order	Present Status
2001	2002-2003	48,938,000	48,938,000	48,938,000	Completed
2002	2003-2004	52,406,268	52,406,268	52,406,268	Completed
2003	2004-2005	45,952,000	45,952,000	45,952,000	Completed
2004	2005-2006	107,900,000	107,900,000	107,900,000	Completed
2005	2006-2007	120,406,589	120,406,224	120,406,589	Completed
2006	2007-2008	136,773,803	136,773,803	136,773,803	Completed
2007	2008-2009	190,945,069	190,945,069	190,945,069	Completed
2008	2009-2010	226,964,018	226,964,018	226,964,018	Completed
2009	2010-2011	210,000,000	204,599,250	203,338,070	Completed
2010	2011-2012	330,000,000	325,930,336	325,296,807	Completed
2011	2012-2013	510,000,000	495,223,988	499,747,443	Completed
2012	2013-2014	586,000,000	-	-	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	Submitted & Completed U/S 82BB
2015	2016-2017	455,847,986	456,086,402	456,086,402	Submitted & Completed U/S 82BB
2016	2017-2018	440,000,000	404,674,535	404,674,535	Submitted & Completed U/S 82BB
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	Submitted & Completed U/S 82BB



**State Bank of India  
Bangladesh Operations  
Unreconciled Entries and amount in Local & Nostro Account  
Position as on 31 December 2019**

Name of the Bank	Currency	Year	Note Ref.	Local Book					Foreign book						
				Local Debits			Local Credits		Nostro's Debits			Nostro's Credits			
				No of entry	Amount in F.C	Amount in US\$	No of entry	Amount in F.C	Amount in US\$	No of entry	Amount in F.C	Amount in US\$	No of entry	Amount in F.C	Amount in US\$
1 State Bank of India, London	GBP	2018	2												
2 State Bank of India, New York	USD	2018	2	1	30	30	1	503,040	503,040	1	27,754	27,754	1	754	754
3 State Bank of India, Frankfurt	EURO	2018	3	1	40	46				1	35	40	1	1,500	1,708
4 Deutsche Bank Trust Com. America, USA	USD	2018	4												
5 State Bank of India, Tokyo	USD	2018	5												
6 Bank of America	USD	2018	6												
7 JP Morgan Chase bank, USA	USD	2018	7	1	10,508	10,508	1	524,459	524,459						
8 State Bank of India, ISB Mumbai	USD	2018	8										1	1,405,770	1,405,769
				<b>3</b>	<b>10,578</b>	<b>10,584</b>	<b>2</b>	<b>1,027,499</b>	<b>1,027,499</b>	<b>2</b>	<b>27,789</b>	<b>27,794</b>	<b>3</b>	<b>1,408,024</b>	<b>1,408,231</b>



State Bank of India  
Bangladesh Operations  
Statement(DB-5a) Regarding Amortization information of HTM Securities  
As on 31 December 2019

Sl. NO of T.Bill/T. Bond	Date of Purchase	Date of Maturity	Face Value	Offer Value	Primary Yield(YTM)	Coupon	Amortized value (Previous)	Amortized value (Present)	Gain/Loss to be booked in SEC	Portfolio	Nature of security	Purpose of Security
a	b	c	d	e	f		g	h	l=h-g			
1	17/Oct/2012	17/Oct/2027	1,100,000	1,097,724	11.96%	11.93%	1,098,215.69	1,098,332	116.60	HTM	T.Bond	Capital
2	25/Oct/2012	25/Oct/2032	1,200,000	1,198,215	12.18%	12.16%	1,198,406.83	1,198,453	45.95	HTM	T.Bond	Capital
3	14/Nov/2012	14/Nov/2022	9,700,000	9,677,557	11.79%	11.75%	9,687,828.07	9,690,273	2444.93	HTM	T.Bond	SLR
4	28/Nov/2012	28/Nov/2032	600,000	598,219	12.22%	12.18%	598,405.89	598,451	45.20	HTM	T.Bond	SLR
5	12/Dec/2012	12/Dec/2022	11,000,000	10,993,643	11.81%	11.80%	10,996,498.43	10,997,174	675.47	HTM	T.Bond	SLR
6	13/Mar/2013	13/Mar/2023	7,200,000	7,160,566	12.20%	12.10%	7,176,491.72	7,180,558	4066.46	HTM	T.Bond	SLR
7	12/Jun/2013	13/Mar/2023	7,500,000	7,458,735	12.20%	12.10%	7,475,074.40	7,479,287	4212.40	HTM	T.Bond	SLR
8	20/Mar/2013	20/Mar/2028	500,000	499,663	12.39%	12.38%	499,727.26	499,743	16.21	HTM	T.Bond	Capital
9	27/Mar/2013	27/Mar/2033	900,000	898,032	12.51%	12.48%	898,218.21	898,265	47.10	HTM	T.Bond	Capital
10	10/Apr/2013	10/Apr/2023	6,700,000	6,677,094	12.16%	12.10%	6,686,554.28	6,688,939	2385.00	HTM	T.Bond	Capital
11	19/Jun/2013	19/Jun/2028	2,600,000	2,589,523	12.46%	12.40%	2,591,398.88	2,591,887	488.30	HTM	T.Bond	Capital
12	26/Jun/2013	26/Jun/2033	1,300,000	1,293,385	12.55%	12.48%	1,293,971.04	1,294,123	152.07	HTM	T.Bond	Capital
13	17/Jul/2013	17/Jul/2023	4,700,000	4,682,234	12.29%	12.22%	4,688,800.96	4,690,560	1758.91	HTM	T.Bond	SLR
14	17/Jul/2013	17/Jul/2023	4,000,000	3,993,187	12.25%	12.22%	3,995,818.52	3,996,506	687.77	HTM	T.Bond	SLR
15	17/Jul/2013	17/Jul/2023	3,400,000	3,387,036	12.29%	12.22%	3,392,037.01	3,393,343	1306.37	HTM	T.Bond	Capital
16	17/Jul/2013	17/Jul/2023	3,700,000	3,684,361	12.29%	12.22%	3,690,392.54	3,691,968	1575.31	HTM	T.Bond	SLR
17	24/Jul/2013	24/Jul/2028	1,000,000	995,301	12.47%	12.40%	996,122.33	996,338	215.46	HTM	T.Bond	SLR
18	25/Sep/2013	25/Sep/2033	1,200,000	1,193,893	12.55%	12.48%	1,194,401.65	1,194,538	136.21	HTM	T.Bond	Capital
19	25/Sep/2013	25/Sep/2028	2,400,000	2,391,945	12.47%	12.42%	2,393,291.84	2,393,653	361.10	HTM	T.Bond	Capital
20	23/Oct/2013	23/Oct/2028	1,400,000	1,393,428	12.49%	12.42%	1,394,503.96	1,394,798	293.55	HTM	T.Bond	SLR
21	22/Nov/2013	20/Nov/2023	2,900,000	2,892,750	12.20%	12.16%	2,895,270.17	2,895,969	698.77	HTM	T.Bond	SLR
22	26/Dec/2013	26/Dec/2033	1,300,000	1,294,273	12.39%	12.33%	1,294,726.09	1,294,853	126.56	HTM	T.Bond	SLR
23	29/Oct/2014	29/Oct/2034	1,500,000	1,494,369	12.03%	11.98%	1,494,735.35	1,494,851	115.17	HTM	T.Bond	Capital
24	26/Nov/2014	26/Nov/2029	900,000	898,091	11.50%	11.47%	898,338.06	898,417	78.88	HTM	T.Bond	Capital
25	26/Nov/2014	26/Nov/2034	700,000	695,803	12.06%	11.98%	696,068.45	696,154	85.86	HTM	T.Bond	Capital
26	26/Nov/2014	26/Nov/2034	1,400,000	1,390,252	12.07%	11.98%	1,390,867.91	1,391,066	198.09	HTM	T.Bond	Capital
27	26/Nov/2014	26/Nov/2029	1,600,000	1,588,418	11.57%	11.47%	1,589,907.63	1,590,383	475.24	HTM	T.Bond	Capital
28	29/Sep/2010	29/Sep/2030	120,000,000	120,435,096	9.21%	9.25%	120,342,911.23	120,326,493	-16417.88	HTM	T.Bond	Capital
29	29/Sep/2010	29/Sep/2030	120,000,000	120,326,091	9.22%	9.25%	120,257,058.39	120,244,759	-12299.22	HTM	T.Bond	Capital
30	29/Sep/2010	29/Sep/2030	100,000,000	100,181,034	9.23%	9.25%	100,142,741.21	100,135,816	-6925.13	HTM	T.Bond	Capital
31	13/Oct/2010	13/Oct/2025	150,000,000	150,614,400	8.90%	8.95%	150,382,490.51	150,341,532	-40958.34	HTM	T.Bond	Capital
32	13/Oct/2010	13/Oct/2025	150,000,000	150,491,250	8.91%	8.95%	150,305,911.41	150,273,168	-32743.29	HTM	T.Bond	Capital
33	13/Oct/2010	13/Oct/2025	100,000,000	100,245,500	8.92%	8.95%	100,152,921.38	100,136,462	-16459.57	HTM	T.Bond	Capital
34	3/Nov/2010	3/Nov/2020	350,000,000	351,145,550	8.85%	8.90%	350,315,125.36	350,168,014	-147111.41	HTM	T.Bond	Capital
35	3/Nov/2010	3/Nov/2020	350,000,000	350,915,950	8.86%	8.90%	350,252,065.45	350,134,398	-117667.00	HTM	T.Bond	Capital

Sl. NO of T.Bill/T. Bond	Date of Purchase	Date of Maturity	Face Value	Offer Value	Primary Yield(YTM)	Coupon	Amortized value (Previous)	Amortized value (Present)	Gain/Loss to be booked in SEC	Portfolio	Nature of security	Purpose of Security
36	24/Nov/2010	24/Nov/2030	350,000,000	354,728,850	9.30%	9.45%	353,760,997.07	353,585,416	-175581.03	HTM	T.Bond	Capital
37	19/Dec/2012	19/Dec/2027	1,000,000	1,001,371	12.08%	12.10%	1,001,088.71	1,001,019	-69.48	HTM	T.Bond	SLR
38	4/Apr/2018	4/Apr/2020	200,000,000	201,503,998	5.04%	5.44%	200,966,305.41	200,215,007	-751298.21	HTM	T.Bond	Capital
39	4/Apr/2018	4/Apr/2020	200,000,000	201,315,200	5.09%	5.44%	200,845,177.36	200,188,197	-656980.47	HTM	T.Bond	Capital
40	4/Apr/2018	4/Apr/2020	150,000,000	150,844,951	5.14%	5.44%	150,543,087.06	150,121,002	-422085.33	HTM	T.Bond	Capital
41	4/Jul/2018	4/Jul/2020	300,000,000	300,282,303	4.99%	5.04%	300,215,277.37	300,076,020	-139257.66	HTM	T.Bond	Capital
42	7/Nov/2018	7/Nov/2020	150,000,000	150,028,644	3.69%	3.70%	150,026,581.19	150,012,562	-14019.15	HTM	T.Bond	Capital
43	22/Nov/2018	22/Nov/2028	200,000,000	207,367,800	6.64%	7.15%	207,311,086.73	206,776,543	-534543.84	HTM	T.Bond	Capital
44	22/Nov/2018	22/Nov/2028	150,000,000	154,972,800	6.69%	7.15%	154,934,620.64	154,574,747	-359873.88	HTM	T.Bond	Capital
45	22/Nov/2018	22/Nov/2028	100,000,000	102,948,100	6.74%	7.15%	102,925,522.95	102,712,703	-212819.75	HTM	T.Bond	Capital
46	22/Nov/2018	22/Nov/2028	100,000,000	102,509,800	6.80%	7.15%	102,490,638.33	102,310,002	-180636.59	HTM	T.Bond	Capital
47	28/Nov/2018	28/Nov/2033	150,000,000	151,476,300	7.44%	7.55%	151,471,312.63	151,415,778	-55534.34	HTM	T.Bond	Capital
48	28/Nov/2018	28/Nov/2033	150,000,000	150,802,803	7.49%	7.55%	150,800,102.42	150,770,030	-30072.33	HTM	T.Bond	Capital
49	6/Nov/2019	4/Sep/2021	100,000,000	100,946,900	8.15%	8.73%	-	100,871,131	-75768.55	HTM	T.Bond	Capital
50	6/Nov/2019	4/Sep/2021	200,000,000	201,759,600	8.19%	8.73%	-	201,618,576	-141024.33	HTM	T.Bond	Capital
51	6/Oct/2010	6/Oct/2020	150,000,000	150,000,000	8.85%	8.85%	150,000,000.00	150,000,000	-	HTM	T.Bond	Capital
52	27/Oct/2010	27/Oct/2030	200,000,000	200,000,000	9.25%	9.25%	200,000,000.00	200,000,000	-	HTM	T.Bond	Capital
53	4/May/2011	4/May/2021	200,000,000	200,000,000	9.45%	9.45%	200,000,000.00	200,000,000	-	HTM	T.Bond	Capital
54	22/Aug/2012	22/Aug/2022	7,500,000	7,500,000	11.75%	11.75%	7,500,000.00	7,500,000	-	HTM	T.Bond	Capital
55	29/Aug/2012	29/Aug/2032	4,100,000	4,100,000	12.16%	12.16%	4,100,000.00	4,100,000	-	HTM	T.Bond	Capital
56	12/Sep/2012	12/Sep/2022	10,000,000	10,000,000	11.75%	11.75%	10,000,000.00	10,000,000	-	HTM	T.Bond	Capital
57	19/Sep/2012	19/Sep/2027	4,400,000	4,400,000	11.88%	11.88%	4,400,000.00	4,400,000	-	HTM	T.Bond	Capital
58	26/Sep/2012	26/Sep/2032	1,900,000	1,900,000	12.16%	12.16%	1,900,000.00	1,900,000	-	HTM	T.Bond	Capital
59	10/Oct/2012	10/Oct/2022	8,200,000	8,200,000	11.80%	11.80%	8,200,000.00	8,200,000	-	HTM	T.Bond	Capital
60	26/Dec/2012	26/Dec/2032	1,200,000	1,200,000	12.28%	12.28%	1,200,000.00	1,200,000	-	HTM	T.Bond	SLR
61	9/Jan/2013	9/Jan/2023	6,000,000	6,000,000	11.90%	11.90%	6,000,000.00	6,000,000	-	HTM	T.Bond	SLR
62	16/Jan/2013	16/Jan/2028	900,000	900,000	12.20%	12.20%	900,000.00	900,000	-	HTM	T.Bond	SLR
63	13/Feb/2013	13/Feb/2023	4,900,000	4,900,000	12.00%	12.00%	4,900,000.00	4,900,000	-	HTM	T.Bond	Capital
64	14/Oct/2015	14/Oct/2020	105,800,000	105,800,000	7.35%	7.35%	105,800,000.00	105,800,000	-	HTM	T.Bond	Capital
65	4/Jul/2018	4/Jul/2020	155,500,000	155,500,000	5.04%	5.04%	155,500,000.00	155,500,000	-	HTM	T.Bond	Capital
66	28/Nov/2018	28/Nov/2038	102,200,000	102,200,000	8.24%	8.24%	102,200,000.00	102,200,000	-	HTM	T.Bond	Capital
67	10/Jun/2019	8/Jun/2020	150,000,000	140,974,200	6.4200%	-	-	146,032,586	5,058,386.03	HTM	T.Bill	Capital
68	10/Jun/2019	8/Jun/2020	150,000,000	140,934,600	6.4500%	-	-	146,015,196	5,080,595.80	HTM	T.Bill	Capital
69	27/Jun/2019	25/Jun/2020	100,000,000	93,153,400	7.3700%	-	-	96,670,745	3,517,344.78	HTM	T.Bill	Capital
70	8/Jul/2019	6/Jul/2020	100,000,000	93,196,700	7.3200%	-	-	96,486,212	3,289,511.58	HTM	T.Bill	Capital
71	8/Jul/2019	6/Jul/2020	100,000,000	93,162,100	7.3600%	-	-	96,468,359	3,306,259.12	HTM	T.Bill	Capital
72	15/Jul/2019	13/Jan/2020	100,000,000	96,594,700	7.0701%	-	-	99,756,779	3,162,078.85	HTM	T.Bill	Capital
73	19/Aug/2019	17/Aug/2020	150,000,000	139,058,400	7.8900%	-	-	143,086,369	4,027,969.42	HTM	T.Bill	SLR
74	8/Sep/2019	9/Mar/2020	100,000,000	96,016,700	8.3199%	-	-	98,511,736	2,495,036.30	HTM	T.Bill	SLR
75	8/Sep/2019	7/Sep/2020	150,000,000	144,011,250	8.3399%	-	-	147,762,442	3,751,191.63	HTM	T.Bill	SLR
76	8/Sep/2019	7/Sep/2020	100,000,000	92,296,000	8.3700%	-	-	94,708,794	2,412,794.45	HTM	T.Bill	SLR
77	8/Sep/2019	9/Mar/2020	100,000,000	92,279,000	8.3900%	-	-	94,697,114	2,418,114.31	HTM	T.Bill	SLR
78	16/Sep/2019	14/Sep/2020	100,000,000	92,067,200	8.6400%	-	-	94,377,305	2,310,104.78	HTM	T.Bill	Capital







**State Bank of India  
Bangladesh Operations  
Statement of write off loans  
As on 31 December 2019**

Account holder name	Write off date on account of charge offs	Write off amount on B/L.	Suit file date
Swan Textile Mills Limited	12/15/2001	1,592,131	8/16/2001
S. Co. Steel Limited	3/30/2014	122,585,483	1/28/2008
Deepa Trading Corporation	3/30/2014	6,663,781	1/13/2013
S.A. Trading & Export	3/30/2014	3,706,724	7/26/2009
Shamema Alim	8/11/2015	1,877,115	2/26/2008
Nexus Communication & Power Solution	12/14/2015	913,647	4/15/2014
Mostafa Corporation Limited.	12/22/2015	185,818,385	10/22/2013
T.J. International Limited	12/22/2015	82,895,859	11/25/2013
SR Corporation	12/22/2015	19,589,154	12/1/2013
Hallmark Apparels Ltd	3/31/2016	24,143,153	10/1/2012
Clewiston Trading Ltd	3/31/2016	176,253,590	5/18/2014
Nahar Trading Corporation Ltd	3/31/2016	154,937,316	7/24/2014
Al-Amin Bread & Biscuits Ltd.	3/31/2016	7,648,689	12/1/2013
Salmon Enterprise	3/31/2016	23,011,401	5/28/2012
Maya Rubber and Plastic Industries	3/28/2017	863,446	1/10/2017
M/S Motiur Rahman Khan	6/28/2017	27,513,654	5/22/2014
Mujibur Rahman	6/28/2017	4,821,044	9/29/2016
Dr Rahid Nazrul Islam	6/28/2017	11,279,198	1/31/2017
United Airways (BD) Ltd.	12/28/2017	253,922,593	1/25/2017
Pioneer Builders Ltd.	1/31/2018	15,680,699	11/27/2013
Halda Enterprise Ltd(HEL)	12/10/2018	39,090,976	6/28/2016
Six Season Food and Beverage Ltd	11/26/2019	58,169,953	11/15/2017
<b>Total</b>		<b>1,222,977,992</b>	





**State Bank of India**  
**Bangladesh Operations**  
**Highlights on the overall Activities**  
**For the year ended 31 December 2019**

(Figures in Taka)

Sl.	Particulars	2019	2018
1	Paid-up capital/Fund deposit with Bangladesh Bank	8,613,826,631	8,586,004,502
2	Capital surplus/(deficit)	7,781,308,467	5,974,409,848
3	Total assets	46,261,767,115	33,781,726,501
4	Total deposits	8,595,192,664	8,612,058,246
5	Total Borrowings	24,245,171,500	13,927,417,942
6	Total loans & advances	31,478,558,963	21,403,665,734
7	Total contingent liabilities & commitments	29,493,464,755	28,533,476,876
8	Credit deposit ratio (Loans & advances/Deposits including obu)	95.85%	94.96%
9	Percentage of classified loans against total loans & advances	0.41%	2.05%
10	Profit after tax & provisions	1,567,662,314	1,085,392,150
11	Amount of classified loans during the current year	129,510,963	439,445,463
12	Provision kept against classified loans	91,099,783	193,353,546
13	Provisions surplus/(deficit)	55,457,185	23,700,578
14	Provision Coverage Ratio(%)	70.34%	44.00%
15	Cost of fund	3.92%	3.81%
16	Interest earning other assets	-	-
17	Non-Interest earning other assets	853,421,166	690,502,753
18	Return on Investment (ROI) [Int. Income from Investment/Total Investment]	6.29%	5.08%
19	Return on assets (ROA) [PAT/Average assets]	3.49%	3.14%
20	Return on Equity (ROE) [PAT/Average shareholders equity]	13.88%	11.21%
21	Income from investments	529,409,553	443,851,524
22	Cash reserve requirement (CRR) maintenance (%)	5.53%	5.92%
23	Statutory Liquidity Reserve maintenance (%)	295.28%	101.09%
24	Capital Adequacy Ratio (%)	61.29%	69.60%
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

