



শরীয়াহ্ ডিক্তিক
ইসলামী ব্যাংকিং
কার্যক্রম শুরু।



ANNUAL REPORT 2021



**Banking for
Development**



বাংলাদেশ কমার্স ব্যাংক লিমিটেড
BANGLADESH COMMERCE BANK LTD.

web: bcblbd.com



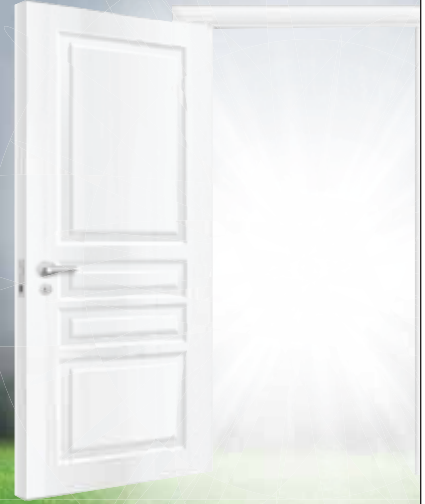
BCB

Service With Trust

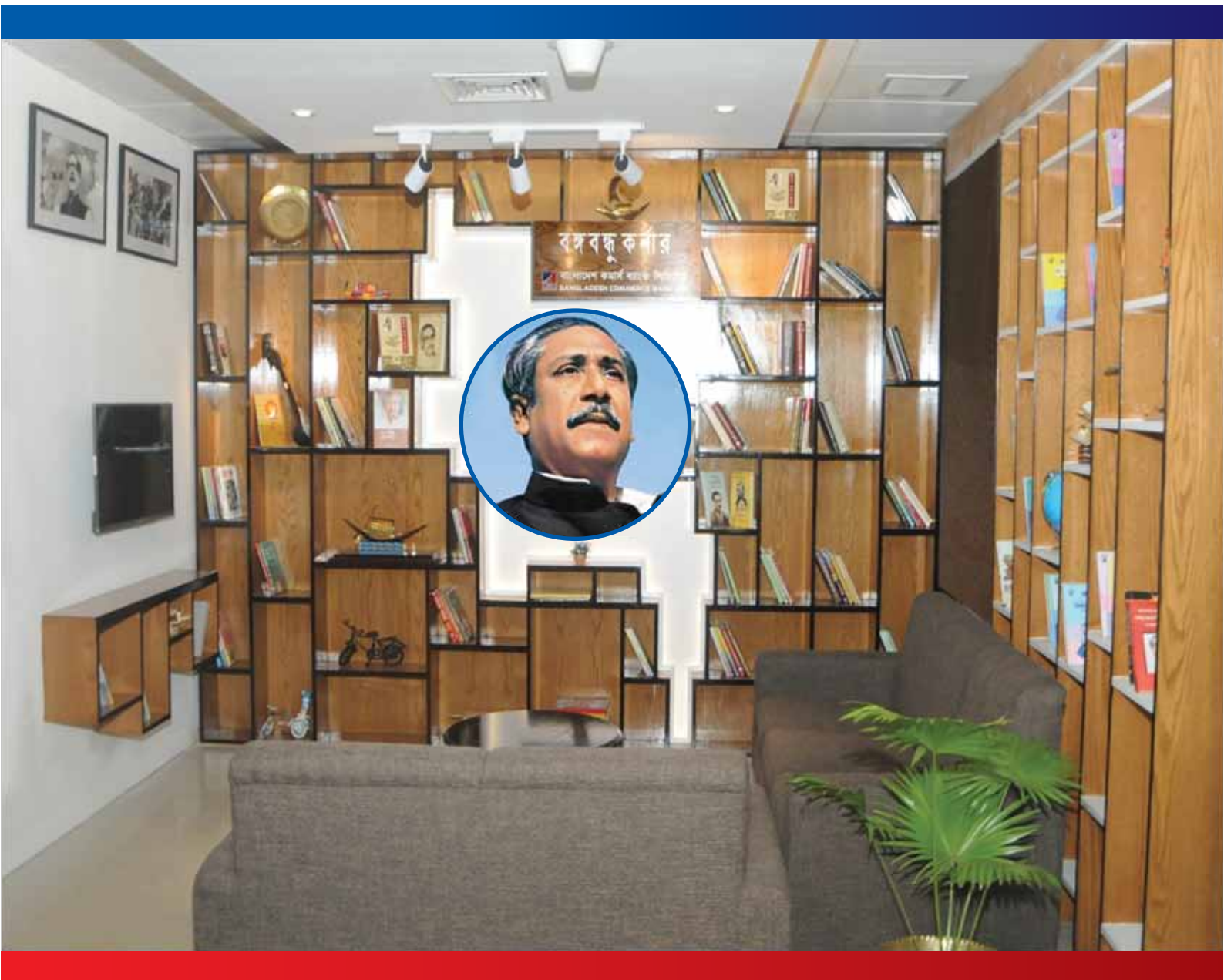
ISLAMI BANKING



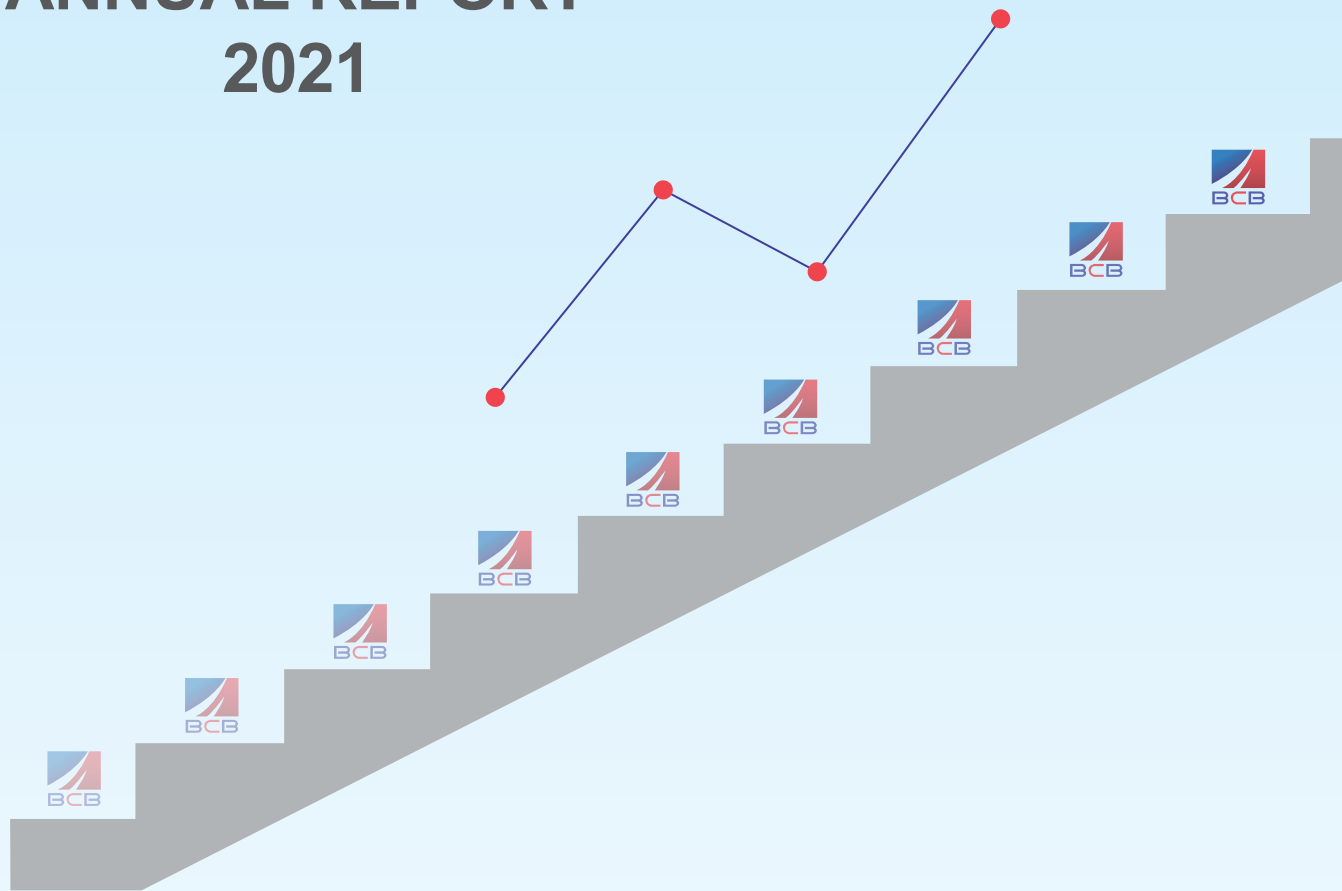
শরীয়াহ মোতাবেক
পরিপূর্ণ ব্যাংকিং



BANGABANDHU CORNER



ANNUAL REPORT 2021



“Banking for Development”

In this era of integration, financial landscape is changing rapidly. Banking services have taken newer form driven by newly added banking feature, adaptation of new technology and product diversification. Banks are also trying to synchronize with the process simplification, service automation and blended with varied delivery platform as per customer demands.

In line with both vision and mission, Bangladesh Commerce Bank Ltd. (BCBL) is always doing business for people’s development and welfare of the society of the country by contributing in deferent sectors of the economy. BCBL is always committed to serve masses, to enhance welfare, to develop nation as well as development for the country.

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LETTER OF TRANSMITTAL

**All Shareholders of Bangladesh Commerce Bank Limited,
Bangladesh Bank,
Registrar of Joint Stock Companies & Firms (RJSC),
Bangladesh Securities & Exchange Commission (BSEC),**

Annual Report of Bangladesh Commerce Bank Limited for the year ended 31st December, 2021.

Dear Sir,

On behalf of the Board of Directors we are pleased to present before you the Bank's (BCBL) Annual Report 2021 along with Audited Financial Statements (Consolidated and Separate), Cash Flow Statements and Statement of Changes in Equity for the year ended December 31, 2021 along with the notes thereon of Bangladesh Commerce Bank Limited and its subsidiaries for your kind perusal and record.

Analysis in this report, unless explicitly mentioned otherwise are based on the financials of "The Bank" not the consolidated financials.

Sincerely Yours,



Sayed M. Estencher Billah
Company Secretary



বাংলাদেশ কমার্স ব্যাংক লিমিটেড

কর্পোরেট অফিসঃ ইউনুস ট্রেড সেন্টার (লেভেল ২২)

৫২-৫৩, দিলকুশা বা/এ, ঢাকা-১০০০।

২৪তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এতদ্বারা বাংলাদেশ কমার্স ব্যাংক লিমিটেড এর সম্মানিত শেয়ারহোল্ডারগণের জ্ঞাতার্থে জানানো যাচ্ছে যে, বাংলাদেশ কমার্স ব্যাংক লিমিটেড এর ২৪তম বার্ষিক সাধারণ সভা আগামী ২৪ সেপ্টেম্বর, ২০২২ইং তারিখ, রোজ শনিবার, সকাল ১১.০০ টায় নিম্নোক্ত কার্যাবলী সম্পাদনের নিমিত্তে এবং প্রয়োজনীয় সিদ্ধান্ত গ্রহণের জন্য ডিজিটাল প্ল্যাটফর্মে অনুষ্ঠিত হবে।

আলোচ্যসূচী :

- ১। ৩১ ডিসেম্বর, ২০২১ইং সমাপ্ত বছরের ব্যাংকের নিরীক্ষিত আর্থিক বিবরণী, ঐ তারিখে স্থিতিপত্রসহ তদ্বিষয়ে পরিচালক ও নিরীক্ষকদের প্রতিবেদন গ্রহণ ও অনুমোদন।
- ২। ব্যাংকের মেমোরেণ্ডাম এন্ড আর্টিকেলস অব এসোসিয়েশন এবং কোম্পানী আইনের বিধান মোতাবেক পরিচালকের অবসর গ্রহণ ও তদস্থলে পরিচালক নির্বাচন/পুনর্নির্বাচন।
- ৩। ২০২২ইং সালের জন্য অডিটর নিয়োগ ও সম্মানী নির্ধারণ।
- ৪। সভাপতির অনুমতিক্রমে অন্য যেকোন বিষয়ে আলোচনা।

পর্যদের আদেশক্রমে

তারিখঃ আগষ্ট ১৪, ২০২২

ঢাকা।

স্বা/-

(সৈয়দ মোহাম্মদ ইস্তেনচার বিল্লাহ)

কোম্পানী সচিব

বিশেষ দৃষ্টব্যঃ

- ১। কোম্পানীর ২৪তম বার্ষিক সাধারণ সভা উপলক্ষ্যে শেয়ার হস্তান্তর বহিঃ আগামী ২৮-০৮-২০২২ইং থেকে ৩০-০৮-২০২২ইং তারিখ (উভয় দিনসহ) বন্ধ থাকবে।
- ২। ২৪তম বার্ষিক সাধারণ সভায় অংশগ্রহণ ও ভোট প্রদানের যোগ্য কোম্পানীর যে কোন সদস্য/সদস্যা তার পক্ষে সভায় অংশগ্রহণ ও ভোট প্রদানের জন্য প্রক্সি নিয়োগ করতে পারবেন। প্রক্সি ফরম অথবা পাওয়ার অব এটর্নী বা ক্ষমতাপত্র বা নোটারী পাবলিক কর্তৃক সত্যায়িত ক্ষমতাপত্র এজিএম-এর কার্যক্রম শুরু হওয়ার কমপক্ষে ৭২ ঘণ্টা পূর্বে কোম্পানীর রেজিস্টার্ড অফিসে প্রেরণ করতে হবে। যদি প্রক্সি ফরম যথাযথভাবে পূরণ ও ২০/- টাকা মূল্যের রেভিনিউ স্ট্যাম্প সংযোগপূর্বক নির্ধারিত সময়ে জমা দেয়া না হয় তাহলে প্রক্সি ফরম বৈধ বলে বিবেচিত হবে না।
- ৩। সাধারণ সভা অনুষ্ঠানের দিন ডিজিটাল প্ল্যাটফর্ম সকাল ১০.০০ ঘটিকা থেকে উন্মুক্ত থাকবে। সম্মানিত শেয়ারহোল্ডারদের ওয়েব লিংক-এর মাধ্যমে এজিএম-এ সংযুক্ত থাকার অনুরোধ করা হলো। এজিএম-এ সংযুক্ত হবার বিস্তারিত প্রক্রিয়া ব্যাংকের ওয়েবসাইট: www.bcblbd.com -এ উল্লেখ থাকবে।
- ৪। ২৪তম বার্ষিক সাধারণ সভার বার্ষিক প্রতিবেদন-২০২১, নোটিশ ও প্রক্সি ফরম ডাকযোগে সম্মানিত শেয়ারহোল্ডারবৃন্দের নিবন্ধিত ঠিকানায় প্রেরণ ও ব্যাংকের ওয়েবসাইটে আপলোড করা হবে। সভা অনুষ্ঠানের পূর্বে কেউ বার্ষিক প্রতিবেদন, নোটিশ/প্রক্সি ফরম এবং এজিএম-এ উপস্থিতির লিংক না পেয়ে থাকলে ব্যাংকের [website: www.bcblbd.com](http://www.bcblbd.com) বা রেজিস্টার্ড অফিসের সচিব বিভাগে যোগাযোগ করার জন্য অনুরোধ করা হলো (টেলিফোন- ০৯৬১-৩২২-১০৭০ ও ০২-২২৩৩৫৫৭০৪)।
- ৫। ঠিকানার কোন পরিবর্তন হলে বার্ষিক প্রতিবেদন প্রেরণের পূর্বে বাংলাদেশ কমার্স ব্যাংক লিমিটেড-এর রেজিস্টার্ড অফিসের সচিব বিভাগে লিখিতভাবে অবহিত করার জন্য সম্মানিত শেয়ারহোল্ডারগণকে অনুরোধ করা হলো।



BANGLADESH COMMERCE BANK LTD.

Corporate Office: Eunoos Trade Center (Level-22)
52-53, Dilkusha C/A, Dhaka-1000, Bangladesh

Notice of the 24th Annual General Meeting

Notice is hereby given that the 24th Annual General Meeting (AGM) of the Honorable shareholders of Bangladesh Commerce Bank Limited will be held virtually by using **Digital Platform** on **Saturday 24 September, 2022** at **11.00 a.m.** to transact the following business and to adopt necessary resolutions.

Agenda:

- 1) To receive, consider and adopt the Audited Financial Statements for the year ended 31st December 2021 along with the Reports of the Directors and Auditors' thereon.
- 2) To elect/re-elect Directors in accordance with the provisions of law and the Memorandum and Articles of Association of the Company.
- 3) To appoint Auditor(s) of the Company and to fix up their remuneration for the year 2022.
- 4) To transact any other Business with the Permission of the Chair.

Dated: August 14, 2022
Dhaka.

By order of the Board of Directors

Sd/-
(Sayed Mohammed Estencher Billah)
Company Secretary

Notes:

- 1) The Register Book of shareholders of the Company shall remain closed from **28-08-2022** to **30-08-2022** (inclusive both days) and no shares will transfer during this period.
- 2) A Member eligible to participate and vote at the 24th Annual General Meeting may appoint any person as a proxy on his/her behalf. Proxy Form or Power of Attorney or Authorization letter or Authorization attested by Notary Public is to be submitted to the Registered Office of the Company at least **72 hours** before the time fixed for the Meeting. If any Proxy Form duly filled in affixing a Revenue stamp of **Tk.20/-** is not submitted within the stipulated time, the Proxy will not be treated as valid.
- 3) On the day of Annual General Meeting Digital Platform will remain open from 10.00 a.m. The shareholders are requested to joining the AGM through web link, the detailed process for joining the meeting will also be available in the Bank's website: **www.bcblbd.com**.
- 4) Annual Report-2021 along with Notice and Proxy Form of 24th Annual General Meeting will be sent to the registered address of all respective shareholders and the same would also be uploaded on the website of the Bank. Anybody who has not received the Annual Report, Notice/Proxy Form and link to attend AGM is requested to visit the website **www.bcblbd.com** of the Bank or contact with Board Division of the Registered Office (**Contact No. 0961-322-1070 or 02-223355704**).
- 5) Respected Shareholders are requested to inform us **regarding change of their address** (if any) to the Board Division of the Registered Office of BCBL on or before **sending Annual Report**.

Vision



To become a Bank of first choice by the customers with meaningful contributions to the society.

Mission



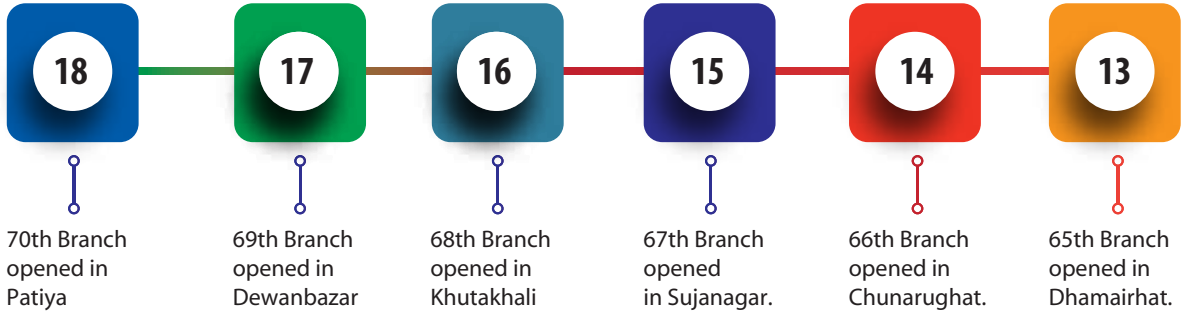
Bangladesh Commerce Bank Limited is committed to fulfill its customer needs and become their first choice in banking so that a sustainable growth reasonable return and contribution to the development of the country can be ensured with a motivated and professional work force.

OUR STRATEGIC PRIORITIES

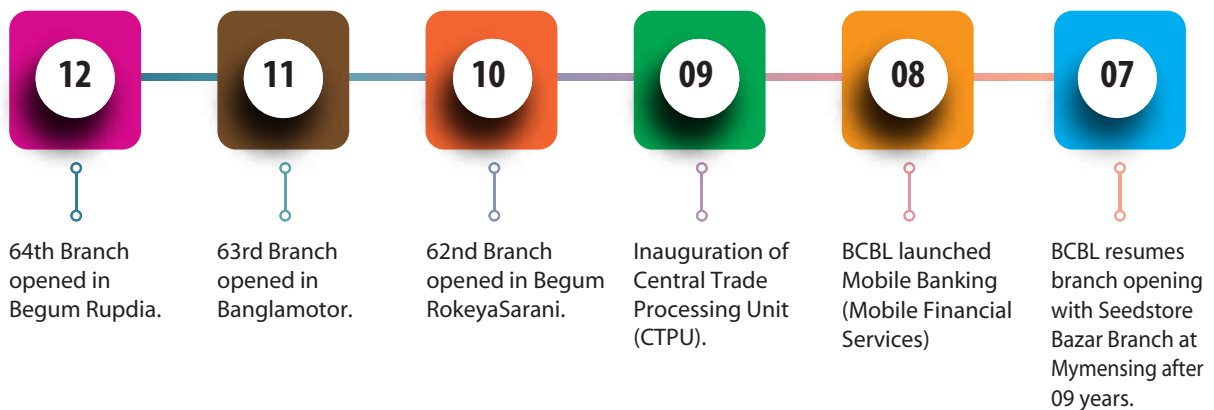


CORPORATE MILESTONES

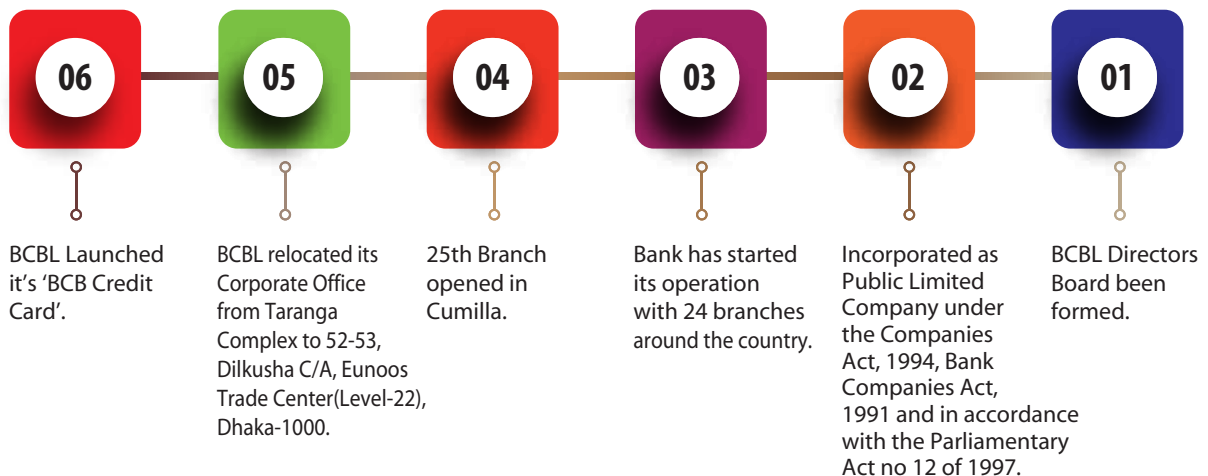
15.12.2021 29.12.2020 24.12.2020 24.12.2019 18.12.2019 14.11.2019



07.11.2019 17.10.2019 24.12.2018 05.04.2014 28.03.2012 27.09.2011



25.05.2011 28.04.2011 16.11.2002 16.09.1999 01.06.1998 08.02.1998

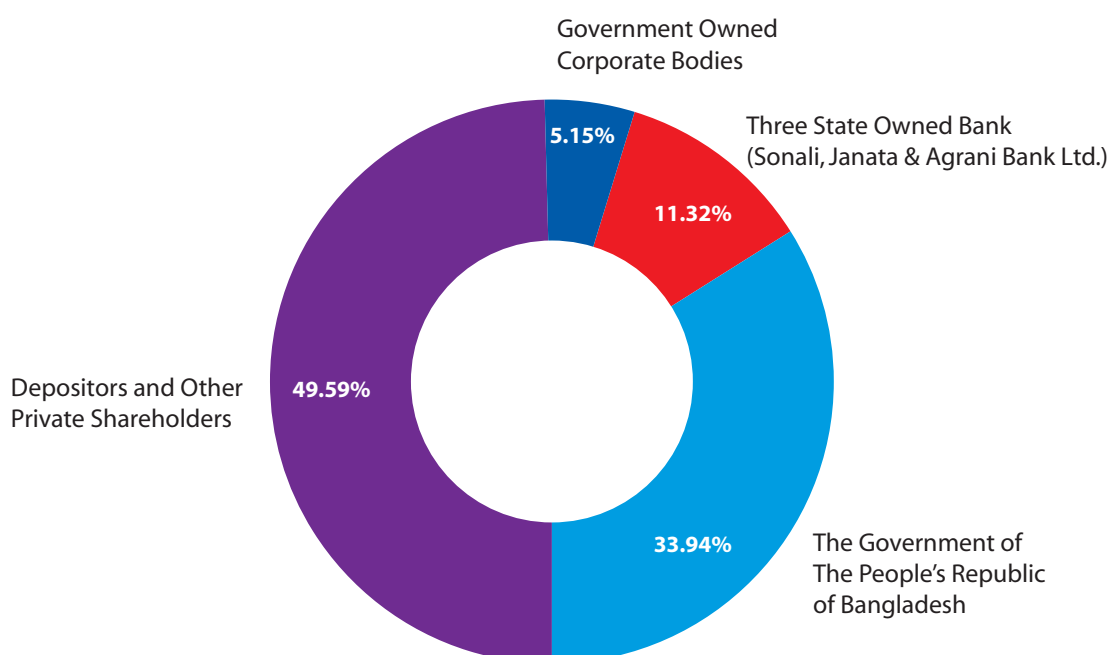


CORPORATE DIRECTORY

Name	Bangladesh Commerce Bank Limited. (BCBL)
Date of Incorporation	1 st June, 1998.
Legal Form	A public limited company incorporated in Bangladesh on June 01, 1998 under the Companies Act, 1994, the Bank Companies Act, 1991 and Parliamentary Act 12 of 1997.
Core Business Area	<p>Bangladesh Commerce Bank Limited is a scheduled commercial bank. Like all other commercial banks, BCBL's core business is also obtaining deposits and providing loans for Corporate & SME Business and individuals.</p> <p>Services include but not limited to offering different types of deposit accounts, and other deposit schemes account as well as giving loans to organizations and individuals.</p> <p>BCBL make its profit by taking small, short-term, relatively liquid deposits and transforming these into small, medium, larger loans for short, medium and long term maturity loans. These processes of asset transformation generate net income for BCBL.</p> <p>BCBL also make short term profit by investing through treasury functions and doing non funded business like Trade Business.</p> <p>However, BCBL is primarily engaged in, deposit and lending activities for private and corporate/SME clients through wholesale and retail banking. The Bank generates income providing other services like; Visa credit, Debit card, mobile banking, custodial service, guarantees, cash management service and settlement, etc.</p>
Authorized Capital	BDT 10,000 Million.
Paid Up Capital	BDT 1,989 Million.
Face Value Per Share	BDT 100 per share.
Auditor	Hoda Vasi Chowdhury & Co. Chartered Accountants.
Tax Consultant	K. M. Hasan & Co. Chartered Accountants.
Registration Number	C-35510(2286)/98
Bangladesh Bank License Number	BRPD(P)744(KHA)/99-2842
Registered Head Office	Eunoos Trade Center (Level-22) 52-53, Dilkusha Commercial Area, Dhaka-1000. Bangladesh.
TIN	222834807779
BIN	000001525-0202

Ownership Composition

SL. No.	Category	Name of Holders	No. of Shares	% of Holdings
1	KA	The Government of The People's Republic of Bangladesh	6,750,000	33.94
		Sponsors as per MoA & AoA	8	0.00
2	KHA	Three State Owned Bank (Sonali, Janata & Agrani Bank Limited)	2,249,982	11.32
3	GA	Government Owned Corporate Bodies	1,024,613	5.15
		Depositors and Other Private Shareholders	9,862,825	49.59
Total			19,887,428	100



Composition of Board & Its Committees

HONORABLE CHAIRMAN OF THE BOARD

Dr. Engr. Rashid Ahmed Chowdhury

COMPOSITION OF BOARD OF DIRECTOR'S:

Sl. No.	Name of the Directors	Status with the Committee
1.	Dr. Engr. Rashid Ahmed Chowdhury	Chairman
2.	Ms. Khondker Sabera Islam	Member
3.	Mr. Mesbah Uddin	Member
4.	Mr. Md. Shaheb Ali Mridha	Member
5.	Mr. Md. Idris	Member
6.	Mr. Mohammed Arshed	Member
7.	Dr. Mohammad Ayub Islam	Member
8.	Mr. Md. Shafiqul Islam, FCA	Member
9.	Prof. Dr. Md. Abu Taher	Member
10.	Mr. Humayun Bokhteyar, FCA	Member
11.	Mr. Omar Farooque	Ex-Officio Director

COMPOSITION OF EXECUTIVE COMMITTEE:

Sl. No.	Name of the Directors	Status with the Committee
1.	Mr. Humayun Bokhteyar, FCA	Chairman
2.	Dr. Engr. Rashid Ahmed Chowdhury	Member
3.	Mr. Mohammed Arshed	Member
4.	Dr. Mohammad Ayub Islam	Member

COMPOSITION OF AUDIT COMMITTEE:

Sl. No.	Name of the Directors	Status with the Committee
1.	Mr. Md. Shafiqul Islam, FCA	Chairman
2.	Ms. Khondker Sabera Islam	Member
3.	Prof. Dr. Md. Abu Taher	Member

COMPOSITION OF RISK MANAGEMENT COMMITTEE:

Sl. No.	Name of the Directors	Status with the Committee
1.	Mr. Mohammed Arshed	Chairman
2.	Dr. Engr. Rashid Ahmed Chowdhury	Member
3.	Mr. Md. Shafiqul Islam, FCA	Member
4.	Dr. Mohammad Ayub Islam	Member

Directors' Profile



Dr. Engr. Rashid Ahmed Chowdhury
Chairman Of the Board of Directors



Mr. Humayun Bokhteyar, FCA
Chairman, EC Committee



Mr. Md. Shafiqul Islam, FCA
Chairman, Audit Committee



Mr. Mohammed Arshed
Chairman, Risk Management Committee



Ms. Khondker Sabera Islam
Director



Mr. Mesbah Uddin
Director



Mr. Md. Shaheb Ali Mridha
Director



Mr. Md. Idris
Director



Dr. Mohammad Ayub Islam
Director



Prof. Dr. Md. Abu Taher
Director



Mr. Omar Farooque
Managing Director & CEO
(Ex-Officio Director)



Dr. Engr. Rashid Ahmed Chowdhury

Chairman

Dr. Engr. Rashid Ahmed Chowdhury is representing Padma Export Import & Trading Co. Limited in the Board of Directors of Bangladesh Commerce Bank Limited.

Dr. Engr. Rashid Ahmed Chowdhury was born in a reputed Muslim family of Agrabad, Chattogram. He completed his SSC from Chittagong Collegiate High School and HSC from Chittagong College. Dr. Chowdhury is an Associate in Science (Applied Science) & also an Associate in Applied Science in Mining Technology (Supervisory) from College of Eastern Utah, Price, USA. He also completed BSME & MBA (Management) from National University, San Diego, California, USA. He has completed his PhD from Chittagong University. He has published numerous articles in international peer reviewed journals and also serves as a Reviewer for ACI (Academic International) and ICICKM (International Conference on Intellectual Capital Knowledge Management).

Dr. Engr. Rashid Ahmed Chowdhury is an Associate Professor & Chairman of the Department of General Management & Management Information System (MIS) at Chittagong Independent University (CIU) where he has been working since 2001. He teaches both at the Undergraduate and Graduate levels at CIU and additionally have been serving as the Proctor of the university. He has significant work experience in various international/multinational companies such as Carbon County Coal Mine Inc. USA, AIM Inc. USA and Wilwen Enterprise, Los Angeles, USA.

Dr. Engr. Rashid Ahmed Chowdhury has received professional training on Supply Chain Management, Research Methods under Higher Education Quality Enhancement Project (HEQEP), Certificate of Completion in Computer Aided Design, Achievement in Mine Rescue, Welding, and Supervisory Training & Labor Management Relation from Los Angeles & College of Eastern Utah, USA.

He presided over the Seminar on Analysis of Future Passengers Car Structure jointly organized by IEB Chittagong and Hokkaido University Japan. He conducted a Training Program on Training Fundamentals organized by the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) in association with Bangladesh Freight Forwarders Association (BAFFA), Dhaka. He has also attended numerous seminars on various topics such as Storm Water Management Strategies, Design, Modeling and Best Management Practices, Green Wireless Communication Technologies, Disaster, Climate and Coastal Vulnerabilities in Bangladesh, Container Terminal Operations and Management, Business Research Methodology and Stock Exchange. How the Trading Takes Place in Chittagong an International Conference on Business & Information (BAI) in Bangkok, Thailand.

Dr. Engr. Rashid Ahmed Chowdhury brings a unique blend of academic and industry work experience to his role as Chairman of the Bangladesh Commerce Bank Limited.



Ms. Khondker Sabera Islam

Director

Ms. Khondker Sabera Islam former Deputy Managing Director of Agrani Bank Limited is the Government nominated Director of Bangladesh Commerce Bank Limited (BCBL). Prior to this, She was the Director of Janata Bank Limited.

She was born on 1st August, 1950, her father Mr. Khondker Nurul Islam was a banker & her mother late Mrs. Rezia Khanam was an educationist. Her husband, Late Mr. Muzammel Hossain was an educationist. Ms. Khondker Sabera Islam obtained her B.A (Hon's) and M.A in Political Science from the University of Rajshahi.

She started her banking career with Sonali Bank on 17th October, 1973 as a Probationary Officer. As a prudent banker she has 34 years of banking experience and has attended a number of seminars, workshops and received different training at home and abroad conducted by prestigious and world famous Institutions.



Mr. Mesbah Uddin

Director

Mr. Mesbah Uddin, son of late Md. Bazlur Rahman & Late Sabera Khatun was born in 1964 in a respectable Muslim family of the Bhola District. He is a Government nominated Director of Bangladesh Commerce Bank Ltd. Mr. Mesbah Uddin is a senior officials of Bangladesh Civil Service Administrative Cadre. He achieved BSc.Ag & MA. degree from the Sher-E-Bangla Agricultural University, Dhaka, Bangladesh.

At present, Mr. Mesbah Uddin is serving as the Secretary, Ministry of Youth and Sports of the Govt. of the People's Republic of Bangladesh. He has served about 29 years in different positions of the Government with multi-furious professional experience. He joined in the administration cadre of the Bangladesh Civil Service in 1993 as Assistant Commissioner in the Deputy Commissioner's Office, Kishoreganj. He served in the different positions of Field service as well Ministry level on Bangladesh. He held the positions of (i) Assistant Commissioner (Land), Dhaka District, (ii) Upazila Nirbahi Officer in Galachipa, Patuakhali & Kalkini, Madaripur, (iii) Additional Deputy Commissioner, Pabna, (iv) PS to State Minister, Ministry of Home Affairs, (v) Deputy Commissioner, Khulna & Chattogram, (vi) Deputy Secretary & Joint Secretary of Local Government Division, Ministry of Local Government, Rural Development & Co-operatives, (vii) Additional Secretary of Ministry of Local Government, Rural Development & Co-operatives and Ministry of Science and Technology respectively.

Mr. Mesbah Uddin participated in various conferences, workshops and trainings at USA, UK, Australia, Japan, Malaysia, China, Germany, France, India, Republic of Korea, Singapore etc.

He was elected Treasurer of the Officer's Club, Dhaka (2018-19). At present, he is discharging responsibility of the General Secretary of Officer's Club, Dhaka.

Mr. Mesbah Uddin is married and the father of one daughter. His wife is a Housewife.



Mr. Md. Shaheb Ali Mridha

Director

Bir Muktiyuddha Md. Shaheb Ali Mridha, a retired Joint Secretary to the Government of Bangladesh was born in a respectable Muslim family on 26 October, 1949 in the district of Gopalganj. He is a Government nominated Director of Bangladesh Commerce Bank Limited. Prior to this he was Director of BASIC Bank Limited and Sonali Bank Limited. He served as Chairman, Board Audit Committee & Member, Board Risk Management Committee of BASIC Bank Limited. He also served as Chairman, Sonali Investment Limited, Member, Board Audit Committee and Member, Risk Management Committee of Sonali Bank Ltd.

Mr. Mridha obtained B.SC (Hons) and M.SC degrees in Physics from Rajshahi University securing 1st Class in both the examinations. He joined the Bangladesh Civil Service (Administration) Cadre in 1973. During the tenure of his 34 years Civil Service he worked as Magistrate 1st Class, Upazila Nirbahi Officer, Additional District Magistrate, Deputy Commissioner, Deputy Secretary, Joint Secretary, Director, Social Service Department, Director, Primary and Mass Education Department, Member (Finance), Dhaka Electric Supply Authority etc.

He received higher Education/Training from USA, Canada, India, Netherlands, China, Srilanka, Indonesia, Thailand in the field of Public Administration and Development, Project Management and Professional development, Agribusiness operation and its role in Economic development, Rural Poverty Alleviation and Financial Management etc.

Mr. Mridha received many awards and appreciation for his outstanding performances throughout his service career from home and abroad. Some major awards are; Atish Dipanker gold medal -2003 in recognition of genuine urge for Social work by Atish Dipanker Parishad, Dhaka; Asaduzzaman Gold medal-2001 in recognition of contribution to the field of Public Service by Chandra Bati Academy; The title of Fellow for Research & Training in Risk Project Management by Center GP International, Montreal Canada.



Mr. Md. Idris

Director

Mr. Md. Idris has been transferred and posted as Deputy Managing Director, Sonali Bank Limited. He is a Government nominated Director of Bangladesh Commerce Bank Limited. Earlier, he joined Rajshahi Krishi Unnayan Bank after being promoted to the post of Deputy Managing Director by a notification of the Financial Institutions Department of the Ministry of Finance.

He was also the General Manager of Janata Bank. He started his career at Janata Bank on 9 July 1989 as an Assistant Engineer. During his tenure at Janata Bank, he held important positions as Head of various branches, divisions and areas.

Md. Idris graduated from Bangladesh University of Engineering (BUET) with a bachelor's degree in civil engineering in 1986 and an MBA from a private university in 2012. He traveled to Indonesia, Malaysia, Bangkok, China and Switzerland for various seminars, trainings and official works. He was born at Mariam Nagar village of Rangunia police station in Chattogram district.


Mr. Mohammed Arshed

Director

Mr. Mohammed Arshed is representing Karnaphuli Prakritik Gas Limited in the Board of Directors of Bangladesh Commerce Bank Limited. Mr. Md. Arshed is the Chairman of C & A Dietary & Hospitality Limited and Waste 3R Solution. He is the Managing Director of C & A Real Estate Ltd., C & A Energy Ltd., C & A Dairy Ltd., C & A Beverage Ltd., Khalid Enterprise Ltd., Armada Agro Industries Ltd., Waste 3R Engineering & Solutions Ltd., Skynet Power Co. Ltd. and Dynamic Venture Ltd. He is also the Managing Partner of S & A Bay of Bengal. He was born on August 03, 1971. After completion of his Graduation, he has started Business. He has more than 25 years of Business experiences. He travelled many countries on business ground.


Dr. Mohammad Ayub Islam

Director

Dr. Mohammad Ayub Islam is representing Victor Trade And Business Limited in the Board of Directors of Bangladesh Commerce Bank Limited. He is a professor & Chairman of the Department of Accounting, University of Chittagong. He has been serving as a faculty in the Department since 1988. He is a fellow member of Commonwealth Academic Staff Fellowship. He has the experience to work as a research fellow and teacher in some other universities like University of Aberdeen, UK, Independent University, Bangladesh, Preston University, USA (Bangladesh Campus) and Royal Roads University (Bangladesh Campus). He acted as a resource person in different training programs. He is the former chairman of the Bureau of Business Research of Chittagong University. He acted as the Chief Editor of the Editorial Board of Chittagong University Journal of Business Administration. He has published more than 30 articles. A book of him titled 'Forest Resource Management' is published. He has supervised 10 (ten) Ph.D. students. Dr. Islam was an Independent Director of Chittagong Stock Exchange for 6 years. He worked as a consultant in different World Bank and BOG (Government of Bangladesh) funded projects. He was also a manager of one World Bank Funded project. Dr. Islam is a treasurer of the Accounting Association of Chittagong University. He is associated with Chittagong Club Limited and Ma O Shisu Hospital, Chittagong as a member.


Mr. Md. Shafiqul Islam, FCA

 Director

Mr. Md. Shafiqul Islam is representing Honeywell Securities Corporation Limited in the Board of Directors of Bangladesh Commerce Bank Limited. Md. Shafiqul Islam FCA, is one of the Managing Partners of Shafiq Basak & Co., Chartered Accountants Firm. He was born on January 08, 1958 at Cumilla District. He passed B. Com (Hons) in Accounting in the year 1978 from Chittagong University and M. Com in Accounting in the year 1979 from the same University. He is a Professionally Qualified Chartered Accountant and Passed the course from the Institute of Chartered Accountants of Bangladesh in the year 1989. He was the past Chairman of the Chittagong Regional Committee of the Institute of Chartered Accountants of Bangladesh. He is one of the life members of Chittagong Lions Foundation, Chittagong Ma-O Shishu Hospital and SHAHIC of Chittagong.


Mr. Humayun Bokhteyar FCA

 Director

Mr. Humayun Bokhteyar FCA, is representing Pusti Vegetable Ghee Limited in the Board of Directors of Bangladesh Commerce Bank Limited. He was born in a respectable Muslim family of Satkania, Chattogram. He became Chartered Accountant in 1991.

Mr. Humayun Bokhteyar FCA is the Founder and Managing Partner of public Accounting and Auditing firm M/s. Bokhteyar Humayun & Co., Chartered Accountants. Before joining here he was head of Corporate Finance of Padma Group of Companies, Finance Manager of Bangladesh Thai Aluminum Ltd., Assistant General Manager of Purobi General Insurance Co. Ltd. and Article Student & Audit Supervisor of M Ahmed & Co. Chartered Accountants.

He is Associate of Australian Society of Certified Practicing Accountants and Associate of Cost and Executive Accountants (ACEA) UK. Have long senior level financial management experience with services and manufacturing sectors in Bangladesh and Australia. Have expertise in Financial Accounting, Financial Management, Auditing, Taxation, Company Law & Secretarial services.

Served as Chairman, Board Risk Management Committee, Member Board Executive Committee and Audit Committee of Islami Bank Bangladesh Limited.

Attended a number of Seminars/Workshops/Meetings relevant to Accounting, Fiscal, Auditing, Management Islamic & Micro Finance in Australia, Switzerland, Italy, UK, Singapore, Malaysia and Indonesia.



Prof. Dr. Md. Abu Taher

Director

Prof. Dr. Md. Abu Taher, born in 1962 in Chittagong, Bangladesh is a Professor of Management at Chittagong University. Now he is working as member (on deputation) of University Grants Commission of Bangladesh. Before joining UGC, he had been serving in different positions as the Chairman, Department of Management, University of Chittagong; Dean, Faculty of Business Administration, University of Chittagong; Treasurer (on deputation), Bangladesh Open University; and Pro-Vice Chancellor (in Lien), Southeast University, Dhaka; and Chairman (acting) and Director, Board of Directors, Jiban Bima Corporation, Dhaka.

He received higher education in Management at Chittagong University; Inha University (South Korea) and Texas A & M University (USA). He secured first class first in Hons' (1982) and Masters (1983) examination in Management. The title of Ph.D. dissertation was "State Intervention in Industrial Relations" an important contribution into the colonial and post-colonial third world context. He completed research work at Inha University in South Korea under Jungseok Korean Scholarship. He received highly prestigious senior Fulbright Fellowship awarded by the United States International Agency for Post-Doctoral Program in USA. Professor Taher has been involved in higher education for more than 34 years.

During his teaching career, he also worked in the College of Business Administration at Inha University as a Non-tenure Track Foreign Professor; and Centre for Change and Conflict Resolution (Texas); Korean Academy of Business Ethics (Seoul) as visiting faculty. His special field of interest is HRM, HRD, Conflict Management and Industrial Relations.

He authored and co-authored 15 books of Hons' and Master's Level. He has to his credit over 87 (Eighty seven) research papers published in several refereed journals at home and abroad. Apart from teaching, he completed some research projects funded by World Bank, International Labor Organization (ILO); access 2 Information; British Council; University Grants Commission; Commonwealth of Learning (COL); Social Science Research Council; Ministry of Planning; GoB as a HR Consultant/ Project Director / Research Fellow/Sub-Project Manager/ Trainee Verifier. He also attended many International Conference and symposia hosted by distinguished institutions like AHRD (USA) USIS, ILO, AMDISA, EAHR (Texas), BEA, KABE (Seoul), AAOU, CEMCA, World Business Institute (Australia) as a participant/ paper presenter/ facilitator/ session chair/ keynote speaker.

As an active academic, Professor Taher has been involved in promoting and organizing a few Private Universities as an Academic Advisor like Port City International University, Notre Dame University of Bangladesh etc. He has also been Editor and Chief Editor of two referred journals and members of editorial board in many refereed journals at national and international levels.

He has been teaching the HRM major courses at Chittagong University and some Private Universities for quite a long time. He widely lectured and provided consultancy services to different business organizations on the issues of HRM and Labor Laws. He visited USA, Canada, UK, Singapore, Philippines, France, South Korea, Hong Kong, Malaysia, Thailand, China, Taiwan, Turkey, Saudi Arabia, UAE, North Korea and SAARC Countries on academic and research purposes.

Family is extremely important in Professor Taher's life. He is blessed with one daughter and two sons.

**Mr. Omar Farooque**

Managing Director & CEO (Ex-Officio Director)

Mr. Omar Farooque is the Managing Director & CEO of Bangladesh Commerce Bank Limited. Prior to joining in Bangladesh Commerce Bank, he served as the Managing Director of Union Bank Limited & Bangladesh House Building Finance Corporation as well as Managing Director (Current Charge) of Janata Bank Limited. During his 38 years' banking career, he served as the Head of different divisions/departments/branches in various capacities in banks. Apart from that he worked as a Group Leader in FSRP and CBRP Cell of Agrani Bank Ltd. Earlier, he started his career as a Senior Officer in Agrani Bank in the year 1983.

Mr. Farooque is an MBA in Finance from Institute of Business Administration (IBA), University of Dhaka. He is also a Diplomaed Associate of Institute of Bankers Bangladesh (DAIBB).

He was a resource person in different training institutes including a faculty member at Bangladesh Institute of Bank Management (BIBM). During the tenure of his service, he visited United Kingdom, China, Malaysia, Thailand and Singapore. He also attended various training programs, seminars, workshops at home and abroad.



MESSAGE FROM THE HONORABLE CHAIRMAN



Dr. Engr. Rashid Ahmed Chowdhury
Chairman of the Board of Directors

"We are committed to maintain the highest level of ethical standards of integrity, corporate governance and regulatory compliance. We have proactively upheld good governance practices and continually striving to enhance our standards."

Bismillahir Rahmanir Rahim**RESPECTED SHAREHOLDERS**

Assalamu Alikum,

On behalf of the Board of Directors (BoD), I welcome you all to the 24th Annual General meeting of Bangladesh Commerce Bank Ltd. It is my pleasure to present you the Annual Report and Audited Financial Statements of the Bank for the year 2021.

I would like to express my heartfelt gratitude and thanks to you all for your continuous support and guidance to run the business overcoming the obstacles and challenges. When Coronavirus pandemic made everything look bleak, we managed to emerge from the situations with renewed strength. As the Chair of the Board, it gives me immense pleasure to share with you the resilience and agility that we have demonstrated during the most trying times and have exerted best effort to achieve our organizational objectives of delivering excellence.

With recovery from COVID-19 a mixed picture across the globe, Bangladesh's economy showed resilience by bouncing back despite global turbulence. Against this backdrop of uncertainty, Bangladesh Commerce Bank Ltd. (BCBL) continued to help customers traverse the effects of economic lock downs, inflationary pressures, and supply chain disruptions, by supporting businesses to access short and long-term liquidity they've needed to manage through the pandemic. We are confident we can deliver our strategy, building on the significant progress we have made over the first two pandemic years and the momentum we have come into 2022. Whilst uncertainty and risk persist, we also see significant opportunities emerging, which our Bank is perfectly poised to latch onto with the right strategy, business model, and ambition to deliver on this potential.

Economic outlook

Over the past two years COVID-19 continued to wreak havoc on overall economic activities. After being slowed down in 2020, global economy gained momentum at a moderate pace as global coverage of vaccination increased and the pandemic was better handled in 2021. Though the global economy grew by 5.9% in 2021 (based on

IMF report), it has been anticipated that rising inflation, geopolitical tensions, and social unrest may further restrict global economic growth to 4.4% in 2022. Therefore, a delay in the quicker revival of economic activities is on the cards.

Upholding good governance practices

We believe corporate governance is at the heart of responsible leadership which is crucial in winning the trust of stakeholders. At BCBL, we have adopted best corporate governance practices to cultivate a culture of accountability, integrity, transparency, and sound financial management, which ultimately leads to overall sustainable business and financial performance. We have proactively supported establishing simple and efficient processes, focusing on compliance with relevant regulations.

Strengthening the growth

We have been challenging ourselves to bring innovative products and services to the market and honing our core strengths to transform ourselves into a more agile and future-ready organization. To cater to the evolving needs of stakeholders and to ensure best customer service, we are open to embrace emerging technology and flexibility to adopt evolving business models, and whatever we do we put customers at the center of our every strategy.

RESPECTED SHAREHOLDERS,

Throughout the core business area, the Bank's operating loss for the year 2021 is Tk. 1,626.83 million. After Provisions for loans and advances, taxation and other required provisions, BCBL incurred net loss of Tk. 1,582.90 million. The Bank's classified loans (CL) stood at 46.84%. We believe that this will come down to below 30% within short time.

The Bank listed a slightly lower performance and in all respects efficiency in banking operations has decreased. The net interest margin ratio is 3.16% in 2021 which was 2.23% in the previous year. Operating loss after provisions for loans and advances is Tk.1,603.59 million and Loss after taxation is Tk.1,582.90 million. ROA and ROE two key

profitability ratio have given negative (3.43%) and (42.08%) respectively. While the ROI is 5.20%, basic loss per share is (Tk.79.59) and earnings per share is (Tk.79.59) in 2021. Cost of fund is 9.12% in 2021 where it was 9.84% in 2020 .

Shariah Based Islamic Banking

The global Islamic financial sector continues to grow following its risk sharing, resilience, inclusiveness and real asset backed transaction features. In tandem with global trends, Islamic banking sector of Bangladesh has also recorded robust growth due to policy supports from Bangladesh Bank and strong public demand. The market share of Islamic banks in the entire banking sector has stood at 27.26 percent in terms of deposits and 27.55 percent in terms of investments at the end of June, 2021.

To satisfy our valued customers' need & to exploit more business opportunity for the Bank the BoD of Bangladesh Commerce bank Ltd. has actively considered to implement Shariah based Islamic Banking activity by converting existing branches to Islamic Banking branch & to open new branches with Islamic banking operations model. In this regard the Management of the Bank has continuously been pursuing for getting necessary approval from Bangladesh bank.

Now, we are pleased to inform you that Bangladesh Bank has approved our request providing approval to convert two branches (Gulshan, Dhaka & Muradpur, Ctg) from traditional banking systems to Shariah Based Islamic Banking System. Gulshan Branch has started its' operation under Islamic Banking Model since July 01, 2022 and Muradpur Branch on August 01, 2022. We are expecting to get

approval from Bangladesh Bank to convert other more six branches to Islamic Banking Branch by this year.

IN GRATITUDE

The uncertainty and despair induced by global Coronavirus pandemic continued in 2021 as well, but to a lesser degree. In 2022, as we are gearing for recovery drive, we must continue to remain alert to the situation and respond timely. We must also, at the same time, strive for excellence in our risk and controls, and to serve our clients. The board will continue to oversee and work closely with management in striking the right balance between growth potentials and the risk controls.

I thank my fellow Board of Directors of BCBL for their judicious guidance & Support. I would like to thank Bangladesh Bank, External Auditors, Registrar of Joint Stock companies & Firms and other regulatory authorities for their prudent guidance and assistance. I would like to express my sincerest gratitude to all stakeholders who have been providing us constant and unfaltering support over the years. I would also like to thank team BCBL for their great personal dedication and passion to perform as a team.

My best wishes to all of you.

Thank you,



Dr. Engr. Rashid Ahmed Chowdhury

Chairman

Bangladesh Commerce Bank Limited

Statement from Managing Director & CEO



Md. Tajul Islam
Managing Director & CEO

In the Name of Almighty Allah, the Most Gracious and Merciful

Respected Shareholders, Honorable Members of the Board of Directors & Stakeholders
Assalamu- Alaikum Wa Rahmatullah,

It is an honor and privilege for me to welcome you all in the 24th Annual General Meeting of Bangladesh Commerce Bank Limited. It is my pleasure to present the position and performance of the Bank for the year 2021 when we are moving for a challenging situation as to ascertain our vision towards financial excellence with the whole-hearted support & guidance of our Honorable Board of Directors and confidence of our shareholders, Customers and all stakeholders in this pandemic and volatile economic situation. With great respect, I remember the father of the nation Bangabandhu Sheikh Mujibur Rahman on his 100th birth anniversary & pray for his departed soul and family members, who are no more with us.

The premise under which we had to work hard for the success is enumerated in the following manners:

Global economy and operating environment:

The entire world is now engulfed with challenges of post COVID-19 pandemic and volatile economy there is a clear sense of uncertainties all around from this pandemic and volatile economic situations. However, the proactive and timely measures taken by government and Bangladesh Bank to revive the economy through debt moratoriums and concessionary loan schemes under stimulus packages for pandemic affected individuals and businesses are much needed and extremely crucial. We expect the Bangladesh economy to continue its post Covid-19 recovery in 2022. However, the annual inflation rate in Bangladesh edged higher to 6.29 percent in April of 2022 from 6.22 percent in the previous month due to higher international commodity prices and Fuel prices in Bangladesh. It was the highest inflation rate since October of 2021, driven by prices of non-food items (6.39 percent vs 6.04 percent in March). Meanwhile, prices slowed a bit for food items (6.24 percent vs 6.34 percent). On a monthly basis, consumer prices inched up 0.73 percent, after a 0.62 percent increase in the prior month. As a result the rising import cost and dwindling inflow of remittance earning depletion of country's foreign reserve. The foreign Exchange market is already unstable and the pressure on FC Exchange rate may rise further. The geopolitical instability issue from Russia-Ukraine war might have adverse impact on the country's export. Glimpse of the major events occurred in Bangladesh economies in 2021 are:

- ❖ Bangladesh Bank declared general moratorium facility on bank loan repayment to give entrepreneurs a fresh lifeline.
- ❖ Bangladesh bank has taken policy decision to set a cap on lending rate 9% effective from 01 April 2020.
- ❖ The incentive (2.5%) on wage earners inward remittance act as a important role to achieve a notable foreign exchange reserve in this pandemic period. Foreign Exchange reserve reached at \$46.15 billion, while it was \$43.16 billion in the last year. Particularly negative growth of Import payment & ever exceeding volume of Inward remittance have contributed to reach Foreign Exchange Reserve at that level.
- ❖ Private sector has experienced a sluggish credit growth as entrepreneurs and business houses were reluctant to make fresh investment due to persisting uncertainty caused by Covid-19.

- ❖ During the year 2021, total export increased by 15.10% to \$38.76 billion, comparing to previous year which was \$33.67 billion. On the otherhand total import increased by 19.73% to \$65.59 billion comparing to previous year which was \$54.78 billion. This has been attributed due to the cancellation of work order by major garment buyers of mostly European and US markets.
- ❖ The stock market in Bangladesh witnessed sharp fall in after mid March, 2021. Due to dull situation, the stock market operation was postponed in April and May period specifically due to out break of pandemic. For revival some effective measures were taken by Bangladesh Securities Exchange Commission for regaining investor's confidence and more institutional participation.

Financial performance:

This year was very unsettling for the Banks and Financial Institutions of Bangladesh on many counts. The Corona virus outbreak along with the single digit interest rate impacted the profitability of the Bank. However, Some of the key financial achievements of our bank are:

- **Assets:** We have been maintaining formidable position to serve our valued customer through wide network of 96 branches and sub-branches all over the country. Consolidated assets of the bank stood at BDT 4,612.94 crore in 2021 against BDT 4,088.02 crore in 2020, registering a growth of 12.84% where earning assets increased by 12.68%.
- **Deposit and Loans & Advances:** Despite various external challenges, Deposit of the bank increased by 15.85% and stood at 4,216.31 crore and loans increased by 1.62% and stood at 2,345.26 crore at the end of 2021.
- **Non Performing Loan (NPL):** Non Performing Loan of the bank stood at BDT 1,098.48 crore in 2021 against BDT 977.04 crore in 2020. Due to the global pandemic and single digit lending rate cap, our net interest income in 2021 has been increased slightly compared to 2020, but to cope with the delining interest income the Bank has initiated alternative strategies like strengthening trade business, finding new avenues for generating more fee & commission income etc, which resulted an increase of 43.12% brokerage, commission and fee income based on 2020.

- **Operating Result:** Due to pandemic situation, business condition & policy constrain, Bank's operating loss for the year 2021 is Tk. 162.68 crore. But after provisions for loans and advances, taxation and other required provisions, BCBL attained net loss of Tk. 158.29 crore which resulted a negative EPS of Tk. 79.59 per share but in the last year it was a negative EPS of Tk. 98.49 per share.

Strategic Objectives:

The Bank continued to put trust on strengthening its suitable position in the Retail and SME segments while sustaining its competitive edge in the corporate segment. This strategy will allow the Bank to optimize its risk-return balance while diversifying its portfolio. The Retail and SME Banking segment recorded sound growth, supported by strategic focus on new client acquisition and offerings clients with compliment or supplement for the services they have already taken. The bank has given emphasis on low cost deposit mobilization by initiating some speedy drives. The bank has undertaken vigorous move to enhance non-funded business as well. For capacity building proper man power planning has been initiated. A good number of banking product and services have been introduced tailored by popular customer needs to attract new customers and also as a tool to penetrate in the untouched market of the industry. The bank has started Shariah Based Banking from 1st July 2022, which might be helpful to rebuild the bank image & business opportunites in future.

Pro-active System & Automation:

Digital innovations are transforming at least financial systems all over the world to a great extend. Customers are demanding banking that is simple, functional, reliable, and seamless system. New opportunities for business growth associated new risks that ensuring security and safety among others. In the ever evolving market scenario strengthening digital capabilities is our key priority. We have been continuously trying to increase operational efficiency by automating and digitalizing internal operational processes. Introducing new service features in existing banking products and services that have become integral part of our day to day life. By enhancing transaction security we are committed to give our

customers utmost comfort. We have started Automated Challan System (ACS) as alternative of manual treasury challan system of Tax and Vat. We are working to launch market leading Credit Cards products with all attractive features. To safeguard the Bank's from ransom ware / malware attacks, we have taken all necessary measures to protect data so that it can be retrieved in the event of any unwanted incident. We are also working on upgrading the current core banking solution to facilitate better customer service and to make processing job fully automated & easier. Now a days data security is a much talked and critical factor for a financial institution. We have the plan & policy to protect data from any cyber attack upgrading cyber security measures in the way of right form as and when required.

Customized Services and Mobilization of Resources:

We work towards providing excellence customer services consistently through all our banking channels. It is our objective to facilitate mass people to do banking, considering the the fact we are planning to make operation process much more easier and time saving and feel them very comfortable when they do banking with us. It is our goal to earn customer satisfaction providing better customer services.

For productive resource mobilisation and cost rationalization, we will reduce controllable expenses to some extent and initiative has been taken to reduce to our cost to income ratio in 2022. In the coming days, we will focus more on cost rationalization to ensure eco-friendly operational environment, minimum wastages, committed human resources with positive mindset with adequate skill that will reap up the benefits for the Bank in future. We have taken initiative to develop skill and proper placement accordingly so that right man right place should be ensured for higher productivity.

Compliance and Good Governance:

Our utmost priority is to safeguard the interest of our depositors and shareholders. We continue to work closely with the regulators to ensure compliance in every aspect of risks associated with managing a bank. Our focus during 2022 was to conduct businesses prudently keeping ourselves

within regulatory framework. We complied with all key regulatory requirements like AD ratio ($63.22\% \leq 87\%$ for conventional and 92% for Islamic banking), capital market exposure ($21.86\% \leq 25\%$), that clearly shows our commitment to key stakeholders.

A responsible bank with innovation:

We believe that every small 'GREEN' step taken today would go a long way in building a greener future. Through proper planning and management, we are trying to ensure minimal wastage of our resources like paper less banking where possible by scanning and preserving data, Automated Chalan System (ACS) etc. We suggest our employees to switch their lights off after office hours, use daylight instead of electric lights, turn off all air-conditioner after 5 p.m., moving towards paperless work as much as possible, managing water consumption, planting trees and encouraging green practices all these have been mainstay of our development banking activities. We will continue to drive initiatives to embed the principles of sustainable socio-economic, development to our business strategy and process for attaining excellence in the coming days. We want to make our bank responsive, goal directed and customer friendly in near future.

Action plan for 2022:

- Reduction of NPL at an acceptable level by which we can make interest spread at positive level.
- Emphasize on regular monitoring of loan accounts to restrain deterioration to overdue and SMA.
- Effective measures to be taken for top 40 defaulters for recovery of significant amount of bad loan as well as NBFI.
- Emphasis was given to increase CMSME (Cottage, Micro Small and medium enterprise), Agri, Retail Loan portfolio to ensure efficient distribution of capital.
- Ensuring quick disposal of credit proposals at head office level and vigorous monitoring to ensure fastest disbursement from branch level complying with all logical sanction terms.
- Ensure through strong monitoring from head office level that at least opening of 3 (three) new accounts every day and confirming at least 2 (two) new small loan proposals are sent to head office every week at branch level.

- Bringing more remittance from abroad through our distribution channels.
- The bank has taken initiative to reduce its Cost of Fund below lending rate by taking low cost deposit and to rationalize deposit mix.
- Bonding relationship with Islami Bank Bangladesh Limited for sharing foreign trade business which eventually boosted up our business.
- Workshop for all employees has been planned for skill development.
- Planned to open new branches and sub-branches at potential locations to extend its network across the country
- More Deposit Products to be launched with attractive feature and launched some new loan product as per requirement of the customer.
- The bank has taken implementation for conversion from Conventional to Islamic Bank at Gulshan branch, Dhaka and Muradpur branch, Chattogram in order to rebuild our image through branding in proactive way as well as to implementing in all divisional city branches.
- To start internet banking with mobile Apps which will give us new opportunities to attract the valued clients.
- Initiating to increase transaction on Automated Chalan system (ACS) & govt. e-gp so that bank's fee based income can be enhanced.

Gratitude:

I would like to extend my sincere thanks to the Chairman of the Board for his stewardship and prudent guidance, the members of the Board of Directors for their advice, direction and patronage and to the Governor and officials of Bangladesh Bank and other regulatory bodies for their continued support and direction. A special word of thanks to the employees at all levels for their dedication and commitment in driving the Bank forward. Finally, I would like to thank our valued shareholders, customers, business partners and other stakeholders for their faith on us and for being a continuous inspiration to deliver excellence.



Md. Tajul Islam
Managing Director & CEO

Shareholder's Information

Five Years at a Glance

Figures in Million BDT

A. BALANCE SHEET METRIC	2021	2020	2019	2018	2017
Authorised capital	10,000	10,000	10,000	10,000	10,000
Paid up capital	1,989	1,989	1,989	1,989	1,989
Shareholders' equity	(3,762)	(2,193)	(40)	1,273	3,495
Deposits	42,163	36,393	34,039	31,633	30,009
Borrowings	340	320	174	334	180
Loans and advances	23,452	23,080	22,476	22,148	19,284
Credit to deposit ratio (Gross)	55.62%	63.42%	66.03%	70.02%	64.26%
Credit to deposit ratio - Gross (excluding OBU loans)	55.62%	63.42%	66.03%	70.02%	64.26%
Investments	6,416	5,639	5,527	4,972	4,731
Fixed Assets	276	331	311	218	143
Interest bearing assets	20,063	24,382	21,764	3,828	26,725
Total assets	46,129	40,880	39,550	38,028	36,395

B. INCOME STATEMENT METRIC	2021	2020	2019	2018	2017
Net interest income (excluding Investment Income)	(844)	(757)	243	737	728
Non-interest income	82	37	50	71	59
Investment Income	333	429	341	302	328
Non Investment Income (Exchange, fees & charges)	115	89	125	158	138
Operating Revenue	(313)	(202)	759	1,267	1,253
Operating Profit (Profit before provision and tax)	(1,626)	(1,470)	(625)	(284)	302
Provision for loans, investment and other assets	(335)	517	665	1,832	156
Profit before tax	(1,292)	(1,987)	(1,290)	(2,116)	146
Profit after tax (PAT)	(1,583)	(1,959)	(1,290)	(2,231)	29

C. CAPITAL METRIC	2021	2020	2019	2018	2017
Risk weighted assets (RWA) under Basel III	36,132	41,512	41,489	38,791	30,204
Core capital (Tier 1)	(7,014)	(6,145)	(6,052)	(2,707)	797
Supplementary capital (Tier 2)	155	111	144	148	127
Total Capital / Regulatory capital (Tier 1 and 2)	(6,859)	(6,034)	(5,908)	(2,559)	924
Statutory capital (Paid up capital and statutory reserve)	2,264	2,264	2,264	2,264	2,264
Capital adequacy ratio (Regulatory capital/RWA)	-18.98%	-14.54%	-14.24%	-6.60%	3.06%
Core capital (Tier 1) to RWA	-19.41%	-14.80%	-14.59%	-6.98%	2.64%
RWA to total assets	78.33%	101.55%	104.90%	102.01%	82.99%

Shareholder's Information

Figures in Million BDT

D. CREDIT QUALITY	2021	2020	2019	2018	2017
Non performing/classified loans (NPLs)	10,984	9,770	11,325	8,583	5,598
Specific Provision	3,276	3,586	2,999	2,499	765
General Provision	136	112	89	89	89
Total Provision	3,412	3,698	3,088	2,588	854
NPL to total loans and advance	46.84%	42.33%	50.39%	38.75%	29.03%

E. TRADE BUSINESS METRIC	2021	2020	2019	2018	2017
Export	1,417	1,268	2,542	6,174	2,284
Import (LC)	4,133	2,377	3,698	5,034	4,719
Rimittance	3,107	2,108	2,089	1,722	1,187

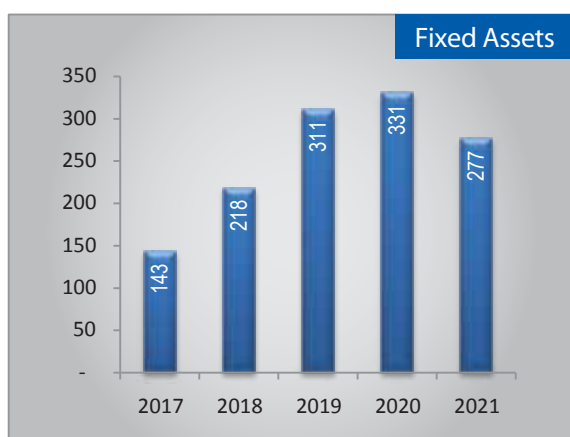
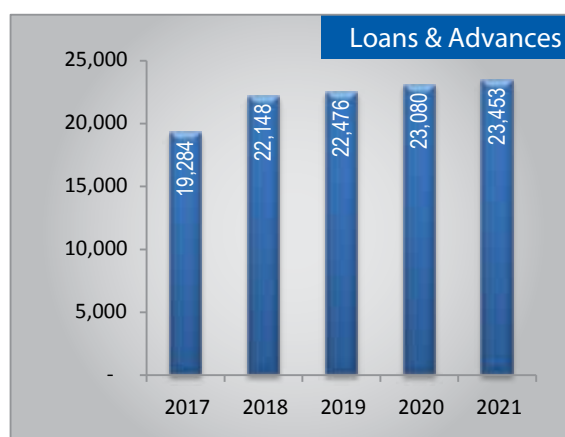
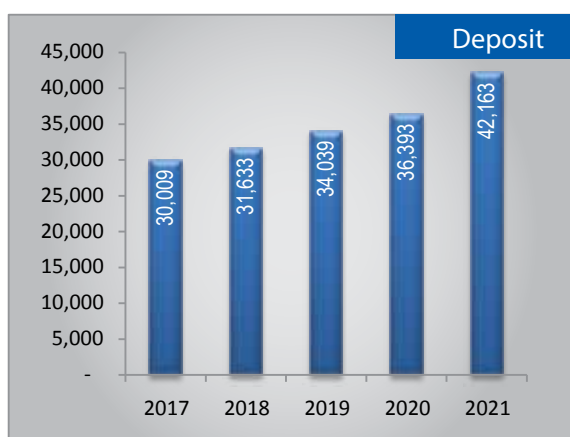
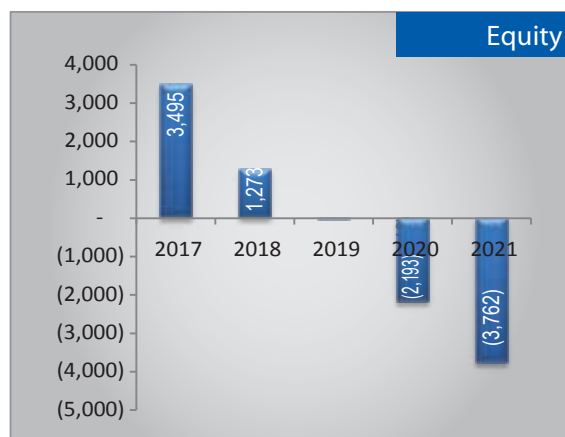
F. EFFICIENCY/PRODUCTIVITY RATIOS	2021	2020	2019	2018	2017
Return on average equity (ROE)	-42.08%	-89.33%	3245.24%	-175.26%	0.83%
Return on average assets (ROA) (PAT/average assets)	-3.43%	-4.79%	-3.26%	-5.87%	0.08%
Yield on advance (average)	4.85%	5.67%	7.45%	7.04%	7.01%
Cost of deposits (average)	5.88%	6.18%	6.85%	5.95%	4.25%
Net interest margin ratio (NII/Average interest bearing assets)	-3.16%	-2.32%	2.29%	2.18%	3.95%
Cash reserve ratio (daily basis)	4.30%	5.61%	5.71%	6.45%	6.44%
Statutory liquidity reserve ratio	14.47%	15.90%	19.84%	20.82%	19.99%
Operating profit per employee	(1.57)	(1.41)	(0.57)	(0.27)	0.32
Operating profit per branch	(23.23)	(21.30)	(9.33)	(4.58)	5.39

G. SHARE-DISTRIBUTION METRIC	2021	2020	2019	2018	2017
Earnings per share (EPS) in BDT	(63.91)	(98.49)	(64.86)	(112.19)	1.48
Operating profit per share in BDT	(81.79)	(73.94)	(31.44)	(14.23)	15.2
Price earning ratio (times)	(1.56)	(1.02)	(1.54)	(0.89)	67.57

H. OTHER INFORMATION (ACTUAL FIGURE)	2021	2020	2019	2018	2017
Number of Branches	70	69	67	62	56
Number of Sub-Branches	13	-	-	-	-
Number of Employees	1,036	1,044	1,101	1,035	952

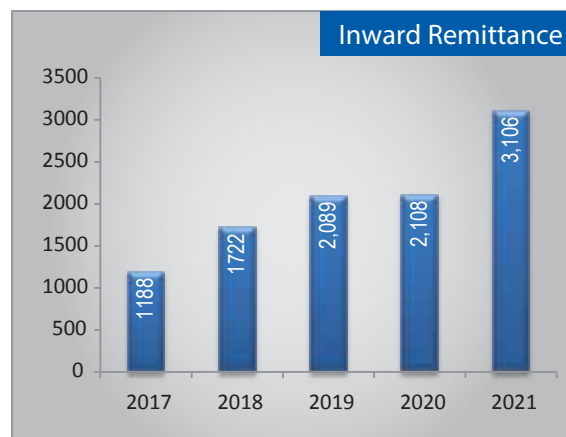
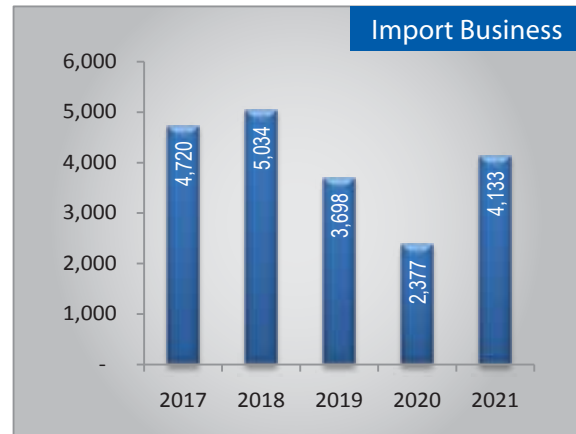
Graphical Presentation

Business Performance

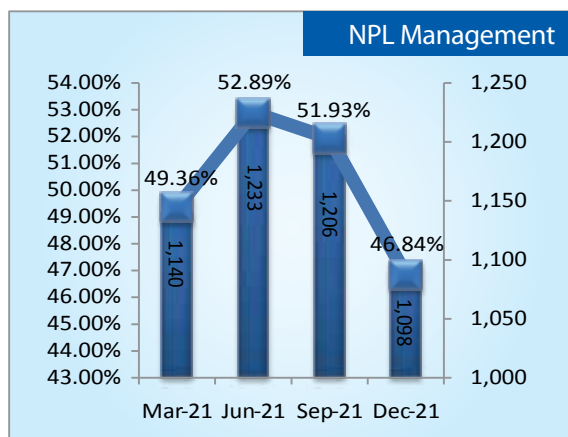


Graphical Presentation

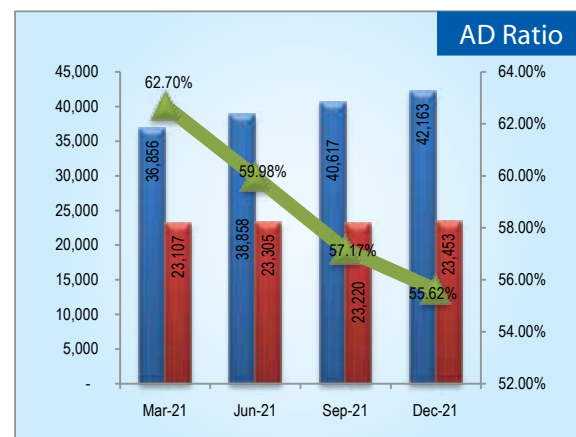
Business Performance



Operating Efficiency



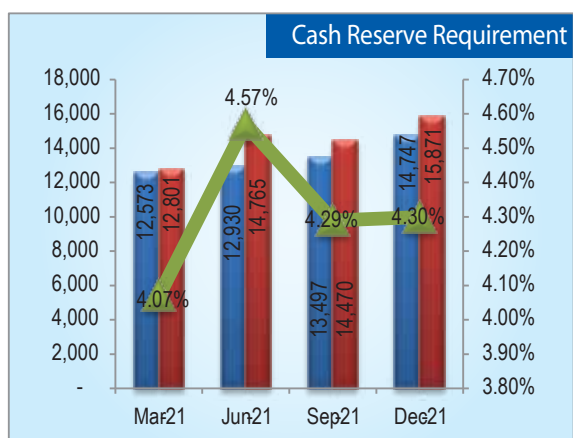
■ NPL Rate ■ NPL Amount



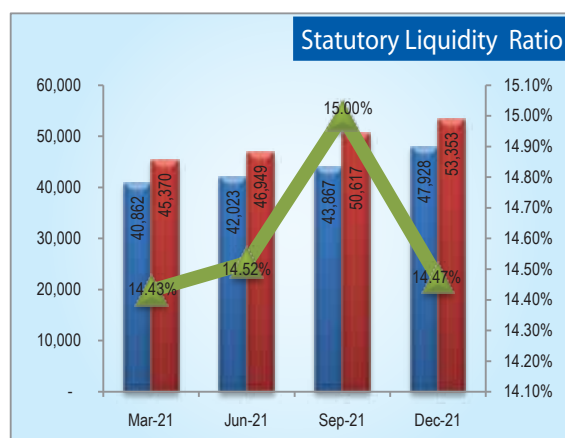
■ AD Ratio ■ Deposit ■ Loans & Advances

Graphical Presentation

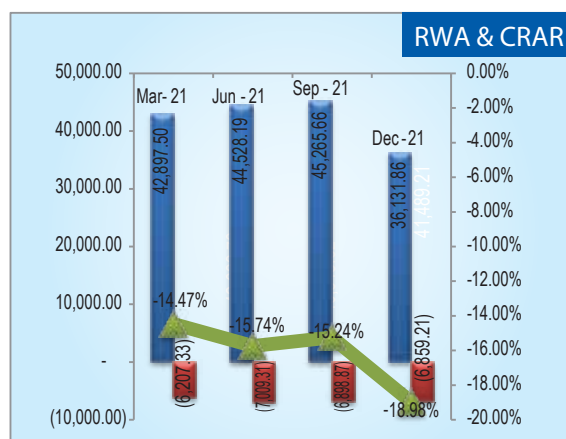
Operating Efficiency



■ CRR ■ CRR Requirement ■ CRR Maintained

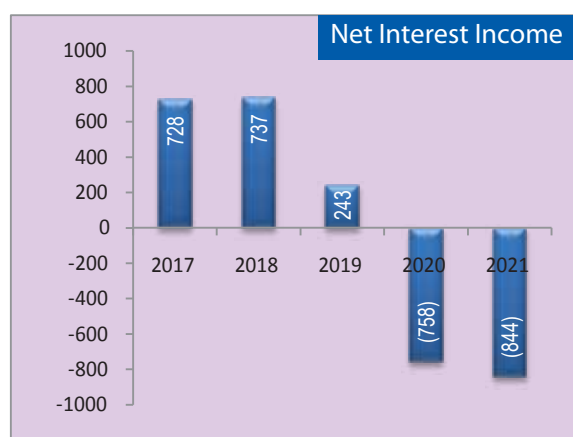


■ SLR ■ SLR Requirement ■ SLR Maintained



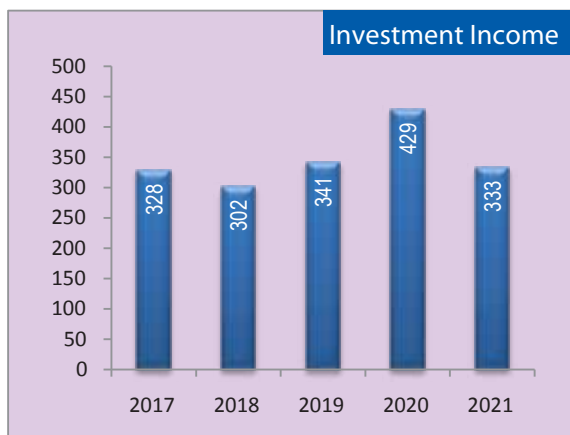
■ CRAR ■ RWA ■ Eligible Capital

Profitability

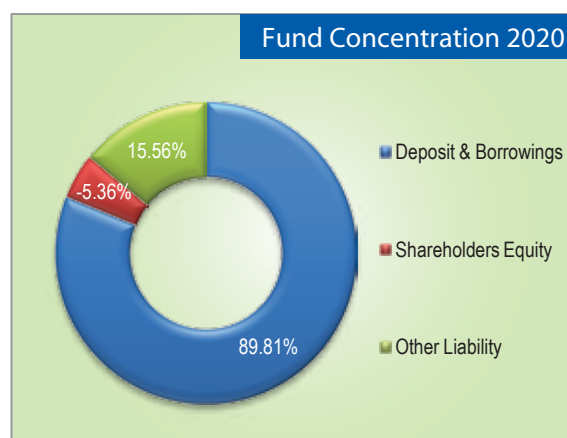
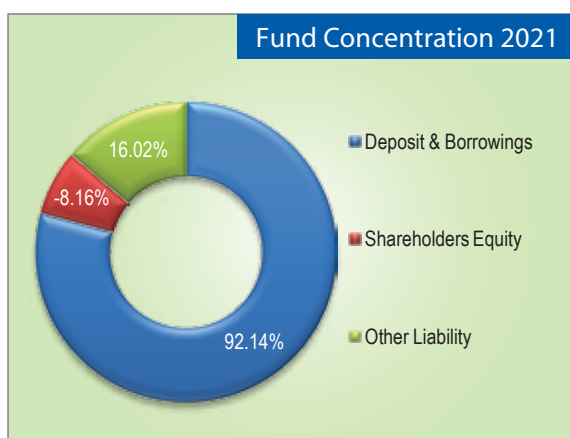
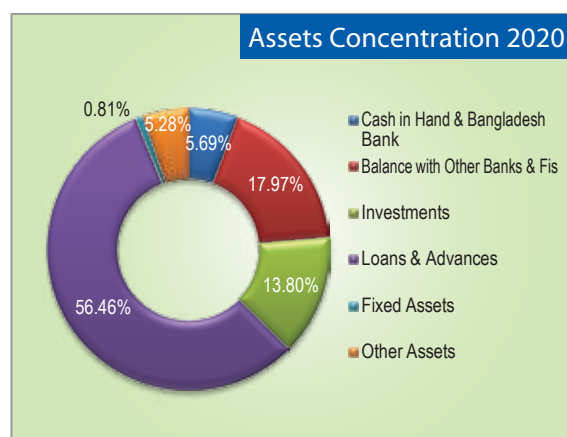
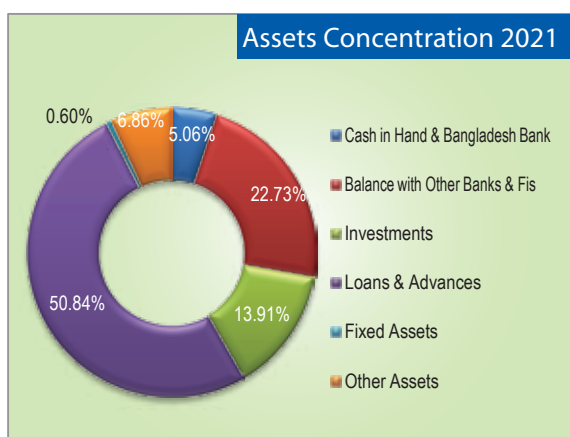


Graphical Presentation

Profitability

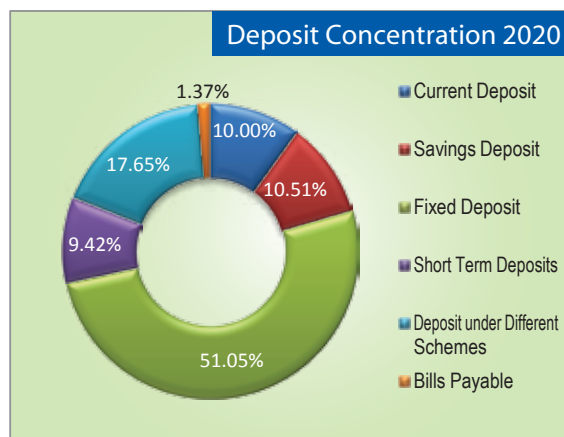
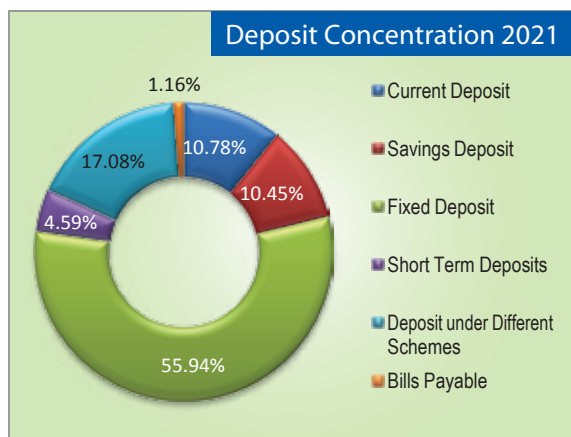


Concentration



Graphical Presentation

Concentration



Credit Ratings 2021

Long Term

Tripple B Minus
Adequate Capacity

BBB-

Short Term

ST-3
Developing

ST-3

Rated by : National Credit Ratings Ltd.

Date of declaration : 21st July, 2022

Valid till : 20th July, 2023

Value Addition & Distributions

Fig. in Million

Particulars	2021		2020	
	Consolidate	Bank	Consolidate	Bank
Income from banking services	2,223	1,998	2,082	1,963
less: Cost of services & supplies	2,746	2,700	2,553	2,522
Value Added by Banking Services	(523)	(702)	(471)	(558)
Non-Banking income	-		-	
Provision for loans & others assets	47.27	(23.24)	527	517
Wealth cretion	(570)	(679)	(998)	(1,075)
Wealth distribution				
Employees as salaries & allowances	995	925	966	912
Government as income Tax	3.38	(20.69)	(18.08)	(28.71)
Statutory Reserve	-	-	-	-
Retain Earning	(1,569)	(1,583)	(1,945)	(1,959)

Economic Value Added (EVA) Statement

Fig. in Million

Particulars	2021		2020	
	Consolidate	Bank	Consolidate	Bank
Shareholder's equity	(3,633)	(3,762)	(2,078)	(2,193)
Add: Accumulated provision for Loans & Advances and Other assetes	4,172	3,945	4,334	3,906
Total:	2,256	1,713	2,256	1,713
Capital Employed (Average Shareholder's equity)	(2,855)	(2,978)	(1,008)	(1,116)
Earnings				
Profit after tax	(1,569)	(1,583)	(1,945)	(1,959)
Add: Provision for loan & advance and other assets duiring the year	47	(23)	527	517
less: Written off loans during the year	-		-	
Total Earnings	(1,521)	(1,606)	(1,418)	(1,442)
Average cost of equity (Based on weighted average rate of years treasury bond issued by the Bangladesh Government) Plus 2% risk premium	7.93%	7.93%	8.08%	8.08%
Capital Charge(Cost of average equity)	(226.44)	(236.12)	(81.46)	(90.20)
Economic value Added	(1,295)	(1,370)	(1,337)	(1,352)

REPORT OF THE AUDIT COMMITTEE OF THE BOARD

In compliance with the Bank Company Act 1991 (as amended 2013), Bangladesh Bank Guidelines on Internal Control & Compliance in Banks, BRPD Circular No. 11 dated 27 October 2013 and Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Notification dated 07 August 2012 (as amended 2018), the formal Audit Committee (AC) of BCBL has been functioning duly appointed by the Bank's Board of Directors. The Audit Committee was formed:

To assist the board of ensuring the achievement of objectives of the Bank, strategies and overall business plans set by the board for effective functioning of the bank.

To assist the board in fulfilling its oversight responsibilities, the Audit Committee (AC) reviews the financial reporting process, the system of internal control, compliance and approach to manage risks, the audit process, findings of Bangladesh Bank comprehensive audit, monitoring the efficiency of operations, compliance with laws and regulations and its own code of business conduct and to make the bank immense, strong and dependable organization for all stakeholders.

In this connection, the Audit Committee comprising of 03 (three) members has been appointed by the Board of Directors. As per Bangladesh bank circular, no member of the executive committee has been included in the audit committee. The present Audit committee was reconstituted by the Board in its 351th meeting held on 27.10.2021 consisting of the following members.

COMPOSITION OF THE AUDIT COMMITTEE:

The AC was last re-constituted on 27th October, 2021 with the following Board Members:

Sl. No.	Name of Directors	Position in the Committee
1.	Mr. Md. Shafiqul Islam, FCA	Chairman
2.	Mr. Md. Farhad Uddin	Member
3.	Ms. Khondker Sabera Islam	Member
4.	Prof. Dr. Md. Abu Taher	Member

As per regulatory guidelines, Company Secretary of BCBL acts as Secretary of the Audit Committee.

MEETINGS OF THE AUDIT COMMITTEE:

During the year 2021, the Audit Committee of the Bank conducted 04 (four) meetings. Proceedings of the Audit Committee meeting were reported timely and regularly to the Board of Directors as well as Bangladesh Bank to comply Bangladesh Bank DOS Circular Letter No. 07 dated 24.04.2011. Meeting dates are as follows:

Sl. No.	Audit Committee meetings	Date of meetings held
1.	71 th Meeting of Audit Committee	25 th April 2021
2.	72 th Meeting of Audit Committee	15 th July 2021
3.	73 rd Meeting of Audit Committee	3 rd November 2021
4.	74 th Meeting of Audit Committee	20 th December 2021

Key Activities of the year 2021:

During the year 2021, the Audit Committee performed, amongst others, the following key functions, was viewed and discussed before the committee:

- Reviewed and approved the 'Annual Audit Plan 2022'.
- Reviewed Annual Integrated Health report for the year 2020.
- Reviewed of Draft Financial Statements of the Bank for the year ended 31st December 2021.
- Approval for the draft Management Report on Accounts of the Bank for the year ended 31st December 2021 submitted by External Auditor.
- Reviewed and approved Half yearly Self-Assessment of Anti-fraud of Internal controls for the year 2021.
- Evaluated performance of External Auditors.
- Reviewed and Evaluated Comprehensive Risk Management Report (CRMR).
- Evaluated Bangladesh Bank comprehensive inspection report and the recommendations made there under.
- Reviewed the effectiveness of Internal Control System of the Bank.
- Audit and Inspection reports on the branches, divisions and departments of the Corporate Office for the year 2020 and 2021 prepared by the Internal Control and Compliance Division (ICCD) of the Bank.
- Actions taken by the management in regard to deficiencies raised in the Bangladesh Bank Inspection report and by the Internal Audit and Inspection Team of the Bank.
- The corrective measures taken by the management in regard to the lapses pointed out on the internal control and other issues as are raised by internal and external auditors and inspectors of the regulatory authority.
- Reviewed improvement of the Bank for the year 2021 as per directives of Bangladesh Bank, DOBB and Department of Off Site Supervision (DOS) Bangladesh Bank.

COMPLIANCE WITH EXISTING LAWS AND REGULATIONS:

Review whether the laws and regulations framed by the regulatory authorities (Central Bank, Securities Regulators and other bodies) and internal circular/instructions/policy/regulations approved by the Board and Management have been duly complied with.

MISCELLANEOUS:

- * The AC will submit a 'Compliance Report' on quarterly rest to the Board mentioning any errors and Irregularities fraud and other anomalies pointed out by Internal and External Audit and Inspection Team of Bangladesh Bank.
- * The AC will submit the evaluation report relating to Internal and External Auditor of the Bank to the Board.
- * This committee will supervise other assignments delegated by the Board and evaluate its own performance regularly.

Review the Financial Statements:

The Audit Committee, reviewed and examined the Annual Financial Statements of the bank to confirm whether all the required disclosures and information have been incorporated in the Financial statements and whether the bank followed International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh, Bank Company Act 1991 (as amended up to 2013), Bangladesh bank Guidelines, Companies Act 1994, BSEC and others laws and rules applicable in Bangladesh.

REPORTING:

The Committee, in the meetings, has taken specific notes & its lapses detected by the Internal Audit Team and the actions taken by the management towards correction, improving recovery of classified loans and initiating measures for lowering the quantum of NPLs through on-site and off-site monitoring. The committee also assisted instituting recovery mechanisms, constituting a robust credit administration and carefully reviewed the internal control system and procedures including IT operation to secure the Bank from foreseeable shocks along with corporate culture of the Bank. The process of continuous monitoring was established for avoidance of errors and omissions and repetition of lapses as are detected by the internal and external auditors.

The Minutes of the Audit Committee meetings with observations and recommendations were circulated among the members of the committee and to the Board of Directors of the Bank for information and rectification.

Acknowledgement:

The Audit Committee accords its sincere thanks and gratitude to the members of the Board of Directors, Management, Auditors and Regulatory authorities for their excellent support while performing their duties and responsibilities in term of statutory guidelines.

On behalf of the Audit Committee,



Md. Shafiqul Islam, FCA

Chairman, Audit Committee of the Board

DIRECTORS' REPORT 2021



The Board of Directors is pleased to welcome you all to the 24th Annual General Meeting (AGM) of the Bank (BCBL) and present before you the Annual Report along with the Audited Financial Statements for the year 2021. A review of business and financial performance and the underlying forces affecting those have been briefly pointed out.

This report provides relevant disclosures and explanations pertaining to the issues to ensure compliance, transparency and good corporate governance practices along with the details of the business performance, operations and achievements of the company for the year ended 31 December 2021.

Global economic outlook

Over the past two years COVID-19 pandemic continued to wreak havoc on lives and livelihood and disrupted the global financial stability. The year 2021 started with new uncertainties as pandemic resurged in some parts of the world with the outbreak of the Deltavariant which eventually impeded the pace of global economic recovery. However, the global economy has gained momentum at a moderate pace, partly attributable to incremental coverage of vaccination and better management of the pandemic. Rising energy prices and supply chain disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging markets and developing economies. All these have put pressure on the quicker revival of economic activities to the full scale. IMF projected the global economy to grow 5.9% in 2021 and expects to moderate to 4.4% in 2022.

Geopolitical tensions and social unrest relating to Russia-Ukraine war threatens to imperil energy supply, international trade, and policy cooperation thus resulting in elevated food and energy prices. Soaring commodity prices, sweeping financial sanctions and the potential for a ban on energy imports from Russia all these are threatening to stumble the global economy, weakened by the COVID-19 pandemic, still struggling to gain momentum.

GDP growth (year on year in percentage)

Particulars	2021	2022p	2023p
World	5.9	4.4	3.8
Advance Economies	5.0	3.9	2.6
Other Advance Economies	4.7	3.6	2.9
USA	5.6	4.0	2.6
Euro Area	5.2	3.9	2.5
Emerging Market and developing Economies	6.5	4.8	4.7
China	8.1	4.8	5.2
India	9.0	9.0	7.1

Source: IMF World Economic outlook update (January 2022): p for projection

A brief overview of Bangladesh Economy

Bangladesh economy has shown its resilience in 2021. With the timely implementation of stimulus packages, continued fiscal and monetary policy supports, hefty remittance inflows, declining COVID-19 infection rate, and increasing coverage of vaccination helped the country's economy to walk in the path of recovery from the COVID-19 fallout. As a result, the country's economic growth recovered faster attaining 6.94% GDP growth in FY 2021 from 3.45% in FY 2020 largely driven by activities in the agriculture and industry sectors. To support investment and employment generating activities in the recovery process, Bangladesh Bank continued its efforts in line with the expansionary monetary policy stance for FY 2022.

Following FY 2020, agriculture sector remained resilient and showed solid performance in FY 2021 growing by 3.17%. Industry sector strongly rebounded and grew by 10.29% in FY 2021 after a slower growth of 3.61% in the previous fiscal year. To boost the production and generate employment, government and Bangladesh Bank continued to provide policy support, including sector specific stimulus packages and various refinance schemes, which resulted in higher growth performance. Service sector activities started rebounding in FY 2021 and continued gaining momentum in FY2022. COVID-19 had pushed down the credit growth in the FY 2021. However, private sector credit started to grow as the external trade started picking up since early FY 2022. As the import of capital machinery increased along with vaccine payment started and international travels resumed, US dollar slightly appreciated against Bangladeshi Taka. Between June-December of 2021, value of Taka depreciated by 1.16% in terms of US dollar and was quoted at Tk. 85.8 at the end of 2021.

Driven by non-food components, point to point CPI inflation exhibited an upward trend reaching at 6.05% in December 2021. Twelve month average CPI inflation was 5.55% in December 2021 which is slightly higher than the target of 5.30% for FY 2022. The country's gross foreign exchange reserves stood at USD 46.15 billion at the end of December 2021 compared to USD 43.17 billion of last year. Even though the import and export grew substantially, the import growth was higher compared to export earnings, which resulted in a higher trade deficit of the country. Meanwhile, the country's current account deficit deteriorated further in the first half of FY 2022 due to higher import payment obligations along with the lower inflow of remittances. Bangladesh Securities and Exchange Commission (BSEC) and the Government of Bangladesh took a number of initiatives to boost investors' confidence in the capital market. Moreover, the central bank undertook several policy measures under the stimulus package which helped in amplifying liquidity in the market, building investors' confidence and stabilizing the capital market.

Banking industry in 2021

Bangladesh banking industry features state-owned commercial banks (SCBs) and local and foreign private commercial banks (PCBs) with a marked difference in service quality, profitability and financial soundness indicators (governance, asset quality, capital adequacy etc.). Since the COVID-19 pandemic, the banking sector has been playing a crucial role to channelize stimulus packages to priority sectors for maintaining the vibrancy of the economic activities. The overall banking sector showed mixed performances in September-December 2021 as reflected by a fall in the ratio of non-performing loans (NPLs) to total loans, a moderation in capital to risk-weighted asset ratio (CRAR), a growth in banks advances, widening in provision shortfall, a rise in profitability, and maintenance of adequate liquidity in the banking industry.

The burden of default loans of the banks became even heavier in 2021 despite certain forbearance measures allowed by the central bank to help businesses withstand the shock of the pandemic. The ratio of gross NPLs to total loans stood at 7.93% at the end of 2021 from 8.12% at September 2021 but increased from 7.66% at the end of 2020. This huge pile up of bad loans may choke the credit supply channel of the economy with due repercussions on the resilience of the private sector. Private sector credit growth, which faced sluggishness started to pick momentum in the last quarter of 2021. Domestic loan grew by 12.37% at the end of December 2021 against 9.91% at the end of December 2020. The spread between the weighted average interest rate on advances and deposits of the banking industry was 3.19% at the end of December 2021.

To prevent the asset-liability mismatch due to the recent declining trend in banks' deposit rate, Bangladesh Bank issued a circular regarding rationalization of deposit rate of scheduled banks where banks were instructed to determine the deposit rate (with a period of three months and above) not below the average inflation rate of the previous three months. Given the liquidity surplus in the banking system following the easy monetary regime in the pandemic period, Bangladesh Bank mopped up some excess liquidity from the banking system in H1, FY 2022 to rationalize the liquidity condition. The growing trend of private sector credit growth also contributed to reduce excess liquidity. Advance-Deposit Ratio (ADR) of the banking industry stood at 73.15% in December 2021 which was 72.08% as at the end-September 2021, reflecting rising demand for loans as the economy returns to normalcy.

The capital to risk-weighted assets ratio (CRAR) moderated to 11.08% as of December 2021 compared to 11.22% in September 2021 and 11.64% at the end of December 2020, mostly driven by weaker asset quality of state owned banks. The central bank has instructed the scheduled banks to increase the leverage ratio gradually to 4% by 2026 from 3%. Profitability of the banking sector improved in 2021 compared to 2020 as reflected by a rise in net profit and return on equity (RoE). Net Profit in the banking industry increased from BDT 52.79 billion in 2020 to BDT 57.78 billion in 2021. Return on equity modestly increased to 4.44% in 2021 from 4.28% in 2020, although the return on asset (RoA) remained unchanged at 0.25%. The banking sector, as a whole, maintained the required level of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) and other liquidity ratios, i.e. Liquidity Coverage ratio (LCR), Net Stable Funding Ratio (NSFR) as on 31 December 2021. Some important initiatives taken by Bangladesh Bank in 2021 are as follows;

- Raising loan margin ratio to 70:30 for purchasing digital devices (laptop/computer/mobile/tab) under consumer finance from the previous ratio of 30:70.
- Implementation of government's stimulus package of BDT. 10 billion for the pandemic-affected tourism sector.
- Instruction to rationalize deposit rate a period of three months and above, not below inflation rate, due to the recent declining trend in bank deposit rate.
- Implementation of Basel III in Bangladesh: increasing leverage ratio gradually to 4% by 2026 from the current 3 % level.
- Guidelines regarding dividend declaration against shareholding of a bank.
- Relaxing loan classification criteria: minimum 15% of the installments payable against the loan from January 2021 to December 2021 is repaid by 31 December 2021.
- A detailed policy regarding treatment of Non-Banking Assets.
- Instruction to verify Financial Statements submitted by borrowers using the Document Verification System (DVS) of the Institute of Chartered Accountants of Bangladesh (ICAB).
- Refinance scheme of BDT 30 billion for agriculture sector.
- Instruction to provide at least 15% of CMSME loans to women entrepreneurs by 2024.
- Refinance scheme of BDT. 5 billion for low income group people holding bank accounts of Tk. 10, 50, 100.
- Instruction to build up own startup fund by transferring 1% of net profit for 5 years from 2021-2025.
- Instruction to run Special CSR activities (1% of PAT) under Corporate Social Responsibility (CSR) of banks in mitigate COVID-19 crisis.

Economy and business outlook 2022

The global economy is recovering from the COVID-19 outbreak, though the recovery process is uneven among countries. The World Bank projects that the Bangladesh economy will grow by 6.4% in FY 2022 due to improvement in domestic demand and resumption of export items. Despite the excess liquidity and depressed private sector credit growth, BB is expected to continue the expansionary and accommodative monetary policy for recovery, as a key priority, of economy from the slowdown. It is expected that since the economic activities are being rebounded in recent periods after a significant improvement of the COVID-19 situation in the country, it would subsequently ease the pressure on excess liquidity, increasing private sector credit growth by strengthening economic activities. Here, the Bangladesh Bank's Policy is to let flow the funds to the productive sectors, including agriculture, SMEs, export-oriented industries and the informal sector, which have been hit hard by the pandemic. Providing adequate supply of credit to productive and manufacturing sectors would help faster recovery of economic activities and achievement of the growth target in FY 2022. However, Bangladesh economy has been facing some pressures in FY 2022 regarding inflation mainly due to commodity price hike in the international market. With a steep fall in remittance inflows and escalation of import payments for various infrastructure projects of the government along with the upward trend in global food and oil prices, the deficit in current account balance is likely to increase.

in near future. However, current account balance may improve if export earnings continue to rebound on the back of continued global economic recovery in near-term. Therefore, Bangladesh Bank remains vigilant in taking appropriate policy measures on the development of exchange rate depreciation and inflation expectation. Both exports and imports are growing fast. Demand in the workforce has grown in the countries that are the main sources of wage-earners' remittances for Bangladesh.

Banking Sector Performance, Regulation and Bank Supervision

During FY21, the main priority of Bangladesh Bank (BB) was to maintain resilience and stability of the financial system as well as to support the government initiatives of recovering the economy from the challenging domestic and global market conditions caused by the ongoing COVID-19 pandemic. Almost all the large financial markets around the world have been extremely affected due to the lockdown and other restrictive measures aiming at restricting the escalation of pandemic. Bangladesh also lost the pace of internal production as well as export earnings due to regional or countrywide lockdown during the first wave of the pandemic. However, while the pandemic subsided and the economy started to recover in response to the various policy measures taken by the government and BB, the second wave of the pandemic hit again in April 2021. Despite being under enormous pressure created by the internal and external situations of the financial market, all scheduled banks of the country remained operational for normal business hours or for a specified time in every working day during the lockdown period to provide regular banking services to their customers throughout the pandemic over the last one year and a half.

To assist the scheduled banks and non-bank financial institutions (NBFIs) to survive in this critical situation and to continue their contribution in revamping the country's economy, BB has issued a series of policies and prudential measures from the very beginning of the pandemic situation. These include but not limited to: re-fixation of the regulatory liquidity ratios to ensure additional liquidity in the banking sector, issuance of various directives for banks to follow from time to time for preventing the outbreak of COVID-19 by maintaining proper office environment in the banks as well as compensation package for the employees as frontline workers during the lock down period, easing of foreign trade and foreign currency transaction regulations, temporary relaxation in the loan classification policy, implementation of the government's stimulus packages for different segments of the economy and refinance schemes to provide liquidity support to those packages, introduction of special fund for capital market investment, restriction on dividend payouts with a view to strengthening banks' capital base to improve their risk resilience capacity under present situation, etc.

Other major policies and circulars issued during the financial year were guidelines on interest rate risk in the banking book for effective measurement and management of interest rate risk by banks, guidelines on country risk management (GCRM) for banks to address the risk of both on and off-balance sheet exposures to minimise loss of banks caused by adverse events in a foreign country, policy regarding verification of audited financial statements submitted by borrowers before loan approval/renewal and preserving the same in the loan file, policy for post import financing, etc. Besides, as part of supervisory activities, BB conducted regular and special on-site inspections throughout the year. The performance of the risk management committees of the board of directors of banks was evaluated routinely. Special monitoring was continued by BB to oversee the liquidity level of the banking sector and consequently, a sufficient and strong level of aggregate liquidity were observed at the end of FY21. Moreover, BB continued its efforts to reduce overall NPLs of the banking sector.

Banking Sector Performance

Depending on the ownership structure, there are four categories of scheduled banks in Bangladesh: state-owned commercial banks (SCBs), specialized banks (SBs), private commercial banks (PCBs) and foreign commercial banks (FCBs). Total number of scheduled banks operating in FY21 was 61. Two new banks (the Bengal Commercial Bank Limited and the Citizens Bank Limited) received licenses and started their operation. The number of bank branches stood at 10,752 at the end of December 2020 which was 10,578 at the end of December 2019.

In 2020, the SCBs held 25.1 percent share of the total assets which was 24.5 percent in 2019. PCBs' share of the total assets was 67.3 percent in 2020 which was 67.8 percent in 2019. The FCBs held 5.5 percent share of the total assets in 2020, showing no change over the last year. The SBs' share of the total assets was 2.1 percent in 2020 which was 2.2 in 2019. At the end of December 2020, total assets of the banking sector stood BDT. 18406.0 billion, which was 12.9 percent higher than that of the previous year.

Total deposits of the banking sector stood at BDT. 13797.9 billion in 2020 which was 13.6 percent higher than BDT. 12145.3 billion in 2019. From the year 2019 to 2020, considering the share in total deposit of the banking sector, SCBs' share increased from 25.0 percent to 25.9 percent, PCBs' share decreased from 68.1 percent to 67.3 percent, FCBs' share remained unchanged at 4.3 percent and SBs' share decreased from 2.6 percent to 2.5 percent.

Cluster Management

Here in Bangladesh Commerce Bank Limited, we run the Bank through an effective and efficient Cluster Management System. Every Branch gets enough specialized support through the channels of Cluster Management. Our high quality Cluster Management is important to ensure excellence of the bank. The cluster Heads monitor and supervise the overall activities of a cluster. The performance of the branches is linked to the professional expertise and capabilities of cluster members. Currently there are 14 clusters in BCBL which are now running by efficient and expert Cluster Heads who mainly do the followings:

- Manage clusters with unprecedented ease.
- Perform risk-free upgrades.
- Simplify administration.

Regulatory and Compliance Culture

The Bank's dealings with clients are guided by the principle of fair dealings, honesty and integrity. The Bank's objective is to observe all standards of market integrity, good practice and conduct. The personal conduct of the staff is driven by high ethical standards. The Bank, furthermore, places great emphasis on safeguarding the confidentiality of client information. Internal Auditors are entrusted with responsibility to ensure that rules and policies relating to above mentioned issues are in place. Above all, the Bank is committed to prompt and spontaneous compliance of all rules, regulations and guidelines issued by regulators from time to time.

Internal Control System

BCBL has a sound system of internal controls to safeguard shareholders' investments and the Bank's assets. The Board retains the ultimate responsibility for its operations, though has delegated to the Audit Committee for the review of the adequacy and effectiveness of the system of internal controls. The key functionalities that have been established in reviewing adequacy and integrity of the system of internal controls are as follows:

- ✓ Various committees have been formed to assist the Board in ensuring that the Bank's operations are in line with the corporate objectives, policies, strategies, instructions and the annual budget that have been approved.
- ✓ The Audit Committee of the Board reviews internal control findings identified by the Internal Audit of the bank, Inspection Team of Bangladesh Bank, External Auditors and Management and evaluates the adequacy and effectiveness of the risk management and internal control systems.
- ✓ The Board of Directors holds meetings at suitable intervals with senior management, internal auditors, external auditors and the Audit Committee for evaluating the effectiveness of the internal control system.
- ✓ Internal audit reports are submitted to the Audit Committee without management filtering and the internal auditors have direct access to the Audit Committee as and when required.

- ✓ Self-Assessment of Anti-Fraud Internal Controls is carried out on a quarterly basis and is sent to Bangladesh Bank, according to DOS Circular Letter No. 17, dated 07 November 2012 issued by Bangladesh Bank.

Risk Management

The Risk Management Committee (RMC) of the Board reviews and monitors the overall risk management system of the Bank and updates to the Board from time to time. Risk management functions are subject to continuous scrutiny of ICCD and supervision of RMD to ensure appropriateness and integrity of the risk management mechanism. The risk management system of BCBL has been described in 'Risk Management Report' section of this annual report. Also the major area focused by RMC in 2020 have been presented in "Report of the Risk Management Committee of the Board" section of this annual report.

Corporate and Financial Reporting:

The Directors of Bangladesh Commerce Bank Limited (BCBL) confirm compliance with the financial reporting framework for the following:

- ✓ The financial statements, prepared by the management of BCBL make a fair presentation of its activities, operational details and results, cash flow information and changes in equity structure.
- ✓ Proper books and accounts of the Company have been maintained.
- ✓ Appropriate accounting policies, including International Accounting Standards (IASs)/International Financial Reporting Standards (IFRSs), have been consistently applied in preparation of the financial statements. There is no material changes affecting the financial position of the company during the period under review; any change or deviation has been adequately disclosed in the financial statements.
- ✓ Accounting estimates are based on reasonable and prudent judgment.
- ✓ Internal control processes have been properly designed and effectively implemented and monitored.

Corporate Governance Compliance:

Corporate governance has become firmly entrenched on the world business scene over the past three decades. Today it is a key component in the operation of all manner of entities around the globe. Even more important is the need for corporate governance to be effective, not only for business entities but for the economy as a whole. Sound corporate governance in the Banking is the prerequisite for efficient financial market.

Status of the compliance of conditions of Corporate Governance guidelines imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June' 2018, along with a certificate from a practicing Chartered Accountant has been provided in corporate governance report.

Financial Position Review

Summary

Banking industry passed a challenging year in terms of governance, capital adequacy, profitability and soundness in 2021. Despite intensified challenges BCBL has exerted best effort to manage its portfolio efficiently. The overall business of the bank has grown in 2021 compared to the year 2020. The deposit has increased by 15.85% to BDT. 42,163.09 million, consolidated loans & advances has increased 1.62% and total investment including Govt. and others has increased by 13.78%.

Status of asset quality

As of 31st December 2021, the NPL ratio of the banking industry stood at 7.93%, which was 8.10% one year back (2020). The NPL ratio of BCBL was 46.84% at the end of the year 2021, which was 42.33% at the end of year 2020. The status of the unclassified and classified loan of the Bank is as follows:

Classification Type	31 st December 2021	31 st December 2020
Unclassified	12,467,725,766	13,309,238,089
1) Standard + Staff Loan	12,028,602,992	12,200,305,484
2) SMA	439,122,774	1,108,932,605
Non Performing Loan	10,984,831,253	9,770,453,424
Sub-Standard	488,708,291	583,914,586
Doubtful	73,565,105	145,825,923
Bad or loss	10,422,557,857	9,040,712,915
Total	23,452,557,019	23,079,691,514
NPL Ratio	46.84%	42.33%

Subsidiary Businesses

In pursuance of an inorganic growth rate and to open up the diversified earnings stream, BCBL established one subsidiary named Commerce Bank Securities and Investment Limited (CBSIL) till the reporting date i.e. 31st December 2021.

Commerce Bank Securities and Investment Limited (CBSIL) emerged as a fully owned subsidiary of Bangladesh Commerce Bank Limited (BCB) after it had obtained its certificate of incorporation on the 20th September, 2010. On the 21st April, 2011, the Stock Broker and Stock Dealer license was transferred in favor of CBSIL and after the completion of necessary formalities; the company started its formal operation on the 1st June, 2011.



Dr. Engr. Rashid Ahmed Chowdhury
Chairman, Board of Directors

Corporate Events 2021



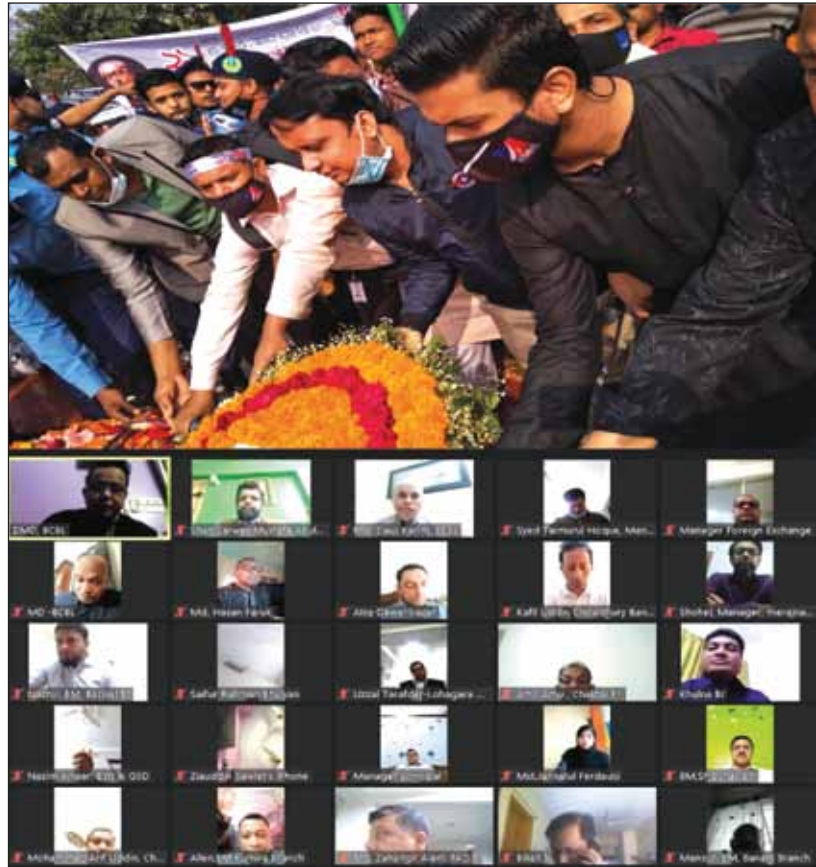
Annual Business
Conference-2022
Bangladesh Commerce Bank Ltd.

Bangladesh Commerce Bank Ltd.
has inaugurated its two new Sub
branches



Corporate Events 2021

Bangladesh Commerce Bank Ltd.
observes International mother
Language Day



Bangladesh Commerce Bank Ltd.
celebrate International
Women's Day

Corporate Events 2021



Md. Tajul Islam
Managing Director and CEO
Bangladesh Commerce Bank Ltd.

Bangladesh Commerce Bank Ltd.
observes the 102nd
Anniversary of Bangabandhu
Sheikh Mujibur Rahman



Corporate Events 2021

Bangladesh Commerce Bank Ltd.
observes Independence Day



Business Review Meeting
Bangladesh Commerce Bank Ltd.

Corporate Events 2021



Singing Ceremony between
Bangladesh Bank and
Bangladesh Commerce Bank Ltd.

Bangladesh Commerce Bank Ltd.
organized its
23rd Annual General Meeting



Singing Ceremony between
Bangladesh Commerce Bank Ltd.
and Sky City Hotel

Corporate Events 2021

Bangladesh Commerce Bank Ltd. observes National Mourning Day



Bangladesh Commerce Bank Ltd. Celebrates its Founding Anniversary

Bangladesh Commerce Bank Ltd. has inaugurated Rupsha Sub Branch at Khulna



Corporate Events 2021



Bangladesh Commerce Bank Ltd. has inaugurated its 70th Branch "Patiya Branch" at Chattogram

Bangladesh Commerce Bank Ltd. inaugurates two new sub branch



Bangladesh Commerce Bank Ltd. observes Victory Day

Report On Corporate Governance

Corporate Governance in “Accountability to the providers of capital” and BCBL always emphasize on accountability toward all stakeholders through proper practicing good governance. The management of BCBL is committed to protect the interest of all concerned stakeholders and accordingly put best effort to establish good governance and a compliance culture within the organization. As a banking company it is also directed by Bangladesh Bank with certain governance practices. BCBL has developed and established clear guideline on the authority, roles and responsibilities of the Board of Directors, different management committees and key management officials including Managing Director & CEO. It has strong internal control system where adequate number of policies, rules, procedures, processes and guidelines are practiced and also monitored by an independent function on a continuous basis. With these, BCBL has set the standard and ensured the transparency and accountability to safeguard the interest of its stakeholders.

Structure of the Board

The BCBL Board of Directors consists of Eleven members as on 31st December 2021 including Managing Director as an ex-officio member. Directors were elected by the shareholders of the Bank and Nominated by ministry of Finance, Govt. of Bangladesh as per parliamentary Act 12 of 1997. All the Board members are highly competent in terms of academic and professional qualification & expertise and made noteworthy contribution in banks overall management. Directors are successful businessman of the country and important government officials. BCBL is fortunate to have leading bankers as the member of the Board of Directors. Directors meet at least once in a month to discuss and decide on different agenda(s) of the Bank. To manage the day to day banking activity board members delegated certain powers to Managing Director & CEO.

Board Meetings and Attendance

The Board meeting of BCBL held on regular basis, usually once in every month. However, emergency meeting is called as and when required. Meeting agenda(s) are fixed and all relevant information, references and detailed working papers are communicated with the Board members well before the date of the meeting. At the meeting, management presents and discusses with more insights, addresses Director's query and provides additional information as required for consideration of the matter by the Board. During the year 2021, total Twelve Board Meetings were held; the attendance records of those meetings are as follows:

Sl. No.	Name of the Directors	Total Meeting held	Eligible to Attend Meeting	No. of Meeting Attended	No. of Meeting Absent/Leave
1.	Dr. Engr. Rashid Ahmed Chowdhury	12	12	12	-
2.	Mr. Md. Farhad Uddin	12	08	08	-
3.	Ms. Khondker Sabera Islam	12	12	11	Leave Granted
4.	Mr. Mesbah Uddin	12	07	07	-
5.	Mr. Md. Shaheb Ali Mridha	12	02	02	-
6.	Mr. Md. Idris	12	03	03	-
7.	Mr. Mohammed Arshed	12	12	12	-
8.	Dr. Mohammad Ayub Islam	12	12	12	-
9.	Mr. Md. Shafiqul Islam, FCA	12	12	12	-
10.	Mr. A A M Zakaria	12	08	07	Absent
11.	Prof. Dr. Md. Abu Taher	12	04	04	-
12.	Mr. Humayun Bokhteyar, FCA	12	12	12	-

** The Nomination of Directorship of **Mr. Md. Farhad Uddin** has expired on 03.10.2021.

** The Directorship of **Mr. A A M Zakaria** has been withdrawn w.e.f. 16.09.2021.

**** Mr. Mesbah Uddin, Mr. Md. Idris and Mr. Md. Shaheb Ali Mridha** (Govt. Nominated) joined as Director of BCBL in its 348th, 352nd and 353rd Meeting of the Board of Directors which was held on 27.07.2021, 11.11.2021 and 22.12.2021 respectively.

**** Prof. Dr. Md. Abu Taher** has been appointed as representative Director w.e.f. 16.09.2021.

Directors who could not attend the meeting(s) were granted leave of absence by the Chairman of the Board.

Ownership Composition

As on 31st December 2021 the shareholding composition among different category is given below:

Sl. No.	Category	Name of Holders	No. of Shares	% of Holdings
1	KA	The Government of The People's Republic of Bangladesh	6,750,000	33.94
		Sponsors as per MoA & AoA	8	0.00
2	KHA	Three State Owned Bank (Sonali, Janata & Agrani Bank Ltd.)	2,249,982	11.32
3	GA	Government Owned Corporate Bodies	1,024,613	5.15
		Depositors and Other Private Shareholders	9,862,825	49.59
		Total	19,887,428	100.00

Directors Shareholding Status

Shareholding structure of Directors as on 31st December 2021 is as follows:

Sl. No.	Name of the Directors	Designation	Share held as on 31.12.2021	Remarks
1.	Dr. Engr. Rashid Ahmed Chowdhury Representative of Padma Export Import & Trading Co. Ltd.	Chairman	20,875	
2.	Ms. Khondker Sabera Islam Government Nominated.	Director	67,50,000	
3.	Mr. Mesbah Uddin Government Nominated.	Director		
4.	Mr. Md. Shaheb Ali Mridha Government Nominated.	Director		
5.	Mr. Idris Government Nominated. Representative of Financial Institution's.	Director	22,49,982	
6.	Mr. Mohammed Arshed Representative of Karnaphuli Prakritik Gas Limited	Director	13,015	
7.	Dr. Mohammad Ayub Islam Representative of Victor Trade and Business Ltd.	Director	29,062	
8.	Mr. Md. Shafiqul Islam, FCA Representative of Honeywell Securities Corporation Ltd.	Director	13,400	
9.	Prof. Dr. Md. Abu Taher Representative of Brilliant Business Co. Ltd.	Director	13,050	
10.	Mr. Humayun Bokhteyar, FCA Representative of Pusti Vegetable Ghee Limited	Director	19,550	

Appointment of External Auditors

As recommended by the Board of Directors, shareholders of BCBL in its' 23rd AGM held on 18th September, 2021 appointed Hoda Vasi Chowdhury & Co., Chartered Accountants as the statutory auditors for the year 2021. The fee of the statutory auditor decided BDT. 230,000.00 (Two Lac Thirty Thousand Taka) only including Tax and excluding VAT.

Services not provided by External Auditors

We hereby declare that Hoda Vasi Chowdhury & Co., Chartered Accountants involved in statutory audit, was not engaged in any of the following services for BCBL during 2021:

- * Appraisal or valuation services or fairness opinions.
- * Financial information system design and implementation.
- * Bookkeeping or other services related to accounting records or financial statements.
- * Broker-dealer service.
- * Actuarial services.
- * Internal audit services.

No partner or employees of the Hoda Vasi Chowdhury & Co. Chartered Accountants, possesses any share of BCBL during the tenure of their audit assignments.

Highlights on Central Bank Inspections

As schedule Bank BCBL always be indebted to Bangladesh Bank as the regulatory body for conducting comprehensive as well as special audit which surfaced notable findings for BCBL. During the year 2021 Bangladesh Bank carried out comprehensive inspection on BCBL banking operations of Head Office, Principal Branch, Dilkusha Branch, Gulshan Branch, Bangshal Branch, Narayangonj Branch etc.. They submitted their detailed inspection report to BCBL and those were placed to the audit committee of the Board for their review and comments. All the findings of the inspections were discussed in the meetings and potential risk and mitigation plans were decided as per the recommendations of the report. The reports were finally submitted to the Board for the review and comments. The Board took the observations and instructed the management to comply with the recommendations made by Bangladesh Bank for improvement. Bangladesh Bank also conducted other relevant audits on different functions of BCBL throughout the year.

Formation of Board Committee

To ensure good Corporate Governance, Bangladesh Bank issued a circular (BRPD Circular No. 11 dated 27 October 2013) through which it restricted banks to form more than three committees or sub-committees of the Board. In compliance with the directive BCBL has three committees, namely Audit Committee, Executive Committee and Risk Management Committee of Board to oversee and direct the operations, performance and strategic direction of the Bank.

Audit Committee

BCBL established an Audit Committee as a sub-committee of the Board of Directors in accordance with the Bangladesh Bank's directive vides BRPD Circular No. 11 dated 27 October 2013. The Committee is constituted with four members of the Board of Directors. The Company Secretary is working as Secretary of the committee. The objective of this committee is to work as a sub-committee of the Board in overseeing and monitoring overall internal control system and the financial reporting process to ensure that the financial statements reflect true and fair view of the state of affairs of the company. Accordingly, the Board clearly defined the roles and responsibilities of the committee to carry out its overseeing function in an effective manner.

Sl. No.	Name of the Directors	Status with the Committee
1	Mr. Md. Shafiqul Islam, FCA	Chairman
2	Mr. Md. Farhad Uddin	Member
3	Ms. Khondker Sabera Islam	Member
4	Prof. Dr. Md. Abu Taher	Member

In 2021, Audit Committee held 04 (Four) meetings where committee reviewed different issues related to company's risk management, internal control system and periodic financial statements. Key officials as relevant to the matters discussed and recommended action items of the Audit Committee were properly documented and reported to the Board of Directors. The meeting attendance of the committee members is shown below:

Sl. No	Name of the Directors	Total Meeting held	Eligible to Attend Meeting	No. of Meeting Attended	No. of Meeting Absent/Leave
1	Mr. Md. Shafiqul Islam, FCA	4	4	4	-
2	Mr. Md. Farhad Uddin	4	2	2	-
3	Ms. Khondker Sabera Islam	4	4	4	-
4	Prof. Dr. Md. Abu Taher	4	2	2	-

Risk Management Committee

BCBL has formed a separate Risk Management Committee as per Bangladesh Bank's guideline. The prime objective this committee is to identify and mitigate the risks exposed to the Bank's regular operation and it's on going concern. This committee has been in place with defined roles and responsibilities documented through TOR and duly approved by the Board. The key responsibilities of the Committee are as follows:

- Develop a risk awareness culture within the organization, review and approve risk management strategies, policies, guideline and framework for BCBL.
- Supervise and monitor the capital management functions of the Bank in harmonization with capital adequacy.
- Examine market conditions and take proactive measures to safeguard and mitigate risks with regards to bank's investments.
- Carry out periodic stress test with a view to eliminate lapses gradually in the course of business every day.
- Ensure adequate resources, infrastructure and systems are in place so that risk management functions can be carried in an effective manner.

Sl. No.	Name of the Directors	Status with the Committee
1	Mr. Mohammed Arshed	Chairman
2	Dr. Engr. Rashid Ahmed Chowdhury	Member
3	Mr. Md. Shafiqul Islam, FCA	Member
4	Dr. Mohammad Ayub Islam	Member

Separation of Chairman and Managing Director & CEO Roles

Roles and responsibilities of Honorable Chairman of the Board and Managing Director & CEO is clearly distinguished vide Bangladesh Bank BRPD Circular no. 11 dated 27 October, 2013 and Corporate Governance Code issued by BSEC on 03 June, 2018.

The Chairman of the Board is not engaged in any execution and as per Bangladesh Banks' guideline and Corporate Governance Code of BSEC he ensures no participation in or interference with the administrative or operational and routine affairs of the Bank. As the Chairman he approves the Board agenda and convene Board meeting supported by the Managing Director and the Company Secretary.

Regular agenda items include approving credits beyond Managing Director's authority and aspects of the Bank's corporate strategy, financial performance, core risks and credit policy, corporate governance, Sustainable Finance and organizational structure, human resources policy, customer and services strategies, procurement policy. Chairman ensures that the Board sets and implements the Bank's direction and strategy effectively.

On the other hand, Managing Director as the head of Senior Management Team is accountable to the Board and responsible to carry out day to day business operation in compliance with relevant policies, procedures and strategies established by the Board and rules, regulations and guidelines from the Central Bank and other regulatory authorities. Managing Director is also responsible to ensure effective internal control system within the operation to safeguard the interest of all concerned stakeholders.

Responsibilities of the Chairman of the Board

To set out the following responsibilities as per BRPD Circular No. 11 dated 27 October, 2013 issued by Bangladesh Bank and Corporate Governance Notification issued by BSEC on 03 June, 2018 has been taken into consideration. The overall responsibilities of the Chairman are;

- To ensure that the Board members meet regularly to specify bank's direction and strategy effectively.
- To represent bank to shareholders to explain the bank's mission, vision and future goals.
- To ensure no participation in the daily affairs of the bank.
- To ensure no participation in policy making and/or exercising any executive authority.
- To investigate or visit any branch or any financial transaction of the bank and report to the Board of Directors.

Benefits provided to the Directors and Managing Director & CEO

In accordance with Bangladesh Bank BRPD Circular No. 11 dated 27 October 2013, Bank in Bangladesh can only provide the following facilities to the Directors:

- The Chairman of the Board of Directors may be provided car, telephone, office chamber and private secretary.
- Directors are entitled to fees and other benefits for attending the Board/EC/Audit/Risk Management Committee Meetings.
- Managing Director is paid salaries and allowance as per approval of the Board and Bangladesh bank.

BCBL is compliant with Bangladesh Bank Circulars & Guidelines and Corporate Governance Code of BSEC as well as Directives of the Board.

Management Committees of BCBL

To ensure effective structure of corporate governance and to carry out daily operations to the best interest of the stakeholders of BCBL has constituted different management committees apart from its functional departments.

Senior Management Team (SMT)

SMT has been formed under the leadership of Managing Director and Deputy Managing Director while all Divisional Heads are the members of the committee. It is considered the highest decision and policy making authority of the Bank which consists of the CEO and different business and support unit heads.

Scope of the Committee

- * Setting out a strong internal control framework within the organization and shall take the responsibilities for the overall management of the Bank.
- * Place policies and procedures to identify, measure, monitor and control these risks following the governance and guidelines of the Board of Directors.
- * Place an internal control structure and assign clear responsibility, authority and reporting relationship.
- * Monitor the adequacy and effectiveness of the internal control system based on the Bank's established policy and procedure.
- * Review on a yearly basis the overall effectiveness of the control system and provide a certification on a yearly basis to the Board of Directors on the effectiveness of Internal Control policy, practice and procedure.

Sl. No.	Name of the Members	Designation
01.	Mr. Md. Tajul Islam	Managing Director & CEO
02.	Mr. Kazi Md. Rezaul Karim	Deputy Managing Director-1
03.	Mr. Dr. Md Abdul Kader	Deputy Managing Director-2
04.	Mr. Mohammad Ziaul Karim	SEVP & Head of Investment and Credit Management Division
05.	Mr. Md. Zahangir Alam	EVP & CFO and Head of Treasury Division
06.	Mr. Sayed Md. Estencher Billah	SVP & Company Secretary
07.	Mr. H.M. Abul Kamal Azad	SVP & Head of IT and Card Division.
08.	Mr. Mohammad Abu Taher	SVP & Head of Trade Division.
09.	Mr. Shah Sarwar Mustafa Abul Ulayee	SVP & Head of Marketing and BCCD.
10.	Mr. Farid Ahmad	SVP & Head of Credit Administration and Islami Banking Division.
11.	Mr. S.M. Reazur Rahman	SVP & Head of Risk Management, ML and TFP Division.
12.	Mr. Md. Mozammel Hossain	VP & Head of Recovery and Legal Affairs Division.
13.	Mr. Hussain Yeahyea Chowdhury	VP & Head of Human Resource Division.
14.	Mr. Abdul Adud	VP & Head of SME Division.
15.	Mr. Nazim Anwar	SAVP & Head of Establishment and GSD.
16.	Mr. Md. Sarwar Mahmud	AVP & Head of Mobile Banking and BACH.

Twelve meetings of the committee held during the year 2021 and following major decisions has been taken in those meetings:

- To bring the recovery progress in a satisfactory level it was decided and advised to gear up the activities to achieve maximum progress due to minimize the classified loans.
- Decided and directed to properly ensure the quality of loans and there shall be no compromise in rating the assets.
- Every Manager should constantly monitor the borrower and discrepancies (if any) after disbursement of loans and should inform the higher management.
- To recruit skilled manpower to assure the good growth of the business to achieve the desired target.

SENIOR MANAGEMENT TEAM



Sl. No.	Name of the Members	Designation
01.	Mr. Md. Tajul Islam	Chairman
02.	Mr. Kazi Md. Rezaul Karim	Member
03.	Dr. Md Abdul Kader	Member
04.	Mr. Mohammad Ziaul Karim	Member
05.	Mr. Md. Zahangir Alam	Member
06.	Mr. Sayed Md. Estencher Billah	Member Secretary
07.	Mr. S.M. Reazur Rahman	Member
08.	Mr. Mohammad Abu Taher	Member
09.	Mr. Shah Sarwar Mustafa Abul Ulayee	Member
10.	Mr. Farid Ahmad	Member
11.	Mr. H.M. Abul Kamal Azad	Member
12.	Mr. Md. Mozammel Hossain	Member
13.	Mr. Hussain Yeahyea Chowdhury	Member
14.	Mr. Abdul Adud	Member
15.	Mr. Nazim Anwar	Member
16.	Mr. Md. Sarwar Mahmud	Member

EXECUTIVES OF BCBL

Name	Designation
Mr. Md.Tajul Islam	Managing Director & CEO
Mr. Kazi Md.Rezaul Karim	Deputy Managing Director-1
Dr. Md Abdul Kader	Deputy Managing Director-2
Mr. Ziauddin Sawlet Ghani	Senior Executive Vice President
Mr. Mohammad Ziaul Karim	Senior Executive Vice President
Mr. Zahangir Alam	Executive Vice President and CFO
Mr. Afzal Hossain Khan	Senior Vice President
Ms. Lipe Azad	Senior Vice President
Mr. H.M. Abul Kalam Azad	Senior Vice President
Mr. Md.Shamsul Alam	Senior Vice President
Mr. Muhammad Abu Taher	Senior Vice President
Mr. S. M. Reazur Rahman	Senior Vice President
Mr. Shah Sarwar Mustafa abul Ulayee	Senior Vice President
Mr. Md. Lutfur Rahman Bhuiyan	Senior Vice President
Mr. Farid Ahmad	Senior Vice President
Mr. S. M. Showkat Hossain	Senior Vice President
Mr. Md. Kamruzzaman Akhand	Senior Vice President
Mr. Sayed Md. Estencher Billah	Senior Vice President
Mr. Shah Md. Junaed Ibne Amin	Vice President
Mr. Md. Mojibur Rahman Khan	Vice President
Mr. Mozammel Hossain	Vice President
Mr. Mohammad Nasir Uddin	Vice President
Mr. Mohammad Belal	Vice President
Mr. Abdul Adud	Vice President
Mr. Mohammad Moinus Samad Khan	Vice President
Mr. Hussain Yeahyea Chowdhury	Vice President
Mr. Md. Abul Kalam Azad	Senior Assistant Vice President
Mr. Mohammed Jafar Iqbal	Senior Assistant Vice President
Mr. Md. Farid Hasan	Senior Assistant Vice President
Mr. Mohammad Rezaul Haque	Senior Assistant Vice President
Mr. Nazim Anwar	Senior Assistant Vice President
Mr. Kazi Fakhru Alam	Senior Assistant Vice President
Mr. Mohammed Abul Kalam Azad	Senior Assistant Vice President
Mr. Md. Mahabub Morshed	Senior Assistant Vice President
Mr. Md. Syful Islam	Senior Assistant Vice President
Mr. S.M Amir Hossain	Senior Assistant Vice President
Mr. Mohammad Arif Uddin	Senior Assistant Vice President
Mr. Muhammad Abdul Halim	Senior Assistant Vice President
Mr. Abdul Munim Chowdhury	Assistant Vice President
Mr. Md. Abul Hossain	Assistant Vice President
Mr. Md. Arif Ali	Assistant Vice President
Mr. Firoz Ahmed	Assistant Vice President
Mr. Mustasim-Bin-Shahid	Assistant Vice President

Name	Designation
Mr. Saad Hossain Sharif	Assistant Vice President
Mr. Syed Taimurul Hoque	Assistant Vice President
Mr. Md. Sarwar Mahmud	Assistant Vice President
Mr. Md. Habibur Rahman	Assistant Vice President
Mr. Md. Omar Faruk Bhuiyan	Assistant Vice President
Mr. Harun-Ar-Rashid	Assistant Vice President
Mr. Mohammad Shariful Islam	Assistant Vice President
Mr. Mainuddin Ahmed Siddique	Assistant Vice President
Mr. Tazul Islam	Assistant Vice President
Mr. Md. Jamal Uddin	Assistant Vice President
Mr. Md. Abu Yousuf	Assistant Vice President
Mr. Shariar Ahmed	Assistant Vice President
Mr. Mohammad Khalequzzaman Masud	Assistant Vice President
Md. Ayub Ali	Assistant Vice President
Mr. Al Mansur Sikder	Assistant Vice President
Mr. Md. Hasanuzzaman	Assistant Vice President
Mr. Ashish Kumar Goswamy	Assistant Vice President
Mr. Rajan Prasad Gupta	Assistant Vice President
Mr. Md. Mostak Meah	Assistant Vice President
Mr. Babor Ali Dewan	Assistant Vice President
Md. Muntasir Rahman Chowdhury	Assistant Vice President
Mr. Mohi Uddin	Assistant Vice President

SUSTAINABILITY REPORT



Introduction

Sustainable finance refers to the process of taking Environmental, Social and Governance (ESG) considerations into account when making investment decisions in the financial sector, leading to more long-term investments in sustainable economic activities and projects. Environmental considerations include climate change mitigation and adaptation, as well as the environment more broadly, for instance the preservation of biodiversity, pollution prevention and the circular economy. Social considerations refer to issues of inequality, inclusiveness, labor relations, investment in human capital and communities, as well as human rights issues. The governance of public and private institutions – including management structures, employee relations and executive remuneration – plays a fundamental role in ensuring the inclusion of social and environmental considerations in the decision-making process.

In order to help the environment and the people of the society as a whole, Bangladesh Bank introduced the concept of Sustainable Finance. Banks have formulated the Sustainable Finance Unit by abolishing CSR Unit & Green Banking Unit. For a sustainable growth of the society and environment, bank's Corporate Social Responsibility & Green Banking activities have a lot to do. Eventually we also have formulated our Sustainable Finance Unit. The activities of our CSR Unit & Green Banking Unit fall into this Sustainable Finance Unit.

BCBL's Sustainability concept and strategy

The Bank has incorporated sustainability concepts and strategies into its strategic plans. We aspire to contribute to an environmentally sound, socially inclusive and well-governed surrounding. We strive to support our clients in accelerating their own transformation. BCBL has the determination to be part of finding solutions to the challenges that our planet and societies are constantly confronting. We are committed to creating sustainable progress, and we believe that inclusion of sustainability in all aspects of our business is fundamental to create enduring value for all our stakeholders. In addition, BCBL has strategic focus on the areas such as entrepreneurship, financial confidence, employee well-being & diversity, environmental footprint as well as governance & integrity.

BCBL's Corporate social responsibility

BCBL, as a responsible corporate organization is fully aware of its responsibilities about how its operational activities impact its stakeholders, the economy, the society, its staff and the environment. Conducting business in an ethical way, creating opportunities for business and economic growth, empowering people to fulfill their aspirations, ensuring protection of environment while financing businesses and supporting the distressed people of the society are at the heart of corporate social responsibility policy of BCBL. In BCBL, we take this responsibility and believe that responsible conducts are directly correlated with economic and social development of the country.

Being a corporate organization, BCBL conspicuously comprehends its responsibility towards the society. We care about execution, discipline and transparency and favor long-term sustainable outcomes over the short-term solutions. The Bank has lent supporting hand in every walk of life of the community in which it operates,

with special focus on the weaker and the underprivileged sections of the society. BCBL undertakes CSR not merely as charity & compliance issue rather as an attempt to respond to all the stake holders' expectations more proficiently through an intrinsically responsible approach. Our aim is to support financial access and inclusion while creating an engaging and positive working environment. BCBL conducts its business with the multifaceted approach of creating value for the clients, shareholders and communities responsibly. We strengthened our commitment to the communities where we live and operate by establishing understandable and measurable links between bank's operations and their positive impact upon stakeholders' expectations.

Customer servicing and loyalty

We exist to serve our customers and want to stay at the forefront of banking excellence. Customer satisfaction is the top priority of BCBL and cornerstone of the bank's overall business performance. We have widened our product range and operational area for reaching out to the doorstep of masses and achieving their satisfaction. Our aim is to meet up the demand of our customers and earn their loyalty for sustainable growth.

Employee satisfaction

BCBL believes in employee development and career progression. BCBL considers empowering the people, invest in their development and reward people according to their contribution to overall corporate performance. Employee remuneration or Pay-Scale of the Bank has recently been revised with a significant increase. BCBL is regularly investing for training and development of its employees. It has training center where various training programs, designed to meet the changing requirements of its employees & organization are conducted. These training programs include orientation sessions for new employees; programs conducted by various skill-enhancing, role specific functional academies, leadership mentoring programs and other management development programs for mid-level and senior executives.

Environmental stewardship

BCBL complies with environmental standard while financing industrial projects. Projects with likely adverse impact on environment are strongly discouraged by BCBL. We are trying to incorporate sound environmental management process in business operations of projects financed by us that can ensure healthy and sustainable environment for our future generations. We have established Sustainable Finance Unit to address the banks' environmental policies, strategies and other related issues as per requirement. BCBL complies with environmental standard while financing industrial projects. Projects with likely adverse impact on environment are strongly discouraged by BCBL.

Community Development:

BCBL has significant community investments by way of donations to initiatives of Civil Society Organizations (CSOs), NGOs and institutions involved in health, education and culture; for social and environmental improvement including nutrition, health and education in the disadvantaged population segments. BCBL has been working consistently to promote Socio Economic development of the country with special focus certain core areas as determined by Bangladesh Bank.

Education

Education, being one of the building blocks of the nation has got an integral focus in our CSR strategy. BCBL renders support towards the upgrading of facilities in academic and technical / vocational training institutions substantially engaged with the students and the trainees from underprivileged rural and urban population; support towards mentally/physically challenged/blind children's education to prevent dropout. Our extensive support towards Community Investment Programs in education and poverty alleviation will intrinsically continue in the imminent years alike.

Health

Global health issues are rapidly increasing and being more and more complicated. But global funding to act meticulously on these health issues to reach up to the bottom of the society is limited. Health needs permanent attention while resources in the health sector are finite. Apart from providing assistances

including direct grants towards costs of curative treatment of poor vulnerable individual patients for expensive treatments (e.g. cancer, kidney disease, heart disease, liver disease, accidental operation, fire burn, acid burn, cataract eye operation, etc; BCBL is rendering preventive and curative healthcare support assistance for the underprivileged population and others.

Art, Culture & Sports

BCBL exclusively recognizes the significance of art, culture and sports in the social life of the peoples of Bangladesh having rich cultural history. In view of that, Bank generously supports the activities towards promoting the Art, culture, sports and heritage in the country. Besides sponsoring different sports events across the country, the Bank also extends financial support to the cultural events at the different areas around the country.

Disaster relief

In response to disasters where healthcare emerges as one of the critical areas of intervention we have responded to the needs of the affected communities to create sustainable solutions. Traditionally, BCBL helps peoples and the society during the times of needs. We have contributed to different Relief Funds for the sake of helping the poor and helpless people at the time of necessity.

Financial Inclusion

BCBL is striving to promote Financial Inclusion across of the population having limited or no access to the formal banking system by expanding operational and service area. The aim is to improve the quality of life of people at rural or deeper geography by participating in the socioeconomic development of those areas. We have expanded our business around the country by opening new branches & sub-branches to include the mass people in the economy and improve their quality of life.

Promoting Financial Awareness

Besides providing various products and services to the unbanked people, BCBL believes that imparting education and training to these target segments is equally essential to ensure transparency and create awareness. We have participated in various banking fair, SME fairs etc. organized by Bangladesh Bank to educate mass people and entrepreneurs about different aspects of banking. Through these programs, BCBL provides counseling and information on savings products, better utilization of savings, credit utilization, income generation program etc.

Conclusion

Throughout the year, Bangladesh Commerce Bank Ltd has constantly been vigilant on associating itself in different spectrum of social responsibility through intrinsic inclination & contribution towards the environment, society, Country and our own organization BCBL itself. We moved quickly to arrange remote access for our staff members to work from home. Our multiple delivery channels offered safe methods of engagement for our customers and our entire team worked together seamlessly, across all departments, to meet the needs of all our customers. We commit to balancing economic success with environmental & social responsibility; foster business that enables sustainable expansion; ensure that our sustainability strategy is firmly grounded in robust governance, policies & processes. Each day, we work hard to demonstrate our commitment to consistency, efficiency and security, in order to ensure Bangladesh Commerce Bank Ltd is resilient & sustainable for all our diverse stakeholders.



(Kazi Md. Rezaul Karim)
Deputy Managing Director

Chief Risk Officer's Report on Risk Management

INTRODUCTION

The setting of an appropriate strategy and risk tolerance/appetite levels, a holistic risk management approach and effective reporting lines to the competent authority in its management and supervisory functions, enables management of banks to take risks knowingly and treat risks where appropriate. Risk management is a part of internal governance involving all areas of banks. There is a strong link between good corporate governance and sound risk management. Without proper risk management, the various functions in a banking institution cannot work together to achieve the bank's objectives. It is an essential part of helping the bank to grow and promote sustainability and resilience. There is no alternative but to ensure sound risk management practices for surviving in the competitive environment. Therefore, banks should give greater emphasis on continuous improvement in risk management, and set their performance goals in line with strategic planning/objectives. While the extent of risk management function performed and structure kept in place depend on the size and complexity of individual banks, risk management is most effective when basic principles and elements of risk management are applied consistently throughout the financial institution.

CONCEPTION OF RISK MANAGEMENT

Risk management is a discipline at the core of every enterprise and encompasses all activities that affect its risk profile. However, this function needs not be uniform across all banks. The definition of a sound or adequate risk management system is ever changing, as new technology accommodates innovation and better information and as market efficiency grows. Each banking institution should put in place a comprehensive risk management program tailored to its needs and the circumstances under which it operates. In this context, BB has revised previously issued six (06) core risks guidelines to adapt with the changing banking environment as well as to deal with various risk issues prudently. Yet risk management in banks should further move from a compliance-driven function toward a top level comprehensive activity relevant at the highest levels of decision making and strategy setting. Under the Integrated Risk Management Direction of Bangladesh Bank, BCBL's risk management framework is focused on supporting the day to day business activities of the Bank by building and strengthening its risk management processes at all levels of the organization.

RISK MANAGEMENT HERE IN BCBL

In BCBL, we have developed an integrated and institution-wide risk culture, based on a full understanding of the risks it faces and how they are managed, considering risk tolerance and appetite. Since the business of bank involves risk taking, it is fundamental that risks are appropriately managed. A sound and consistent risk culture throughout a financial institution is a key element of effective risk management. Hence, BCBL has developed its risk culture through policies, examples, communication, and training of staff regarding their responsibilities for risk. Every member of the bank is fully aware of his or her responsibility regarding risk management. Business and operational units of the Bank, under the oversight of the management body, are primarily responsible for managing risk on day-to-day basis, considering risk tolerance and risk appetite, and in line with bank's risk policies and procedures.

BCBL has continuously investing in risk and capital management resources and infrastructure to support the Bank's growing credit portfolio. The implemented programme have helped us to streamline our business processes, contributed towards improving our risk monitoring capabilities to meet a more demanding regulatory environment and supported the decision making process by providing faster access to critical information. Risk Management Framework: In BCBL, risk management is a dynamic process interrelated with the philosophy, culture and functionalities of the bank. Risk is clearly identified, measured, mitigated or minimized to shield capital and to maximize value for shareholders. BCBL affixes utmost priority to establish, maintain and upgrade risk management infrastructure, systems and procedures.

Required resources are allocated in this regard to improve capacity, skill and expertise of relevant resources to enhance their risk management. Different policies and procedures are approved by Board of Director of BCBL. These guidelines are regularly assessed time to time to update them. Recognizing the impacts of internal and potential risk domains, the bank has laid down different risk management processes consisting of definition, identification, analysis, measurement, acceptance and proper management of risk profile.

BCBL'S RISK MANAGEMENT PROCESS

Risk management process is the systematic application of management policies, procedures and practices to the assessment, treatment, controlling, and monitoring of risk. The process should be an integral part of management, be embedded in the culture and practices, and should be tailored to the business processes of the organization. Regardless of types of structure kept in place or strategies formulated by the bank, the risk management process should include proper risk assessment and treatment as below.



POLICIES, PROCEDURES AND LIMIT STRUCTURE

The board of directors and senior management formulate and implement risk management policies and procedures to deal with various risks that arise from the bank's business and operational activities. The bank's policies and more detailed procedures provide guidance for the day-to-day implementation of broad risk strategies, and generally include limits designed to shield the institution from imprudent and unwarranted risks. These policies and procedures include not only those relevant to specific risk areas like Credit Policy, Liquidity Management Policy, and Operational Risk Management Policy, but also those related to the overall risk management. The management reviews risk policies, procedures, and limits in a timely manner and update them when necessary. Further, independent assurance from internal audit about the efficacy of these policies are also obtained.

BOARD RISK MANAGEMENT COMMITTEE (BRMC)

Bangladesh Bank vide their BRPD Circular No. 11 dated October 27, 2013 made formation of a sub-committee of the Board naming "Risk Management Committee" to play an effective role in mitigating impending risks arising out from strategies and policies formulated by the Board and to carry out the responsibilities efficiently. Subsequently, Bangladesh Bank, vide their DOS Circular No. 04 dated October 08, 2018 renamed the committee as Board Risk Management Committee. Following are the present members of Risk Management Committee of the Board of Directors:

SL	Name	Position in the Committee
01	Mr. Mohammed Arshed	Chairman
02	Dr. Eng. Rashid Ahmed Chowdhury	Member
03	Mr. Md. Shafiqul Islam, FCA	Member
04	Dr. Mohammad Ayub Islam	Member

The broad parameters of BCBL's risk management function encompass:

- Comprehensive risk measurement approach;
- Risk management policies approved by the Board which is consistent with the broader business strategies, capital strength, management expertise and overall willingness to assume risk;
- Guidelines and other parameters used to govern risk taking including detailed structure of prudential limits;
- Strong MIS for reporting, monitoring and controlling risks;
- Well laid out procedures, effective control and comprehensive risk reporting framework;
- Periodical review and evaluation.

EXECUTIVE RISK MANAGEMENT COMMITTEE (ERMC)

BCBL has its Executive Risk Management Committee (ERMC) which includes heads of all core risk management divisions & other senior officials of the bank. Top management of BCBL is aware of bank's risk profile on an ongoing basis and submits updated report to ERMC for review on regular basis. For effective oversight of risk management by ERMC, the members of ERMC is provided with sufficient information and they get enabled to understand the bank's risk profile, how risks are assessed and as well. To serve this purpose of ERMC, members oversee the development, implementation and maintenance of an appropriate Management Information System (MIS) that identify, measure, monitor and control bank's various risks. And finally through effective communications among the members of the committee provide necessary guidance which are mentioned in respective minutes and ensured necessary action taken by the concerned parties. This committee convenes every month with the name of "Executive Risk Management Committee (ERMC)".

The Executive Risk Management Committee is responsible for:

- Identifying, measuring & managing bank's existing & potential risks through detailed risk analysis;
- Holding meeting at least once in a month based on the findings of risk reports and taking appropriate decisions to minimize/control risks;
- Ensuring incorporation of all the decisions in the meeting minutes with proper dissemination of responsibilities to concerned divisions/departments;
- Minimizing/controlling risks through ensuring proper implementation of the decisions;
- Reviewing risks involved in new products and activities and ensuring that the risks can be measured, monitored, and controlled adequately;
- Implementing the decisions of BRMC & board meetings regarding risk issues;
Assessing requirement of adequate capital in line with the risk exposures and ensuring maintenance of the same through persuading senior management and board;
- Contributing to formulation of risk policies.

RISK MANAGEMENT DIVISION (RMD)

Risk Management Division (RMD) of the bank is responsible for establishing bank's risk management framework and to ensure that the procedures for identification, monitoring, mitigating and managing risks are in place and Bangladesh Bank risk management guidelines, core risk management guidelines of each area and Capital Adequacy under Basel Accord are being complied effectively. BCBL's risk mitigating technique is not to wait for the risk to manifest but to take precautionary measures before incident happens.

To supplement the stand, RMD is extensively working on capacity building and exchange of ideas about risk management for creating a robust risk awareness and risk management culture within the bank.

The main functions of the department include, but not limited to, the following:

- a. Coordinate the implementation of a Board-endorsed Risk Management Framework;
- b. Check the methodologies and processes of managing risk are being followed in the manner intended;
- c. Provide analytical support to the executive-level risk committees in formulating risk management strategies and making functional risk decisions;
- d. Support management and business units in implementing the approved Risk Management Policies and processes, and ensure they are integrated into the business operations and with Internal Control and compliance processes;
- e. Coordinate the process to identify, measure, control or mitigate, treat, monitor and report risk exposures;
- f. Keep the Board and management informed of the latest development in international standards and practices on Risk Management (in general and specific to financial institutions); and
- g. Provide technical advice and support to the Board and management in improving and advancing the Risk Management system of the Bank as the legal and regulatory environments, standards and/or the business focus of the Bank change.

OVERVIEW OF RISK MANAGEMENT DURING THE YEAR 2021

In compliance with BRPD Circular No-11, dated: October 27, 2013, 04 (Four) Board Risk Management Committee Meetings were held in the year 2021 wherein different issues had been reviewed related to Risk Management, Internal Control System, and approved the ICAAP (Internal Capital Adequacy Assessment Process) for BCBL, Strengthening & updating Risk Management System in BCBL and Periodic Risk Management Paper, Stress Testing Result & Internal Capital Adequacy Assessment Process (ICAAP).

It is to be noted that Risk Management Division works strictly in accordance with risk management guidelines for BCBL which was approved by the Board of directors on 18-12-2018. Risk Management Division collects all relevant data from the Branches & Head Office for analyzing risk in preparing Stress Testing Result, Risk Management Paper.

In all 04 (four) meetings in 2021, the Board Risk Management Committee directed the Bank Management to ensure monitoring the activities of Task Force/Recovery Cell and fast resolve the Suite files with the Court of Law. The Committee advised to ensure close monitoring of the classified loans & their recovery so that newly disbursed loans would not get classified. The Committee instructed for the formation of effective Recovery Team towards realization of the default loans as well as to reduce the unrealized loss of the Bank's share portfolio. It was added that a rationale distribution & disbursement of the loans zone-wise and sanction of small loans reducing concentration on large loans should be ensured.

The Committee also advised to improve the Asset Quality of the Bank & reduce its Cost of Fund, checking Nostro Account balance in regular intervals, reduce the SMA Category loans by increasing contacts with the customers. The Management would address the Off-Balance Sheet Exposure immediately, bringing the amount of deposit collected from different Banks to zero, take pragmatic initiatives on collection of Core Deposit as well as reduce risk of the Bank through providing small loans rather than large loans. The Committee exerted concern on the shortfall of Provision & advised for taking effective steps for resolving the same. The Committee also advised that the Branches should send loan proposals exerting due diligence and take approval from the Credit Administration Division (CAD) before disbursing loans of BDT 1.00 crore & above.

**Kazi Md. Rezaul Karim**

Deputy Managing Director & Chief Risk Officer

Market Discipline: Disclosure on Risk Based Capital (Basel-III)

1. Scope of Application:

Qualitative Disclosures

(a)	The name of the top corporate entity in the group to which this guidelines applies.	Bangladesh Commerce Bank Limited
(b)	An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (a) that are fully consolidated; (b) that are given a deduction treatment; and (c) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).	<p>The consolidated financial statements of the Bank include the financial statements of Bangladesh Commerce Bank Limited and Commerce Bank Securities and Investment Limited. Bangladesh Commerce Bank holds 100% shares of Commerce Bank Securities and Investment Limited. A brief description of the Bank and its subsidiary are given below:</p> <p>Bangladesh Commerce Bank Limited (BCBL):</p> <p>A public limited company incorporated in Bangladesh on June 01, 1998 under the Companies Act, 1994, the Bank Companies Act, 1991 and Parliamentary Act 12 of 1997.</p> <p>Bangladesh Commerce Bank Limited is known as a commercial bank. Like all commercial banks BCBL's core business is also obtaining deposits and providing loans. It is a financial institution providing services for businesses, organizations and individuals. Services include offering different types of deposit account such as current, saving and other scheme as well as giving loans to organizations and individuals to accelerate economic development.</p> <p>BCBL makes its profit by taking small, short-term, relatively liquid deposits and transforming these into small, medium and larger loans for short, medium and long term maturity. These processes of asset transformation generate net income for BCBL. BCBL also earned short term profit by investing through treasury functions as well as non funded business.</p> <p>However, BCBL is primarily engaged in deposit and lending activities to private and corporate clients in wholesale and retail banking. Other services typically include credit card, mobile banking, custodial service guarantees, cash management and settlement as well as trade finance.</p> <p>Commerce Bank Securities and Investment limited (CBSIL)</p> <p>Commerce Bank Securities & Investments Limited (CBSIL) is fully owned subsidiary company of Bangladesh Commerce Bank Limited incorporated as a private limited company on 20 September 2010 with the registrar of Joint Stock Companies & Firms, Dhaka vide certificate of incorporation no. C- 87050/10. CBSIL started its operation from 01 June 2011. The main objective of the company for which was established to carry out the business of full-ed merchant banking activities like issue management, portfolio management, underwriting etc.</p>

(c)	Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.	Not Applicable for Bangladesh Commerce Bank Limited.
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1.2 Quantitative Disclosure

(d)	The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.	Not Applicable for Bangladesh Commerce Bank Limited.
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2. Capital Structure:

2.1 Qualitative Disclosures

(a)	(a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or Tier 2.	<p>As per the guidelines of Bangladesh Bank, Common Equity Tier-1 Capital of BCBL consists of (i) Fully Paid-up Capital, (ii) Statutory Reserve, (iii) General Reserve, (iv) Retained Earnings and (v) Minority Interest in Subsidiaries and (vi) Right Share Application Money.</p> <p>Tier-2 Capital consists of (i) General Provision against unclassified Loans/Investments, (ii) Off-balance sheet exposure and (iii) 50% of Revaluation gain/ loss on investment (HFT) as per guideline the balance of 31.12.2014 is considered after deducting 40%.</p>
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2.2 Quantitative Disclosure

(b)	The amount of Regulatory capital, with separate disclosure of: CET1 Capital Additional Tier 1 Capital Total Tier 1 Capital Tier 2 Capital	BDT in Crore		
		Particulars	Solo	Conso.
		Fully Paid up Capital	198.87	198.87
		Share Capital BCI	1.53	1.53
		Statutory Reserve	27.51	27.51
		General Reserve	0.89	0.89
		Retained Earnings	-706.35	-693.43
		Right Share Application Money	91.73	91.73
		CET1 Capital	-701.73	-688.80
		Additional Tier 1 Capital	0.00	0.00
		Total Tier 1 Capital	-701.73	-688.80
		General Provision	15.81	15.81
(c)	Regulatory Adjustments/Deductions from capital	BDT in Crore		
		Particulars	Solo	Conso.
		Provision Shortfall in NPL	315.90	315.90
		Provision Shortfall in Share	----	----
(d)	Total eligible capital	Total Adjustment	315.90	315.90
		BDT in Crore		
		Particulars	Solo	Conso.
(d)	Total eligible capital	Total eligible capital	-685.92	-673.00

3. Capital Adequacy:

3.1 Qualitative Disclosures

(a)	A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities.	The Bank has adopted Standardized Approach (SA) for computation of capital charge for credit risk and market risk, and Basic Indicator Approach (BIA) for operational risk. Assessment of capital adequacy is carried out in conjunction with the capital adequacy reporting to the Bangladesh Bank. The Bank has maintained capital adequacy ratio on the basis of "Consolidated" and "Solo" are -18.17% & - 18.98% respectively as against the minimum regulatory requirement of 12.50%. Tier-I capital adequacy ratio for "Consolidated" is -18.60% as well as "Solo" is - 19.42% against the minimum regulatory requirement of 5%. The Banks policy is to manage and maintain its capital with the objective of maintaining strong capital ratio and high rating.															
(b)	Capital requirement for Credit Risk	<p style="text-align: right;">BDT in Crore</p> <table> <tr> <th>Particulars</th><th>Solo</th><th>Conso.</th></tr> <tr> <td>Capital requirement for Credit Risk</td><td>334.53</td><td>334.54</td></tr> </table>	Particulars	Solo	Conso.	Capital requirement for Credit Risk	334.53	334.54									
Particulars	Solo	Conso.															
Capital requirement for Credit Risk	334.53	334.54															
(c)	Capital requirement for Market Risk	<p style="text-align: right;">BDT in Crore</p> <table> <tr> <th>Particulars</th><th>Solo</th><th>Conso.</th></tr> <tr> <td>Capital requirement for Market Risk</td><td>8.62</td><td>8.62</td></tr> </table>	Particulars	Solo	Conso.	Capital requirement for Market Risk	8.62	8.62									
Particulars	Solo	Conso.															
Capital requirement for Market Risk	8.62	8.62															
(d)	Capital requirement for Operational Risk	<p style="text-align: right;">BDT in Crore</p> <table> <tr> <th>Particulars</th><th>Solo</th><th>Conso.</th></tr> <tr> <td>Capital requirement for Operational Risk</td><td>18.17</td><td>18.17</td></tr> </table>	Particulars	Solo	Conso.	Capital requirement for Operational Risk	18.17	18.17									
Particulars	Solo	Conso.															
Capital requirement for Operational Risk	18.17	18.17															
(e)	Total capital, CET1 capital, Total Tier 1 capital and Tier 2 capital ratio: <ul style="list-style-type: none"> For the consolidated group; and For stand alone 	<p style="text-align: right;">BDT in Crore</p> <table> <tr> <th>Particulars</th><th>Solo</th><th>Conso.</th></tr> <tr> <td>CRAR</td><td>-18.98%</td><td>-18.17%</td></tr> <tr> <td>CET1 Capital Ratio</td><td>-19.42%</td><td>-18.60%</td></tr> <tr> <td>Total Tier 1 Capital Ratio</td><td>-19.42%</td><td>-18.60%</td></tr> <tr> <td>Total Tier 2 Capital Ratio</td><td>0.44%</td><td>0.43%</td></tr> </table>	Particulars	Solo	Conso.	CRAR	-18.98%	-18.17%	CET1 Capital Ratio	-19.42%	-18.60%	Total Tier 1 Capital Ratio	-19.42%	-18.60%	Total Tier 2 Capital Ratio	0.44%	0.43%
Particulars	Solo	Conso.															
CRAR	-18.98%	-18.17%															
CET1 Capital Ratio	-19.42%	-18.60%															
Total Tier 1 Capital Ratio	-19.42%	-18.60%															
Total Tier 2 Capital Ratio	0.44%	0.43%															
(f)	Capital Conservation Buffer	For bank the requirement of capital conservation buffer is 2.50%. The Bank maintained 0% capital conservation buffer as on 31/12/2021.															
(g)	Available Capital under Pillar 2 Requirement																

4. Credit Risk:

4.1 Qualitative Disclosures

(a)	The general qualitative disclosure requirement with respect to credit risk, including: <ul style="list-style-type: none"> Definitions of past due and impaired (for accounting purposes); 	With a view to strengthening credit discipline and bring classification and provisioning regulation in line with international standard, a phase-wise program for classification and provisioning was undertaken by the Bank as per Bangladesh Bank circulars issued from time to time. In this regard, all the loans and advances/investments are grouped
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		<p>into four categories for the purpose of classification, namely (i) Continuous Loan, (ii) Demand Loan, (iii) Fixed Term Loan and (iv) Short-term Agricultural and Micro Credit. They are classified as follow:</p> <p>Continuous & Demand Loan will be classified as:</p> <ul style="list-style-type: none"> • Sub-standard- if it is past due/overdue for 03(three) months or beyond but less than 06 (six) months; • Doubtful- if it is past due/overdue for 06 (six) months or beyond but less than 09 (nine) months; • Bad/Loss- if it is past due/overdue for 09 (nine) months or beyond. <p>Fixed term loan will be classified as:</p> <p>In case of any installment(s) or part of installment(s) of a Fixed Term Loan amounting up to Taka 1 million is not repaid within the due date, the amount of unpaid installment(s) are treated as “past due or overdue installment”. Such types of Fixed Term Loans are classified as under:</p> <ul style="list-style-type: none"> • Sub-standard- if the amount of past due installment is equal to or more than the amount of installment(s) due within 06 (six) months, the entire loans are classified as “Sub-standard”. • Doubtful- if the amount of past due installment is equal to or more than the amount of installment(s) due within 09 (nine) months, the entire loans are classified as “Doubtful”. • Bad/Loss- if the amount of past due installment is equal to or more than the amount of installment(s) due within 12(twelve) months, the entire loans are classified as “Bad/Loss”. <p>Fixed term loan will (amounting more than BDT 10 lac) be classified as:</p> <p>In case of any installment(s) or part of installment(s) of a Fixed Term Loan amounting more than Taka 1 million is not repaid within the due date, the amount of unpaid installment(s) are treated as “past due or overdue installment”. Such types of Fixed Term Loans are classified as under:</p> <ul style="list-style-type: none"> • Sub-standard- if the amount of past due installment is equal to or more than the amount of installment(s) due within 03 (three) months, the entire loans are classified as “Sub-standard”. • Doubtful- if the amount of past due installment is equal to or more than the amount of installment(s) due within 06 (six) months, the entire loans are classified as “Doubtful”. <p>Bad/Loss- if the amount of past due installment is equal to or more than the amount of installment(s) due within 09 (nine) months, the entire loans are classified as “Bad/Loss”.</p>
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	<p>Short term agricultural and micro credit will be classified as: Short-term Agricultural and Micro Credit will be considered irregular if it is not repaid within the due date as stipulated in the loans agreement and will be classified as under:</p> <ul style="list-style-type: none">• Sub-standard- if the irregular status continues after a period of 12 (twelve) months, the credits are classified as "Sub-standard".• Doubtful- if the irregular status continue after a period of 36 (thirty six) months, the credits are classified as "Doubtful".• Bad/Loss- if the irregular status continue after a period of 60 (sixty) months, the credits are classified as "Bad/Loss". <p>A Continuous loan, Demand loan or a Term loan which remained overdue for a period of 02 (two) months or more, is treated as "Special Mention Account (SMA)".</p> <p>The Bank is required to maintain the following general and specific provision in respect of classified and unclassified loans and advances / investments on the basis of Bangladesh Bank guidelines issued from time to time:</p>																		
<ul style="list-style-type: none">• Description of approaches followed for specific and general allowances and statistical methods;	<table><tr><th>Particulars</th><th>Rate</th></tr><tr><td>General provision on unclassified Small and Medium Enterprise (SME) financing.</td><td>0.25%</td></tr><tr><td>General provision on unclassified loans and advances/ investments other than Consumer Financing, Loans to Brokerage House, Merchant Banks, Stock Dealers etc., SMA as well as SME Financing).</td><td>1%</td></tr><tr><td>General provision on interest receivable on loans / investments.</td><td>1%</td></tr><tr><td>General provision on off-balance sheet exposures (Provision has been made on the total exposure and amount of cash margin & value of eligible collateral were not deducted while computing off-balance sheet exposure).</td><td>1%</td></tr><tr><td>General provision on unclassified loans and advances/ investments for housing finance, loans for professionals to set-up business under consumer financing scheme.</td><td>2%</td></tr><tr><td>General provision on the unclassified loans to Brokerage House, Merchant Banks, Stock Dealers, etc.</td><td>2%</td></tr><tr><td>General provision on unclassified amount for Consumer Financing.</td><td>5%</td></tr><tr><td colspan="2">General provision on outstanding amount of loans kept in Special Mention Account (SMA) will be at the same respective rate as stated above (0.25% to 5%) as per BRPD Circular No. 05 dated 29.05.2013.</td></tr></table>	Particulars	Rate	General provision on unclassified Small and Medium Enterprise (SME) financing.	0.25%	General provision on unclassified loans and advances/ investments other than Consumer Financing, Loans to Brokerage House, Merchant Banks, Stock Dealers etc., SMA as well as SME Financing).	1%	General provision on interest receivable on loans / investments.	1%	General provision on off-balance sheet exposures (Provision has been made on the total exposure and amount of cash margin & value of eligible collateral were not deducted while computing off-balance sheet exposure).	1%	General provision on unclassified loans and advances/ investments for housing finance, loans for professionals to set-up business under consumer financing scheme.	2%	General provision on the unclassified loans to Brokerage House, Merchant Banks, Stock Dealers, etc.	2%	General provision on unclassified amount for Consumer Financing.	5%	General provision on outstanding amount of loans kept in Special Mention Account (SMA) will be at the same respective rate as stated above (0.25% to 5%) as per BRPD Circular No. 05 dated 29.05.2013.	
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		<table><tr><th>Particulars</th><th>Rate</th></tr><tr><td>Specific provision on Sub-Standard loans and advances / investments.</td><td>20%</td></tr><tr><td>Specific provision on Doubtful loans and advances/investments.</td><td>50%</td></tr><tr><td>Specific provision on bad / loss loans and advances/invests.</td><td>100%</td></tr></table> <p>The Bank has a well structured delegation and sub-delegation of credit approval authority for ensuring good governance and better control in credit approval system. The Board of Directors and its Executive Committee hold the supreme authority for any credit approval in line with the credit committee consisting of the senior management of the bank. Credit proposal processing, assessment of risks and mitigates there against, placing before credit committee, seeking approval from the competent authority, assisting in completion of documentation formalities and above all maintaining relationship with the branches and customers have so long been done by Credit Management Division (CMD). The function of CMD department has redefined by (i). Credit Assessment, (ii). Credit Monitoring, (iii) Credit Information & Policy Development for smoothly execution of the credit risk management through segregating internal units. Separate segments for Corporate, Retail, SME, Credit Cards have been formed in order to diversify the credit risk. Towards mitigating the risks, BCBL has developed a robust credit approval system. The credit proposals recommended by branches are scrutinized by CMD Department. Sanctions are conveyed to the Branches after getting approval from Credit Committee of Corporate Office or Board of Directors if needed.</p>	Particulars	Rate	Specific provision on Sub-Standard loans and advances / investments.	20%	Specific provision on Doubtful loans and advances/investments.	50%	Specific provision on bad / loss loans and advances/invests.	100%
Particulars	Rate									
Specific provision on Sub-Standard loans and advances / investments.	20%									
Specific provision on Doubtful loans and advances/investments.	50%									
Specific provision on bad / loss loans and advances/invests.	100%									
<ul style="list-style-type: none">• Discussion of the bank's credit risk management policy;		<p>The standardized approach is applied for risk weighting of exposure as per directive of Bangladesh Bank. It requires banks to use risk assessment. The Bank is following Credit Risk Grading (CRG) manual for assessing a borrower and making decisions of disbursing loans and advances/ investments while nominating the External Credit Assessment Institutions (ECAIs) duly recognized by Bangladesh Bank to derive risk-weights of exposures under the portfolio of claims. Maximum counterparty/group exposure are limited to 15% (funded) of the bank's capital base as stipulated by BB where a higher limit is required for projects of national importance subject to prior approval of Bangladesh Bank. The single borrower exposure limit has been increasing day by day of the bank with the increase of the total capital of the bank. But the management of the bank is exercising the prudential limit to a single borrower in order to minimize concentration risk of the bank considering the security coverage, satisfactory performance, credit risk grading status, earning potentials, capital requirement, etc. against the limit.</p>								

4.2 Quantitative Disclosures

(b)	Total gross credit risk exposures broken down by major types of credit exposure.	<table><tr><th>Loan Type</th><th>BDT in Crore</th></tr><tr><td>Demand Loan</td><td>108.30</td></tr><tr><td>Loan General</td><td>379.04</td></tr><tr><td>Cash Credit (Hypo)</td><td>335.98</td></tr><tr><td>Agriculture Loan</td><td>88.64</td></tr><tr><td>Overdraft</td><td>284.57</td></tr><tr><td>SME Loan</td><td>623.47</td></tr><tr><td>Payment Against Document (PAD)</td><td>106.44</td></tr><tr><td>Loan against Trust Receipt (LTR)</td><td>195.14</td></tr><tr><td>House Building Loan</td><td>116.21</td></tr><tr><td>Credit Card</td><td>6.95</td></tr><tr><td>Consumer Credit</td><td>3.80</td></tr><tr><td>Staff Loan</td><td>43.07</td></tr><tr><td>Bill Purchase / Discounted</td><td>6.58</td></tr><tr><td>Loans & Advances (BCI)</td><td>47.06</td></tr><tr><td>Total</td><td>2345.26</td></tr></table>	Loan Type	BDT in Crore	Demand Loan	108.30	Loan General	379.04	Cash Credit (Hypo)	335.98	Agriculture Loan	88.64	Overdraft	284.57	SME Loan	623.47	Payment Against Document (PAD)	106.44	Loan against Trust Receipt (LTR)	195.14	House Building Loan	116.21	Credit Card	6.95	Consumer Credit	3.80	Staff Loan	43.07	Bill Purchase / Discounted	6.58	Loans & Advances (BCI)	47.06	Total	2345.26		
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Total	2345.26																																			
(c)	Geographical distribution of exposures, broken down in significant areas by major types of credit exposure.	<table><tr><th>Segment</th><th>BDT in Crore</th></tr><tr><td>Dhaka Division</td><td>1613.18</td></tr><tr><td>Chittagong Division</td><td>422.34</td></tr><tr><td>Rajshahi Division</td><td>120.23</td></tr><tr><td>Khulna Division</td><td>115.00</td></tr><tr><td>Sylhet Division</td><td>25.75</td></tr><tr><td>Barisal</td><td>20.00</td></tr><tr><td>Rangpur</td><td>28.75</td></tr><tr><td>Total</td><td>2345.26</td></tr></table>	Segment	BDT in Crore	Dhaka Division	1613.18	Chittagong Division	422.34	Rajshahi Division	120.23	Khulna Division	115.00	Sylhet Division	25.75	Barisal	20.00	Rangpur	28.75	Total	2345.26																
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(d)	Industry or counterparty type distribution of exposures, broken down by major types of credit exposure.	<table><tr><th>Industry</th><th>BDT in Crore</th></tr><tr><td>Food & Beverage industries</td><td>79.05</td></tr><tr><td>Furniture & Fixture</td><td>3.58</td></tr><tr><td>Printing, publishing & allied industries</td><td>10.00</td></tr><tr><td>Petroleum & coal Products</td><td>60.75</td></tr><tr><td>RMG & Textile</td><td>285.55</td></tr><tr><td>Non-metallic mineral products</td><td>59.61</td></tr><tr><td>Basic metal products</td><td>16.29</td></tr><tr><td>Cement industries</td><td>6.19</td></tr><tr><td>Small Scale Industries</td><td>115.93</td></tr><tr><td>Power Generation & Gas</td><td>44.98</td></tr><tr><td>Other manufacturing industries</td><td>70.95</td></tr><tr><td>Rural Credit & Agri Loan</td><td>88.64</td></tr><tr><td>Import Credit</td><td>416.47</td></tr><tr><td>Trade & Commerce</td><td>1040.18</td></tr><tr><td>Others</td><td>47.06</td></tr><tr><td>Total</td><td>2345.26</td></tr></table>	Industry	BDT in Crore	Food & Beverage industries	79.05	Furniture & Fixture	3.58	Printing, publishing & allied industries	10.00	Petroleum & coal Products	60.75	RMG & Textile	285.55	Non-metallic mineral products	59.61	Basic metal products	16.29	Cement industries	6.19	Small Scale Industries	115.93	Power Generation & Gas	44.98	Other manufacturing industries	70.95	Rural Credit & Agri Loan	88.64	Import Credit	416.47	Trade & Commerce	1040.18	Others	47.06	Total	2345.26
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Others	47.06																																			
Total	2345.26																																			

(e)	Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure.	<table><tr><th>Residual Maturity</th><th>BDT in Crore</th></tr><tr><td>Re-payable on demand</td><td>817.16</td></tr><tr><td>Not more than 3 months</td><td>381.74</td></tr><tr><td>More than 3 Months but less than 1 year</td><td>567.28</td></tr><tr><td>More than 1 year but less than 5 years</td><td>579.08</td></tr><tr><td>More than 5 years</td><td></td></tr><tr><td>Total</td><td>2345.26</td></tr></table>	Residual Maturity	BDT in Crore	Re-payable on demand	817.16	Not more than 3 months	381.74	More than 3 Months but less than 1 year	567.28	More than 1 year but less than 5 years	579.08	More than 5 years		Total	2345.26												
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(f)	By major industry or counterparty type: <ul style="list-style-type: none">Amount of impaired loans and if available, past due loans, provided separately;Specific and general provisions; andCharges for specific allowances and charge-offs during the period.	<table><tr><th>Industry</th><th>BDT in Crore</th></tr><tr><td>Agricultural Loan</td><td>88.64</td></tr><tr><td>Industrial Loan (other than working capital)</td><td>226.93</td></tr><tr><td>Working capital Loan</td><td>304.08</td></tr><tr><td>Import Credit</td><td>416.47</td></tr><tr><td>Commercial Loan</td><td>803.66</td></tr><tr><td>RMG & Textile</td><td>285.55</td></tr><tr><td>Construction Loan</td><td>116.21</td></tr><tr><td>Transport and Communication Loan</td><td>9.79</td></tr><tr><td>Consumer Credit</td><td>3.80</td></tr><tr><td>All Others Loans</td><td>90.12</td></tr><tr><td>Total</td><td>2345.26</td></tr></table>	Industry	BDT in Crore	Agricultural Loan	88.64	Industrial Loan (other than working capital)	226.93	Working capital Loan	304.08	Import Credit	416.47	Commercial Loan	803.66	RMG & Textile	285.55	Construction Loan	116.21	Transport and Communication Loan	9.79	Consumer Credit	3.80	All Others Loans	90.12	Total	2345.26		
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(g)	Gross Non Performing Assets (NPAs) Non Performing Assets (NPAs) to Outstanding Loans & advances Movement of Non Performing Assets (NPAs) Opening balance Additions Reductions Closing balance Movement of specific provisions for NPAs Opening balance Provisions made during the period Write-off Write-back of excess provisions Closing balance	<table><tr><th>Particulars</th><th>BDT in Crore</th></tr><tr><td>Gross Non Performing Assets (NPAs)</td><td>1098.48</td></tr><tr><td>NPAs to Outstanding Loans & advances</td><td>46.84%</td></tr><tr><td colspan="2">Movement of Non Performing Assets (NPAs)</td></tr><tr><td>Opening balance</td><td>977.05</td></tr><tr><td>Additions/(Reductions)</td><td>121.43</td></tr><tr><td>Closing balance</td><td>1098.48</td></tr><tr><td colspan="2">Movement of specific provisions for NPAs</td></tr><tr><td>Opening balance</td><td>358.58</td></tr><tr><td>Provisions made during the period</td><td>---</td></tr><tr><td>Write-off</td><td>---</td></tr><tr><td>Write-back of excess provisions</td><td>---</td></tr><tr><td>Closing balance</td><td>358.58</td></tr></table>	Particulars	BDT in Crore	Gross Non Performing Assets (NPAs)	1098.48	NPAs to Outstanding Loans & advances	46.84%	Movement of Non Performing Assets (NPAs)		Opening balance	977.05	Additions/(Reductions)	121.43	Closing balance	1098.48	Movement of specific provisions for NPAs		Opening balance	358.58	Provisions made during the period	---	Write-off	---	Write-back of excess provisions	---	Closing balance	358.58
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Write-back of excess provisions	---																											
Closing balance	358.58																											

5. Equities: Disclosure for Banking Books position:

5.1 Qualitative Disclosures

(a)	The general qualitative disclosure requirement with respect to equity risk; including <ul style="list-style-type: none"> Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and 	Investment in equity securities are broadly categorized into two parts: <ul style="list-style-type: none"> Quoted Securities (Common or Preference Shares & Mutual Fund) that are traded in the secondary market (Trading Book Assets). Unquoted securities include shares of Central Depository Bangladesh Limited (CDBL), investment in SWIFT and Market Stabilization Fund (MSF).
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	<ul style="list-style-type: none">Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices	The primary aim is to investment in these equity securities for the purpose of capital gain by selling them in future or held for dividend income. Dividends received from these equity securities are accounted for as and when received. Both Quoted and Un- Quoted equity securities are valued at cost and necessary provisions are maintained if the prices fall below the cost price.																		
(b)	Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.	<div>BDT in Crore</div> <table><tr><th rowspan="2">Particulars</th><th colspan="2">Solo</th><th colspan="2">Conso.</th></tr><tr><th>Cost</th><th>Mkt Value</th><th>Cost</th><th>Mkt Value</th></tr><tr><td>Share Portfolio</td><td>45.46</td><td>26.16</td><td>45.46</td><td>26.16</td></tr></table>	Particulars	Solo		Conso.		Cost	Mkt Value	Cost	Mkt Value	Share Portfolio	45.46	26.16	45.46	26.16				
Particulars	Solo			Conso.																
	Cost	Mkt Value	Cost	Mkt Value																
Share Portfolio	45.46	26.16	45.46	26.16																
(c)	The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.	<div>BDT in Crore</div> <table><tr><th>Particulars</th><th>Solo</th><th>Conso.</th></tr><tr><td>Realized gains/(losses)</td><td>8.62</td><td>8.62</td></tr></table>	Particulars	Solo	Conso.	Realized gains/(losses)	8.62	8.62												
Particulars	Solo	Conso.																		
Realized gains/(losses)	8.62	8.62																		
(d)	<ul style="list-style-type: none">Total unrealized gains (losses)Total latent revaluation gains (losses)Any amounts of the above included in Tier 2 capital.	<div>BDT in Crore</div> <table><tr><th>Particulars</th><th>Solo</th><th>Conso.</th></tr><tr><td>Un-realized gains/(losses)</td><td>((19.29)</td><td>(19.29)</td></tr></table> <table><tr><th>Particulars</th><th>Solo</th><th>Conso.</th></tr><tr><td>Latent revaluation gains/(losses)</td><td>----</td><td>----</td></tr></table> <table><tr><th>Particulars</th><th>Solo</th><th>Conso.</th></tr><tr><td>Amount of above include in capital</td><td>----</td><td>----</td></tr></table>	Particulars	Solo	Conso.	Un-realized gains/(losses)	((19.29)	(19.29)	Particulars	Solo	Conso.	Latent revaluation gains/(losses)	----	----	Particulars	Solo	Conso.	Amount of above include in capital	----	----
Particulars	Solo	Conso.																		
Un-realized gains/(losses)	((19.29)	(19.29)																		
Particulars	Solo	Conso.																		
Latent revaluation gains/(losses)	----	----																		
Particulars	Solo	Conso.																		
Amount of above include in capital	----	----																		
(e)	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.	<div>BDT in Crore</div> <table><tr><th>Particulars</th><th>Solo</th><th>Conso.</th></tr><tr><td>Specific market risk</td><td>2.62</td><td>2.62</td></tr><tr><td>General market risk</td><td>1.93</td><td>1.93</td></tr></table>	Particulars	Solo	Conso.	Specific market risk	2.62	2.62	General market risk	1.93	1.93									
Particulars	Solo	Conso.																		
Specific market risk	2.62	2.62																		
General market risk	1.93	1.93																		

6. Interest rate risk in the banking book (IRRBB):**6.1 Qualitative Disclosures**

(a)	The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behaviour of non-maturity deposits, and frequency of IRRBB measurement.	<p>Interest rate risk is the risk where changes in market interest rates might adversely affect a bank's financial condition. Changes in interest rates affect both the current earnings (earnings perspective) as well as the net worth of the bank (economic value perspective). To evaluate the impact of interest rate risk on the net interest margin, BCBL monitors the size of the gap between rate sensitive assets and rate sensitive liabilities in terms of the remaining period to re-pricing. Re-pricing refers to the point in time when adjustments of interest rates on assets and liabilities occur owing to new contracts, renewal of expiring contracts or that a contract specifies a floating rate that adjusts at fixed time intervals.</p> <p>A maturity mismatch approach is used to measure BCBL's exposure to interest rate risk. A positive mismatch means that more assets than liabilities are re-priced in a given period. With a positive mismatch, a rise in market interest rates will have a positive effect on the bank's earnings. On the other hand, a negative mismatch, where more liabilities are re-priced than assets in a given period, means a drop in earnings if interest rates had increased.</p>
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6.2 Quantitative Disclosures

(b)

The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to managements method for measuring IRRBB, broken down by currency (as relevant).

Particulars	BDT in Crore
Market value of assets	4612.13
Market value of liabilities	4997.89
Weighted Average of Duration of Liabilities (DL)	3.12
Weighted Average of Duration of Assets (DA)	3.95
Duration GAP (DA-DL)	0.83
Yield to Maturity (YTM -Assets)	8.35%
Yield to Maturity (YTM -Liability)	4.99%

Particulars	Magnitude of interest rate change		
	1%	2%	3%
Fall in market value of equity	(24.17)	(48.34)	(72.52)

Stress Testing:

Particulars	Magnitude of Shock (BDT in Crore)		
	1%	2%	3%
Regulatory Capital	-712.36	-736.53	-760.71
RWA	4227.19	4227.19	4227.19
CRAR	-16.85%	-17.42%	-18.00%

7. Market risk:**7.1 Qualitative Disclosures**

(a)	<p>Views of BOD on trading / investment activities</p> <p>Methods used to measure Market Risk</p> <p>Market Risk Management system</p> <p>Policies and processes for mitigating Market Risk</p>	<p>The Board approves all policies related to market risk, sets limits and reviews compliance on a regular basis. The objective is to provide cost effective funding last year to finance asset growth and trade related transaction.</p> <p>Standardized approach has been used to measure the market risk. The total capital requirement in respect of market risk is the aggregate capital requirement calculated for each of the risk sub-categories. For each risk category minimum capital requirement is measured in terms of two separately calculated capital charges for 'specific risk' and 'general market risk'</p> <p>The Treasury Division manage market risk covering liquidity, interest rate and foreign exchange risks with oversight from Asset-Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director. ALCO meets at least once in a month.</p> <p>There are approved limits for Market Risk related instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against market risks. The exchange rate committee of the Bank meets on a daily basis to review the prevailing market condition, exchange rate, forex position and transactions to mitigate foreign exchange risks.</p>
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7.1 Quantitative Disclosures

(b)	The capital requirements for: interest rate risk; equity position risk; foreign exchange risk; and Commodity risk.	<table> <tr> <th colspan="3">BDT in Crore</th></tr> <tr> <th>Particulars</th><th>Solo</th><th>Conso.</th></tr> <tr> <td>Interest rate risk</td><td>1.93</td><td>1.93</td></tr> <tr> <td>Equity position risk</td><td>4.55</td><td>4.55</td></tr> <tr> <td>Foreign exchange risk</td><td>2.15</td><td>2.15</td></tr> <tr> <td>Commodity risk</td><td>---</td><td>---</td></tr> </table>	BDT in Crore			Particulars	Solo	Conso.	Interest rate risk	1.93	1.93	Equity position risk	4.55	4.55	Foreign exchange risk	2.15	2.15	Commodity risk	---	---
BDT in Crore																				
Particulars	Solo	Conso.																		
Interest rate risk	1.93	1.93																		
Equity position risk	4.55	4.55																		
Foreign exchange risk	2.15	2.15																		
Commodity risk	---	---																		

8. Operational Risk:**8.1 Qualitative Disclosures**

(a)	Views of BOD on system to reduce Operational Risk	<p>Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk but excludes strategic and reputation risk. It is inherent in every business organization and covers a wide spectrum of issues. The Board of Directors (BOD) of the Bank and its Management firmly believe that an effective internal control systems has been established within the Bank to ensure adequacy of the risk management framework and compliance with a documented set of internal policies concerning the risk management system which mainly include;</p>
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		<ul style="list-style-type: none"> • Top-level reviews of the Bank's progress towards the stated objectives; • Checking for compliance with management controls; • Policies, processes and procedures concerning the review, treatment and resolution of non-compliance issues; and • A system of documented approvals and authorizations to ensure accountability to the appropriate level of management. <p>Bank has ensured some other internal practices to be in place as appropriate to control operational risk. Examples of these include:</p> <ul style="list-style-type: none"> • Close monitoring of adherence to assigned risk limits or thresholds; • Maintaining safeguards for access to, and use of, bank's assets and records; • Ensuring that staffs have appropriate expertise and training; • Regular verification and reconciliation of transactions and accounts. <p>The BOD has modified Banks operational risk management process by issuing a high level standard like SOP, supplemented by more detailed formal guidance. This explains how the bank manages operational risk by identifying, assessing, monitoring, controlling and mitigating the risk, rectifying operational risk events, and implementing any additional procedures required for compliance with local regulatory requirements. The Bank maintains and tests contingency facilities to support operations in the event of disasters. Additional reviews and tests are conducted in the event that any branch of the bank is affected by a business disruption event, to incorporate lessons learned in the operational recovery from those circumstances. Plans have been prepared for the continued operation of the banks business, with reduced staffing levels.</p> <p>BCBL has a policy to provide competitive package and better working environment to attract and retain the most talented people available in the industry. As the employee loyalty is high to the bank the employee turnover in the bank is minimum compared to the industry.</p> <p>It is needless to say that there are certain risk factors which are external in nature and can affect the business of the Bank. The factors discussed below can significantly affect the business:</p> <ul style="list-style-type: none"> • General business and political condition • Changes in credit quality of borrowers • Changes in policies and practices of regulatory bodies to revise practices, pricing and responsibilities of the financial institutions • Implementation of Basel-III in Bangladesh • Volatility in equity market • Changes in market conditions • The risk of litigation • Success of strategies
	Performance gap of executives and staffs	
	Potential external events	

	<p>Policies and processes for mitigating operational risk</p>	<p>Operational risk, defined as any risk that is not categorized as market or credit risk, is the risk of loss arising from inadequate or failed internal processes, people and systems or from external events. It is inherent in every business organization and covers a wide spectrum of issues. In order to mitigate this, internal control and internal audit systems are used as the primary means. Bangladesh Commerce Bank Limited manages this risk through a control based environment in which processes are documented, authorization is independent and transactions are reconciled and monitored. This is supported by an independent program of periodic reviews undertaken by internal audit, and by monitoring external operational risk events, which ensure that the bank stays in line with industry best practice and takes account of lessons learned from publicized operational failures within the financial services industry.</p> <p>BCBL has operational risk management process which explains how the bank manages its operational risk by identifying, assessing, monitoring, controlling and mitigating the risk, rectifying operational risk events, and implementing any additional procedures required for compliance with central bank requirements. Operational risk management responsibility is assigned to different level of management within the business operation. Information systems are used to record the identification and assessment of operational risks and to generate appropriate regular management reporting. Risk assessment incorporates a regular review of identified risks to monitor significant changes.</p> <p>Banks performance is monthly monitored by Board of Directors as well as Bangladesh Bank through improvement of Directives of Bangladesh Bank (DOBB) which include monthly reporting of improvement of DOBB and Major Performance Indicators to Honorable of Board of Directors and concerned authority of Bangladesh Bank.</p> <p>Basic Indicator Approach was used for calculating capital charge for operational risk as of the reporting date.</p>
	<p>Approach for calculating capital charge for operational risk</p>	

8.2 Quantitative Disclosures

(b)	The capital requirements for operational risk	BDT in Crore		
		Particulars	Solo	Conso.
		Capital requirements for operational risk	18.17	18.17

9. Liquidity Ratio:

9.1 Qualitative Disclosures

<p>(a)</p>	<p>Views of BOD on system to reduce liquidity Risk</p> <p>Methods used to measure Liquidity risk</p>	<p>Liquidity risk is the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss (or make the required profit) or when a bank is unable to fulfill its commitments in time when payment falls due. Thus, liquidity risk can be of two types:</p> <p>Funding liquidity risk: The risk that a firm will be unable to meet its current and future cash flow and collateral needs without affecting its daily operations or its financial condition</p> <p>Market liquidity risk: The risk that a firm cannot easily offset or sell a position without incurring a loss because of inadequate depth in the market</p> <p>Banking organization, where off-balance sheet exposure is significant or has strong dependency on corporate deposit or experiencing step asset (i.e. primarily credit portfolio or investment book) growth is exposed to high level of Liquidity risk. Liquidity risk should not be seen in isolation, because financial risks are not mutually exclusive and liquidity risk is often triggered by consequence of other financial risks such as credit risk, interest rate risk, foreign exchange risk etc.</p> <p>In context of Pillar 3 (Supervisory Review Process) of RBCA, the necessity of proper assessment and management of liquidity risk carries pivotal role in ICAAP of banks. In the perspective of Bangladesh, identifying and monitoring the driving factors of liquidity risk is viewed from the following aspects:</p> <p>Regulatory Liquidity Indicators (RLIs):</p> <ul style="list-style-type: none"> • Cash Reserve Requirement (CRR) • Statutory Liquidity Ratio (SLR) • Medium Term Funding Ratio (MTFR) • Maximum Cumulative Outflow (MCO) • Advance Deposit Ratio (ADR)/Investment Deposit Ratio (IDR) • Liquidity Coverage Ratio (LCR) • Net Stable Funding Ratio (NSFR) <p>Bank's own liquidity monitoring tools:</p> <ul style="list-style-type: none"> • Wholesale Borrowing and Funding Guidelines • Liquidity Contingency Plan • Management Action Trigger (MAT) <p>Computation of Capital Charge against Liquidity Risk: If annual average of any RLIs of any bank falls below Bangladesh Bank's requirement the bank will be required to maintain additional capital for that RLI (or those RLIs).</p> <p>As per Bangladesh Bank guideline management maintain sufficient CRR and SLR.</p>
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	<p>Liquidity risk management system</p> <p>Policies and processes for mitigating liquidity risk</p>	<p>In December 2014, the Bangladesh Bank started to two new liquidity metrics as part of the implementation of Basel III. These are a short term liquidity stress metric, the Liquidity Coverage Ratio (LCR) a longer term funding metric and the Net Stable Funding Ratio (NSFR). Banks have to maintain LCR and NSFR are at a minimum of 100%.</p> <p>Bangladesh Commerce Bank Limited Asset-Liability Management Committee (ALCO) has responsibility for monitoring liquidity measures and limits. Liquidity is maintained in excess of the maximum cumulative outflows calculated within these stress tests. Board Risk Management Committee set policies and process to mitigate all risks including Liquidity risk.</p>
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9.1 Quantitative Disclosures

(b)	Liquidity Coverage Ratio	<table><tr><th>Particulars</th><th>BDT in Crore</th></tr><tr><td>Liquidity Coverage Ratio</td><td>138.93%</td></tr><tr><td>Net Stable Funding Ratio (NSFR)</td><td>131.77%</td></tr><tr><td>Stock of High quality liquid assets</td><td>703.88</td></tr><tr><td>Total net cash outflows over the next 30 calendar days</td><td>685.33</td></tr><tr><td>Available amount of stable funding</td><td>3212.10</td></tr><tr><td>Required amount of stable funding</td><td>2437.73</td></tr></table>	Particulars	BDT in Crore	Liquidity Coverage Ratio	138.93%	Net Stable Funding Ratio (NSFR)	131.77%	Stock of High quality liquid assets	703.88	Total net cash outflows over the next 30 calendar days	685.33	Available amount of stable funding	3212.10	Required amount of stable funding	2437.73
	Particulars		BDT in Crore													
	Liquidity Coverage Ratio		138.93%													
	Net Stable Funding Ratio (NSFR)		131.77%													
	Stock of High quality liquid assets		703.88													
	Total net cash outflows over the next 30 calendar days		685.33													
	Available amount of stable funding		3212.10													
	Required amount of stable funding		2437.73													
Net Stable Funding Ratio (NSFR)																
Stock of High quality liquid assets																
Total net cash outflows over the next 30 calendar days																
Available amount of stable funding																
Required amount of stable funding																

10. Leverage Ratio:

10.1 Qualitative Disclosures

(a)	<p>Views of BOD on system to reduce excessive leverage</p> <p>Policies and processes for managing excessive on and off-balance sheet leverage</p>	<p>In order to avoid building-up excessive on- and off-balance sheet leverage in the banking system, a simple, transparent, non-risk based leverage ratio has been introduced by Bangladesh Bank. The leverage ratio is calibrated to act as a credible supplementary measure to the risk based capital requirements. The leverage ratio is intended to achieve the following objectives:</p> <ol style="list-style-type: none"> constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy reinforce the risk based requirements with an easy to understand and a non-risk based measure <p>The policy for Leverage Ratio including off and on balance sheet exposure and capital related policy. The Bank has a well structured delegation and sub-delegation of credit approval authority for ensuring good governance and better control in credit approval system. The Board of Directors and its Executive Committee hold the supreme authority for any credit approval in line with the credit committee consisting of the senior management of the bank.</p>
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	<p>Approach for calculating exposure</p>	<p>There are approved limits for instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against such risk.</p> <p>Calculation of Leverage Ratio: A minimum Tier 1 leverage ratio of 3% is being prescribed both at solo and consolidated level.</p> $\text{Leverage Ratio} = \frac{\text{Tier 1 Capital (after related deductions)}}{\text{Total Exposure (after related deductions)}}$ <p>The exposure measure for the leverage ratio will generally follow the accounting measure of exposure. In order to measure the exposure consistently with financial accounts, the following will be applied by the bank:</p> <ul style="list-style-type: none"> • On balance sheet, non-derivative exposures will be net of specific provisions and valuation adjustments (e.g. surplus/deficit on Available for sale (AFS)/ Held-for-trading (HFT) positions). • Physical or financial collateral, guarantee or credit risk mitigation purchased is not allowed to reduce on- balance sheet exposure. • Netting of loans and deposits is not allowed.
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10.2 Quantitative Disclosures

(b)	Leverage Ratio On balance sheet exposure Off balance sheet exposure Total exposure	BDT in Crore		
		Particulars	Solo	Conso.
		Tier-1 Capital (A)	-701.73	-688.80
		Exposure measure :		
		On balance sheet exposure	4254.36	4405.12
		Off balance sheet exposure	491.79	491.79
		Less: Regulatory adjustment made to Tier-1 capital	315.90	315.90
		Total exposure (B)	4430.25	4581.01
		Leverage Ratio (A/B)	-15.84%	-15.04%

11. Remuneration

11.1 Qualitative Disclosures

(a)	<p>Information relating to the bodies that oversee remuneration. Disclosures should include:</p>	<p>The Human Resource Division of the Bank is sole responsible for formulation and up-gradation of the bank under the supervision of Managing Director. Though the formulation is done by the management and approved by the Board of Directors at their meeting but before implementation the remuneration package needs to be approved by Bangladesh Bank as per condition imply in Directive of Bangladesh Bank (DOBB).</p>
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	<p>Name, composition and mandate of the main body overseeing remuneration. External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process.</p> <p>A description of the scope of the bank's remuneration policy (eg by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches.</p> <p>A description of the types of employees considered as material risk takers and as senior managers, including the number of employees in each group.</p>	<p>Bank's remuneration policy is designed for permanent, contractual, consultant and advisory service/employees. Banks subsidiary develops their own remuneration package approved by the Board of Directors.</p> <p>For the purposes of the accompanying remuneration disclosures, the "senior managers" of the bank comprise of Managing Director, Deputy Managing Director and the heads of appropriate big branches, the heads of operation, corporate, and credit risk functions and the company secretary. List of executives who considered as material risk takers are given below:</p> <table><tr><th>Designation of the employees</th><th>Number of Employees</th></tr><tr><td>Managing Director</td><td>1</td></tr><tr><td>Additional Managing Director</td><td>--</td></tr><tr><td>Deputy Managing Director</td><td>1</td></tr><tr><td>Senior Executive Vice President</td><td>2</td></tr><tr><td>Executive Vice President</td><td>1</td></tr><tr><td>Senior Vice President</td><td>11</td></tr><tr><td>Vice President</td><td>5</td></tr></table>	Designation of the employees	Number of Employees	Managing Director	1	Additional Managing Director	--	Deputy Managing Director	1	Senior Executive Vice President	2	Executive Vice President	1	Senior Vice President	11	Vice President	5
Designation of the employees	Number of Employees																	
Managing Director	1																	
Additional Managing Director	--																	
Deputy Managing Director	1																	
Senior Executive Vice President	2																	
Executive Vice President	1																	
Senior Vice President	11																	
Vice President	5																	
(b)	<p>Information relating to the design and structure of remuneration processes. Disclosures should include: An overview of the key features and objectives of remuneration policy. Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made. A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.</p>	<p>The bank has developed a remuneration package which is competitive compared to the market but at the same time cost effective considering the bank's business volume and financial strength. The underlying objective of the remuneration package is</p> <ul style="list-style-type: none">• To offer a satisfactory and motivational compensation package to its employee• To attract better human resource• Retain the trained and skilled manpower <p>The remuneration package was last upgraded in last part of year 2017 as a result in last year the package doesn't rise the necessity to be reviewed.</p> <p>To motivate contribution in risk management, compliance and business bank has the policy of additional increment in addition of regular increment, special promotion, honorarium as well as special training financed by bank.</p>																
(c)	<p>Description of the ways in which current and future risks are taken into account in the remuneration</p>	<p>While designing a remuneration package bank have to consider the future risk arises. Risk might be come through the employee turnover or through the cost effectiveness. As the remuneration is the highest part of the total administrative expenditure of the banking business bank have to carefully</p>																

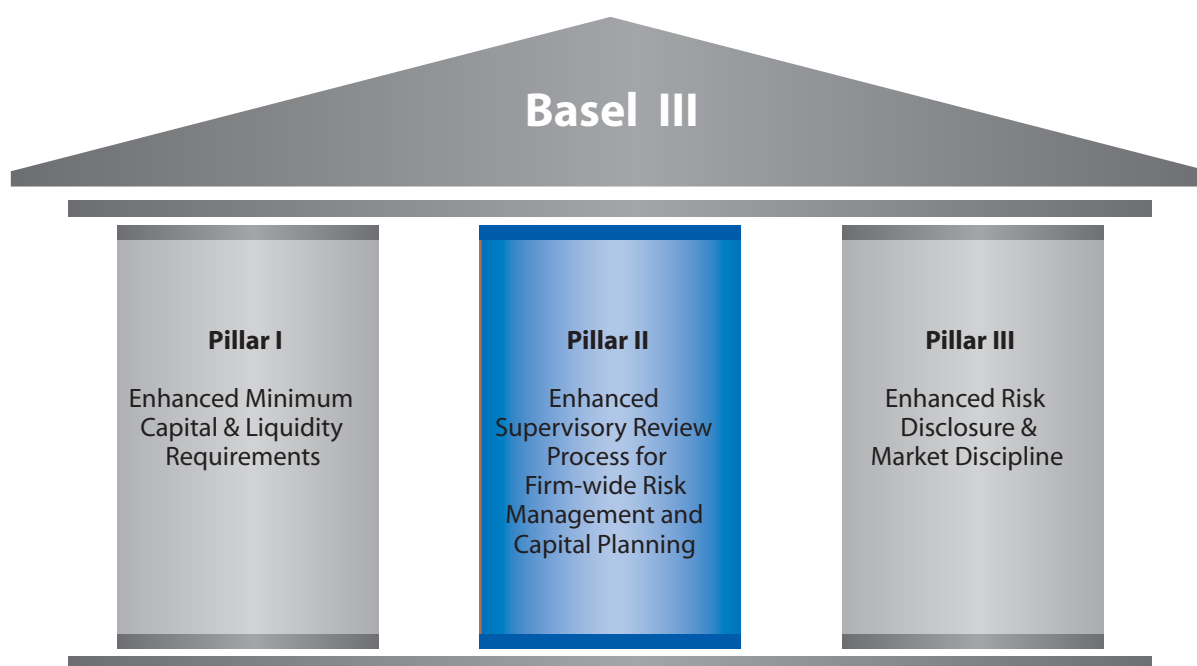
	<p>processes. Disclosures should include: An overview of the key risks that the bank takes into account when implementing remuneration measures. An overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure (values need not be disclosed). A discussion of the ways in which these measures affect remuneration. A discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration.</p>	<p>design the remuneration package to maintain the growing profitability. At the same time bank have to consider the competitive forces to sustain its valuable human resources as well as attract skilled human resources.</p> <p>Bank takes following measures to take account the risk associated from the remuneration package:</p> <ul style="list-style-type: none"> • Employee turnover rate • Rate of administrative expenditure • Per employee contribution in profit, deposit, advance • Achievement of business as well as performance target <p>If the employee turnover grows beyond tolerable limit management review the remuneration package and change or update upon approval from the board. Considering the administrative expenditure and per employee contribution in business and earnings banks bonus and business expansion with existing manpower is considered. Achievement of individual business target and performance target is reflected in yearly increment, promotion and bonus etc. No changes occurred in remuneration measuring criteria in past year.</p>
(d)	<p>Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration. Disclosures should include:</p> <p>An overview of main performance metrics for bank, top-level business lines and individuals.</p> <p>A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance. A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak.</p>	<p>Bank has a Key Performance Indicator (KPI) set to evaluate every individual employee's performance and some key indicators for measuring the performance overall human resources of the bank.</p> <p>Amounts of individual remuneration like yearly increment, bonus, house building loan, promotion is directly linked with their set performance standard and achievement there against.</p> <p>At the event of weak performance metrics individual will lose the benefit as set in the policy and recommended and provided supporting to improve from the weak performance status.</p>

(e)	<p>Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance. Disclosures should include: A discussion of the banks policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance. A discussion of the banks policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through clawback arrangements.</p>	<p>Banks remuneration contains two parts one is fixed and another is variable. Variable part depends on the performance of the individual employees. Variable benefit includes increment, bonus, house building loan, promotion etc. This doesn't varies from employees to employees or group to group but performance measuring criteria is different for each group, division or branch level employees.</p>
(f)	<p>Description of the different forms of variable remuneration that the bank utilises and the rationale for using these different forms. Disclosures should include: An overview of the forms of variable remuneration offered (ie cash, shares and share-linked instruments and other forms A discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or groups of employees), a description the factors that determine the mix and their relative importance.</p>	<p>Bangladesh Commerce Bank Limited has no variable remuneration like cash, shares and share linked instruments and other forms.</p>

11.2 Quantitative Disclosures

(g)	Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member.	Several meetings of the special committee formed for increasing remuneration held in 2017 to finalize the increase of salary package for the bank.											
(h)	Number of employees having received a variable remuneration award during the financial year. Number and total amount of guaranteed bonuses awarded during the financial year. Number and total amount of sign-on awards made during the financial year. Number and total amount of severance payments made during the financial year.	<table><tr><th>Particulars</th><th>BDT in Crore</th></tr><tr><td>Number of employees having received a variable remuneration award during the financial year</td><td>Nil</td></tr><tr><td>Number and total amount of guaranteed bonuses awarded during the financial year.</td><td>Two festival bonus paid to employees worth BDT 6.80 Crore.</td></tr><tr><td>Number and total amount of sign-on awards made during the financial year.</td><td>Nil</td></tr><tr><td>Number and total amount of severance payments made during the financial year.</td><td>Nil</td></tr></table>		Particulars	BDT in Crore	Number of employees having received a variable remuneration award during the financial year	Nil	Number and total amount of guaranteed bonuses awarded during the financial year.	Two festival bonus paid to employees worth BDT 6.80 Crore.	Number and total amount of sign-on awards made during the financial year.	Nil	Number and total amount of severance payments made during the financial year.	Nil
Particulars	BDT in Crore												
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Number and total amount of sign-on awards made during the financial year.	Nil												
Number and total amount of severance payments made during the financial year.	Nil												
(i)	Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms. Total amount of deferred remuneration paid out in the financial year.	<table><tr><th>Particulars</th><th>BDT in Crore</th></tr><tr><td>Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms a variable remuneration award during the financial year</td><td>Nil</td></tr><tr><td>Total amount of deferred remuneration paid out in the financial year.</td><td>Nil</td></tr></table>		Particulars	BDT in Crore	Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms a variable remuneration award during the financial year	Nil	Total amount of deferred remuneration paid out in the financial year.	Nil				
Particulars	BDT in Crore												
Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms a variable remuneration award during the financial year	Nil												
Total amount of deferred remuneration paid out in the financial year.	Nil												
(j)	Breakdown of amount of remuneration awards for the financial year to show: - Fixed and variable. - Deferred and non-deferred. - Different forms used (cash, shares and share linked instruments, other forms).	Fixed remuneration of BDT 85.67 Crore has been paid in 2021 and no variable remuneration was paid in said period.											

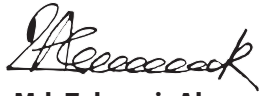
(k)	Quantitative information about employees' exposure to implicit (eg fluctuations in the value of shares or performance units) and explicit adjustments (eg clawbacks or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration: Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments. Total amount of reductions during the financial year due to ex post explicit adjustments. Total amount of reductions during the financial year due to ex post implicit adjustments.	Not applicable for Bangladesh Commerce Bank Limited.
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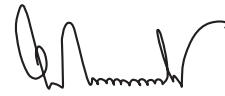
CEO's and CFO's declaration to the Board of Directors

In accordance with the condition no. 06 of SEC notification no. SEC/CMPRCD/2006-158/134/Admin/44 dated 07 August, 2012 we hereby certify that;

1. We have reviewed financial statements for the year 2021 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
2. There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.



Md. Zahangir Alam
Executive Vice President & CFO



Md. Tajul Islam
Managing Director & CEO

Deposit Product's of BCBL

BCB Savings Bank Account.

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- Account can be opened at a minimum amount of Tk. 500/-
- The applicant has to provide 2 Passport sized Photograph, Photograph of National Identity card/Birth registration Certificate/Passport/Driving License or other relevant document exemplifying his/her identity and 1 Passport sized Photograph of Nominee.
- Withdrawal of any amount at any date is allowed.
- Opening of any Individual or Joint account is possible.

BCB NIRVAR (A Monthly Savings Scheme):

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 Passport sized Photograph, Photograph of National Identity card/Birth registration Certificate/Passport/Driving License or other relevant document exemplifying his/her identity and 1 Passport sized Photograph of Nominee.
- Minimum monthly installments are Taka. 500/-, 1000/- 2000/-, 5000/-, 10000/- & 20000/-.
- Duration of the Scheme is 03 (three), 05 (five), 07 (seven) & 10 (ten) years.
- A Loan Privilege of up to 90% is possible against the entire deposited amount.

BCB Srijoni (A Savings account for Working Women)

- Special Product designed for the Working Women.
- Any working woman of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee.
- Account can be opened at a minimum amount of Tk. 100/- only.
- Interest paid half yearly & on daily balance.
- There is no obligation of minimum balance for interest.

BCB Nondita (A Savings Account only for Housewives)

- Any housewife of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee.
- A minimum deposition of Taka. 500.00 is required for opening the Account.
- Withdrawal or deposition of any amount at any date is allowed round the month. But no interest will be paid should more than two withdrawal is made in a week or the minimum balance of any particular month reaches less than Taka. 5000.00/-
- Interest will be paid half yearly & on daily balance.
- Free Credit Card facility may be availed against the account balance. (Conditions apply)

BCB Students' Savings Account:

- Student's below 6 years up to 18 years of age is applicable for opening the account.
- This is a joint account which cannot be opened with anyone else other than parents or legal Guardian.
- For the verification of age, as a means of evidence, Birth Registration Certificate / Passport / School Certificate will have to be presented before opening the account.
- Interest will be paid half yearly & on daily balance.

BCB Bibaho Suridh Scheme Account:

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 Passport sized Photograph, Photograph of National Identity card/Birth registration Certificate/Passport/Driving License or other relevant document exemplifying his/her identity and 1 Passport sized Photograph of Nominee.
- Minimum monthly installments are Taka. 1000/-, 2000/-, 3,000/- 4000/- 5000/-, 10,000/-, 15,000/-, 20,000/- & 25,000/-.
- Duration of the Scheme is 05 (five), 10 (ten) years & 15 (Fifteen) years & 20 (Twenty) years.
- A Loan Privilege of up to tk. 10.00 Lakh is possible (Conditions Apply).
- Premature Encashment is possible (Conditions Apply).

BCB Shikkha Suridh Scheme Account

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 Passport sized Photograph, Photograph of National Identity card/Birth registration Certificate/Passport/Driving License or other relevant document exemplifying his/her identity and 1 Passport sized Photograph of Nominee.
- Minimum monthly installments are Taka. 1000/-, 2000/-, 3,000/- 4000/- 5000/-, 10,000/-, 15,000/-, 20,000/- & 25,000/-.
- Duration of the Scheme is 05 (five), 10 (ten) years & 15 (Fifteen) years & 20 (Twenty) years.
- A Loan Privilege of up to tk 10.00 Lakh is possible (Conditions Apply).
- Premature Encashment is possible (Conditions Apply).

BCB Chikitsha Suridh Scheme Account

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 Passport sized Photograph, Photograph of National Identity card/Birth registration Certificate/Passport/Driving License or other relevant document exemplifying his/her identity and 1 Passport sized Photograph of Nominee.
- Minimum monthly installments are Taka. 1000/-, 2000/-, 3,000/- 4000/- 5000/-, 10,000/-, 15,000/-, 20,000/- & 25,000/-.
- Duration of the Scheme is 05 (five), 10 (ten) years & 15 (Fifteen) years & 20 (Twenty) years.
- A Loan Privilege of up to tk 10.00 Lakh is possible (Conditions Apply).
- Premature Encashment is possible (Conditions Apply).

BCB Current Deposit Account	<ul style="list-style-type: none"> ➤ Any matured citizen of Bangladesh can open the account at any branch of BCB. ➤ The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee. ➤ A minimum deposition of Taka. 1000.00 is required for opening the Account. ➤ Withdrawal of any amount at any date is allowed. ➤ Opening of any Individual, Joint or Institutional account is possible.
BCB Special Notice Deposit Account (SND)	<ul style="list-style-type: none"> ➤ Any matured citizen of Bangladesh can open the account at any branch of BCB. ➤ The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee. ➤ A minimum deposition of Taka. 1000.00 is required for opening the Account. ➤ Withdrawal of any amount at any date is allowed. ➤ Opening of any Individual, Joint or Institutional account is possible.
BCB Double Benefit Scheme	<ul style="list-style-type: none"> ➤ Any matured citizen of Bangladesh can open the account at any branch of BCB. ➤ The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee. ➤ A minimum deposition of Taka. 25,000.00 or multiple is possible. ➤ Deposited amount would be doubled in 08 (Eight) years.
BCB Monthly Income Scheme	<ul style="list-style-type: none"> ➤ Any matured citizen of Bangladesh can open the account at any branch of BCB. ➤ The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee. ➤ A minimum deposition of Taka. 1, 00,000.00 or multiple is possible for a period of 03 (three) years. ➤ Maximum amount of profit withdrawal is Taka. 900.00 tk. per Lakh (monthly). ➤ A loan privilege of up to 90 % is possible against the entire deposited amount.
BCB Fixed Deposit	<ul style="list-style-type: none"> ➤ A term deposit account that can be opened by any matured citizen of Bangladesh at any branch of BCB.

BCB Senior Citizen	<ul style="list-style-type: none"> ➤ Priority services at branches with special attention. ➤ Faster transfer of funds ➤ Online options to pay your bills & others ➤ Free ATM debit card (For 1st year only) ➤ Free Internet Banking Service ➤ Free SMS Banking Service ➤ 25% discount on lockers charges (Subject to availability) ➤ No Service Charge ➤ No withdrawal restriction ➤ Minimum balance Tk.5,000.00 ➤ Closing charge as per schedule
BCB Senior Citizen (Monthly Income Scheme)	<ul style="list-style-type: none"> ➤ It is an attractive Monthly Income Scheme Specially designed for senior citizens. ➤ This project helps the family to live on a budgetary basis. ➤ This Product will help retirees to get a regular monthly income. ➤ Monthly Profit will be transferred to it's linked account automatically and at maturity Profit + Principal amount will also be credited automatically to the respective linked account after closing the contract with clients. So the scheme is totally hassle free. ➤ No Closing Charge. ➤ A thanks letter will be given after opening of the account. ➤ A message will be given instead of manual receipt when credited the monthly profit to respective linked account.
BCB Tarunyo	<ul style="list-style-type: none"> ➤ Minimum balance Tk. 500.00 ➤ Priority services at branches ➤ Faster transfer of funds ➤ Online options to pay your tuition fees & others ➤ Free ATM debit card (For 1st year only) ➤ Free Internet Banking Service ➤ Free SMS Banking Service ➤ No Service Charge ➤ No withdrawal restriction ➤ Closing charge as per schedule
BCB Tarunyo	<ul style="list-style-type: none"> ➤ Minimum balance Tk. 500.00 ➤ Priority services at branches ➤ Faster transfer of funds ➤ Online options to pay your tuition fees & others ➤ Free ATM debit card (For 1st year only) ➤ Free Internet Banking Service ➤ Free SMS Banking Service ➤ No Service Charge ➤ No withdrawal restriction ➤ Closing charge as per schedule

Islamic Banking Product

1. Al-Wadeeah Current Account (AWCA)
2. Foreign Currency Account (FCA)
3. Non-Resident Investors Taka Account (NITA)
4. Export Retention Quota (ERQ)
5. Mudaraba Savings Account (MSA) - General
6. Mudaraba Savings Account (MSA) - Staff
7. Mudaraba Student Savings Account (MSSA)
8. Mudaraba Special Notice Savings Account (MSNSA)
9. Mudaraba Farmers Savings Account (MFSA)
10. Mudaraba Foreign Currency Deposit Account (MFCDA)
11. Mudaraba Industrial Employee's Saving Account (MIESA)
12. Mudaraba Term Deposits Receipt Account:
 - A. 01 Month
 - B. 03 Months
 - C. 100 days
 - D. 06 Months
 - E. 200 days
 - F. 300 days
 - G. 12 Months
 - H. 24 Months
 - I. 36 Months
13. Mudaraba Savings Bond Account (MSBA):
 - A. 8 Years Term
 - B. 5 Years Term
14. Mudaraba NRB Savings Bond Account (MNSBA):
 - A. 10 Years Term
 - B. 5 Years Term
15. Mudaraba Monthly Profit Deposit Scheme Account (MMPDSA):
 - A. 5 Years Term
 - B. 3 Years Term
16. Mudaraba Priority Saving A/C
17. Mudaraba Special Savings (Pension) Account (MSSA):
 - A. 10 years Term
 - B. 5 years Term
 - C. 3 Years Term
18. Mudaraba Hajj Savings Account (MHSA):
 - From (1-25) years
19. Mudaraba Muhor Savings Account (MMSA):
 - A. 10 Years Term
 - B. 5 years Term
20. Mudaraba Bibaho Savings Account (MBSA):
 - A. 5 Years Term
 - B. 3 Years Term
21. Mudaraba Waqf Cash Deposit Account (MWCD)

Report on CREDIT MANAGEMENT

INTRODUCTION:

The COVID-19 pandemic has damaged economies across the world, including financial markets and institutions in all possible dimensions. For banks in particular, the pandemic generated multifaceted crisis, mostly through increases in default rates. This is likely to be worse in developing economies with poor financial market architecture if COVID-19 prevails. The COVID-19 pandemic, particularly in developing countries, has already resulted in a complex set of simultaneous outcomes; for example, a mass-default of loans, recoveries becoming complex and harder, savings exhausted by customers to support daily living, decreased availability of loan-able funds, and depressed new investment demands. Nevertheless, through the inception of vaccination initiatives by the Government and various supportive policies, Bangladesh economy has intrinsically witnessed recoil of its economic activities to a good extent. Import, export and investment gained impetus.

CORPORATE FINANCE

The Bank maintains a well-diversified loan portfolio by extending project finance, export finance, SME loans, commercial credit, continuous loans, agricultural credit, house building loan etc to the deserving clients. A wide range of business, industry, service and trade sectors constitute the Bank's advance portfolio. The credit portfolio of the Bank is composed of Corporate, SME, Retail and Agricultural Products. Credit activities of the Bank are administered by the Credit Committee at Head Office with delegation of responsibilities grouped into assessment of risks, lending decisions and monitoring functions. At the end of 2021, credit portfolio of the Bank increased by Taka 372.90 million to reach the total of Taka 23452.60 million against Taka 23079.70 million in 2020. The growth recorded was 1.62 percent over the preceding year. Our loan recovery efforts were successful and total non-performing loans accounted for 46.84 percent of total loans at the year-end 2021. Bank's Credit to Deposit ratio was 55.62 percent as of 31st December 2021.

SYNDICATION & STRUCTURED FINANCE

Credit Management Division (CMD) provides unique and innovative financial solutions to the clients in Power, Manufacturing, RMG & Textiles, Cement, Refinery, Ceramics, Pulp & Paper, Telecom, Steel, Construction, and Financing in Economic Zone, Offshore Financing, Bridge Financing, Green Financing, equity financing in the form of Preference Share etc. The Division also provides working capital financing for all sector of businesses and industries based on their nature of operation. The Division is also supporting Bank's corporate customers in the form of Project Term Loan, Short Term Loan, Working Capital Loan & other facilities in establishing new projects or in BMRE (Balancing, Modernization, Rehabilitation and Expansion) Projects. CMD also provides agency and other ancillary services to the customers in a structured way. As of December, 2021; Syndication funded exposure was of Tk. 1382.58 million. Bank in the meantime has created its brand image in the market through financing almost all the big corporate houses of the country.

CREDIT MANAGEMENT

Credit Management Department (CMD) is ensuring quick, smooth and safe running of the operations against the most critical functions of loans and advances extended to the borrowers. Its main objective is to support and control the extension of all credit facility centrally, ensuring security documents as per terms and conditions of sanction letters, working with critical CIB operation & regulatory reporting, monitoring of expired loan.

SECTOR-WISE LOAN CONCENTRATION

SL	Sectors/Sub-Sectors	2020		2021	
		Million Taka	% of Loan	Million Taka	% of Loan
1	Agriculture	986.80	4.28%	886.40	3.78%
2	Industries				
	Food Manufacturing	464.20	2.01%	514.40	2.19%
	Beverage industry	227.20	0.98%	276.10	1.18%
	RMG industry	2030.40	8.80%	2170.40	9.25%
	Textile industry	635.30	2.75%	685.10	2.92%
	Wood cork and allied products	0.00	0.00%	0.00	0.00%
	Furniture and Fixture	40.80	0.18%	35.80	0.15%
	Paper and paper products	86.20	0.37%	100.00	0.43%
	Leather and leather products	13.50	0.06%	17.30	0.07%
	Rubber products	0.00	0.00%	0.00	0.00%
	Chemical and chemical products	0.00	0.00%	0.00	0.00%
	Basic metal products	285.20	1.24%	181.40	0.77%
	Electrical machinery and apparatus	0.00	0.00%	0.00	0.00%
	Other manufacturing industries	3707.70	16.06%	3735.30	15.92%
	Ship building	0.00	0.00%	0.00	0.00%
	Ship breaking	0.00	0.00%	0.00	0.00%
	Pharmaceutical	0.00	0.00%	0.00	0.00%
	Subtotal Industries	7490.50	32.45%	7715.80	32.90%
3	Constructions	741.20	3.21%	890.40	3.80%
4	Power, Gas, Water and Sanitary Services	488.40	2.12%	449.80	1.92%
5	Transport, Storage and Communication	143.30	0.62%	144.80	0.62%
6	Trade Services	10506.90	45.52%	10180.30	43.40%
7	Housing Services	377.00	1.63%	342.70	1.47%
8	Banking and Insurance	0.00	0.00%	0.00	0.00%
9	Professional and Misc services	2345.60	10.16%	2842.40	12.11%
	Total	23079.70	100.00%	23452.60	100.00%

CREDIT RISK MANAGEMENT:

BCBL has a diversified credit portfolio with investment in various economic sectors. To manage this credit portfolio it has an efficient Credit Risk Management Process practised by Credit Management Division (CMD). Responsibilities of CMD are structured such a manner that decisions are taken close to ground realities, while enforcing robust reviews and challenge of regulations, performance, risk framework and strategic plans. A team of well-experienced bankers led by the Managing Director & CEO of the Bank, assisted by 2 (two) DMDs is engaged in approving & monitoring the credit and adherence to agreed controls. The Head of CMD, under the guidelines of Credit Policy, manages the credit risk of bank's entire corporate credit portfolio. Bangladesh Commerce Bank Limited manages credit risk in line with norms set by the Central Bank and through bank's adapted processes & policies relating to the pre-sanction and post-sanction stages of credit approval.

MAJOR ACTIVITIES AS WELL AS COMPLIANCE ISSUES PERFORMED IN 2021

CMD is engaged in periodic revision and continuous standardization of the credit policy of the bank in commensurate with the “Guidelines on Credit Risk Management (CRM) for Banks”, “Guidelines on Environmental and Social Risk Management (ESRM) for Banks and Financial Institutions in Bangladesh” & “Internal Credit Risk Rating System” of Bangladesh Bank and circulars. For obtaining comprehensive and reliable survey report on the collateral securities, CRM Division formulated Policy for valuation of security and relentlessly engaged in augmenting the overall asset quality and contributing to the growth and success of the bank.

OUTLOOK-2022

On the eve of the overall turmoil in the financial sector, driven by sluggish credit growth across the world due to the breakout of COVID-19, we expect the year 2022 to continue to be a very challenging one too from a CRM perspective. The Credit Management Division intends to implement robust processes to mitigate all the risk measures instructed by the Central Bank and internally designed by the bank to lower the percentage of NPL as well as to maintain a better quality asset portfolio that will ultimately yield a maximized profit for the bank. Moreover, in 2022, CMD will continue to endure the challenge of maximizing the bank’s interest income in a low interest rate environment.

ACTION PLAN FOR 2022

A) Credit Operations

KEY Result Area (KRA):

- Continue to achieve 15%-20% incremental growth of loans and advances annually from 2022.
- Increase the proportion of high yielding loans in the loan portfolio with a minimum growth of 15%
- Maintain a “Healthy loan portfolio” with the focus to invest more in the productive & real sectors of the economy.

Key Task Area (KTA):

- Restrict/limit low yielding loans and advances
- Expand high yielding secured and easily realizable loans
- Extend credit to prospective new sectors on priority basis
- Sanction loans based on realistic appraisal, risk analysis and proper evaluation of loan proposals based on prudential guidelines.
- Entertain good entrepreneurs with prompt services.
- Simplify loan sanctioning procedures and make loans and advances easily available for good and high creditworthy customers.
- Encourage medium and large customers to undertake rating of their corporate entities constantly
- Exercise loan grading system and ensure effective loan monitoring process
- Offer competitive interest rates of various loans covering the cost of fund, cost of loan supervision and probable loan losses keeping in view the guidelines of Bangladesh Bank.

B) Maintenance of Advance-Deposit Ratio (AD Ratio):

With the growth of credit volume the Bank intends to maintain the AD ratio (Advance Deposit Ratio) to a desired level as 80.00% in 2022 than 55.62% in 2021 to maximize profitability of the Bank.

CMD also intends to perform the following tasks:

- a. Prepare yearly credit plan and budget of loans and advances for branches consistently.
- b. Increase loans and investments for maximization of profit.
- c. Diversify loans/investment portfolio.



Mohammad Ziaul Karim

SEVP & Head of Credit Management Division

SME & Special Programs Division (Business Performance)

Fig in Crore

Year	CMSME Target	CMSME Achievement	Agri Target	Achievement	Women Target	Achievement	10 Tk Target	Achievement	Agri 4% (Subsidy) Target	Achievement
2020	300.00	303.75	24.00	24.00	30.00	18.48	0.30	0.17	0.15	0.06
2021	320.00	324.97	24.00	24.00	32.00	23.62	0.30	0.19	0.15	0.01

Sectorwise Loan Disbursement:

Sector	2020	2021
Manufacturing	56.92	45.26
Service	93.85	111.94
Trade	152.98	167.77
Total	303.75	324.97

Concentration Mix :-

- It is observed that Loan disbursement in CMSME sector in 2021 is higher than in 2020, so we have to continue increase this disbursement in CMSME sector for further year.
- Women Entrepreneur and Agri sector should be more emphasized compared to previous year.
- In considering sectorwise disbursement, investment should be increased in Manufacturing & Service sector rather trading sector.

Future Business Outlook :

The SMEs contribution is about one fourth of the country's gross domestic product and millions of people are employed in this sector. Still a large number of micro, cottage and small business have been remained missing from formal financing. Since this sector is labour intensive with short gestation period, it is capable of increasing national income as well as rapid employment generation.

Bangladesh Bank has put greater emphasis in doing SME business through the schedule banks in Bangladesh. In line with the prudential guidelines & small enterprise financing policy of Bangladesh Bank, BCBL has already taken vast initiatives to go for huge investment in SME sector. In order to increase the market share in SME business as well as maintain a regular SME portfolio, BCBL has to implement the following points :-

- Increase field of investment in SME sector.
- Spread SME financing in large rural areas.
- Introduce new asset products helping to SME financing.
- Bring diversity in the areas of SME sector.
- Provide refinance facilities to some SME sectors like women entrepreneur, agro-processing industries & other small and micro cottage industries, which will not only promoting the mentioned sectors but also ensure better & profitable fund management at Bank's end.

FINANCIAL HIGHLIGHTS OF FOREIGN TRADE



Trade Services

Trade Finance of Bangladesh Commerce Bank Ltd Plays a vital role both domestic and international transactions in contemporary banking. Support cross-border trade through crafting financial solution that is most beneficial for our customers. Trade Finance increases their dynamics of the global business environment and leverages its financial resources, technology and global corresponding banking network to build and sustain strong local and international trade business relations.

5 Years Trade Finance Highlights

Particulars	2021	2020	2019	2018	2017
Export	4882.80	1268.00	2542.00	6174.00	2284.00
Import	4336.80	2377.00	3698.00	5034.00	4720.00
Inward Remittance	3150.50	2121.00	2089.00	1722.00	1188.00

Export

Despite of the bumpy economic scenario of the country our team of the bank put their resilience and dedication helped the succeed to remain growth of Export business. Total business handled during the year 2021 was Tk. 4,882.80 million. The export items were among others readymade garments, Jute goods, Frozen foods, Chemical products, Leather, Footwear, Tea etc. Pharmaceuticals will be the more focused items of our Bank. Our Bank is moving ahead on the development path at a rapid pace.

Import

The Bank engaged in opening Letter of Credit in different sector including machineries, garments accessories, raw cotton, food grain, milk and agricultural items etc. BCBL has exhibited quality financing for facilitating import trade. During the year 2021, the bank handled total of BDT 4,336.80 million of import business. BCBL continued to keep pace in delivering growth of import of its operating performance during this year.

Inward Remittance

Financial incentive along with the depreciating mode of taka against dollar has helped boost the influx in the last calendar year. BCBL has strengthened its position in mobilizing inward foreign remittance from Non-Resident Bangladeshis (NRB) living and working in different parts of the world. In the year 2021, the bank handled inward foreign remittance total of BDT 3150.50 million compared to BDT 2,121.00 million in the year 2020. We have strengthened relationship with various global money transfer companies including Western Union, Money Gram, Xpress Money, Placid Express, Instant Cash Worldwide, Prabhu Money Transfer and Trans-Fast Remittance. Remittance Unit of the bank implemented modern remittance software to.

HIGHLIGHTS OF ICT AND FUTURE OUTLOOK

Making the bank a 'Fully Automated' one with a view to streamline its operational efficiencies, upgraded customer service and to position itself as the bank-of-choice in Bangladesh for customers, stakeholders, employees and other beneficiaries.

IT Infrastructure Development

- **DATA Centre (DC)/Disaster Recovery Site (DRS)**
- Data Center (3 tier & Green IT Compliant) at Taranga Complex
- DR site at Colocity, Mohakhali, Dhaka
- Communication (FO, Radio, DARK FIBER)

Data connectivity

- Branch to DC/DR (1 MBPS Redundant links from 8 different vendors)
- DC/DR to BB DC/DR for BACH/RTGS)
- DC/DR to other locations (Telco, Utility Company, Election Commission etc.
- DC to DR (Dark Fiber)

Video/Audio/Call Centre with BTRC allocated Short Code 16270 & vendor allocated 0961322

- Video- IP Telephony system toll free calling within the bank branches/Office or any IP phone within the country
- Call Centre (yet to be launched)

Internet (100 MBPS) for

- Internet browsing for HO & all branches
- Website (www.bcblbd.com)
- Internet banking (www.bcbl.com.bd)
- BCB Mail service (www.mail.bcbl.com.bd) with MS Exchange server

Hardware DC, DRS, HO & Branches

- Storage, Rack Mounted servers, PC, Thin Client PC, Scanner, Printer, Structured LAN etc.
- Router, Firewall, Switch, Video IP Phone etc. (out sourced)

Centralized Core Banking Software named Stelar/My Bank Software implemented in 2014

Vendor : M/S Era Info tech limited

Alternative Service Delivery Channels:

Cards:

- **BCB Debit card (VISA)**
- **BCB Credit Card (VISA)**
 - ATM Booth –
 - Dinajpur br. (1 ATM)
 - Principal br. (2 ATM)
 - Bangla Motor (1 ATM)

Internet Banking Service :

BCB Net Banking (www.bcbl.com.bd) –SSL certified

Facilities :-

- Account balance/Statement/Cheque Enquiry
- Fund transfer among bank Accounts within same bank (instant & at a schedule date)
- Fund transfer to any bank account with other bank under BEFTN

- Utility Payment (WASA & DPDC)-Instant
- Mobile Top-up
- BCB Mobile App has been implemented. Through Mobile App we can transfer fund among BCBL Accounts instantly, payment of Credit Card Bill, A/C Balance/Statements/ Cheque Enquiry etc.
- e-KYC has already Implemented.

SMS Alert Service

- Customers gets SMS notification through his registered Mobile Phone if any transactions occurred in their respective Account

E-GP (e-Government Procurement)

Tied with Central Procurement Technical Unit of IMED for E-GP services i.e E-Tendering Collected low cost deposit through this service till now.

Online Utility Payment Service :

WASA, DPDC, DESCO, NESCO & Titas Gas Bill collection –

- At any Branches- Cash/Transfer
- BCB Net Banking

Mobile Phone Bill Payment & Recharge System –

- BCB Net Banking
- ATM

Islamic Banking –

Islamic Banking software in Gulshan branch and Muradpur branch has already implemented.

Other successful Initiatives in line with BB

- NPSB (National Payment Switch of Bangladesh), BACH (BACPS & BEFTN), RTGS, CIB, goAML, Sanction Screening Software, Co-lateral Security, National ID Verification etc.
- FATCA (The Foreign Account Tax Compliance Act (FATCA) is a 2010 United States federal law to enforce the requirement for United States persons including those living outside the U.S. to file yearly reports on their non-U.S. financial accounts to the Financial Crimes Enforcement Network (FINCEN).

Recently implemented Automation projects

- Fixed Asset Management Software
- Payroll System

Joint Venture IT Company

- M/s. Sonali Polaris FT Limited (10% Share)

Remittance

- Western Union, MoneyGram, IME, Ria, Prabhu, Xpress Money, Placid, Transfast etc.

Future automation projects:

- Through Mobile app Fund transfer to other Banks A/C through BEFTN, B-kash and Nagad fund transfer etc. is under Process
- Treasury automation
- Centralization of Credit Management System is under process.
- DR site in different seismic zone
- Implementation of 24/7 Call Center
- Implementation of Security Operation Centre (SOC)



**Bangladesh Commerce Bank Limited
and its Subsidiary**

**"Report on the Audit of the Consolidated
and Separate Financial Statements"**

For the year ended 31st December, 2021

Independent Auditors' Report To The Shareholders of Bangladesh Commerce Bank Limited Report On the Audit of the Consolidated and Separate Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of Bangladesh commerce bank limited and its subsidiaries (the "Group") as well as the separate financial statements of Bangladesh commerce bank limited (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2021 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the balance sheet as at 31 December 2021, and of its profit and loss accounts and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2 and comply with the Rules and Regulations issued by the Bangladesh Bank, the Companies Act, 1994 and other applicable Laws and Regulations.

Basis for Qualified Opinion

1. As per BRPD circular no.11 dated August 14, 2008 and minimum capital requirement in BASEL III, required capital including reserve fund are Tk. 400 crore and paid up capital not less than Tk. 200 crore. The same is also required by the bank as per section 13 (2) of Bank Company Act (Amendment) 2013. Subsequently as per BRPD letter no. p-3/745(49)/2019-2133 dated March 11, 2019 minimum paid up Capital and reserve fund of the Bank shall be increased to Tk. 400 crore. On this regard in 2021 the bank has Paid up Capital 198.87 crore and capital including reserve fund Tk. (686.00) crore {Tk. (603.40) crore in 2020} which result required capital shortfall of Tk. 1086.00 crore (Shortfall of Tk. 1103.40 crore in 2020)
2. As per ITO 1984 section 82C para 5 & 8 the Bank did not charge minimum tax expense amounting Tk. 54,897,953 (Tk. 12,811,292 in 2018; Tk. 14,457,767 in 2019, Tk.15,641,939 in 2020 and 11,986,955 in 2021) in Profit and loss for last 4 consecutive years.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2.1.2, note 4.1.3 and Note 13.13 which describe the Bank incurred net loss over couple of years, investment in deposit instruments in NBFI and shortfall in required provision for loans and advances, off balance sheet exposures and other assets respectively. As stated in Note 2.1.2, these events or conditions, along with other matters as set forth in Note 2.1.2 and in basis for qualified opinion section (SI No 1) indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of matter

We draw attention to note 2.1.4 of the financial statements which describes matters related to implementation of 'IFRS 16 Leases', which describes that the Bank implemented IFRS-16 partially rather than all the required Branches. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of key audit matters	Our response to key audit matters
Measurement of provision for loans and advances	
<p>The process for estimating the provision for Customers Loans and Advances portfolio associated with credit risk is significant and complex.</p> <p>For the individual analysis for large exposure, provisions calculation considers the estimates of future business performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis of exposure on portfolio basis, provision calculation and reporting are manually processed that deals with voluminous databases, assumptions and estimates.</p> <p>At 31 December 2021 the Bank reported total gross Loans and Advances of BDT 23,452,557,019 (2020: BDT 23,079,691,514) and provision for Loans and Advances of BDT 3,724,610,449 (2020: BDT 3,697,349,803).</p> <p>Furthermore, as per BRPD circular no 50 dated 14 December 2021, additional 2% provision is required for clients who have taken the deferral facility under BRPD Circular no 19 dated 26 August 2021 and subsequent amendment and shown as special general provision- COVID 19 under other liabilities. We have focused on the following significant judgements and estimates which could give rise to material misstatement or management bias:</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Credit appraisal, Investment disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Reviewed quarterly Classification of Investment (CL); <p>Our substantive procedures in relation to the provision for Investment portfolio comprised the following:</p> <ul style="list-style-type: none"> • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines; • Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. • Finally, compared the amount of provision requirement as determined by Bangladesh Bank inspection team to the actual amount of provision maintained.

<ul style="list-style-type: none"> Completeness and timing of recognition of loss events in accordance with criteria set out in BRPD circular no 14, dated 23 September 2012 and BRPD circular no 03, dated 21 April 2019; For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows; <p>Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.</p>	<p>Considering continuing adverse impact of COVID 19, Bangladesh Bank has given certain flexibility from classification requirement for loans vide issuing various circulars such as BRPD 3 dated 31 January 2021, BRPD 4 and 5 dated 24 March 2021, BRPD 13 dated 27 June 2021, BRPD 19 dated 26 August 2021 and BRPD 53 dated 30 December 2021 whereby Banks are allowed to keep a loan/customer as unclassified as long as the customer has paid 15% of the down payment due for the year 2021 by 31 December 2021.</p>
See note no 7 and 13.1 to the financial statements	

Valuation of treasury bill and treasury bond	
<p>The classification and measurement of T-Bill and T-Bond require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.</p>	<p>We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and bonds.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and bonds valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note no 6.1 to the financial statements	

Impairment assessment of unquoted investments	
<p>In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques which may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.</p>	<p>We have assessed the processes and controls put in place by the Company to ensure all major investment decisions are undertaken through a proper due diligence process.</p> <p>We tested a sample of investments valuation as at 31 December 2021 and compared our results to the recorded value.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note no 6.1 to the financial statements	

IT systems and controls	
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application based controls are operating effectively.</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p>

Implementation of IFRS 16 Leases	
<p>IFRS 16 modifies the accounting treatment of operating leases at inception, with the recognition of a right of use (ROU) on the leased asset and of a liability for the lease payments over the lease contract term. With respect to operating leases of premises used by the Bank, at inception of the lease, the lessor receives a right of using the premises, in exchange of a lease debt, using an implicit discount rate</p>	<p>In responding to the identified key audit matter, we completed the following audit procedures:</p> <p>Assessed the design and implementation of key controls pertaining to the determination of the IFRS 16 Leases impact on the financial statements of the Bank;</p> <p>Assessed the appropriateness of the discount rates applied in determining lease liabilities;</p>

Our key audit matter was focused on all leasing arrangements within the scope of IFRS 16 are identified and appropriately included in the calculation of the transitional impact and specific assumptions applied to determine the discount rates for lease are inappropriate.	<p>Verified the accuracy of the underlying lease data by agreeing to original contract and checked the accuracy of the IFRS 16 calculations through recalculation of the expected IFRS 16 adjustment; and</p> <p>Assessed whether the disclosures within the financial statements are appropriate in light of the requirements of IFRS.</p>
See notes no 8, 13 to the financial statements	

Measurement of deferred tax assets	
<p>At year end of 2021 the Bank reported total deferred tax assets of BDT 45,848,432 (2020: BDT 25,161,476) and deferred tax income of BDT 20,686,956 (2020: deferred tax income BDT 28,714,207).</p> <p>Significant judgment is required in relation to deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of DTAs and the assumptions used in estimating the Bank's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income. The Bank has sufficient taxable profit to recover the deferred tax assets in foreseeable future.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTA's.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax including deduction of DTA on specific provision from regulatory capital.</p>
See notes no 9.8.1 to the financial statements	

Legal and regulatory matters	
<p>We focused on this area because the Bank operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Bank's best estimate for existing legal matters that have a probable and estimable impact on the Bank's financial position.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p>

Interest income recognition	
<p>Recognition and measurement of interest income involve complex IT environment as well as require critical estimates and judgment. Since interest income from loans and advances is one of the key performance indicators of the Bank there is an inherent risk of fraud and error in recognition of interest income.</p> <p>Moreover, as per Bangladesh Bank BRPD circular no. 53 dated 30 December 2021, considering future risk banks were allowed to recognize outstanding/ arrear interest income on loans where deferral facilities were given upon receiving at least 15% of the total receivable amount. Accordingly this has been considered as key audit matter.</p>	<p>Interest has been accrued in full on all unclassified loan balances at relevant rates (maximum of 9% since 1 April 2020) considering the entire amount as recoverable from the client and the Government (waived portion). On test basis we have checked a sample of loan accounts to assess whether the Bank has complied with the instruction referred herein.</p> <p>However, due to the current uncertainty of the overall economic situation both in Bangladesh and Globally there are inherent risk that the judgment applied by Management in assessing recoverability of interest income may be different than the actual situation in future. If it became worse, there is a risk that significant portion of interest accrued during the year ended 31 December 2021 may not be ultimately recoverable.</p>
See notes no 22 to the financial statements	

Other information

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

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements and internal controls:

Management is responsible for the preparation and fair presentation of the financial statements of the Bank in accordance with IFRSs as explained in note 2 and comply with the Banking Company Act, 1991 (as amended up to date), the Companies Act, 1994 and other applicable Laws and Regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bangladesh Bank guidelines require the management to ensure effective internal audit, internal control and risk management functions of the Bank. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, the Bank Company Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ii. to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - (a) internal audit, internal control and risk management arrangements of the Bank as disclosed in the financial statements appeared to be materially adequate;
 - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities;
- iii. in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books;
- iv. the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- v. the balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- vi. the expenditures incurred were for the purpose of the Bank's business for the year;
- vii. the financial statements have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- viii. adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- ix. the information and explanations required by us have been received and found satisfactory;
- x. we have reviewed over 80% of the risk weighted assets of the Bank and spent over 4,480 person hours; and
- xi. Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has not been maintained adequately during the year.

Firm's Name : Hoda Vasi Chowdhury & Co, Chartered Accountants

Signature : 

Auditors' Name : Showkat Hossain, FCA, Senior Partner

Enroll. No.: 0137

Date : April 27, 2022

Place : Dhaka

DVC : 2204270137AS988298

Bangladesh Commerce Bank Limited & its Subsidiary

Consolidated Balance Sheet

As at December 31, 2021

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
PROPERTY AND ASSETS			
Cash	3(a)	2,334,538,040	2,327,148,132
Cash in hand (including foreign currencies)	3.1(a)	532,994,638	460,644,415
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	1,801,543,402	1,866,503,717
Balance with other banks and financial institutions	4(a)	11,087,384,138	7,655,304,792
Inside Bangladesh		10,943,984,123	7,549,149,345
Outside Bangladesh	4.2	143,400,015	106,155,447
Money at call on short notice	5(a)	29,000,000	29,300,000
Investments	6(a)	5,874,199,519	5,087,265,517
Government		4,685,469,491	3,811,256,809
Others		1,188,730,028	1,276,008,708
Loans and Advances	7(a)	23,452,557,019	23,079,691,514
Loans, Cash Credit, Overdrafts etc.		23,386,751,154	23,056,599,340
Bills purchased and discounted		65,805,865	23,092,174
Fixed assets including premises, furniture and fixtures	8(a)	285,577,930	339,766,843
Other assets	9(a)	4,061,031,836	2,904,162,156
Non-banking assets	10	-	-
Total Property and Assets		47,124,288,482	41,422,638,953
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	340,231,730	354,547,632
Deposits and other accounts	12(a)	42,163,090,604	36,393,401,405
Current Account and Other Accounts etc.		4,543,675,207	3,640,459,699
Bills Payable		488,108,881	497,123,211
Savings Bank Deposits		4,405,984,559	3,825,993,970
Short Term Deposit		1,937,135,943	3,429,948,715
Fixed Deposits		23,586,903,187	18,578,216,776
Deposits under Different Schemes	12.5(a)	7,201,282,827	6,421,659,034
Other liabilities	13(a)	8,253,769,757	6,752,795,706
Total Liabilities		50,757,092,091	43,500,744,743
Capital/Shareholders' Equity			
Paid-up-Capital	14.2	1,988,742,800	1,988,742,800
Share Capital BCI Ltd.		15,300,000	15,300,000
Right Share Application Money		917,259,650	917,259,650
Statutory Reserve	15(a)	275,060,371	275,060,371
Other Reserve	16(a)	8,920,366	8,920,366
Revaluation Reserve for HTM Securities	17(a)	96,194,757	82,309,891
Exchange Equalization Account		-	-
Retained Earnings/(Loss on profit & loss A/C)	18(a)	(6,934,281,643)	(5,365,698,959)
Total Shareholders' Equity		(3,632,803,699)	(2,078,105,881)
Non-Controlling Interest		91	91
Total Equity		(3,632,803,608)	(2,078,105,790)
Total Liabilities and Shareholders' Equity		47,124,288,482	41,422,638,953

Bangladesh Commerce Bank Limited & its Subsidiary

Consolidated Balance Sheet

As at December 31, 2021

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities			
Acceptances and Endorsements		322,287,158	324,061,649
Letter of Guarantees	19.1	576,123,563	472,299,049
Irrevocable Letter of Credit		1,024,386,613	666,559,929
Bills for Collection		2,994,527,004	3,034,767,615
Other contingent liability	19.2	127,209,968	112,112,334
TOTAL CONTINGENT LIABILITIES		5,044,534,306	4,609,800,576
Other commitments			
Documentary Credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off-Balance Sheet items including contingent liabilities		5,044,534,306	4,609,800,576

The annexed notes 1 to 38 and Annexure A,B,C,D, E and F form an integral part of these consolidated financial statements.


 Managing Director


 Director


 Director


 Chairman

Signed in term of our separate report of even date

Firm's Name : Hoda Vasi Chowdhury & Co., Chartered Accountants

Signature : 

Auditors' Name : Showkat Hossain, FCA, Senior Partner

Enroll No.: 0137

Date : April 27, 2022

Place : Dhaka

DVC : 2204270137AS988298

Bangladesh Commerce Bank Limited & its Subsidiary

Consolidated Profit and Loss Account

For the year ended December 31, 2021

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
Interest Income	20 (a)	1,494,405,030	1,433,297,960
Interest Paid on Deposits and Borrowings etc	21(a)	2,311,030,393	2,165,160,284
Net Interest Income		(816,625,362)	(731,862,324)
Income from Investments in Shares and Securities	22(a)	369,303,256	437,634,435
Commission, Exchange Earnings & Brokerage	23(a)	271,332,276	173,801,287
Other Operating Income	24(a)	87,738,268	37,395,318
Total operating income (A)		728,373,801	648,831,040
		(88,251,561)	(83,031,284)
Salaries and Allowances	25(a)	995,063,975	965,614,905
Rent, Taxes, Insurance, Electricity, etc.	26(a)	169,318,821	151,081,571
Legal Expenses		756,264	2,080,335
Postage, Stamp, Telecommunication etc.	27(a)	47,517,097	30,848,882
Stationery, Printing, Advertisement etc.	28(a)	13,390,478	12,761,823
Managing Director's salary and fees	29	9,600,000	2,245,161
Directors' Fee and expenses	30(a)	1,900,800	1,963,600
Auditors' Fee		345,000	230,000
Depreciation & Repairs of Bank Assets	31(a)	115,636,098	118,282,669
Other Expenses	32(a)	76,155,652	68,255,613
Total operating expenses (B)		1,429,684,185	1,353,364,560
Total Profit/ (Loss) before Provision & Taxes (C)=A-B		(1,517,935,746)	(1,436,395,844)
Provision for Loans & Advances	13.1.2	97,776,590	619,803,000
Provision for deminution in value of Investment	13.6	(63,838,788)	(63,329,966)
Provision for Off Balance Sheet Items	13.10	3,477,644	(39,320,457)
Other provisions	13.11	9,856,000	9,873,000
Total provision (D)		47,271,446	527,025,577
Profit/(loss) before taxes (C-D)		(1,565,207,192)	(1,963,421,421)
Provision for Taxation		3,375,493	(18,088,250)
Current tax expense		29,364,749	10,652,951
Prior year tax expense		-	-
Deferred tax expense/ (Income)		(25,989,256)	(28,741,201)
Net profit/ (loss) after taxation		(1,568,582,685)	(1,945,333,171)
Appropriations			
Statutory Reserve		-	-
General Reserve		-	-
Dividends etc.		-	-
Retained surplus		(1,568,582,685)	(1,945,333,171)
Earning Per Share (EPS)	34(a)	(78.87)	(97.82)

The annexed notes 1 to 38 and Annexure A,B,C,D and F form an integral part of these consolidated financial statements.


 Managing Director


 Director


 Director


 Chairman

Signed in term of our separate report of even date

Firm's Name : Hoda Vasi Chowdhury & Co., Chartered Accountants

Signature : 

Auditors' Name : Showkat Hossain, FCA, Senior Partner

Enroll No.: 0137

Date : April 27, 2022

Place : Dhaka

DVC : 2204270137AS988298

Bangladesh Commerce Bank Limited & its Subsidiary

Consolidated Cash Flow Statement

For the year ended December 31, 2021

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
A. Cash flow from operating activities			
Interest receipts		800,797,555	1,377,708,345
Interest payments		(1,994,113,192)	(2,041,260,501)
Dividend receipts		63,543,272	60,791,994
Fees and commission receipts in cash		114,955,335	89,347,573
Cash payment to employees		(934,331,417)	(914,370,466)
Cash payment to suppliers		(221,152,669)	(184,532,269)
Income Taxes paid		(60,707,103)	(51,888,595)
Receipts from other operating activities		146,128,054	215,985,346
Payments for other operating activities		(53,078,341)	(62,697,448)
Operating profit before changes in operating assets and liabilities		(2,137,958,506)	(1,510,916,020)
Increase/(Decrease) in operating assets & liabilities		6,114,097,722	1,964,694,828
Statutory Deposits		-	-
For the year ended December 31, 2020		(372,865,505)	(603,992,395)
Other assets		(53,603,195)	5,553,083
Deposits from other banks/ borrowings		(1,018,274,282)	567,838,421
Deposits from customers		6,471,046,279	1,662,960,658
Other liabilities		1,087,794,424	332,335,061
Net cash flows from/ (used in) operating activities (CBSIL)		368,193,897	76,167,845
Net cash flow from operating activities (A)		4,344,333,113	529,946,652
B. Cash flow from investing activities		45,050,954	22,128,833
Purchase/ sale of government securities & bond		(52,095,920)	(87,149,433)
Purchase of property, plant & equipment		97,146,873	109,278,266
Purchase/sale of subsidiary		-	-
Net Cash flow from investing activities(CBSIL)		(76,560,058)	(78,284,164)
Net cash flow from/ (used in) investing activities (B)		(31,509,105)	(56,155,331)
C. Cash flow from financing activities			
Proceeds from issue of debt instruments		(14,315,903)	145,784,617
Long Term loan payment to BCBL		-	-
Payment for redemption of debt instruments		13,884,866	(81,394,577)
Receipts from issuing ordinary share/ rights share		-	-
Cash Dividend		-	-
Net Cash flow from Financing activities(CBSIL)		988,964	-
Net cash flow from /(used in) financing activities (C)		557,927	64,390,041
Net increase in Cash and Cash Equivalents (A+B+C)		4,313,381,936	538,181,362
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and Cash Equivalents at the beginning of the year		13,823,009,733	13,284,828,371
Cash and cash equivalents at end of year		18,136,391,669	13,823,009,733
Closing Cash & Cash Equivalent			
Cash in Hand (including foreign currency)		532,994,638	460,644,415
Balance with Bangladesh Bank and its Agent Banks		1,801,543,402	1,866,503,717
Balance with Other Bank's and Financial Institutions		11,087,384,138	7,655,304,792
Money at Call on Short Notice		29,000,000	29,300,000
Prize Bond		1,976,500	1,723,400
Government Securities & FDR		4,683,492,991	3,809,533,409
		18,136,391,669	13,823,009,733


 Managing Director


 Director


 Director


 Chairman

Bangladesh Commerce Bank Limited & its Subsidiary
Consolidated Statement of changes in Equity

For the year ended December 31, 2021

(Amount in Taka)

Particulars	Paid up Capital	Share Premium	Non-Controlling Interest	Statutory Reserve	Revaluation Reserve	Other Reserve	Profit/(Loss)	Total
Balance as on January 01, 2021	2,921,302,450	-	91	275,060,371	82,309,891	8,920,366	(5,365,698,959)	(2,078,105,799)
Changes in Accounting Policy	-	-	-	-	-	-	-	-
Restated Balance	1,988,742,800	-	91	275,060,371	82,309,891	8,920,366	(5,365,698,959)	(3,010,665,439)
Share Capital BCI Ltd.	15,300,000	-	-	-	-	-	-	15,300,000
Adjustment for the application of IFRS-16 (Lease)	-	-	-	-	-	-	-	-
Prior Year's Adjustment	-	-	-	-	-	-	-	-
Right Share Application Money	917,259,650	-	-	-	-	-	-	917,259,650
Increase in Statutory Reserve	-	-	-	-	-	-	-	-
Revaluation Reserve for HTM Securities	-	-	-	-	13,884,866	-	-	13,884,866
Net Profit/(Loss) for the year	-	-	-	-	-	-	(1,568,582,685)	(1,568,582,685)
Balance as on December 31, 2021	2,921,302,450	-	91	275,060,371	96,194,757	8,920,366	(6,934,281,644)	(3,632,803,608)
Balance as on January 01, 2020	2,921,302,450	-	91	275,060,371	163,704,467	8,920,366	(3,307,301,971)	61,685,774
Changes in Accounting Policy	-	-	-	-	-	-	-	-
Restated Balance	1,988,742,800	-	91	275,060,371	163,704,467	8,920,366	(3,307,301,971)	(870,873,876)
Share Capital BCI Ltd.	15,300,000	-	-	-	-	-	-	15,300,000
Adjustment for the application of IFRS-16 (Lease)	-	-	-	-	-	-	(27,736,815)	(27,736,815)
Prior Year's Adjustment	-	-	-	-	-	-	(85,327,000)	(85,327,000)
Right Share Application Money	917,259,650	-	-	-	-	-	-	917,259,650
Increase in Statutory Reserve	-	-	-	-	-	-	-	-
Revaluation Reserve for HTM Securities	-	-	-	-	(81,394,576)	-	-	(81,394,576)
Issuance of Share Capital	-	-	-	-	-	-	-	-
Redemption of Share Capital	-	-	-	-	-	-	-	-
Net Profit/(Loss) for the year	-	-	-	-	-	-	(1,945,333,173)	(1,945,333,173)
Balance as on December 31, 2020	2,921,302,450	-	91	275,060,371	82,309,891	8,920,366	(5,365,698,959)	(2,078,105,799)


Managing Director


Director


Director


Chairman

Bangladesh Commerce Bank Limited

Balance Sheet

As at December 31, 2021

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
PROPERTY AND ASSETS			
Cash	3	2,334,077,424	2,326,682,438
Cash in hand (including foreign currencies)	3.1	532,534,022	460,178,721
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	3.2	1,801,543,402	1,866,503,717
Balance with other banks and financial institutions	4	10,456,279,093	7,316,827,628
Inside Bangladesh	4.1	10,312,879,078	7,210,672,181
Outside Bangladesh	4.2	143,400,015	106,155,447
Money at call on short notice	5	29,000,000	29,300,000
Investments	6	6,416,551,393	5,639,485,584
Government	6.1	4,685,469,491	3,811,256,809
Others	6.2	1,731,081,902	1,828,228,775
Loans and Advances	7	23,452,557,019	23,079,691,514
Loans, Cash Credit, Overdrafts etc.	7.1	23,386,751,154	23,056,599,340
Bills purchased and discounted	7.2	65,805,865	23,092,174
Fixed assets including premises, furniture and fixtures	8	276,551,266	331,244,347
Other assets	9	3,164,362,626	2,156,963,759
Non-banking assets	10	-	-
Total Property and Assets		46,129,378,821	40,880,195,270
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	340,231,730	354,547,632
Deposits and other accounts	12	42,163,090,603	36,393,401,405
Current Account and Other Accounts etc.		4,543,675,207	3,640,459,699
Bills Payable		488,108,881	497,123,211
Savings Bank Deposits		4,405,984,559	3,825,993,970
Short Term Deposit		1,937,135,943	3,429,948,715
Fixed Deposits		23,586,903,187	18,578,216,776
Deposits under Different Schemes		7,201,282,827	6,421,659,034
Other Liabilities	13	7,388,085,557	6,325,260,706
Total Liabilities		49,891,407,890	43,073,209,744
SHAREHOLDERS' EQUITY			
Capital/Shareholders' Equity			
Paid-up-Capital	14.2	1,988,742,800	1,988,742,800
Share Capital BCI Ltd.		15,300,000	15,300,000
Right Share Application Money		917,259,650	917,259,650
Statutory Reserve	15	275,060,371	275,060,371
Other Reserve	16	8,920,366	8,920,366
Revaluation Reserve for HTM Securities	17	96,194,757	82,309,891
Exchange Equalization Account		-	-
Retained Earnings/(Loss on profit & loss A/C)	18	(7,063,507,012)	(5,480,607,552)
Total Shareholders' Equity		(3,762,029,068)	(2,193,014,474)
Total Liabilities and Shareholders' Equity		46,129,378,821	40,880,195,270

Bangladesh Commerce Bank Limited

Balance Sheet

As at December 31, 2021

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities			
Acceptances and Endorsements		322,287,158	324,061,649
Letter of Guarantees	19.1	576,123,563	472,299,049
Irrevocable Letter of Credit		1,024,386,613	666,559,929
Bills for Collection		2,994,527,004	3,034,767,615
Other contingent liability	19.2	127,209,968	112,112,334
TOTAL CONTINGENT LIABILITIES		5,044,534,306	4,609,800,576
Other commitments			
Documentary Credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off-Balance Sheet items including contingent liabilities		5,044,534,306	4,609,800,576

The annexed notes 1 to 38 and Annexure A,B,C,D,E and F form an integral part of these financial statements.



Managing Director



Director




Director



Chairman

Signed in term of our separate report of even date

Firm's Name : Hoda Vasi Chowdhury & Co., Chartered Accountants

Signature : 

Auditors' Name : Showkat Hossain, FCA, Senior Partner

Enroll No.: 0137

Date : April 27, 2022

Place : Dhaka

DVC : 2204270137AS988298

Bangladesh Commerce Bank Limited

Profit and Loss Account

For the year ended December 31, 2021

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
Interest Income	20	1,466,812,802	1,407,580,192
Interest on Deposits and Borrowings etc	21	2,311,030,393	2,165,160,284
Net Interest Income		(844,217,591)	(757,580,092)
Income from Investments	22	333,438,951	428,978,272
Commission, Exchange Earnings & Brokerage	23	114,955,335	89,347,573
Other Operating Income	24	82,618,741	37,395,318
		531,013,027	555,721,163
Total operating income (A)		(313,204,564)	(201,858,929)
Salary and Allowances	25	924,731,417	912,125,305
Rent, Taxes, Insurance, Electricity, etc.	26	160,279,044	140,843,234
Legal Expenses		744,764	2,080,335
Postage, Stamp, Telecommunication etc.	27	46,783,984	30,151,306
Stationery, Printing, Advertisement etc.	28	12,743,242	12,163,728
Managing Director's salary and allowances	29	9,600,000	2,245,161
Directors' Fee	30	1,346,400	1,374,000
Audit Fees		230,000	230,000
Depreciation & Repair of Fixed Assets	31	113,358,739	116,237,654
Other Expenses	32	43,808,763	51,175,119
		1,313,626,352	1,268,625,844
Total operating expenses (B)		(1,626,830,915)	(1,470,484,773)
Profit before Provision (C)=A-B			
Provision for Loans & Advances	13.01	27,260,646	609,803,000
Provision for deminution in value of Investment	13.06	(63,838,788)	(63,329,966)
Provision for Off Balance Sheet Items	13.10	3,477,644	(39,320,457)
Other provisions	13.11	9,856,000	9,873,000
		(23,244,498)	517,025,577
Total provision (D)		(1,603,586,417)	(1,987,510,350)
Profit/(loss) before taxes (C-D)		(20,686,956)	(28,714,207)
Provision for Taxation		-	-
Current tax expense		-	-
Prior year tax expense		-	-
Deferred tax expense / (income)		(20,686,956)	(28,714,207)
Net profit/ (loss) after taxation		(1,582,899,461)	(1,958,796,143)
Appropriations			
Statutory Reserve	15	-	-
General Reserve		-	-
Dividends etc.		-	-
		(1,582,899,461)	(1,958,796,143)
Retained surplus		(79.59)	(98.49)
Earning Per Share (EPS)	34		

The annexed notes 1 to 38 and Annexure A,B,C,D,E and F form an integral part of these consolidated financial statements.


Managing Director

Director

Director

Chairman

Signed in term of our separate report of even date

Firm's Name : Hoda Vasi Chowdhury & Co., Chartered Accountants**Signature** : **Auditors' Name** : Showkat Hossain, FCA, Senior Partner**Enroll No.:** 0137**Date** : April 27, 2022**Place** : Dhaka**DVC** : 2204270137AS988298

Bangladesh Commerce Bank Limited

Cash Flows Statement

For the year ended December 31, 2021

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
A. Cash flow from operating activities			
Interest receipts		800,797,555	1,377,708,345
Interest payments		(1,994,113,192)	(2,041,260,501)
Dividend receipts		63,543,272	60,791,994
Fees and commission receipts in cash		114,955,335	89,347,573
Cash payment to employees		(934,331,417)	(914,370,466)
Cash payment to suppliers		(221,152,669)	(184,532,269)
Taxes paid		(60,707,103)	(51,888,595)
Receipts from other operating activities		146,128,054	215,985,346
Payments for other operating activities		(53,078,341)	(62,697,448)
Operating cash flow before changes in operating assets and liabilities		(2,137,958,506)	(1,510,916,020)
Increase/(Decrease) in operating assets & liabilities		6,114,097,722	1,964,694,828
Statutory Deposits			
Loan & advance to customers		(372,865,505)	(603,992,395)
Other assets (item-wise)		(53,603,195)	5,553,083
Deposits from other banks		(1,018,274,282)	567,838,421
Deposits from customers		6,471,046,279	1,662,960,658
Other liabilities account of customers		1,087,794,424	332,335,061
Net cash flow from/ (used in) operating activities (A)		3,976,139,216	453,778,807
B. Cash flow from investing activities			
Purchase of property, plant & equipment		(52,095,920)	(87,149,433)
Purchase/sale of Securities & bond		97,146,873	109,278,266
Net cash used in investing activities (B)		45,050,953	22,128,833
C. Cash flow from financing activities			
Receipts from issue of debt instruments		(14,315,903)	145,784,617
Payment for redemption of debt instruments		13,884,866	(81,394,577)
Receipts from issuing ordinary share/ rights share		-	-
Cash Dividend paid		-	-
Net cash flow from/ (used in) financing activities (C)		(431,036)	64,390,041
Net increase in Cash and Cash Equivalents (A+B+C)		4,020,759,133	540,297,681
Effects of exchange rate changes on cash and cash equivalents		-	-
Opening Cash and Cash Equivalents		13,484,066,875	12,943,769,194
Cash and cash equivalents at end of year		17,504,826,008	13,484,066,875
Closing Cash & Cash Equivalents			
Cash in Hand (including foreign currency)		532,534,022	460,178,721
Balance with Bangladesh Bank and its Agent Banks (including foreign currencies)		1,801,543,402	1,866,503,717
Balance with Other Bank's and Financial Institutions		10,456,279,093	7,316,827,628
Money at Call on Short Notice		29,000,000	29,300,000
Government Securities		4,685,469,491	3,811,256,809
		17,504,826,008	13,484,066,875


 Managing Director


 Director


 Director


 Chairman

Bangladesh Commerce Bank Limited
Statement of changes in Equity
 For the year ended December 31, 2021

(Amount in Taka)

Particulars	Paid up Capital	Share Premium	Statutory Reserve	Revaluation Reserve	Other Reserve	Profit/(Loss)	Total
Balance as on January 01, 2021	2,004,042,800	-	275,060,371	82,309,891	8,920,366	(5,480,607,552)	(3,110,274,123)
Changes in Accounting Policy	-	-	-	-	-	-	-
Restated Balance	1,988,742,800	-	275,060,371	82,309,891	8,920,366	(5,480,607,552)	(3,125,574,123)
Share Capital BCI Ltd.	15,300,000	-	-	-	-	-	15,300,000
Right Share Application Money	917,259,650	-	-	-	-	-	917,259,650
Adjustment for the application of IFRS-16 (Lease)	-	-	-	-	-	-	-
Prior Year's Adjustment	-	-	-	-	-	-	-
Increase in Statutory Reserve	-	-	-	-	-	-	-
Revaluation Reserve for HTM Securities	-	-	-	13,884,866	-	-	13,884,866
Net Profit/(Loss) for the year	-	-	-	-	-	(1,582,899,461)	(1,582,899,461)
Balance as on December 31, 2021	2,921,302,450	-	275,060,371	96,194,757	8,920,366	(7,063,507,012)	(3,762,029,069)
Balance as on January 01, 2020	2,004,042,800	-	275,060,371	163,704,467	8,920,366	(3,408,747,594)	(957,019,590)
Changes in Accounting Policy	-	-	-	-	-	-	-
Restated Balance	1,988,742,800	-	275,060,371	163,704,467	8,920,366	(3,408,747,594)	(972,319,590)
Share Capital BCI Ltd.	15,300,000	-	-	-	-	-	15,300,000
Right Share Application Money	917,259,650	-	-	-	-	-	917,259,650
Adjustment for the application of IFRS-16 (Lease)	-	-	-	-	-	(27,736,815)	(27,736,815)
Prior Year's Adjustment	-	-	-	-	-	(85,327,000)	(85,327,000)
Increase in Statutory Reserve	-	-	-	-	-	-	-
Revaluation Reserve for HTM Securities	-	-	-	(81,394,577)	-	-	(81,394,577)
Net Profit/(Loss) for the year	-	-	-	-	-	(1,958,796,143)	(1,958,796,143)
Balance as on December 31, 2020	2,921,302,450	-	275,060,371	82,309,891	8,920,366	(5,480,607,552)	(2,193,014,474)


Managing Director


Director


Director


Chairman

Bangladesh Commerce Bank Limited

Liquidity Statement

(Asset and Liability Maturity Analysis)

As at December 31, 2021

(Amount in Taka)

Particulars	Up to 01 Month	1-3 Months	3-12 Months	1-5 Years	More than 5 Years	Total
Assets:						
Cash in hand & with Bangladesh Bank	1,044,684,253	-	-	-	1,289,393,171	2,334,077,424
Balance with other banks & financial institutions	2,343,252,145	4,821,390,290	3,291,636,658	-	-	10,456,279,093
Money at call and short notice	29,000,000	-	-	-	-	29,000,000
Investment	1,934,273	1,022,092,407	1,161,360,075	1,933,476,203	2,297,688,435	6,416,551,393
Loans and Advances	8,171,615,219	3,817,390,215	5,672,787,983	5,790,763,602	-	23,452,557,019
Fixed Assets including premises, furniture and fixtures	-	-	-	20,159,693	256,391,573	276,551,266
Other Assets	219,780,227	258,478,090	400,714,890	129,239,045	2,156,150,374	3,164,362,626
Non-banking assets	-	-	-	-	-	-
Total Assets	11,810,266,117	9,919,351,002	10,526,499,605	7,873,638,543	5,999,623,553	46,129,378,821
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	-	-	4,250,240	335,981,490	-	340,231,730
Deposits	7,308,119,564	12,465,779,237	14,350,422,083	5,786,356,596	2,252,413,123	42,163,090,603
Other Liabilities	78,026,624	4,252,381,967	2,319,945,592	737,731,374	-	7,388,085,557
Total Liabilities	7,386,146,189	16,718,161,204	16,674,617,915	6,860,069,460	2,252,413,123	49,891,407,890
Net Liquidity	4,424,119,928	(6,798,810,202)	(6,148,118,310)	1,013,569,084	3,747,210,430	(3,762,029,069)



Managing Director



Director



Director



Chairman

Bangladesh Commerce Bank Limited

Notes to the Financial Statements

As at and for the year ended on December 31, 2021

1.0 Legal Status and Nature of the Company

The Bangladesh Commerce Bank Limited was incorporated in Bangladesh as a Public Limited Company as on the 01 June 1998 under Companies Act 1994 and commenced commercial operation on the 16 September 1999. It has 70 branches and 13 Sub-Branches all over Bangladesh.

The principal place of business is at the Registered Office at Eunoos Trade Center, Level –22, 52-53 Dilkusha C/A, Dhaka, Bangladesh. The principal activities carried out by the bank include all kinds of commercial banking activities/services to its customers through its branches.

1.1 Subsidiary of the Bank

Commerce Bank Securities & Investments Limited (CBSIL) is fully owned subsidiary company of Bangladesh Commerce Bank Limited incorporated as a private limited company on 20 September 2010 with the registrar of Joint Stock Companies & Firms, Dhaka vide certificate of incorporation no. C-87050/10. CBSIL started its operation from 01 June 2011. The main objective of the company for which was established are to carry out the business of full-fledged merchant banking activities like issue management, portfolio management, underwriting etc.

2 Basis of preparation of financial statements

2.1 Consolidated and Separate Financial Statements

The separate financial statements of the Bank for the year ended on December 31, 2020 main operation referred to as "the Bank." The consolidated financial statement comprise those of the Bank (parent) and its subsidiary (note 1.1), together referred to as "the Group" or individually referred to as "Group Entities/Subsidiaries" as the case may be. There were no significant changes in the operations of the Bank/Group Entities. A summary of accounting principle and policies which have been applied consistently (unless otherwise stated) are set out below:

2.1.1 Statement of compliance and basis of preparation

The Financial Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under the FRA has been formed in 2017 but the Financial Reporting Standards (FRS) under this council is yet to be issued for public interest entities such as banks. The Bank Company Act, 1991 was amended to require banks to prepare their financial statements under such financial reporting standards.

As the FRS is yet to be issued by FRC hence as per the provisions of the FRA (section-69), the consolidated and separate financial statements of the Group and the Bank respectively have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and in addition to this the Bank complied with the requirements of following laws and regulations from various Government bodies:

- i) The Bank Company Act, 1991 and amendment thereon;
- ii) The Companies Act, 1994;
- iii) Circulars, Rules and Regulations Issued by Bangladesh Bank (BB) time to time;
- iv) The Value Added Tax Act, 1991 and amendment thereon;
- v) Financial Reporting Act 2015;
- vi) Parliamentary Act No.12,1997;

In case any requirement of the Bank Company Act 1991 and provisions and circulars issued by Bangladesh Bank (BB) differ with those of IFRSs, the requirements of the Bank Company Act 1991 and provisions and circulars issued by BB shall prevail. Material departures from the requirements of IFRS are as follows:

i) Investment in equity instruments

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

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

ii) Subsequent measurement of Government securities

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

Bangladesh Bank: As per DOS Circular no. 05 dated 26 May 2008 and subsequent clarification in DOS Circular no. 05 dated 28 January 2009, Government securities/bills are classified into Held for Trading (HFT) and Held to Maturity (HTM). HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity. Any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at year end and gains or losses on amortisation are recognised in other reserve as part of equity.

iii) Provision on loans and advances

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

Bangladesh Bank: As per BRPD Circular no. 07 dated 21 June 2018, BRPD Circular no 13 dated 18 October 2018, BRPD circular No.15 dated 27 September 2017, BRPD circular no.16 dated 18 November 2014, BRPD circular no.14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013 and BRPD circular no.1 dated 20 February 2018, BRPD Circular No. 03 dated 21.04.2019 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard and SMA loans) has to be maintained regardless of objective evidence of impairment. Also provision for different categories of classified loans (sub-standard, doubtful & bad and loss loans) has to be provided at 20%, 50% and 100% respectively for loans and advances depending on time past due. Again as per BRPD circular no. 14 dated 23 September 2012 and BRPD circular no. 07 dated 21 June 2018, a general provision at 1% is required to be provided for all off-balance sheet exposures except on 'bills for collection' and 'guarantees' where the counter guarantees have been issued by Multilateral Development Bank (MDB)/International Bank having BB rating grade '1' equivalent outlined in the Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III). Such provision policies are not specifically in line with those prescribed by IFRS 9.

iv) Other comprehensive income

IFRS: As per IAS 1 Presentation of Financial Statements, other comprehensive income is a component of financial statements or the elements of other comprehensive income are to be included in single comprehensive income statements.

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 statement of changes in equity.

v) Financial Instruments – presentations and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in IFRS 9 Financial Instruments. Hence some disclosure and presentation requirements of IFRS 7 Financial Instruments: Disclosures and IAS 32 Financial Instruments: Presentation, cannot be made in this financial statements

vi) Repo and reverse repo transactions

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

Bangladesh Bank: As per DOS Circular letter no. 6 dated 15 July 2010 and subsequent clarification in DOS Circular no 03 dated 30 January 2012 and DOS circular no. 2 dated 23 January 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transactions and the financial assets are derecognized in the seller's book and recognized in the buyer's book.

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

vii) Financial guarantees

IFRS: As per IFRS 9 Financial Instruments, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the term of debt instruments. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the loss allowance determined as expected credit loss under IFRS 9. Financial guarantees are prescribed to be included within other liabilities.

Bangladesh Bank: As per BRPD circular no. 14, dated 25 June 2003, financial guarantees such as Letter of Credit, Letter of Guarantee should be treated as off balance items. No liability is recognized for the guarantee except the cash margin.

viii) Cash and cash equivalents

IFRS: Cash and cash equivalents items should be reported as cash item as per IAS 7 Statement of Cash Flows.

Bangladesh Bank: Some cash and cash equivalent items such as money at call and on short notice, treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice is shown separately in the balance sheet. Treasury bills, Bangladesh Bank bills and prize bond are shown under investment in the balance sheet. However, in the cash flow statement, money at call and short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with Bangladesh Bank and other banks.

ix) Non banking assets

IFRS: There is no particular/specific guideline about non banking assets in IFRSs.

Bangladesh Bank: As per BRPD circular no. 14, dated 25 June 2003, there is a separate balance sheet item titled as non-banking asset exists in the standard format.

x) Cash flow statement

IFRS: As per IAS 7 Statement of Cash Flows, Cash Flow Statement can be prepared either in direct method or in indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD circular no. 14, dated 25 June 2003, the cash flow statement is a mixture of both the direct and the indirect methods.

xi) Balance with Bangladesh Bank

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

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

xii) Presentation of intangible asset

IFRS: Intangible asset must be identified and recognized, and the disclosure must be given as per IAS 38 Intangible Assets.

Bangladesh Bank: Intangible assets are shown in fixed assets including premises, furniture and fixtures as there is no specific regulation for intangible assets in BRPD circular no. 14 dated 25 June 2003.

xiii) Off balance sheet items

IFRS: As per IFRS, there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, off balance sheet items e.g. Letter of Credit, Letter of Guarantee, Acceptance must be disclosed separately on the face of balance sheet.

xiv) Disclosure of appropriation of profit

IFRS: There is no requirement to show appropriation of profit on the face of statement of comprehensive income.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, an appropriation of profit should be disclosed on the face of profit and Loss Account.

xv) Loans and advances/Investments net of provision

IFRS: As per IFRS 9, loans and advances/Investments should be presented net of provision.

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

xvi) Recognition of interest in suspense

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

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified as impaired, interest on such loans are not allowed to be recognised 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.

xvii) Provision on undrawn loan commitments

IFRS: As per IFRS 9 bank shall recognise credit losses on undrawn loan commitments such as Letter of Credit (L/C), Letter of Guarantee (L/G) etc. as the present value of the difference between the contractual cash flow that are due by the customer if the commitment is drawn down and the cash flows that bank expects to receive.

Bangladesh Bank: As per BRPD Circular no. 07 dated 21 June 2018 and BRPD Circular no.14 dated 23 September 2012 and BRPD Circular No. 03 dated 21.04.2019, the Bank is required to maintain provision at 1% rate against off-balance sheet exposures (which includes all types of undrawn loan commitments).

[Also refer to (note 2.15) Compliance of International Financial Reporting Standards (IFRSs)]

xviii) Name of Financial Statements

IFRS: As per IAS 1 : Presentation of financial statements, Components of financial statements are defined as statement of financial position and statement of profit or loss and other comprehensive income.

Bangladesh Bank: As per BRPD 14, statement of financial position is defined as "Balance Sheet" whilst statement of profit or loss and other comprehensive income is defined as "Profit and Loss Account"

2.1.2 Going Concern

There is substantial doubt about the Bank ability to continue as a going concern for a reasonable period of time, for the below mentioned issues:

- The net operating income of the Bank become negative since 2018. The net operating loss reported by the Bank for the year ended 31 December 2021 is BDT 1,626,830,915 and for the year ended 31 December 2020 is BDT 1,470,484,773.
- The accumulated net loss reported by the Bank for the year ended 31 December 2021 is BDT (6,751,571,983). The net loss reported by the Bank for the year ended 31 December 2021 is BDT (1,582,899,460) and for the year ended 31 December 2020 is BDT (1,958,796,143).
- The Bank reported negative shareholders equity since 2019. The shareholders equity reported by the Bank for the year ended 31 December 2021 is BDT (3,450,094,039) And for the year ended 31 December 2020 is BDT (2,193,014,474) (Statement of changes in Equity).
- Total classified loans and advances at 31 December 2021 was BDT. 10,984,831,253 or 46.84 % of total portfolio, as compared to BDT. 9,770,453,424 or 42.33 % at 31 December 2020.
- The Bank has deposit instruments of BDT 7,074,481,268 in seven Non-Banking Financial institutions as at 31 December 2021. Among these an amount of BDT 416,448,126 is doubtful of recovery. As per Bangladesh Bank Letter No: BRPD (P-1)/661/13/2021-12262, Dated: 27.12.2021, the Bank is not required to maintain any provision for deposit in the NBFI for the year ended 31 December 2021 & 2022. Adequate profit may not be available to provide against these impaired assets after 2022.

The accompanying financial statements have been prepared on a going concern assumption that the Bank will continue in operation for the foreseeable future. The Bank has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. The key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the Bank continued to show a healthy trend for couple of years. The rating outlook of the Bank as reported by all the rating agencies is "Stable". Besides, the management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern.

The management has taken various strategies for enhancing of Tier-1 Capital through increase of Paid up capital by issuing Right share and the process already reach in final stage. The bank management have already taken to introduce 8 (Eight) new loan product and 5 (five) new deposit product to expand the business and also various strategy like special taskforce formation to regularise the default loan so that provision shortfall reduced which will ultimately increase the eligible capital of the Bank. Aside under BRPD circular of Bangladesh Bank, Bangladesh Commerce Bank Ltd. already have achieved significant improvement to regularised bank quality product.

2.1.3 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. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The key item which involve these judgments, estimates and assumptions are discussed below:

Impairment losses on loans and advances

In addition to the provision made for loans and advances based on the guideline of Bangladesh Bank, the Bank reviews its loans and advances portfolio on a monthly basis to assess whether a further allowance for impairment should be provided in the income statement. The judgments by the management is required in the estimation of these amounts and such estimations are based on assumptions about a number of factors though actual results may differ, resulting in future changes to the provisions.

Other items

Other key items where estimates or judgement were involved includes:

a) Deferred tax (Note - 9.8), b) Useful life of fixed assets (Note - 2.6.1.6, 8 & Annexure - A), c) Provisions (Note - 13), d) Defined benefit obligation - gratuity (Note - 13.5)

2.1.4 Materiality and aggregation

Each material item considered by management as significant has been displayed separately in the financial statements. No amount has been set off unless the Bank has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

2.1.5 Comparative information

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

2.2 Basis of Consolidation

The consolidated financial statements include the financial statements of Bangladesh Commerce Bank Limited and its subsidiary Commerce Bank securities and Investments Limited as those of a single economic entity.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) 10: Consolidated Financial Statements. The consolidated financial statements are prepared to a common reporting year ended on December 31, 2020.

Subsidiaries

'Subsidiaries' are entities controlled by the Group. The Group controls an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if there are changes to one or more of the elements of control. This includes circumstances in which protective rights held (e.g. those resulting from a lending relationship) become substantive and lead to the Group having power over an investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Inter-company transactions, balances and inter-group gains on transaction between group companies are eliminated on consolidation.

2.3 Accounting for Provisions, Contingent Liabilities and Contingent Assets

The Bank recognizes provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for-

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

b) Any present obligation that arises from past events but is not recognized because-

* It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

* A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for except in the extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognized in the financial statement since these may result in the recognition of income that may never be realized. However due to regulations of Bangladesh Bank (Central Bank of Bangladesh) and Bank Company Act 1991 as amended, all items of such contingent assets/liabilities are shown as Off-Balance Sheet items under Balance Sheet of the Bank as a separate section.

2.4 Taxation

Income tax on profit for the year comprises current and deferred tax and is based on the applicable tax law in Bangladesh. It is recognized in the income statement as tax expense.

2.4.1 Current Tax

Current tax is the expected tax payable on taxable income for the year, based on tax rates and tax laws which are enacted at the reporting date, including any adjustment for tax payable in previous periods. Current tax for current and prior periods are recognized as a liability or asset to the extent that it is unpaid or refundable.

Provision for current income tax has been made @ 40% as prescribed in the Finance Act 2020 on the taxable income.

2.4.2 Deferred Tax

The Bank accounted for deferred tax as per IAS 12 Income Taxes. Deferred tax is accounted for any temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base.

Deferred tax assets, including those related to the tax effects of income tax losses and credits available to be carried forward, are recognized only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses and credits can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences. They are also recognized for taxable temporary differences arising on investments and it is probable that temporary differences will not reverse in the foreseeable future. Deferred tax assets associated with these interests are recognized only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and there will be sufficient taxable profits against which to utilize the benefits of the temporary difference.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realized or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement reflects the tax consequences that would follow from the manner in which the Bank, at the reporting date, recovers or settles the carrying amount of its assets and liabilities.

2.5 Reporting period

These financial statements cover one calendar year from January 01, 2021 to December 31, 2021.

2.6 Significant Accounting Policies

The accounting policies set out below have been applied consistently to all the periods presented in these financial statements except the recognition of defined benefit obligation and plan assets relating to the gratuity fund on the balance sheet of the Bank from 2019. The net effect in opening balance for such recognition has been charged in profit and loss considering the effect as immaterial as per IAS - 8.

2.6.1 Assets and the basis of their valuation

2.6.1.1 Cash and cash equivalents

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

Cash flow statement is prepared in accordance with IAS 7 Statement of Cash Flows. However cash flows from operating activities have been presented according to the format mentioned in BRPD circular no. 14 dated 25 June 2003.

2.6.1.2 Investments (categorized and reported as per Bangladesh Bank)

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:

Held to Maturity

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.

Held for Trading

Investment classified in this category are acquired principally for the purpose of selling or repurchasing -in short trading or if designated as such by the management. After initial recognition, investment are measured at present value and any change in the fair value is recognized in the statement of income for the period in which it arises. Transaction costs, if any, are not added to the value of investments at initial recognition.

Revaluation

According to DOS Circular no. 05, dated 26 May 2008, DOS Circular no. 05, dated 28 January 2009, DOS Circular no. 02, dated 19 January 2012, the HFT securities are revalued once each week using Marking to Market concept and the HTM securities are amortized once a year according to Bangladesh Bank guidelines. The HTM securities are also revaluated if they are reclassified to HFT category with the Board's approval.

Investment in quoted securities

These securities are bought and held primarily for the purpose of selling them in future or hold for dividend income which are reported at cost. Unrealized gains are not recognized in the profit and loss statement. But required provision are kept for diminution in value of investment.

Investment in unquoted securities

Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.

As per Bangladesh Bank DOS Circular no. 04 dated 24 November 2011, provision for diminution in value of investment was made by netting off unrealized gain/loss of shares from market price/book value less cost price.

Besides, the Bank complied with Bangladesh Bank BRPD Circular no. 14 dated 25 June 2003 as follows, "All investment in shares and securities (both dealing and investment) should be revaluated at the year end. The quoted shares should be valued as per market price in the stock exchange(s) and unquoted shares as per book value of last audited balance sheet. Provision should be made for any loss arising from diminution in value of investment".

Investment in subsidiary

Investment in subsidiary is accounted at cost in the separate financial statement and consolidated in the consolidated financial statements considering as a single economic entity in accordance with the IAS 27 "Separate Financial Statements" and IFRS 10 "Consolidated Financial Statements" respectively.

Investment in associate

Investment in associate is accounted at cost in the separate financial statement and recognized in the consolidated financial statements under equity method as per IAS 28 "Investments in Associates and Joint Ventures".

Summary of recognition and measurement basis has been shown as under:

Investment Class	Initial Recognition	Measurement after Recognition	Recording of changes
Government Treasury Bills (HFT)	Cost	Marking to Market/ fair value	Loss to profit and loss a/c, gain to revaluation reserve
Government Treasury Bills (HTM)	Cost	Amortized cost	Increased or decreased in value to equity
Government Treasury Bonds (HFT)	Cost	Marking to Market/ fair value	Loss to profit and loss a/c, gain to revaluation reserve
Government Treasury Bonds (HTM)	Cost	Amortized cost	Amortized Gain/ Loss to Revaluation reserve
Zero Coupon Bond	Cost	Cost	N/A
Prize Bond and Other Bond	Cost	Cost	N/A
Debentures	Cost	Cost	Profit & Loss Account
Un-quoted Shares (ordinary)	Cost	Lower of cost or NAV of last audited account	Profit & Loss Account
Quoted shares (ordinary)	Cost	Lower of cost or market price at balance sheet date	Loss to profit and loss A/c.
Investment in subsidiary	Cost	Cost less accumulated impairment, if any, in Separate Financial Statements and Consolidated in Consolidated Financial Statements	Impairment loss to profit and loss account
Investment in associate	Cost	Cost less accumulated impairment, if any, in Separate Financial Statements and equity method less accumulated impairment, if any, in Consolidated Financial Statements	Impairment loss to profit and loss account and share of post acquisition income in consolidated profit and loss

2.6.1.2.1 Impairment of investment in subsidiaries and associates

As per IAS 36 Impairment, investment recognized either at cost or equity method need to review if there is any indication of impairment exists. If any indication of impairment exists then impairment test is carried out considering the individual subsidiary/associate as a "cash generating unit (CGU)" to find if the carrying value is higher than its recoverable amount. Recoverable amount is higher of fair value less cost to sell and value in use. If the fair value less cost to sell is not readily available then value in use is calculated which is basically present value of future cash flows.

2.6.1.3 Loans and Advances

a) Interest on loans and advances is calculated daily on product basis but charged and accounted monthly and quarterly on accrual basis.

b) Provision for loans and advances is made on the basis of quarter-end review by the management and instructions contained in BRPD Circular no. 14 dated 23 September 2012, BRPD Circular no. 04 dated 29 January 2015, BRPD Circular no. 08 dated 02 August 2015, BRPD Circular No.12, dated 20 August, 2017, BRPD Circular No. 12 dated 20 August, 2017, BRPD Circular No. 01 dated 20 February, 2018, BRPD Circular No. 01 dated 20 February, 2018, BRPD circular no. 03 dated 21 April 2019, BRPD circular no. 07 dated 19 March 2020 BRPD circular no. 56 dated 10 December 2020, BRPD circular no. 05 dated 24 March 2021, BRPD circular no. 19 dated 26 August, BRPD circular no.45 dated 4 October 2021, BRPD circular no.50 dated 14 December 2021, BRPD circular no. 51 & 52 dated 29 December 2021, BRPD circular no.53 dated 30 December 2021 Details are given below:

The classification rates are given below:

Consumer/ Business Unit	Rates of Provision				
	Un-classified (UC)		Classified		
	Standard	SMA	SS	DF	BL
House building	1%	1%	20%	50%	100%
Loans for professionals	2%	2%	20%	50%	100%
Other than house building and professionals	5%	5%	20%	50%	100%
Loans to BHs/ MBs against share etc.	2%	2%	20%	50%	100%
Small and medium enterprise	0.25%	0.25%	20%	50%	100%
Short term Agri/Micro credit	1%	1%	5%	5%	100%
Credit Card	2%	2%	20%	50%	100%
All others	1%	1%	20%	50%	100%
Special general provision for COVID 19: Unclassified loans	1% to 2%			N/A	
Off Balance Sheet exposure	1%	N/A		N/A	

c) Interest on classified loans and advances is calculated as per BRPD circular no. 27, dated 31 August 2010 and recognized as income on realization as per BRPD circular no. 14 and 15, dated 23 September 2012.

d) Loans and advances are written off to the extent that (i) there is no realistic prospect of recovery and (ii) against which legal cases are filed and classified as bad and loss as per BRPD circular no. 02 dated 13 January 2003 and 13 dated 07 November 2013. These write off however, will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such write off accounts are meticulously maintained and followed up.

2.6.1.4 Impairment of financial assets

At each balance sheet date, Bangladesh Commerce Bank Limited assesses whether there is objective evidence that a financial asset or a group of financial assets i.e., loans and advances, off balance sheet items and investments are impaired. A financial asset or group of financial assets are impaired and impairment losses are incurred if there is objective evidence of impairment as a result of a loss event that occur after the initial recognition of the asset up to the balance sheet date; the loss event had an impact on the estimated future cash flows of the financial assets or the group of financial assets; and a reliable estimate of the loss amount can be made.

In the event of impairment loss, the Bank reviews whether a further allowance for impairment should be provided in the profit and loss statement in addition to the provision made based on Bangladesh Bank guidelines or other regulatory requirements.

2.6.1.5 Leases

IFRS 16: "Lease" has come into force on 1st January 2019, as adapted by the Institute of Chartered Accountants of Bangladesh (ICAB). An entity shall applied IFRS 16 using modified retrospective approach where the entity measured the Lease liability at the present value of the remaining lease payments, discounted it using the entity's increment borrowing rate at the date of initial application and recognised a right of initial application on a lease by lease basis. Bangladesh Commerce Bank Ltd will comply IFRS 16 Leases from the year 2020.

2.6.1.6 Property, plant and equipment

a) Recognition and Measurement

All fixed assets are stated at cost less accumulated depreciation as per IAS 16 Property, Plant and Equipment except Land. Land is initially measured at cost and then recognized at revaluated amount.

The cost of an item of property, plant and equipment is recognized as an asset 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.

The cost of the items of property, plant and equipment comprises:

- i) its purchase price, including import duties and non refundable purchase tax, after deducting trade discount and rebates
- ii) any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii) the initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as consequence of having used the item during a particular period of purpose other than to produce during that period.

Subsequent costs

Subsequent costs of enhancement of existing assets are recognized as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss account during the financial period in which they are incurred.

b) Depreciation

Land is not depreciated. Depreciation is charged on straight-line basis. In case of acquisition of fixed assets, depreciation is charged from the month of acquisition, whereas no depreciation on assets disposed off is charged from the month of disposal. Asset category wise depreciation rates are as follows:

Category of assets	Bangladesh Commerce Bank Limited	Commerce Bank Securities & Investments Limited
Furniture and Fixture	10%	10%
Interior Decoration	20%	20%
Machinery	20%	20%
Motor Vehicles	20%	20%
Computer	30%	30%

c) Gain or Loss on disposal of Fixed Assets

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

d) Revaluation

The fair value of land is usually its market value. This value is determined by appraisal, normally undertaken by professionally qualified valuers.

The frequency of revaluation depends upon the movements in the fair value of the items of property, plant and equipment being revalued, usually at 3-5 years' interval.

Increases in the carrying amount as a result of revaluation is credited directly to shareholders equity under the heading of revaluation surplus. Decreases in the carrying amount as a result of revaluation is recognized as an expense. However, a revaluation decrease is charged directly against any related revaluation surplus to the extent that the decrease does not exceed the amount held in the revaluation surplus in respect of that same assets.

e) Impairment of Property, Plant and Equipment

At each balance sheet date, the Bank assesses whether there is any indication that the carrying amount of the asset exceeds its recoverable amount. If any such indication exists, the Bank should estimate the recoverable amount of the asset. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired and impairment loss is recognized as an expense in the profit and loss account unless the asset is carried at revalued amount in accordance with IAS 16 Property, Plant and Equipment, in which case any impairment loss of a revalued assets should be treated as revaluation decrease under the accounting standard. No impairment loss was recognized up to the reporting period in separate financial statement as there were no such indication existed as on balance sheet date.

f) Capital work in progress (CWIP)

Costs incurred but if the related asset is yet not ready or available to use are recognized as capital work in progress and disclosed as a part of fixed assets. Once the underlying asset is ready and available to use then it has been transferred to fixed assets. However no depreciation is calculated on CWIP.

g) Lease asset- Office rent: Right of use of asset

Right of use of asset and Lease liability shall be treated according to IFRS-16

2.6.1.7 Intangible assets**a) Goodwill**

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets and is measured at cost less accumulated impairment losses.

b) Software

Software acquired by the Bank is stated at cost less accumulated amortization and accumulated impairment losses. Subsequent expenditure on software assets is capitalized only when it increases future economic benefits embodied in specific asset to which it relates. All expenditure is expensed as incurred. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life of software is three to five years. Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

c) Licence

Value of the licence is recognized at cost less accumulated impairment losses.

d) Impairment of intangible assets

Intangible assets with indefinite useful life like goodwill etc. are tested for impairment at the end of each year. As per IAS 36 Impairment, any intangible assets with definite useful life are first reviewed for any indication of impairment. If any indication exists then impairment test is carried out.

2.6.1.8 Other assets

Other assets include mainly advance office rent, payment of advance income tax has not been closed yet and all other financial assets, fees and other unrealized income receivable, advance for operating expenditure and stocks of stationery and stamps etc. Any part of uncollectible other assets is subject to making provision based on their ageing as per Bangladesh Bank circular no. 14 date 25 June 2001.

2.6.1.9 Inventories

Inventories are measured at lower of cost and net realizable value as per IAS 2 Inventories.

2.6.2 Liabilities**2.6.2.1 Borrowings from other banks, financial institutions and agents**

Borrowings from other banks, financial institutions and agents include interest-bearing borrowings redeemable at call, on-demand and short-term deposits lodged for periods of less than 6 months. These items are brought to account at the gross value of the outstanding balance which includes accrued interest.

2.6.2.2 Deposits

Deposits include non interest-bearing current deposit redeemable at call, interest bearing on-demand and short-term deposits, savings deposit and term deposit lodged for periods from 3 months to 12 years. These items are brought to account at the gross value of the outstanding balance which includes accrued interest.

2.6.2.3 Other Liabilities

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

2.6.3 Capital and Shareholders' Equity**Capital Management**

The Bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve four major objectives: exceed regulatory thresholds and meet longer-term internal capital targets, maintain strong credit ratings, manage capital levels commensurate with the risk profile of the Bank and provide the Bank's shareholders with acceptable returns.

Capital is managed in accordance with the Board-approved Capital Management Planning from time to time. Senior management develop the capital strategy and oversee the capital management planning of the Bank. The Bank's Finance, Treasury and Risk Management department are key in implementing the Bank's capital strategy and managing capital. Capital is managed using both regulatory capital measures and internal matrix.

2.6.3.1 Capital / Shareholders Equity**a. Authorized Capital**

Authorized capital is the maximum amount of share capital that the bank is authorized by its Memorandum and Articles of Association.

b. Paid up share capital

"Paid up share capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Bank, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

Appellate Division of Honorable Supreme Court of Bangladesh dismissed Civil Petition for leave to Appeal No.1154/2014 regarding the issue of right share of Bangladesh Commerce Bank Limited. Resultantly, raising capital to the required level through right issue may require amending the Act. no.12 of 1997 is time consuming. Upon amending the act to a manner allowing us to offer right share, it may be predictable with highly likelihood that Bangladesh Commerce Bank Ltd(BCBL) will be able to raise capital to the required level capital to the required level within 3 months"

2.6.3.2 Preference Share Capital

Preference shares are those shares which give their holders an entitlement to a fixed dividend but which do not usually carry voting rights.

2.6.3.3 Share Premium

Share premium is the capital that the Bank raises upon issuing shares that is in excess of the nominal value of the shares. The share premium shall be utilized in accordance with provisions of section 57 of the Companies Act, 1994 and as directed by Bangladesh Securities and Exchange Commission in this respect.

2.6.3.4 Statutory Reserve

The Bank is required to transfer at least 20% of its profit before tax to the Statutory Reserve in accordance with provisions of section 24 of the Banking Companies Act, 1991. This is mandatory until such reserve is equal to the paid up capital together with amount in the share premium account.

2.6.3.5 Revaluation Reserve**Revaluation Reserve on Govt. Securities**

Revaluation reserve represents revaluation on Treasury bond (HFT and HTM) in accordance with the DOS circular no. 05, dated 26 May 2008.

Assets Revaluation Reserve

Other reserve comprises Investment revaluation reserve and fixed assets revaluation reserve. Where carrying amount of an item of property, plant and equipment is increased as a result of valuation, the increased amount is credited directly to equity under the heading of assets revaluation reserve as per IAS 16 Property, Plant and Equipment. If any deferred tax is applicable on such revaluation reserve then the same is deducted from revaluation reserve directly as a component of OCI (Other Comprehensive Income).

Actuarial Reserve

Actuarial reserve arises from actuarial gain/loss as per actuarial valuation report carried out by professional actuary time to time. Actuarial gain/loss was recognized in equity as a component of equity net of any deferred tax impact.

2.6.3.6 Non-controlling interest (NCI)

Non-controlling interest (NCI) in business is that portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the parent. The portion of the NCI in Commerce Bank Securities & Investments Limited is Tk. 101.00.

2.7 Employee Benefits

2.7.1 Provident Fund (Defined Contribution Plan)

A "Defined Contribution Plan" is a post employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal constructive obligation to pay further amounts. Provident Fund benefits are given to the staff of the Bank in accordance with the registered Provident Fund Rules. The commissioner of Income Tax, Large Tax Payers Unit, Dhaka has approved the Provident Fund as a recognized fund within the meaning of section 2(52) read with the provisions of part - B of the First Schedule of Income Tax ordinance 1984. The recognition took effect from 31st October 2016. The fund is operated by a Board of Trustees consisting of 05 (five) members of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription of the fund. The bank also contributes equal amount of the employees' contribution to the fund. Upon completion of 5 years of service length after confirmation employees are entitled to 100% of employer's contribution along with his/her own contribution. Interest earned from the investments is credited to the members' account on half yearly basis.

2.7.2 Gratuity Fund (Defined Benefit Plan)

"Gratuity Fund benefits are given to the staff of the Bank in accordance with the approved Gratuity Fund rules. National Board of Revenue has approved the Gratuity Fund as a recognized Gratuity fund on 27th November 2016. The fund is operated by a Board of Trustees consisting of 5 (five) members of the Bank. Employees are entitled to Gratuity benefit after completion of minimum 5 (five) years of service in the Bank and after completion of 10 (Ten) years will get double of it's last one month's basic. The Gratuity is calculated on the basis of last basic pay and is payable at the rate of one month's basic pay for every completed year of service. Gratuity fund is a ""Defined Benefit Plan"" and contribution to Gratuity Fund is measured through the result of actuarial valuation of the fund. Bank's management wants to actuary valuation of its gratuity fund in next year. "

The Bank's net obligation in respect of gratuity is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in OCI. The Bank determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense, current service cost and other expenses related to defined benefit plans are recognised as salaries and allowances in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss.

2.7.3 Other Employee Benefits

Life Insurance

The objective of the scheme is to provide death benefits to its confirmed employees drawn designation wise to the nominee.

Subsidized Scheme - Staff Loan

Personal, House building and car loans are provided to the permanent staff at a subsidized rate. Criteria and details of types wise staff loan is given below:

Personal Loan: A permanent staff can avail personal loan taking approval from department head and head of HR subject to completion of a specific service length and performance rating.

House building Loan: A permanent staff completing 5 year of service can avail house building loan taking approval from House Building Loan Committee subject to performance rating and completed service length with Bangladesh Commerce Bank.

Staff Car scheme: All confirmed staff at job grade from Assistant Vice President and above can avail staff car scheme taking approval from competent authority. The Board of Directors in its 325th Board meeting dated 16.10.2019 has revised "Car Loan policy -2011" through which existing Staff enlisted car loan been transferred to Bank's Fixed Asset in our financial statement.

"Workers' profit Participation and Welfare Fund (WPPF): As per Banking Companies Act 1991, Section 11, "No banking company shall employ or continue the employment of any person whose remuneration or part of whose remuneration takes the form of commission or a share in the profit of a company." To comply with the said section of the said act the bank didn't maintain WPPF."

2.8 Revenue Recognition

Interest Income

Interest income is recognized on an accruals basis. Interest on loans and advances ceases to be taken into income when such advances are classified, kept in interest suspense account. Interest on classified advances is accounted for on a realization basis as per Bangladesh Bank guidelines.

Investment Income

Income on investments is recognized on an accruals basis. Investment income includes interest on treasury bills, treasury bonds, zero coupon, shares, debentures and fixed deposit with other banks.

Income on Bills purchased and discounted

Income on Bills purchased and Discounted is recognized on accrual basis.

Interest and fees receivable on credit cards

Interest and fees receivable on credit cards are recognized on an accruals basis. Interest and fees cease to be taken into income when the recovery of interest and fees is in arrear for over three months. Thereafter, interest and fees are accounted for on realization basis.

Fees and Commission Income

The Bank earns fees and commission from a diverse range of services provided to its customers. These include fees and commission income arising on financial and other services provided by the Bank including trade finance, credit cards, debit cards, passport endorsement, visa processing, student service, loan processing, loan syndication, locker facilities and SMS banking etc. Fees and commission income arises on services rendered by the Bank are recognized on a realization basis.

Dividend Income on Shares

Dividend income from investment in shares is recognized when the Banks right to receive the dividend is established. It is recognized when:

- a. It is probable that the economic benefit associated with the transaction will flow to the entity; and
- b. The amount of the revenue can be measured reliably.

Gain or loss on sale of property, plant and equipment

The gain or loss on the disposal of premises and equipment is determined as the difference between the carrying amount of the assets at the time of disposal and the proceeds of disposal and is recognized as an item of other income in the year in which the significant risks and rewards of ownership are transferred to the buyer.

Interest paid and other expenses

Interest paid and other expenses are recognized on an accrual basis.

2.9 Earnings Per Share

Earnings Per Share (EPS) has been computed by dividing the basic earning by the weighted average number of ordinary shares outstanding at the end of the year as per IAS 33 Earnings Per Share.

Basic earnings

This represents earnings for the year attributable to ordinary shareholders. Net profit after tax less preference dividend has been considered as fully attributable to the ordinary shareholders.

Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time weighted factor. The time weighting factor is the number of days the specific shares are outstanding as a proportion of the total number of days in the year.

The basis of computation of number of shares is in line with the provisions of IAS 33 Earnings Per Share. The logic behind this basis is, that the bonus shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources generating new earnings. In contrast, other shares were issued against consideration in cash or in kind, and accordingly there is an increase in resource generating new earnings. Therefore, the total number of shares issued in 2018 has been multiplied by a time weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the period.

Diluted earnings per share

The objective of diluted earnings per share is consistent with that of basic earnings per share; that is, to provide a measure of the interest of each ordinary share in the performance of an entity taking into account dilutive potential ordinary shares outstanding during the year.

2.10 Basis of preparation of liquidity statement

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

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

2.11 Compliance of International Financial Reporting Standard (IFRS)

Ref.	Name of the standards	Status
IFRS-1	First-time adoption of International Financial Reporting Standards	Not applicable
IFRS-2	Share-based Payment	Not applicable
IFRS-3	Business Combinations	Complied
IFRS-4	Insurance Contracts	Not applicable
IFRS-5	Non-current assets Held for Sale and Discounted Operations	Not applicable
IFRS-6	Exploration for and Evaluation of Mineral Resources	Not applicable

IFRS-7	Financial Instruments: Disclosures	Complied *
IFRS-8	Operating Segments	Not applicable
IFRS-9	Financial Instruments	Complied *
IFRS-10	Consolidated Financial Statements	Complied
IFRS-11	Joint Arrangements	Not applicable
IFRS-12	Disclosure of Interests in Other Entities	Not applicable
IFRS-13	Fair Value Measurement	Complied
IFRS-14	Regulatory Deferral Accounts	Not applicable
IFRS-15	Revenue from Contracts with Customers	Complied
IFRS-16	Leases	Complied
IAS-1	Presentation of Financial Statements	Complied
IAS-2	Inventories	Not applicable
IAS-7	Statement of Cash Flows	Complied
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors	Paritally Complied**
IAS-10	Events after the Reporting Period	Complied
IAS-12	Income taxes	Complied
IAS-16	Property, Plant and Equipment	Complied
IAS-19	Employee Benefits	Complied
IAS-20	Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
IAS-21	The Effect of Changes in Foreign Exchange Rates	Complied
IAS-23	Borrowing Cost	Complied
IAS-24	Related Party Disclosures	Complied
IAS-26	Accounting and Reporting by Retirement Benefit Plans	Not applicable
IAS-27	Separate Financial Statements	Complied
IAS-28	Investment in Associates	Complied
IAS-29	Financial Reporting in Hyperinflationary Economies	Not applicable
IAS-32	Financial Instruments: Presentation	Complied *
IAS-33	Earnings Per Share	Complied
IAS-34	Interim Financial Reporting **	Complied
IAS-36	Impairment of Assets	Complied
IAS-37	Provisions, Contingent Liabilities and Contingent Assets	Complied
IAS-38	Intangible Assets	Complied
IAS-39	Financial Instruments: Recognition and Measurement	Complied *
IAS-40	Investment Property	Not applicable
IAS-41	Agriculture	Not applicable

* Complied to the extent possible subject to compliance to Bangladesh Bank guidelines in this respect

** Complied in the preparation of interim financial reports of the Bank.

** Partially complied, As per IAS-8 , The effect of the retrospective application or retrospective restatement are not determinable because not readily available data but all the required calculation is done accordingly in case of changing policy of staff car loan to staff Car Scheme facility.

Reason for departure from IFRS

The central Bank of Bangladesh ("Bangladesh Bank") as regulator to the Banking Industry has issued a number of circulars/directives which are not consistent with the requirements specified in the IAS/IFRS as referred above. In such cases the Bank has followed the regulatory requirements specified by the Bangladesh Bank (note - 2.1.1).

Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2019 and earlier application is permitted; however, the Company has not early adopted the following new or amended standards in preparing these financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group and the Bank when will be applicable

A. IFRS 16 Leases : Implimentation of IFRS 16 and its relevant assumptions and disclusers

IFRS 16: "Lease" has came into force on 1st January 2019, as adapted by the Institute of Chartered Accountants of Bangladesh(ICAB).An entity shall applied IFRS 16 using modified retrospective approach where the entity measured the Lease liability at the present value of the remaining lease payments, discounted it using the entity's increment borrowing rate at the date of initial applicationand recognised a right of initial application on a lease by lease basis. Bangladesh Commerce Bank Ltd will comply IFRS 16 Leases from the year 2020.

B. IFRS 17 Insurance Contracts

Insurance Contracts are effective for annual periods beginning on or after 1 January 2021. Earlier adoption is permitted. This has not been applied in preparing these consolidated and separate financial statements.

2.12 Risk Management

Risk is an inherent part of the business activities and risk management is pivotal for the sustainability of business. This era of globalisation enables hefty expansion of business activities that ultimately increases competition level for organizations drastically. Financial crisis and volatility in economic growth in some developed countries set the example of imperativeness towards comprehensive risk management. Types of risk, however, vary from business to business but preparing a risk management plan involves a conjoint process. A comprehensive risk management plan must enumerate strategies for dealing with risks specific to any business but should not be limited to those.

When it comes to banking business, risk management is in the heart of this business. Banks are to strive for a prudent risk management discipline to combat unpredictable situation. These days, it is transparent that banking organizations are in need of setting up systematic and vigilant way to monitor the activities that are major influencers of this particular business.

The standards of Risk Management as guided by the Bank for International Settlements (BIS) and particularly Basel Committee on Banking Supervision (BCBS) has been applied by bank regulators across the world. The Central Bank of Bangladesh i.e. Bangladesh Bank also issued revised risk management guidelines in October 2018, which forms the basis of risk management of all scheduled banks in Bangladesh. The guidelines require that the banks adopt enhanced policies and procedures of risk management. The risk management of banks broadly cover 4 (four) core risk areas of banking i.e. a. Credit Risk b. Operational Risk, c. Liquidity Risk & d. Market Risk. Bangladesh Bank also prescribes that there should be separate desk for each of these risk type under risk management division.

BCBL's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment & measurement procedures and continuous monitoring. BCBL continues to focus on improving its risk management systems not only to ensure compliance with regulatory requirements but also to ensure better risk-adjusted return and optimal capital utilization keeping in mind the business objectives. For sound risk management, BCBL manages risk in strategic layer, managerial layer and operational layer. The assets and liabilities of Bangladesh Commerce Bank Limited is managed so as to minimize (to the degree prudently possible) the Bank's exposure to risk, while at the same time attempting to provide a stable and steadily increasing flow of net interest income, an attractive rate of return on an appropriate level of capital and a level of liquidity adequate to respond to the needs of depositors and borrowers and earnings enhancement opportunities. These objectives are accomplished by setting clear plan with control and reporting process, the key objective of which is the coordinated management of the Bank's assets and liabilities, current banking laws and regulations, as well as prudent and generally acceptable banking practices.

2.12.1 Credit Risk Management

Credit risk is most simply defined as the potential that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms and conditions. The goal of credit risk management is to maximize a bank's risk-adjusted rate of return by maintaining credit risk exposure within acceptable parameters.

Considering key elements of Credit Risk, the Bank has segregated duties of the officers/ executives involved in credit related activities. Separate Division for Corporate, SME, Retail and Credit Cards are entrusted with the duties of maintaining effective relationship with customers, marketing credit products, exploring new business opportunities, etc. For transparency in operations during the entire credit process, teams for i. Credit Approval, ii. Asset Operations, iii. Recovery Unit and Special Asset Management have been set up.

The entire process involves relationship teams of respective Asset Portfolio (Retail, SME and Corporate) booking the clients, the underwriting team conducting thorough assessment before placing the facility for approval from the authority. Risk assessment includes borrower risk analysis, Industry risk analysis, financial risk analysis, security risk analysis, account performance risk analysis & environmental & social risk analysis of the Customer. Post-approval, the Credit Administration Department ensures compliance of all legal formalities, completion of documentation including security of proposed facility and finally disburses the amount. The above arrangement has not only ensured segregation of duties and accountability but also helped in minimizing the risk of compromise with quality of the credit portfolio.

2.12.2 Foreign Exchange Risk Management

Foreign Exchange risk arises from fluctuation in currency prices influenced by various macro and micro economic factors. Today's financial institutions engage in activities starting from basic currency buy, sell, imports, exports and remittances to complex structured products. Within the Bank, the Treasury department is vested with the responsibility to measure and minimize the risk associated with bank's foreign currency position.

All treasury functions are clearly demarcated between treasury front office, mid office and back office. The front office is involved only in dealing activities, mid office is involved in monitoring of rate, limit etc. and the back office is responsible for all related processing functions. Treasury front and back office personnel are guided as per Bangladesh Bank core risk management guideline and their respective job description. They are barred from performing each other's job. 'Treasury Front Office', 'Mid office' and 'Treasury Back Office' has separate and independent reporting lines to ensure segregation of duties and accountability but also helps minimize the risk of compromise. The full function is operated under the foreign exchange risk management policy of the bank updated based on the latest Foreign Exchange Guideline of central bank.

Dealing room is well equipped with Reuter's dealing system, Eikon, Bloomberg, a number of FX trading platforms, voice logger etc. State of the art treasury system is in place to ensure Straight Through Processing (STP) of all deals, which also facilitates Mid office in effective monitoring and Back office with different reports along with easy processing of transactions. Counter party limit is set by the Credit Committee and monitored by mid office. Well-articulated dealers trading limit, stop-loss limit and currency wise open position limits are in place which are being monitored by Mid office. Trigger levels are set for the dealers, Chief Dealer and Head of Treasury. The entire FX transactions are carried on by a number of well trained, young and dynamic dealers ensuring all local and global regulatory compliances.

2.13.3 Asset Liability Management

Changes in market liquidity and or interest rate exposes Bank's business to the risk of loss, which may, in extreme cases, threaten the survival of the institution. Thus it is essential that the level of balance sheet risks are effectively managed, appropriate policies and procedures are established to control and limit these risks and proper resources are available for evaluating and controlling these risks. The Asset Liability Committee (ALCO) of the bank monitors Balance Sheet risk and liquidity risks of the Bank.

Asset liability Committee (ALCO) reviews the country's overall economic position, Bank's Liquidity position, ALM Ratios, Interest Rate Risk, Capital Adequacy, Deposit Advanced Growth, Cost of Deposit and yield on Advance, Foreign Exchange GAP, Market Interest Rate, Loan loss provision adequacy and deposit and lending pricing strategy.

2.13.4 Prevention of Money Laundering

In recognition of the fact that financial institutions are particularly vulnerable to be used by money launderers. BCBL has established a Anti Money Laundering Policy. The purpose of the Anti Money Laundering Policy is to provide a guideline within which to comply with the laws and regulations regarding money laundering both at country and international levels and thereby to safeguard the Bank from potential compliance, financial and reputational risks. Know Your Customer (KYC) procedures have been set up with address verification. As apart of monitoring account transaction, the estimated transaction profile and high value transactions are being reviewed electronically. Training has been taken as a continuous process for creating/developing awareness among the officers.

2.13.5 Internal Control and Compliance

Internal Control is the mechanism to provide reasonable assurance to Bank on an ongoing basis regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations and internal policies.

The primary objective of Internal Control and Compliance is to help the Bank perform better and add value through use of its resources. Through internal control system, Bank identifies its weaknesses associated with the process and adopts appropriate measures to overcome that.

"The main objectives of internal control are as follows:

- a) Operations Objectives: achievement of bank's basic mission and vision;
- b) Reporting Objectives: timely, accurate, and comprehensive reporting, financial and non-financial, internal and external; and
- c) Compliance Objectives: conducting activities and taking specific actions in accordance with applicable laws and regulations."

The Bank has established an effective internal control system whose primary aim is to ensure the overall management of risks and provide reasonable assurance that the objectives set by the Bank will be met. It has been designed to develop a high level risk culture among the personnel of the Bank, establish efficient and effective operating model of the Bank, ensure reliability of internal and external information including accounting and financial information, secure the Bank's operations and assets, and comply with laws, regulatory requirements and internal policies.

"The key functionalities that have been established in reviewing adequacy and integrity of the system of internal controls are as follows:

- a) Various committees are established by the Board to assist the Board in ensuring the effectiveness of Bank's daily operations and that the Bank's operations are in accordance with the corporate objectives, strategies and the annual budget as well as the policies and business directions that have been approved.
- b) The internal audit department of the Bank checks for compliance with policies and procedures and the effectiveness of the internal control systems on an ongoing basis using samples and rotational procedures and highlight significant findings in respect of any non-compliance.
- c) Audits are carried out on various departments/units, all branches in accordance with the annual audit plan approved by the Audit Committee of the Board. The frequency of audits of branches is determined by the level of risk assessed, to provide an independent and objective report. Findings of the internal audit are submitted to the Audit Committee of the Board for review at their periodic meetings.
- d) The Audit Committee of the Board of the Bank reviews internal control issues identified by the Internal Audit Department, Bangladesh Bank, External Auditors and management and evaluates the adequacy and effectiveness of the risk management and internal control systems. They also review the internal audit functions with particular emphasis on the scope of audits and quality of internal audits. The minutes of the Audit Committee meetings of the Board are tabled at the meetings of the Board of Directors of the Bank on a periodic basis.

"e) Self-Assessment of Anti-Fraud Internal Controls is carried out on semi-annual basis and is sent to Bangladesh Bank as per requirement of DOS Circular Letter No. 10, dated 09 May 2017 issued by Bangladesh Bank.

f) In assessing the internal control system, identified officers of the Bank continued to review and update all procedures and controls that are connected with significant accounts and disclosures of the Financial Statements of the Bank. The Internal Audit Department of the Bank continued to verify the suitability of design and effectiveness of these procedures and controls on an ongoing basis. ICCD of BBL comprises mainly of four units/departments- Internal Audit, Compliance Unit, Monitoring Unit and Concurrent Audit."

2.13.5.1 Internal Audit

Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. Audit staff of BCBL has combination of business, Professional and IT knowledge based personnel. Audit Department is committed to meet the standards of best professional practices. BCBL Audit is applying risk based internal audit methodology for doing their audit functions. Risk based internal audit includes, in addition to selective transaction testing, an evaluation of the risk management systems and control procedures prevailing in various areas of the Bank's operations.

BCBL has a strong internal audit team comprised of three units to carry out the audit activities, namely Head Office Audit, Distribution Audit (which carryout audit on all Branches. BCBL also introduced Risk Based Audit system and audit team conducts comprehensive, spot, surprise audits in various Branches, various Departments & Division. Internal Audit helps the organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

2.13.5.2 Compliance

"BCBL establishes a best compliance culture throughout the organization by encouraging employees to comply with policies, procedures and regulation. To establish and uphold the momentum of compliance culture, BCBL has strong Compliance Department under Internal Control & Compliance Division which is dedicated for ensuring compliance of guidelines/observations/ recommendations of Regulatory and Internal Audit/Investigation. In line with that 3 (three) separate units are formed under Compliance Department, namely Regulatory Compliance Unit, Internal Compliance Unit, & Investigation Unit. "

Compliance team firmly supports Bangladesh Bank Team in their inspection at branches/head office and ensures submission of compliance response to Bangladesh Bank appropriately and timely, monitor compliance activities of Branch, Division, Department and other offices, verify the internal control system of organization operational activities as per Bangladesh Bank and other Regulatory Guidelines. Investigation Unit conducts investigation and submits the report onward as per management requirement and analyze fraud cases to ascertain responsible parties and recommend appropriate action. Compliance Department also ensures required reporting to Management, Borad Audit Committee & Regulators accordingly.

2.13.5.3 Monitoring

BCBL has separate monitoring department under Internal Control & Compliance Division which is dedicated to verify the internal control system & operational activities of the Bank on an ongoing basis. Monitoring department ensures maintenance of DCFCL at Branches and Departments as a regulatory requirement and also submits Self-Assessment of Anti-Fraud Internal Controls report and Bank's Health report to Bangladesh Bank.

2.13.5.4 Concurrent Audit

As per the directives provided by Bangladesh Bank as Guidelines on Internal Control and Compliance in Banks, Concurrent Audit Department was formed to make it in line with the guidelines. Concurrent audit team scrutinize whether the bank is following the guidelines of internal & regulatory bodies time to time. This unit exclusively conducts spot/ surprise audit of continuing operational activities in various branches.

2.13.5.5 Fraud and Forgery

Fraud and forgery have become very important issues in recent years. These have a major impact on our country's economy as a whole, impeding the economic development. BCBL has always been very focused in controlling fraud & forgery by establishing and maintaining proper control systems. Now a day's fraud and forgery appears in diverse form. To prevent fraud and forgery, BCBL formed Investigation Unit under Compliance & Monitoring Department of Internal Control & Compliance Division to deal with such kind of incidences. This wing exclusively deals with all kinds of fraud and forgery and act independently as the first contact point/ information unit where internal and external fraud and forgery incidences are escalated, investigated and reviewed.

To protect the bank and its stakeholder's interest, Investigation Team performs thorough investigation to identify the perpetrator and the root cause of the reported incident. As a remedial course of action, preventive measures are recommended to the business/functional unit to take necessary action relating to process improvement, recovery of misappropriated amount, adjustment of the operational loss and to take appropriate action against the perpetrator. The investigation reports are also placed to the Board Audit Committee for their direction and guidance. All fraud and forgery which were identified in 2019 were also duly reported to Bangladesh Bank on regular basis following their prescribed format and adequate provision has been maintained in the books of accounts. On the other hand management is exerting their all-out efforts to recover the loss amount incurred due to fraud.

2.14 Implementation of BASEL- III

To cope up with the international best practices and to make the bank's capital shock absorbent 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks' (Revised Regulatory Capital Framework in line with BASEL II) was introduced from 1 January 2009 as a parallel run with BRPD Circular No. 10, dated 25 November 2002 (BASEL I). At the end of parallel run, BASEL II regime started from January 01, 2010 and the guidelines on RBCA came fully into force with its subsequent supplements/revisions. After that Bangladesh Bank issued 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks' (Revised Regulatory Capital Framework in line with BASEL III) vide its BRPD Circular 18 dated December 21, 2014 that BASEL III reporting start from January 2015 and full implementation will start from January 2019. Instructions regarding Minimum Capital Requirement (MCR), Adequate Capital and Disclosure requirement as stated in the guidelines had to be followed by all scheduled banks for the purpose of statutory compliance. BASEL III framework has three main components referred to as pillars:

- i) Pillar I addresses minimum capital requirement;
- ii) Pillar II elaborates the process for assessing the overall capital adequacy aligned with risk profile of a bank as well as capital growth plan; and
- iii) Finally, Pillar III gives a Framework of public disclosure on the position of a bank's risk profiles, capital adequacy, and risk management system.

Basel III reforms are the response of Basel Committee on Banking Supervision (BCBS) to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spillover from the financial sector to the real economy. "Basel III: A global regulatory framework for more resilient banks and banking systems" (known as Basel III capital regulations) in December 2010. Basel III reforms strengthen the bank-level i.e. micro prudential regulation, with the intention to raise the resilience of individual banking institutions in periods of stress. Besides, the reforms have a macro prudential focus also, addressing system wide risks, which can build up across the banking sector, as well as the pro-cyclical amplification of these risks over time. These new global regulatory and supervisory standards mainly addressed the following areas:

- a) Raise the quality and level of capital to ensure banks are better able to absorb losses on both a going concern and a gone concern basis;
- b) Increase the risk coverage of the capital framework;
- c) Introduce leverage ratio to serve as a backstop to the risk-based capital measure;
- d) Raise the standards for the supervisory review process (Pillar II); and
- e) Public disclosures (Pillar III) etc.

To ensure smooth transition to Basel III, appropriate transitional arrangements have been provided for meeting the minimum Basel III capital ratios, full regulatory adjustments to the components of capital etc. Consequently, Basel III capital regulations would be fully implemented as on January 1, 2019.

Basel - III is to be calculated both on separate financial statements (SOLO) basis and consolidated basis and both are submitted to Bangladesh Bank accordingly.

We have fully complied with all the directives provided by the Central Bank from time to time, starting from Pillar I, II and III reporting requirements to periodic Stress Testing activity etc. Formation of BASEL Steering Committee chaired by the Managing Director of the bank helps us to ensure supreme governance and strict regimentation at execution level. At the end of 2019, all the variables are completely ready to cope up the full implementation of BASEL III.

2.15 Off Balance Sheet items

Off Balance Sheet Items include various non-derivative financial instruments primarily letter of credit (L/C), letter of guarantee (L/G), acceptance and endorsements, bills for collection etc. and various derivative instruments like forward contracts and currency rate swaps etc.

2.15.1 Derivative financial instruments

The fair value of the derivatives (forward contracts, currency rate swaps etc.) are recognized in the profit and loss of the Bank as per IFRS 9. The value of the contract itself is shown as an item of other contingent liabilities as per Bangladesh Bank guidelines.

2.15.2 Provision on off balance sheet exposures

No provision is kept on items of derivatives as there is no exposure on such gross value for the Bank. Provision for other off balance sheet items made as per BRPD circular no. 14 of 23 September 2012 and BRPD circular no. 7 of June 21, 2018 except on 'bills for collection' and 'guarantees' where the counter guarantees have been issued by Multilateral Development Bank (MDB)/International Bank having BB rating grade '1' equivalent outlined in the Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III).

2.16 Accounting for Changes in Policy, Accounting Estimates and Errors

IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors, states that the effect of a change in accounting policy and correction of error if material is to be applied retrospectively and change in an accounting estimate is to be applied prospectively. The carrying amount of assets, liabilities, or equity may be changed following a change in accounting estimates in the period of the change. The Bank followed the same accordingly.

2.17 Events after reporting period

"As per IAS - 10 "Events after the Reporting Period" events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of event can be identified:

- (a) Adjusting events after the reporting period which provide evidence of conditions which existed at the end of the reporting period; and
- (b) Non adjusting events after the reporting period, are those that are indicative of conditions that arose after the reporting period."

2.18 Related party disclosures

Related Party is a party related to an entity if:

- i) Directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under control with, the company; has an interest in the company, that gives it significant influence over the company; or has joint control over the company;
- ii) The party is an associate (as defined in IAS 28 Investment in Associates);
- iii) The party is a joint venture in which the entity is a venture (as per IAS 31 Interests in Joint Ventures);
- iv) The party is member of the key management of personal of the entity or its parent;
- v) The party is a close member of the family of any individual referred to in (i) or (iv);
- vi) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- vii) The party is post-employment benefit plan for the benefit of employees of the entity. or of any entity that is related party of the entity.

2.19 Director's responsibilities on statement

The board of directors takes the responsibilities for the preparation and presentation of these financial statements.

2.20 Segment reporting

As per IFRS 8 "Operating Segments", an operating segment is a component of an entity:

- i) That engages in business activities from which it may earn revenues and incur expenses (include revenues and expenses relating to transactions with other components of the same entity);
- ii) Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performances, and
- iii) For which discrete financial information is available.

The Bank identifies segment based on its business segment as well as its subsidiary. Business segment comprises SME, Retail, Corporate and Treasury under Conventional banking.

2.21 Name of the Financial Position and Income Statements

As per Banking Companies Act 1991, bank has to prepare its financial statement according to first schedule of the said act which was amended by section 38(4) and published by BRPD circular no. 14 dated June 25, 2003. The forms of first schedule stated the name of the component of financial statement as Balance Sheet, Profit & Loss Account and Bangladesh Commerce Bank Limited stated the names accordingly.

Moreover, as per paragraph 10 of IAS-1, "An entity may use title for the statements other than those used in this Standard." So Bangladesh Commerce Bank Limited also complies IAS-1 in this regard.

2.22 General

- a) Figures appearing in the financial statements have been rounded off to the nearest Taka.
- b) Figures of previous year have been rearranged wherever considered necessary to conform to the current year's presentation.
- c) The expenses, irrespective of capital or revenue nature, accrued / due but not paid have been provided for in the books of the accounts.

2.23 Verification of Financial Statements through Documentation Verification System (DVS)

As per BRPD Circular Letter No. 4/2021, it has been ensured that latest available audited financials are preserved in the credit file of all our clients. In addition to that as per BRPD Circular No. 35/2021, we have been granted access in DVS by the Institute of Chartered Accountants of Bangladesh (ICAB) on 26 January 2022 though we applied to get access in DVS on 16 August 2021.

Bangladesh Commerce Bank Limited

Notes to the Financial Statements

For the year ended on December 31, 2021

		31.12.2021 Taka	31.12.2020 Taka
3	Cash		
	Cash in hand (Note 3.1)	532,534,022	460,178,721
	Balance with Bangladesh Bank and its agent bank(s) (Note 3.2)	1,801,543,402	1,866,503,717
		2,334,077,424	2,326,682,438
3(a)	Consolidated Cash		
	Bangladesh Commerce Bank Limited	2,334,077,424	2,326,682,438
	CBSIL	460,616	465,694
		2,334,538,040	2,327,148,132
3.1	Cash in Hand		
	In local currency	532,085,561	434,217,855
	In foreign currencies	448,461	25,960,866
		532,534,022	460,178,721
3.1(a)	Consolidated Cash in Hand		
	Bangladesh Commerce Bank Limited (Note 3.1)	532,534,022	460,178,721
	CBSIL	460,616	465,694
		532,994,638	460,644,415
3.2	Balance with Bangladesh Bank and its agent bank(s)		
	Balance with Bangladesh Bank		
	In local currency	1,585,307,696	1,637,128,579
	In foreign currencies	211,346,019	220,153,877
		1,796,653,715	1,857,282,456
	Balance with Sonali Bank in local currency (as agent of Bangladesh Bank)	4,889,687	9,221,261
		1,801,543,402	1,866,503,717
3.2(a)	Consolidated Balance with Bangladesh Bank and its agent bank(s)		
	Bangladesh Commerce Bank Limited (Note 3.2)	1,801,543,402	1,866,503,717
	CBSIL	-	-
		1,801,543,402	1,866,503,717
3.3	Statutory Deposit		
	As per MPD circular No- 03 dated April 09, 2020 of Bangladesh Bank (effective from April 15, 2020), all scheduled banks have to maintain a CRR of minimum 3.5% on daily basis and 4.00% on bi-weekly basis on weekly average demand and time liabilities of the base month which is two months back of reporting month (i.e. CRR of December 2020 was based on weekly average balance of October 2020). BCBL has been maintaining it bi-weekly basis.		
3.4	Cash Reserve Ratio (CRR) : 4.00% of Average Demand & Time Liabilities		
	Required Reserve	1,474,708,041	1,245,372,000
	Actual Reserve held with Bangladesh Bank	1,587,092,570	1,640,588,410
	TT in Transit	-	-
		1,587,092,570	1,640,588,410
	Surplus/(Deficit)	112,384,529	395,216,410
	Maintained Ratio	4.30%	5.61%
3.5	Statutory Liquidity Ratio (SLR) : 13% of Average Demand & Time Liabilities		
	Required Reserve	4,792,801,133	4,047,457,000
	Actual Reserve held	5,335,277,770	4,649,912,330
	Surplus/(Deficit)	542,476,637	602,455,330
	Maintained Ratio	14.47%	15.90%
	Average Deposit (Demand & Time Liabilities)	36,867,701,027	29,238,535,555

		31.12.2021 Taka	31.12.2020 Taka
4	Balance with other banks and financial institutions		
	In Bangladesh (Note 4.1)	10,312,879,078	7,210,672,181
	Outside Bangladesh (NOSTRO A/C) (Note 4.2)	143,400,015	106,155,447
		10,456,279,093	7,316,827,628
4(a)	Balance with other banks and financial institutions		
	In Bangladesh	10,943,984,123	7,549,149,345
	Outside Bangladesh (NOSTRO A/C)	143,400,015	106,155,447
		11,087,384,138	7,655,304,792
4(b)	Consolidated Balance with other banks and financial institutions		
	Bangladesh Commerce Bank Limited (Note 4)	10,456,279,093	7,316,827,628
	CBSIL	631,105,045	338,477,164
		11,087,384,138	7,655,304,792
4.1	In Bangladesh		
4.1.1	Current Deposits:	463,315,857	91,331,204
	Agrani Bank Ltd.	68,760,529	33,713,621
	Janata Bank Ltd.	28,726,407	1,918,669
	Others Schedule Bank	161,827	160,248
	Trust Bank Ltd.	1,132,636	2,078,015
	Sonali Bank.	15,736,457	6,913,923
	Dutch Bangla Bank Limited	48,529	1,565,599
	Pubali Bank Ltd.	-	-
	Al-Arafah Islami Bak Ltd.	12,250,518	9,006,153
	Commerce Bank Securities & Investment Ltd.	328,025,680	29,627,312
	BASIC Bank Limited	15,567	18,912
	Rupali Bank Limited	3,037	670,825
	Islami Bank Bangladesh Ltd.	7,647,481	5,652,929
	Exim Bank Bangladesh Ltd.	807,190	5,000
4.1.2	STD Accounts:	2,775,081,953	29,759,709
	Sonali Bank Ltd.	141,000	787,295
	Rajshahi Krishi Unnayan Bank	-	2,023
	Uttara Bank Limited	147,183	141,062
	Janata Bank Ltd.	1,519,868,329	1,335,127
	Union Bank Ltd.	100,814	99,875
	Social Islami Bank Limited	1,055,378	4,023,841
	Bangladesh Krishi Bank	3,502,500	-
	First Security Islami Bank Limited	50,000	-
	Agrani Bank Ltd.	1,250,216,749	23,370,487
4.1.3	FDR Accounts:	7,074,481,268	7,089,581,268
	Reliance Finance Ltd.(AVIVA)	2,910,000,000	2,910,000,000
	People's Leasing and Financial Services Ltd.	1,542,548,250	1,542,548,250
	International Leasing & Financial Services Ltd.	1,474,900,000	1,474,900,000
	Bangladesh Industrial & Finance Company Limited(BIFC)	768,533,018	768,533,018
	Premier Leasing & Finance Ltd.	88,500,000	103,600,000
	FAS Finance & Investment Ltd.	200,000,000	200,000,000
	First Lease Finance & Investment Ltd.	90,000,000	90,000,000
	Term Deposit With Other Bank	-	-
		10,312,879,078	7,210,672,180

A meeting was held on 27th June 2021 at 3.00 pm among CEO's of scheduled Commercial Banks and Mr. Fazle Kabir, Governor of Bangladesh Bank was presiding over the meeting through video conferencing. Honorable Governor has advised the CEO's of schedule banks not to withdraw the deposited money from the financial institutions rather renew it where necessary. He has also advised the financial institutions to repay the individual's deposit on priority basis from their sources of cash receipt or recovery of loans. At the same time he has requested the CEO's of scheduled bank to abstain from filing of suit against People's Leasing which is to be windings up. As per Bangladesh bank Letter No: BRPD (P-1)/661/13/2021-12262, Dated: 27.12.2021, For Deposit into the NBFI, Banks are not required to maintain provision for year 2021 & 2022.

4.1.1 Balance With other Bank & Financial Institutions (Current Deposits and STD Accounts)

31.12.2021
Taka

Name of Banks & Financial Institutions	On Demand	Up to 1 month	1 to 3 months	6 months to 1 year	1 to 5 years	Over 5 years	Total
Agrani Bank Ltd.	1,318,977,278	-	-	-	-	-	1,318,977,278
Janata Bank Ltd.	1,548,594,737	-	-	-	-	-	1,548,594,737
Al-Arafah Islami Bank Ltd.	12,250,518	-	-	-	-	-	12,250,518
Trust Bank Ltd.	1,132,636	-	-	-	-	-	1,132,636
Sonali Bank Ltd.	15,877,457	-	-	-	-	-	15,877,457
Dutch Bangla Bank Ltd.	48,529	-	-	-	-	-	48,529
Islami Bank Banglaesh Ltd.	7,647,481	-	-	-	-	-	7,647,481
Uttara Bank Ltd.	147,183	-	-	-	-	-	147,183
Rupali Bank Ltd.	3,037	-	-	-	-	-	3,037
Social Islami Bank Ltd.	1,055,378	-	-	-	-	-	1,055,378
Rajshahi Krishi Unnayan Bank	-	-	-	-	-	-	-
Other Schedule Bank	161,827	-	-	-	-	-	161,827
BASIC Bank Ltd.	15,567	-	-	-	-	-	15,567
Union Bank Ltd.	100,814	-	-	-	-	-	100,814
Commerce Bank Securities & Investment Ltd.	328,025,680	-	-	-	-	-	328,025,680
Bangladesh Krishi Bank	3,502,500	-	-	-	-	-	3,502,500
First Security Islami Bank Limited	50,000	-	-	-	-	-	50,000
Exim Bank Bangladesh Ltd.	807,190	-	-	-	-	-	807,190
Grand total	3,238,397,810	-	-	-	-	-	3,238,397,810

4.2 Outside Bangladesh

Non Interest- bearing Accounts
Interest-bearing Accounts31.12.2021
Taka

143,400,015

31.12.2020
Taka

106,155,447

143,400,015

106,155,447

-

-

4.2.1 Non Interest-bearing Accounts

Sonali Bank Ltd. Kolkata
Mashreq Bank PSC, NY
NIB Bank Karachi
Standard Chartered Bank, Mumbai, India
Sonali Bank (UK) Ltd.
Punjab National Bank(Acud)
United Bank of India,Kolkata

6,211,349

118,535,199

12,410

4,593,440

1,921,840

12,125,777

-

143,400,015

-

143,400,015

370,873

96,086,988

12,266

4,539,963

-

-

5,145,357

106,155,447

-

106,155,447

Total

4.2.2 Non Interest bearing A/C (Outside Bangladesh NOSTRO A/C)

Particulars	Currency Name	31.12.2021		31.12.2020			
		Amount in FC	Conversion Rate per Unit FC	Amount in BDT	Amount in FC	Conversion Rate per Unit FC	Amount in BDT
Sonali Bank Ltd. Kolkata	USD\$	72,393.4	85.80	6,211,349	4,374	84.80	370,873
Mashreq Bank Psc, Ny	USD\$	1,381,529.1	85.80	118,535,199	1,133,101	84.80	96,086,988
NIB Bank Karachi	USD\$	144.6	85.80	12,410	145	84.80	12,266
Standard Charted Bank, Mumbai (Acud)	USD\$	53,536.6	85.80	4,593,440	53,537	84.80	4,539,963
United bank of India, Kolkata	USD\$	-	85.80	-	60,676	84.80	5,145,357
Sonali Bank (UK) Ltd.	USD\$	22,399.1	85.80	1,921,840			
Punjab National Bank(Acud)	USD\$	141,326.1	85.80	12,125,777			
		1,507,604		143,400,015	1,251,833		106,155,447

Note: Balance with other Bank and financial institutions includes Taka 5,42,63,605 equivalent to USD 16,66,492 which was freezed by Standard Chartered Bank (former the American Express Bank) based on the order of the Calcutta High court against which provision is yet to be made.

		31.12.2021 Taka	31.12.2020 Taka
4.2.3 Maturity grouping of foreign currency balances		143,400,015	106,155,447
On demands		143,400,015	106,155,447
Upto 1 month		-	-
1-3 month		-	-
3-6 month		-	-
6-9 month		-	-
9 months to 1 year		-	-
1 year and above		-	-
5 MONEY AT CALL ON SHORT NOTICE			
Inside Bangladesh	(Note: 5.1)	29,000,000	29,300,000
Outside Bangladesh	(Note: 5.2)	-	-
		29,000,000	29,300,000
5.1 In Bangladesh Banks			
ICB Islamic Bank Ltd.		29,000,000	29,300,000
		29,000,000	29,300,000
5.2 Outside Bangladesh		-	-
5(a) CONSOLIDATED MONEY AT CALL AND SHORT NOTICE			
Bangladesh Commerce Bank Limited		29,000,000	29,300,000
CBSIL		-	-
		29,000,000	29,300,000
6 INVESTMENTS		6,416,551,393	5,639,485,584
6.1 Government Securities Treasury Bond/ Bill			
30-day Bangladesh Bank Bill		-	-
91-day Treasury Bill		-	849,031,947
182-day Treasury Bill		-	-
364-day Treasury Bill		1,094,484,773	49,293,525
2-year Treasury Bond		500,589,284	404,186,501
5-year Treasury Bond		654,070,105	553,413,955
10-year Treasury Bond		2,110,158,614	1,624,187,535
15-year Treasury Bond		85,494,387	89,613,086
20-year Treasury Bond		238,695,828	239,806,862
		4,683,492,991	3,809,533,409
Prize Bond		1,976,500	1,723,400
		4,685,469,491	3,811,256,809
6.1.1 Government Securities (HFT)			
91-day Treasury Bill		-	-
182-day Treasury Bill		-	-
364-day Treasury Bill		-	-
2-year Treasury Bond		-	-
5-year Treasury Bond		-	-
10-year Treasury Bond		32,285,286	34,751,395
15-year Treasury Bond		45,038,768	49,161,301
20-year Treasury Bond		13,109,765	14,202,863
		90,433,819	98,115,560

Note: Money at Call and Short Notice includes Taka 2,90,00,000, which was freezed by ICB Islami Bank (former Al-Baraka Bank) since 23-01-2007. The Bangladesh Bank vide circular # BRPD(R-1)651/(10)/2007-446 dated 02 August, 2007 has given directives for repayment of such balances which are yet to be implemented by the Bank.

		31.12.2021 Taka	31.12.2020 Taka
6.1.2 Government Securities (HTM)			
30-day Bangladesh Bank Bill		-	-
91-day Treasury Bill			849,031,947
182-day Treasury Bill			-
364-day Treasury Bill		1,094,484,773	49,293,525
2-year Treasury Bond		500,589,284	404,186,501
5-year Treasury Bond		654,070,105	553,413,955
10-year Treasury Bond		2,077,873,328	1,589,436,139
15-year Treasury Bond		40,455,619	40,451,784
20-year Treasury Bond		225,586,063	225,603,998
		4,593,059,172	3,711,417,850
6.2 Other Investments			
Shares in quoted companies	(Annexure-E)	563,167,115	650,221,296
Shares in quoted companies (Special Fund 200 Crore)	(Annexure-F)	175,748,213	27,174,237
Shares in un-quoted companies	(Note: 6.2.1)	284,666,666	443,333,332
Corporate Bond	(Note: 6.2.2)	50,000,000	50,000,000
Investment in Sonali Polaris FTL		7,500,000	7,500,000
Investment in Subsidiary		649,999,910	649,999,910
		1,731,081,902	1,828,228,775
Details of Investment in quoted shares are shown in Annexure-E			
6.2.1 Shares in un-quoted companies			
Summit Narayangonj Power Unit-II Ltd.		36,000,000	48,000,000
Summit Barisal Power Ltd.		102,000,000	132,000,000
Ace Alliance Power Ltd		66,666,666	83,333,332
Confidence Power Rangpur Ltd		40,000,000	50,000,000
Confidence Power Bogura Unit-2 Ltd		40,000,000	50,000,000
Zodaic Power Chittagong Ltd		-	80,000,000
		284,666,666	443,333,332
6.2.2 Corporate Bond			
Non Convertible Bond-Golden Harvest		50,000,000	50,000,000
ONE Bank Subordinated Bond		-	-
BSRM Convertible Bond		-	-
		50,000,000	50,000,000
6.3 Maturity Grouping of Investments (BGTB)			
Repayable on demand		-	-
With a residual maturity upto 1 month		-	-
With a residual maturity of more than 1 month but less than 3 months		-	898,325,472
With a residual maturity of more than 3 months but less than 1 year		-	-
With a residual maturity of more than 1 year but less than 2 years		1,094,484,773	488,121,885
With a residual maturity of more than 2 years		3,589,008,218	2,423,086,052
		4,683,492,991	3,809,533,409
6(a) Consolidated Investment		5,874,199,519	5,087,265,517
Government Securities			
Bangladesh Commerce Bank Limited	(Note: 6.1)	4,685,469,491	3,811,256,809
CBSIL		-	-
		4,685,469,491	3,811,256,809
Other Investments			
Bangladesh Commerce Bank Limited	(Note: 6.2)	1,731,081,902	1,828,228,775
CBSIL		107,648,036	97,779,843
		1,838,729,938	1,926,008,618
Less: Inter Company Transaction		(649,999,910)	(649,999,910)
		1,188,730,028	1,276,008,708

	31.12.2021 Taka	31.12.2020 Taka
7 LOANS AND ADVANCES	23,452,557,019	23,079,691,514
7.1 As per classification into the following broad categories		
Inside Bangladesh		
Demand Loan	1,083,029,540	1,088,837,358
Loan General	3,790,408,252	6,461,009,240
Cash Credit (Hypo)	3,359,781,899	3,713,599,526
Agritulture Loan	886,373,003	986,826,877
Overdraft	2,845,716,071	4,966,542,554
SME Loan	6,234,720,855	1,386,522,894
Payment Against Document (PAD)	1,064,433,771	1,087,583,456
Loan against Trust Receipt (LTR)	1,951,442,251	1,749,490,308
House Building Loan	1,162,118,572	672,513,528
Credit Card	69,537,589	23,651,874
Consumer Credit	37,965,888	19,248,294
Staff Loan	430,666,950	432,216,334
Loans & Advances (BCI)	470,556,513	468,557,097
	23,386,751,154	23,056,599,340
Outside Bangladesh	-	-
	23,386,751,154	23,056,599,340
7.2 Bills Purchased and Discounted		
Payable in Bangladesh	-	-
Inland Bills Purchased	65,805,865	23,092,174
Payable outside Bangladesh	-	-
Foreign Bills Purchased	-	-
	65,805,865	23,092,174
	23,452,557,019	23,079,691,514
7.3 As per the remaining maturity grouping of loans and advances in the following order		
Re-payable on demand	8,171,615,219	8,041,697,043
Not more than 3 months	3,817,390,215	3,756,698,619
More than 3 Months but less than 1 year	5,672,787,983	5,582,597,947
More than 1 year but less than 5 years	5,790,763,602	5,698,697,905
More than 5 years	-	-
	23,452,557,020	23,079,691,514
7.4 Countrywise Classification of Loans and Advances		
Inside Bangladesh	23,452,557,019	23,079,691,514
Outside Bangladesh	-	-
	23,452,557,019	23,079,691,514
7.5 Loans and advances on the basis of significant concentration		
a) Loans and advances to directors of the bank	-	-
b) Loans and advances to Chief Executive & other senior executives	74,686,492	82,751,486
c) Loans and advances to customer group amounting more than 10% of bank's total capital	9,776,214,892	9,668,839,872
d) Other customers	13,170,988,685	12,895,883,822
e) Staff Loan	430,666,950	432,216,334
	23,452,557,019	23,079,691,514
Loans and advances allowed to each customer exceeding 10% of Bank's total capital fund Number of the Clients (See Annexure-B)	20	20
7.6 Classification of Loan as per geographical concentration (Division)		
Dhaka	16,131,779,954	15,783,708,616
Chittagong	4,223,440,577	4,375,932,744
Rajshahi	1,202,326,704	1,119,966,981
Khulna	1,150,036,644	1,111,404,641
Sylhet	257,509,925	252,036,269
Barisal	199,963,207	202,777,131
Rangpur	287,500,008	233,865,132
	23,452,557,019	23,079,691,514

	31.12.2021 Taka	31.12.2020 Taka
7.7 Industrial concentration of Loans & Advances (including Bill purchased and discounted)		
Food & Beverage industries	790,538,758	691,408,642
Furniture & Fixture	35,841,268	40,822,751
Printing, publishing & allied industries	100,028,541	86,237,467
Petroleum & coal Products	607,542,384	1,252,329,976
RMG & Textile	2,855,532,465	2,665,701,874
Non-metallic mineral products	596,122,372	559,312,358
Basic metal products	162,934,752	285,209,645
Cement industries	61,945,780	77,046,587
Small Scale Industries	1,159,312,690	1,216,032,567
Power Generation & Gas	449,824,450	488,426,798
Other manufacturing industries	709,539,735	616,414,526
Rural Credit & Agri Loan	886,373,003	986,826,877
Import Credit	4,164,711,427	3,949,003,295
Trade & Commerce	10,401,752,881	9,696,361,054
Others	470,556,513	468,557,097
Total	23,452,557,019	23,079,691,514
7.8 Sector wise concentration of Loans & Advances (including Bill purchased and discounted)		
Agricultural Loan	886,373,003	986,826,877
Industrial Loan (other than working capital)	2,269,318,642	2,428,122,564
Working capital Loan	3,040,822,476	2,885,103,652
Import Credit	4,164,711,427	3,949,003,295
Commercial Loan	8,036,562,509	8,475,056,328
RMG & Textile	2,855,532,465	2,665,701,873
Construction Loan	1,162,118,572	672,513,528
Transport and Communication Loan	97,928,574	97,341,672
Consumer Credit	37,965,888	19,248,294
All Others Loans	901,223,463	900,773,431
Total	23,452,557,019	23,079,691,514
7.9 Loans & Advances to Executives & all other staffs		
Staff House Building Loan	409,410,510	410,447,377
Staff Car Loan	1,764,270	2,673,951
Staff loan against Provident Fund	19,492,170	19,095,006
	430,666,950	432,216,334

Note: Staff Car scheme: All confirmed staff at job grade from Assistant Vice President and above can avail staff car scheme taking approval from competent authority. The Board of Directors in its 325th Board meeting dated 16.10.2019 has revised "Car Loan policy -2011" through which existing Staff enlisted car loan been transferred to Bank's Fixed Asset in our financial statement.

7.9.1 Required Provision for Loans & Advances

Particulars	2021				2020	
	Outstanding Loans	Base for provision	Rate	Required Provision	Base for provision	Provision
Un-classified	12,467,725,766	11,597,936,087		92,457,643	12,200,305,484	87,977,000
I) Standard	11,597,936,087					
a) CCS	170,721,529	170,721,529	2%	3,414,431	82,825,401	1,656,508
b) HBL	367,234,854	367,234,854	1%	3,672,349	360,417,614	3,604,176
c) LP	3,764,869	3,764,869	2%	75,297	5,090,571	101,811
d) Small Enterprise Fin	3,780,598,807	3,780,598,807	0.25%	9,451,497	4,196,658,933	10,491,647
e) Loans against Share	7,855,630	7,855,630	2%	157,113	7,874,737	157,495
f) Agricultural Credit	6,632,267,520	6,632,267,520	1.00%	66,322,675	472,771,133	4,727,711
g) Others	635,492,878	635,492,878	1%	6,354,929	6,642,450,761	66,424,508
ii) Staff Loan	430,666,905	-		-	432,216,334	4,322,163
iii) SMA	439,122,774	348,944,165		3,009,353	-	813,143
iv) UC by Writ Pettition	-	-	100%	-	-	1,352,976,000
v. Special Gen. Provision Cov	-	27,260,646		27,260,646	-	16,055,959
Sub-Standard	488,708,291	218,680,307	20%	43,736,061	289,950,168	57,750,810
Doubtful	73,565,105	30,615,917	50%	15,307,959	40,074,772	20,037,386
Bad or Loss	10,422,557,857	6,685,781,039	100%	6,685,781,039	7,377,948,656	7,377,948,656
Total	23,452,557,020			6,864,543,348	19,908,279,080	8,917,067,974

Total Required Provision for Loans and Advances

Total Provision Maintained

(Note: 13.1)

Excess/ (Short) Provision against Loans & Advance

Excess/ (Short) Provision against Other Assets

6,864,543,348	8,917,067,974
3,724,610,449	3,697,349,803
(3,139,932,899)	(5,219,718,171)
(52,200,000)	(52,200,000)
(3,192,132,899)	(5,271,918,171)

	31.12.2021 Taka	31.12.2020 Taka
7.10 Classification of Loan & Advances		
Un-classified	12,467,725,766	13,309,238,089
i) Standard	11,597,936,087	11,768,089,150
ii) Staff loan	430,666,905	432,216,334
iii) SMA	439,122,774	1,108,932,605
Sub-Standard	488,708,291	583,914,586
Doubtful	73,565,105	145,825,923
Bad or Loss	10,422,557,857	9,040,712,915
Total	23,452,557,020	23,079,691,514
7.11 Particulars of Loans and Advances		
(1) Debts considered good in respect of which the Bank Company is fully secured;	1,201,357,909	1,203,231,850
(2) Debts considered good against which the Banking Company holds no security other than the debtor's personal guarantee;	-	3,734,568,530
(3) Debts considered good & secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors;	3,095,622,864	2,547,526,941
(4) Loans adversely classified; provision not maintained there against;	3,139,932,899	6,682,906,621
(5) Debts due by directors or officers of the banking company of any of these separately or jointly with any other person;	430,666,905	432,216,334
(6) Loan due from companies or firms which the directors of the banking company directors, partners or managing agents or in the case have interest as of private companies as members;	-	-
(7) Maximum total amount of advances including temporary advance made at any time during the year to directors or managers or officers of the banking companies or any of them either separately or jointly with any other person;	-	-
(8) Maximum total amount of advances including temporary advance granted during the year to the companies or firm in which the directors of the banking or company have interest as directors, companies as members;	-	-
(09) Due from banking companies.	-	-
(10) Amount of classified loan on which interest has been charged		
a) Increase / (decrease) in provision	-	-
Amount of loan written off from provision	-	-
Amount realized against loan previously written off	1,036,000	10,000
b) Amount of provision kept against loan classified as "Bad/Loss" as at reporting date	3,526,734,697	3,507,990,521
c) Interest creditable to the interest Suspense Accounts;	983,675,716	1,261,938,716
(11) Details of loan written off	-	-
a) Cumulative amount of written-off loan at the end of the year (b+c)	104,677,212	104,677,212
b) Cumulative amount of written-off loans (opening)	104,677,212	104,677,212
c) Amount of written-off loan during the year	-	-
d) Amount realized (including adjustment) against loan previously written-off	6,470,309	5,424,309
Previous year	5,434,309	-
Current year	1,036,000	-
e) Net outstanding amount of written-off loan at the end of the year (a-d)	98,206,903	99,252,903
f) Amount of written-off loan for which law suit has been filed	86,554,424	86,554,424
7.12 Bills Purchased and Discounted	65,805,865	23,092,174
7.12.1 As per classification into the following broad categories		
Payable in Bangladesh	65,805,865	23,092,174
Payable outside Bangladesh	-	-
	65,805,865	23,092,174
7.12.2 As per the remaining maturity grouping in the following order		
Payable within 1 month	65,805,865	23,092,174
Over 1 month but less than 3 months	-	-
Over 3 months but less than 6 months	-	-
6 months or more	-	-
	65,805,865	23,092,174

		31.12.2021 Taka	31.12.2020 Taka
7(a) CONSOLIDATED LOANS AND ADVANCES			
Bangladesh Commerce Bank Limited		23,386,751,154	23,056,599,340
Less: Inter Company Transaction		-	-
		23,386,751,154	23,056,599,340
Add: Bill Purchased & Discount		65,805,865	23,092,174
		23,452,557,019	23,079,691,514
8 Fixed assets (Details are shown in annexed - A)			
Motor Vehicles		26,518,168	44,120,332
Furniture & Fixture		71,218,913	64,334,088
Machinery & Equipment		38,300,764	39,830,022
Computer & Accessories		23,403,189	35,514,152
Interior Decoration		95,769,593	100,283,506
Hardware & Software Automation		12,444,506	23,015,605
Right of use of Asset		8,896,132	24,146,642
		276,551,266	331,244,347
8(a) Consolidated fixed assets including premises, furniture and fixtures			
Bangladesh Commerce Bank Limited (Note: 8)		276,551,266	331,244,347
CBSIL		9,026,664	8,522,496
		285,577,930	339,766,843
9 Other Assets			
Advance Income Tax (Note: 9.1)		1,106,121,288	1,045,414,186
Stock of Stationery, Stamps & Security Stationary (Note: 9.2)		24,517,836	16,168,674
Advance Rent, Advertisement, etc. (Note: 9.3)		70,062,183	67,717,574
Accrued Interest & Commission Receivable (Note: 9.4)		1,552,547,277	680,145,663
Security Deposits (Note: 9.5)		1,491,755	1,491,755
Suspense Accounts (Note: 9.6)		46,751,443	45,093,196
Sundry Assets (Note: 9.7)		205,615,001	170,822,836
Deferred Tax Assets (Note: 9.8)		45,848,432	25,161,476
BCBL General Account (Note: 9.9)		111,407,411	104,948,400
		3,164,362,626	2,156,963,759
9.1 Advance Income Tax			
Opening Balance		1,045,414,186	993,525,591
Prior Year's Adjustment		-	-
Addition during the year		60,707,103	51,888,595
		1,106,121,288	1,045,414,186
9.2 Stock of Stationery, Stamps & Security Stationary			
Stock of Stationery		9,838,692	5,382,690
Stock of Stamp		1,542,965	1,358,052
MICR Printing Security Stationary		11,575,859	7,792,603
Stock of Security Stationary		1,560,320	1,635,329
		24,517,836	16,168,674
9.3 Advance Rent, Advertisement, etc.			
Advance Rent		69,385,389	67,132,205
Prepaid Insurance Premium		170,342	78,917
Prepaid Expenses for Hardware & Software		451,600	451,600
Prepaid Advertisement		3,885	3,885
Prepaid Expenses Mfs provider		50,967	50,967
		70,062,183	67,717,574
9.4 Accrued Interest & Commission Receivable			
Interest Receivable		1,544,228,524	667,676,613
Dividend Receivables from Share		8,318,753	12,469,050
		1,552,547,277	680,145,663
9.5 Security Deposits			
Security Deposits		1,491,755	1,491,755

	31.12.2021 Taka	31.12.2020 Taka
9.6 Suspense Accounts		
Sundry Debtors	40,964,763	24,702,927
Advance against TA/DA	232,600	32,000
Legal Expense	31,300	31,650
Advance against Sanchay Patra	4,875,630	13,260,001
Deferred expenditure	-	71,268
Advance Against Proposed Branches	603,300	6,951,500
Advance Salary	43,850	43,850
	46,751,443	45,093,196
9.7 Sundry Assets		
Cash Remittance	4,500,200	500
Foreign Remittance Settlement A/C	13,565,066	21,045,672
ATM cash settlement	1,342,000	1,464,500
Protested Bill	95,050,149	81,563,944
Excise Duty Adjustment (FDR)	13,196,370	11,048,220
Initial Public Offerings (Ipo)	22,083,930	-
Adjusting A/C Debit (Treasury)	177,286	-
Sub-total (a)	149,915,001	115,122,836
Blocked Assets:		
Sundry Deposits with National Bank Ltd.	3,500,000	3,500,000
Advance against Building	52,200,000	52,200,000
Sub-total (b)	55,700,000	55,700,000
Grand-total (a+b)	205,615,001	170,822,836
9.8 Deferred Tax Assets		
Opening Balance	25,161,476	-
Add : Addition during the year	20,686,956	25,161,476
Less: Adjustment during the year	-	-
Closing Balance	45,848,432	25,161,476

9.8.1 Deferred tax assets/liability

Deferred tax has been calculated based on deductible/taxable temporary difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS)12 'Income Taxes'

Deferred tax assets/ liability is arrived at as follows:

Particulars	Carrying amount of balance sheet	Tax base	Temporary difference
	Taka	Taka	Taka
Assets			
Fixed assets net of depreciation as on 31 December 2021	267,655,135	314,141,756	(46,486,622)
Right of use assets	8,896,132	-	8,896,132
Lease obligation	17,386,840	-	(17,386,840)
Provision for gratuity	59,643,750	-	(59,643,750)
Total	353,581,856	314,141,756	(114,621,081)
Assets			
Fixed assets net of depreciation as on 31 December 2020	306,363,349	322,013,643	(15,650,294)
Provision for gratuity	47,253,395	-	(47,253,395)
Total	353,616,744	322,013,643	(62,903,689)
Applicable tax rate			40%
Deferred tax assets as on 31 December 2021			45,848,432
Deferred tax assets as on 31 December 2020			25,161,476
Deferred tax (expenses)/ Income accounted for during the year 2021			20,686,956

		31.12.2021 Taka	31.12.2020 Taka
9.9 BCBL General Account			
BCBL General Account Cr.		32,329,435,355	26,550,401,341
BCBL General Account Dr.		32,440,842,766	26,655,349,741
		111,407,411	104,948,400
9(a) Consolidated Other Assets			
Bangladesh Commerce Bank Limited	(Note: 9)	3,164,362,362	2,156,963,759
CBSIL		896,669,210	747,198,397
		4,061,031,836	2,904,162,156
10 Non Banking Assets		-	-
11 Borrowings from Bangladesh Bank, other Banks, Financial Institutions and Agents			
From Inside Bangladesh - Call Borrowings from Banks		-	-
From Inside Bangladesh - Re-finance Scheme under SME		316,479,971	320,192,409
From Inside Bangladesh - Stimulus Fund Payable To Bb		23,751,759	34,355,223
From Outside Bangladesh		-	-
		340,231,730	354,547,632
11(a) Consolidated Borrowings from Bangladesh Bank, other Banks, Financial Institutions and Agents			
Bangladesh Commerce Bank Limited		340,231,730	354,547,632
CBSIL		-	-
		340,231,730	354,547,632
11.2 Maturity-wise borrowings			
Repayable on demand		316,479,971	354,547,632
Not more than 3 months		-	-
Over 3 Months but less than 1 year		-	-
Over 1 year but not less 5 years		-	-
Over 5 years		-	-
		316,479,971	354,547,632
11.3 Security wise borrowings			
Secured (by Bangladesh Bank deposits)		-	-
Unsecured		316,479,971	354,547,632
		316,479,971	354,547,632
12 Deposits and other Accounts			
Current Deposits and Other Accounts	(Note: 12.1)	4,543,675,207	3,640,459,699
Bills Payable	(Note: 12.2)	488,108,881	497,123,211
Savings Bank Deposits	(Note: 12.3)	4,405,984,559	3,825,993,970
Short Term Deposits	(Note: 12.4)	1,937,135,943	3,429,948,715
Fixed Deposits	(Note: 12.5)	23,586,903,187	18,578,216,776
Deposits under Different Schemes	(Note: 12.6.2)	7,201,282,827	6,421,659,034
		42,163,090,604	36,393,401,405
12.1 Current Deposits and Other Accounts			
Current Deposits		2,346,694,758	1,789,941,786
Other Deposits	(Note: 12.6.1)	2,196,980,449	1,850,517,913
		4,543,675,207	3,640,459,699
12.2 Bills Payable			
Pay Order Payable		486,768,002	495,782,332
D.D. Payable		1,340,879	1,340,879
		488,108,881	497,123,211
12.3 Savings Bank Deposits			
Local Currency		4,405,984,559	3,825,993,970
Foreign Currencies		-	-
		4,405,984,559	3,825,993,970
12.4 Short Term Deposits			
Local Currency		1,937,135,943	3,429,948,715
Foreign Currencies		-	-
		1,937,135,943	3,429,948,715
12.5 Fixed Deposits			
Deposits without Bank		19,847,580,463	13,820,619,770
Bank Deposits		3,739,322,724	4,757,597,006
		23,586,903,187	18,578,216,776

		31.12.2021 Taka	31.12.2020 Taka
12.6 Other Deposits and Schemes			
Other Deposits	(Note: 12.6.1)	2,196,980,449	1,850,517,913
Deposits under Different Schemes	(Note: 12.6.2)	7,201,282,827	6,421,659,034
		9,398,263,276	8,272,176,947
12.6.1 Other Deposits			
Margin on Letter of Credit		119,646,429	117,402,244
Margin on Letter of Guaranty		37,050,765	26,120,477
Margin on Letter of Shipping Guaranty		11,385,265	7,004,531
Margin on E gp		3,442,277	3,530,907
Beftn Return Account		2,391,677	5,882,063
EBEK Grant Payable		768	768
Risk Fund		574,967	574,967
Service charge / CIB Service Charge		820,492	767,486
Buying House Commission		2,812,007	3,204,237
Revenue Stamp/ Stamp		280	430
Margin on FBP / Acceptance on B/B LC / Margin on LTR		4,738,165	4,856,977
BEFTN & BACPS/ITCL/S-cash/Payza Wallet		1,653,709	692,882
Sundry Creditors		100,393,369	172,727,228
Fund Buildup		2,452,680	-
Refundable Fund Of Bcb Sme Entrepreneur		22,000	-
Taxes And Duties Payable		84,925,683	-
Interest Payable on Deposit		1,824,669,916	1,507,752,716
		2,196,980,449	1,850,517,913
12.6.2 Deposits under different schemes			
Monthly Income/Pension Scheme		2,009,885,000	1,635,185,000
Life Pension Deposit Scheme		4,640,244	4,546,495
Marriage Deposit Scheme		28,768,908	37,196,626
Millionaire Deposit Scheme		98,962,694	112,444,164
Monthly Savings Schemes		4,828,513,344	2,845,604,746
Education Deposit Scheme		4,125,777	7,328,595
Lakhopoti Deposit Scheme		967,583	3,946,118
Triple Deposit Scheme		13,057,607	16,491,203
Kotipoti Deposit Scheme		116,892,474	110,506,785
Double Deposit Scheme		8,007,522	1,519,930,902
Investor Deposit Scheme		87,461,675	128,478,400
		7,201,282,827	6,421,659,034
12.5(a) Consolidated Other Deposits			
Bangladesh Commerce Bank Limited	(Note: 12.5)	9,398,263,276	8,272,176,947
CBSIL		-	-
		9,398,263,276	8,272,176,947
12.6 Maturity wise Classification Payable:			
On Demand		2,192,435,869	1,892,448,095
Within 1 Month		5,115,683,695	4,415,712,221
More than 1 month but less than 6 months		12,465,779,237	10,759,934,842
More than 6 month but less than 1 year		14,350,422,083	12,386,679,054
More than 1 year but within 5 years		5,786,356,596	6,834,547,786
More than 5 year but within 10 years		2,252,413,123	104,079,408
Over 10 years and Unclaimed			
		42,163,090,603	36,393,401,406
12(a) Consolidated Deposits and other Accounts			
Bangladesh Commerce Bank Limited		42,163,090,604	36,393,401,405
CBSIL		-	-
		42,163,090,604	36,393,401,405

		31.12.2021 Taka	31.12.2020 Taka
13 Other Liabilities			
Provision for Loans and Advances	(Note: 13.1)	3,724,610,449	3,697,349,803
Interest Suspense Accounts	(Note: 13.2)	2,477,130,630	1,261,938,716
Provision for Current Income Tax	(Note: 13.3)	642,616,508	647,266,508
Provision for Deferred Tax	(Note: 13.4)	-	-
Provision for Gratuity	(Note: 13.5)	59,643,750	47,253,395
Provision for Share & Debenture Unrealized Gain / Loss	(Note: 13.6)	181,541,356	245,380,144
Provision for IT Assets	(Note: 13.7)	284,111	284,111
Accrued Expense Payable	(Note: 13.8)	42,876,223	52,253,016
Impress Fund Payable		202,127	11,412,133
Cash Incentive		2,573,719	3,048,675
Provision for (Incentive) Bonus	(Note: 13.9)	-	-
Provision for Off Balance Sheet Exposure	(Note: 13.10)	19,227,974	15,750,330
VAT/Tax Payable to NBR		-	88,164,305
Provision for Other Assets	(Note: 13.11)	219,991,869	208,893,000
Lease Liability	(Note: 13.12)	17,386,841	46,266,570
BCBL General Accounts	(Note: 13.13)	-	-
		7,388,085,557	6,325,260,706
13.1 Provision for Loans and Advances			
General Provision	(Note: 13.1.1)	95,515,127	95,515,127
Special General Provision-COVID 19	(Note: 13.1.2)	43,316,605	16,055,959
Specific Provision	(Note: 13.1.3)	3,585,778,717	3,585,778,717
		3,724,610,449	3,697,349,803
13.1.1 General Provision			
Opening Balance		95,515,127	88,861,952
Add : Transferred during the year		-	6,653,175
Less: Adjustment during the year		-	-
		95,515,127	95,515,127
13.1.2 Special General Provision-COVID 19			
Opening Balance		16,055,959	-
Add : Transferred during the year		27,260,646	16,055,959
Less: Adjustment during the year		-	-
		43,316,605	16,055,959
13.1.3 Specific Provision			
Opening Balance		3,585,778,717	2,998,684,851
Less: Fully Provided Bad Loan Written off		-	-
Add : Received from Previous Written off Bad Loan		-	-
Add : Specific Provision Kept for the year		-	587,093,866
Less: Provision no more Required due to Recovery of Bad Loan		-	-
Less: Interest Waiver During the Year		-	-
Add : Net Charge in the Profit and Loss Account		-	-
		3,585,778,717	3,585,778,717
Bangladesh Bank had identified provision shortfall of Taka 527.17 crore against loans and advances, off balancesheet exposures and other assets as on 31 December 2020 and the provision was deferred from 2021 to 2023 equally vide letter ref: DBI-1/116/2021-1012 dated: 08/04/2021. After maintaining required proportionate provision in 2021 the remaining shortfall amount of Taka 351.46 (527.19/3*2=351.46) will be provided equally in 2022 & 2023.			
13.1.2(a) Consolidated Specific Provision			
Bangladesh Commerce Bank Limited	(Note: 13.1.2)	3,585,778,717	3,585,778,717
CBSIL		227,097,428	156,581,484
		3,812,876,145	3,742,360,201
13.2 Interest Suspense A/C			
Opening Balance		1,261,938,716	862,639,493
Add : Addition during the year		1,697,564,690.03	459,389,069
Less: Interest Realized during the year		482,372,776.10	60,089,846
Less: Written off during the year		-	-
		2,477,130,630	1,261,938,716

13.3 Provision for Current Income Tax

Opening Balance
 Add : Current year tax
 Add : Prior years tax
 Less: Adjustment during the year

31.12.2021 Taka	31.12.2020 Taka
647,266,508	647,266,508
-	-
-	-
4,649,999.57	-
642,616,508	647,266,508

13.3.1 Income Tax

Accounting Year	Assessment Year	Provision as per Accounts	Tax Payable as per Assessment Order	Cumulative Surplus/ (Shortfall)	Status
31-12-2004	2005-2006	-	26,010,067.00	(26,010,067)	Appeal is pending at the tribunal and honorable high court.
31-12-2005	2006-2007	-	33,452,050.00	(59,462,117)	
31-12-2006	2007-2008	-	51,371,498.00	(110,833,615)	
31-12-2007	2008-2009	-	-	(110,833,615)	Settled
31-12-2008	2009-2010	-	20,662,000.00	(131,495,615)	Appeal has been filed under section 173 in LTU.
31-12-2009	2010-2011	110,635,242	110,635,242	(131,495,615)	Settled
31-12-2010	2011-2012	100,000,000	32,401,165.00	(63,896,780)	Appeal is pending at the commissioner of taxes.
31-12-2011	2012-2013	155,000,000	120,521,399.00	(29,418,179)	
31-12-2012	2013-2014	65,000,000	121,175,046.00	(85,593,225)	
31-12-2013	2014-2015	67,953,707	-	(17,639,518)	Assessment due at LTU
31-12-2014	2015-2016	89,552,613	-	71,913,095	
31-12-2015	2016-2017	3,515,417	15,477,010.00	59,951,502	Appeal is pending at the commissioner of taxes. Aternate Dipute Resolution has already been completed but order has not been forwarded.
31-12-2016	2017-2018	95,925,092	66,396,600.00	89,479,994	Appeal is pending at the commissioner of taxes.
31-12-2017	2018-2019	117,000,000	74,329,843.00	132,150,151	Appeal is pending at the commissioner of taxes. Aternate Dipute Resolution has already been completed but order has not been forwarded.
31-12-2018	2019-2020	-	-	-	Assessment due at LTU
31-12-2019	2020-2021	-	-	-	Assessment due at LTU
31-12-2020	2021-2022	-	-	-	Assessment due at LTU
31-12-2021	2022-2023	-	-	-	Return to be submitted.

	31.12.2021 Taka	31.12.2020 Taka
13.4 Provision for Deferred Tax Liability		
Opening Balance	-	3,552,731
Add : Addition during the year	-	-
Less: Adjustment during the year	-	(3,552,731)
	-	-
13.5 Provision for Gratuity		
Opening Balance	47,253,395	116,979,736
Add : Addition during the year	59,643,750	47,253,395
Less: Transfer to Gratuity Fund	47,253,395	(116,979,736)
Less: Adjustment during the year	-	-
	59,643,750	47,253,395
13.6 Provision for Share & Debenture (Unrealized Gain/Loss)		
Opening Balance	245,380,144	308,710,110
Add : Addition during the year	-	-
Less: Adjustment during the year	63,838,788	63,329,966
	181,541,356	245,380,144
13.7 Provision for IT Assets		
Opening Balance	284,111	284,111
Add : Addition during the year	-	-
Less: Adjustment during the year	-	-
	284,111	284,111
13.8 Accrued Expenses Payable		
Sancyapatra	100,000	100,000
Accrued Expense Payable	3,068,958	2,633,031
Others (including penal interest provision)	39,477,265	49,289,985
Audit Fee	230,000	230,000
	42,876,223	52,253,016
Provision against Penal interest (others) has been imposed by BB for CRR shortfall in the period of COVID 19 pandemic according to BB order, Section 36(4) of 1971 and DOS circular No: 03/2010. As per BB Letter reference No: DOS(SR)1153/142/26/2020-3341, dated: 29/10/2020.		
13.9 Provision Incentive Bonus		
Opening Balance	-	-
Less: Adjustment during the year	-	-
	-	-
13.10 Provision for Off Balance Sheet Exposure		
Opening Balance	15,750,330	55,070,787
Add : Addition during the year	3,477,644	-
Less: Adjustment during the year	-	39,320,457
	19,227,974	15,750,330
13.11 Provision for Other Assets		
Opening Balance	208,893,000	199,020,000
Add : Addition during the year	11,098,869	9,873,000
Less: Adjustment during the year	-	-
	219,991,869	208,893,000
Note: Amount of Provision for Other Assets includes BCBL General Account, Advance Rent, Interior Decoration, Protested Bill, Sundry Deposits NBL & Sundry Debtors for BDT8.7740 Crore, 1.683 Crore, 0.10 Crore, 8.1563 Crore, 0.35 Crore, 1.8260 Crore respectively.		
13.12 Lease Liability		
Opening Balance	46,266,570	67,133,967
Add: Addition	1,224,671	2,232,760
Less: Adjustment	30,104,400	23,100,157
	17,386,841	46,266,570

		31.12.2021 Taka	31.12.2020 Taka
13.13 BCBL General Account			
BCBL General Account Cr.		-	-
BCBL General Account Dr.		-	-
		-	-
13(a) Consolidated Other Liabilities			
Bangladesh Commerce Bank Limited	(Note: 13)	7,388,085,557	6,325,260,706
CBSIL		865,684,201	427,535,000
		8,253,769,757	6,752,795,706
Less: Inter Company Transaction		-	-
		8,253,769,757	6,752,795,706
14. Capital			
14.1 Authorized Capital			
100000000 Ordinary share of Tk. 100 each		10,000,000,000	10,000,000,000
14.2 Issued, Subscribed and Paid up Capital			
19,887,428 Ordinary share of Tk. 100 each		1,988,742,800	1,988,742,800

Break up of Issued, Subscribed & Paid up Capital as follows

Particulars	No. of Shares as on December 31, 2021	% of Total	31.12.2021	31.12.2020
			Amount in Taka	Amount in Taka
Directors	8	0.00%	800	800
KA Category - Government	6,750,000	33.94%	675,000,000	675,000,000
KHA Category - Three State Owned Bank	2,249,982	11.32%	224,998,200	224,998,200
GA Category - Autonomous/Govt owned corporate bodies	1,024,613	5.15%	102,461,300	102,461,300
Depositors and other private shareholders	9,862,825	49.59%	986,282,500	986,282,500
Total	19,887,428	100.00%	1,988,742,800	1,988,742,800

	31.12.2021 Taka	31.12.2020 Taka
14.3 Capital to Risk weighted assets ratio (CRAR)		
In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars no. 35 dated 29 December 2010, required capital, available core capital and supplementary capital of the Bank for the year ended as at 31 December 2018 is shown below:		
<u>Tier – I (Core Capital)</u>	(3,858,223,825)	(2,275,324,365)
Paid up capital	1,988,742,800	1,988,742,800
Right Share Application Money	917,259,650	917,259,650
Share capital BCI	15,300,000	15,300,000
Non-Repayable share premium account	-	-
Statutory Reserve	275,060,371	275,060,371
General Reserve	8,920,366	8,920,366
Retained Earnings	(7,063,507,012)	(5,480,607,552)
Minority interest in subsidiaries	-	-
Non cumulative Irredeemable preference share	-	-
<u>Deductions from Tier-I (Core Capital) :</u>	3,159,046,342	3,869,958,135
Book value of Goodwill	-	-
Shortfall in provisions required against classified assets	3,159,046,342	3,869,958,135
Shortfall in provisions required against investment in shares	-	-
Remaining deficit on account of revaluation of investments in securities after netting off from any other surplus on the securities.	-	-
Reciprocal crossholdings of bank capital/subordinated debt	-	-
Any investment exceeding the approved limit under section 26(2) of Bank Company Act, 1991.	-	-
Investments in subsidiaries which are not consolidated	-	-
Other if any	-	-
Total Eligible Tier-I Capital	(7,017,270,167)	(6,145,282,500)

	31.12.2021 Taka	31.12.2020 Taka
Tier –II (Supplementary Capital)	158,059,706	111,265,457
General Provision on Unclassified Loans	138,831,731.97	95,515,127
Revaluation Reserve for HTM Securities	-	-
Assets Revaluation Reserve	-	-
All Others Preference Share	-	-
General Provision (Off balance sheet items)	19,227,974	15,750,330
Exchange Equalization Fund	-	-
Total Eligible Capital (Tier-I + Tier-II)	(6,859,210,461)	(6,034,017,043)
Total Risk Weighted Assets (As per BASEL-III guideline)	36,131,856,767	41,511,618,189
Required Capital	4,000,000,000	5,000,000,000
Details are shown in Annexure - D		
Actual Capital Held:		
Core Capital	(7,017,270,167)	(6,145,282,500)
Supplementary Capital	158,059,706	111,265,457
	(6,859,210,461)	(6,034,017,043)
Capital to Risk weighted assets ratio (CRAR) (Required 12.50%)	-18.98%	-14.54%
Core Capital to RWA	-19.42%	-14.80%
Supplementary Capital to RWA	0.44%	0.27%
Note: Raising capital to the required level through public issue may require amending the act no. 12 of 1997 which is now under process in Ministry of Bank and Financial Institutions. Although through letter ref: DOS(BSS-6)/1162/2(3)/2016-1082 dated: 29 February 2016 Bangladesh Bank permits Bangladesh Commerce Bank Limited to raise capital through issuance of right share within 3 months of changing the law by Honorable Parliament.		
15 Statutory Reserve		
Opening Balance	275,060,371	275,060,371
Less : Transferred during the year to provision for loans & advances	-	-
Add : Transferred during the year	-	-
	275,060,371	275,060,371
15(a) Consolidated Statutory Reserve		
Bangladesh Commerce Bank Limited	275,060,371	275,060,371
CBSIL	-	-
	275,060,371	275,060,371
16 Other Reserve		
Opening Balance	8,920,366	8,920,366
Add : Transferred during the year	-	-
Less: Adjustment during the year	-	-
	8,920,366	8,920,366
16(a) Consolidated Other Reserve		
Bangladesh Commerce Bank Limited	8,920,366	8,920,366
CBSIL	-	-
	8,920,366	8,920,366
17 Revaluation Reserve for HTM & HFT Securities		
Opening Balance	82,309,891	163,704,467
Add : Transferred during the year	16,928,688	20,357,238
Less: Adjustment during the year	3,043,822	101,751,814
	96,194,757	82,309,891
17(a) Consolidated Revaluation Reserve for HTM Securities		
Bangladesh Commerce Bank Limited	96,194,757	82,309,891
CBSIL	-	-
	96,194,757	82,309,891

		31.12.2021 Taka	31.12.2020 Taka
18 Profit and Loss Accounts / Retained Earnings			
Opening Balance		(5,480,607,552)	(3,408,747,594)
Prior year's Adjustment		-	(85,327,000)
Adjustment for the application of IFRS-16 (Lease)		-	(27,736,815)
Profit/ (Loss) for the year as per Profit and Loss accounts		(1,582,899,461)	(1,958,796,143)
		(7,063,507,012)	(5,480,607,552)
18(a) Consolidated Profit and Loss Accounts / Retained Earnings			
Bangladesh Commerce Bank Limited (Note: 18)		(7,063,507,012)	(5,480,607,552)
CBSIL		129,225,369	114,908,593
		(6,934,281,643)	(5,365,698,959)
19 Contingent Liabilities and Other Commitments			
Acceptances and Endorsements		322,287,158	324,061,649
Letter of Guarantees (Note: 19.01)		576,123,563	472,299,049
Irrevocable Letter of Credit		1,024,386,613	666,559,929
Bills for Collection		2,994,527,004	3,034,767,615
Other contingent liability (Note: 19.02)		127,209,968	112,112,334
		5,044,534,306	4,609,800,576
19.1 Letter of Guarantees			
Money for which the Bank is contingently liable in respect of guarantee issued favoring Directors		-	-
Government		570,580,346	465,863,641
Bank and Other Financial Institution		-	-
Others		5,543,217	6,435,408
		576,123,563	472,299,049
Commitments			
Less than 1 Year		576,123,563	472,299,049
Equal to or more than 1 year		-	-
		576,123,563	472,299,049
19.2 Other Contingent Liabilities			
Companies Liabilities for L/G		-	-
Companies Liabilities for L/C		-	-
Bills for Collection		-	-
Tax liability		100,610,480	100,610,480
Interest receivable		26,599,488	11,501,854
		127,209,968	112,112,334
Note: Tax liability for BCI period relates to assessment year 1989-90, 1990-91, 1991-92, 1992-93, 1993-94, which are pending at the Supreme Court. This has been carried forward since long which is shown under contingent liability for BDT 71,192,301. And Income Tax Assessment of BCBL for the year 2005-2006, 2006-2007, 2007-2008, 2009-2010, 2011-2012 and 2012-2013 are pending before appeal which amounted BDT 29,418,179.			
20 Interest Income			
Interest received from Loans and Advances		1,128,649,847	1,121,501,970
Interest received from Banks & Other financial Institutions		338,162,955	286,078,222
		1,466,812,802	1,407,580,192
20 (a) Consolidated interest Income			
Bangladesh Commerce Bank Limited (Note: 20)		1,466,812,802	1,407,580,192
CBSIL		27,592,228	25,717,768
		1,494,405,030	1,433,297,960
Less: Inter Company Transaction		-	-
		1,494,405,030	1,433,297,960

		31.12.2021 Taka	31.12.2020 Taka
21 Interest Paid on Deposits			
Interest Paid on Deposits		2,307,583,753	2,100,532,682
Interest Paid on Borrowing		3,446,640	16,143,330
Interest Paid on Foreign Bank Accounts		-	-
Penal interest paid to BB		-	48,484,272
Discount Paid		-	-
		2,311,030,393	2,165,160,284
<p>Penal interest has been imposed by BB for CRR shortfall in the period of COVID 19 pandemic according to BB order, Section 36(4) of 1971 and DOS circular No: 03/2010. As per BB Letter reference No: DOS(SR)1153/142/26/2020-3341, dated: 29/10/2020.</p>			
21(a) Consolidated interest Paid on Deposits			
Bangladesh Commerce Bank Limited	(Note: 21)	2,311,030,393	2,165,160,284
CBSIL		-	-
		2,311,030,393	2,165,160,284
Less: Inter Company Transaction		-	-
		2,311,030,393	2,165,160,284
22 Income from Investment			
Treasury Bill/Bond		210,536,663	191,884,699
Capital Gain		58,509,313	171,390,028
Dividend on Share		59,392,975	58,503,545
Corporate Bond		5,000,000	7,200,000
		333,438,951	428,978,272
22(a) Consolidated Income from Investment			
Bangladesh Commerce Bank Limited	(Note: 22)	333,438,951	428,978,272
CBSIL		35,864,305	8,656,163
		369,303,256	437,634,435
23 Exchange, Commission and Brokerage			
Commission		92,591,712	64,789,765
Exchange Earnings		22,363,623	24,557,808
Brokerage		-	-
		114,955,335	89,347,573
23(a) Consolidated Exchange, Commission and Brokerage			
Bangladesh Commerce Bank Limited	(Note: 23)	114,955,335	89,347,573
CBSIL		156,376,941	84,453,713
		271,332,276	173,801,287
24 Other Operating Income			
Rent on Locker		149,027	159,595
Other Receipts	(Note: 24.1)	82,469,714	37,235,723
		82,618,741	37,395,318
24.1 Other Receipts			
Maintenance Charge		76,508,091	33,961,636
Appraisal Fee		5,195,072	2,851,673
Postage		713,874	392,822
Telex, Telephone & Telegram Recoveries		52,679	29,592
		82,469,714	37,235,723
24(a) Consolidated Other Operating Income			
Bangladesh Commerce Bank Limited	(Note: 24)	82,618,741	37,395,318
CBSIL		5,119,527	-
		87,738,268	37,395,318

		31.12.2021 Taka	31.12.2020 Taka
25	Salary and Allowances		
	Basic Salary	407,972,446	408,922,754
	Allowances	356,028,582	355,811,761
	Gratuity	59,643,750	47,253,395
	Provident Fund	33,122,066	33,187,063
	Bonus	67,964,573	66,950,332
		924,731,417	912,125,305
25(a)	Consolidated Salary and Allowances		
	Bangladesh Commerce Bank Limited (Note: 25)	924,731,417	912,125,305
	CBSIL	70,332,559	53,489,600
		995,063,975	965,614,905
26	Rent, Taxes, Insurance, Electricity, etc.		
	Rent	101,604,569	90,629,688
	Rates and Taxes	3,308,831	19,950
	Insurance	25,246,291	23,375,829
	Car Insurance, Tax	2,651,855	4,376,589
	Electricity/Gas/Water Bill	27,467,498	22,441,178
		160,279,044	140,843,234
26(a)	Consolidated Rent, Taxes, Insurance, Electricity, etc.		
	Bangladesh Commerce Bank Limited (Note: 26)	160,279,044	140,843,234
	CBSIL	9,039,777	10,238,337
		169,318,821	151,081,571
27	Postage, Telegram, Telephone		
	Telephone	3,117,145	3,780,451
	Postage, Telegram & Connectivity	43,666,839	26,370,855
		46,783,984	30,151,306
27(a)	Consolidated Postage, Telegram, Telephone		
	Bangladesh Commerce Bank Limited (Note: 27)	46,783,984	30,151,306
	CBSIL	733,113	697,576
		47,517,097	30,848,882
28	Stationery, Printing & Advertisement		
	Printing Stationery	4,888,607	4,833,330
	Other Stationery	6,215,356	5,491,232
	Security Stationery	389,454	250,132
	Publicity and Advertisement	1,249,824	1,589,034
		12,743,242	12,163,728
28(a)	Consolidated Stationery, Printing & Advertisement		
	Bangladesh Commerce Bank Limited (Note: 28)	12,743,242	12,163,728
	CBSIL	647,236	598,095
		13,390,478	12,761,823
29	Managing Director's salary and allowances		
	Basic Salary	6,648,000	1,554,774
	House Maintenance / Furnishing	2,952,000	690,387
		9,600,000	2,245,161
30	Directors' fees & honorium		
	Directors' fees & honorium	1,346,400	1,374,000
		1,346,400	1,374,000
30(a)	Consolidated Directors' fees & honorium		
	Bangladesh Commerce Bank Limited (Note: 30)	1,346,400	1,374,000
	CBSIL	554,400	589,600
		1,900,800	1,963,600

		31.12.2021 Taka	31.12.2020 Taka
31 Depreciation and Repair of Fixed Assets			
Depreciation of Fixed Assets		103,839,254	107,025,424
Repairs and Maintenance		9,519,485	9,212,230
		113,358,739	116,237,654
31(a) Consolidated Depreciation and Repair of Fixed Assets			
Bangladesh Commerce Bank Limited	(Note: 31)	113,358,739	116,237,654
CBSIL		2,277,359	2,045,015
		115,636,098	118,282,669
32 Other Expenditure			
Business Development		1,048,191	933,795
Conveyance		5,475,528	4,980,337
Maintenance Charge		-	525,000
Computer Photocopy Paper		1,759,300	1,680,647
BB Clearing Charge		28,965	24,239
Evaluation Fee		1,371,083	1,262,657
Vat on other Expense		-	105,486
Tax on other Expense		-	242,650
Photocopy & Photograph		497,322	355,035
Entertainment		9,415,921	4,531,187
Excise Duty		1,126,211	526,845
Exchange Loss		-	6,553,083
Fuel & Lubricants of Car		1,737,640	1,552,198
Honorarium		906,350	1,055,775
Laundry		1,287,061	1,344,497
Internet Bill		104,831	141,998
Loss on Revaluation on Investment		-	8,752,907
Misce Expense		30,457	1,050,422
Training		29,125	42,551
Subscription		4,234,893	1,663,914
Travelling & Daily Allowances		2,088,250	2,037,823
Uniform		526,804	374,923
Software & Harware Maintenance		6,948,094	6,557,784
Bank Charge		855,531	965,508
Service fee to VISA		1,840,840	1,681,099
Finance cost- Lease Liability		1,224,671	2,232,760
Covid-19 Prevention Goods		514,746	-
Commission Paid to Bank		295,114	-
Managers' meeting /Conference		1,969	-
Plantation		411,041	-
Pantry Supplies		48,826	-
		43,808,763	51,175,119
32(a) Consolidated Other Expenditure			
Bangladesh Commerce Bank Limited	(Note: 31)	43,808,763	51,175,119
CBSIL		32,346,889	17,080,494
		76,155,652	68,255,613
33 Closing Cash and Cash Equivalent			
Cash in hand (including foreign currencies)		532,534,022	460,178,721
Balance with Bangladesh Bank & Sonali Bank (Including foreign currencies)		1,801,543,402	1,866,503,717
Balance with Other Bank & Financial Institutions		10,456,279,093	7,316,827,628
Money at Call and short notice		29,000,000	29,300,000
Investment Government		4,685,469,491	3,811,256,809
		17,504,826,008	13,484,066,874

	31.12.2021 Taka	31.12.2020 Taka
34 Earnings Per Share (EPS)		
Net Profit after Tax	(1,582,899,461)	(1,958,796,143)
Number of Ordinary Share	19,887,428	19,887,428
Earnings Per Share	(79.59)	(98.49)
34(a) Consolidated Earnings Per Share (EPS)		
Net Profit after Tax	(1,568,582,685)	(1,945,333,171)
Number of Ordinary Share	19,887,428	19,887,428
Consolidated Earnings Per Share (EPS)	(78.87)	(97.82)
35 Net Asset Value Per Share (NAV)		
a) Capital / Share holders' Equity for the year	(3,762,029,069)	(2,193,014,474)
b) Number of Outstanding Share	19,887,428	19,887,428
Net Asset Value Per Share (NAV) (a÷b)	(189.17)	(110.27)
Note: Capital / Share holders' equity for the year including Right Share Application Money Taka. 917,259,650.00		
36 Net Operating Cash Flow Per Share		
a) Net Cash flows from Operating Activities	3,976,139,215	453,778,807
b) Number of Outstanding Share	19,887,428	19,887,428
Net Operating Cash Flow Per Share (NAV)(a÷b)	199.93	22.82
37 Risk factors and risk management		
Implementations of other Core Risk Management Guidelines are being followed. Credit Risk Grading is done for all commercial exposure. Bank's Asset Liability Committee is entrusted with the responsibility of managing short-term & long-term liquidity. ALM Guidelines & ICT Guidelines have also been implemented in accordance with the Guidelines issued by Bangladesh Bank & it has been approved by the Board of Directors. The Bank has established its KYC & operation control procedure for the prevention of Money Laundering. The Bank has strengthened the Internal Control and Compliance Division (ICCD) to ensure comprehensive audit thereof. As regards ICT Risk Management physical security of Hardware & Software are under process & will be strengthened soon.		
38 Related Party Transactions		
While making any related party transactions the management always pays proper attention to economic efficiency and competitive pricing and necessary approval from Bangladesh Bank and other authorities had been obtained whenever applicable. Significant related party transactions of the Bank for the period January to December 2021 are not exist. The details of Related Party Disclosures are given in Annexure - 01.		

Related Party Disclosures

(Annexure-01)

- i) Name of the Firms/Business Organizations where the Directors of the Bangladesh Commerce Bank Limited have got interest as on 31st December 2021:

Sl.	Name of Director	Status with	Status with
01	Dr. Engr. Rashid Ahmed Chowdhury (Representative of Padma Export Import & Trading Co. Ltd.)	Chairman	Nil
02	Ms. Khondker Sabera Islam (Nominated by Govt.)	Director	Nil
03	Mr. Mesbah Uddin (Nominated by Govt.)	Director	Nil
04	Mr. Md. Shaheb Ali Mridha (Nominated by Govt.)	Director	Nil
05	Mr. Md. Idris (Nominated by Govt.-Representative of Financial Institution's.)	Director	Nil
06	Mr. Mohammed Arshed (Representative of Karnaphuli Praktik Gas Limited)	Director & Chairman Risk Management Committee	Chairman: a. C & A Dietary & Hospitality Ltd. b. Waste 3R Solution Managing Director: a. C & A Real Estate Ltd. b. C & A Energy Ltd. c. C & A Dairy Ltd. d. C & A Beverage Ltd. e. Khalid Enterprise Ltd. f. Armada Agro Industries Ltd. g. Waste 3R Engineering & Solutions Ltd. h. Skynet Power Co. Ltd. i. Dynamic Venture Ltd. Managing Partner: a. S & A of Bay of Bengal Shareholder: a. Armada Spinning Mills Ltd.
07	Dr. Mohammad Ayub Islam (Representative of Victor Trade And Business Ltd.)	Director	Nil
08	Mr. Md. Shafiqul Islam, FCA (Representative of Honeywell Securities Corp. Ltd.)	Director & Chairman Audit Committee	Partner: a. Shafiq Basak & Co.
09	Prof. Dr. Md. Abu Taher (Representative of Brilliant Business Company Limited.)	Director	Nil
10	Mr. Humayun Bokhteyar, FCA (Representative of Pusti Vegetable Ghee Limited)	Director & Chairman Executive Committee	Director: a. AB Capital Ltd. Managing Partner: a. Bokhteyar Humayun & Co. Proprietor: a. AAA Services b. Active Trades c. Propulsion Services Shareholder: a. National Asset Management Ltd.

- ii) Significant contracts where Bank is a party and where in Directors have interest: Nil.
- iii) Shares issued to Directors and Executives without consideration or exercisable at discount: Nil.
- iv) Business other than Banking business with any related concern of the Directors as per Section 18 (2) of the Bank Companies Act, 1991: Nil.

Bangladesh Commerce Bank Limited
Fixed Assets including Premises, Furniture & Fixtures Schedule
 As on December 31, 2021

Annexure-A

(Amount in Taka)

Particulars	Cost			Rate of Dep.	Depreciation				Written down value as at 31.12.2021	Written down value as on 31.12.2020
	Balance as at 01.01.2021	Addition during the year	Sale / Adjustment during the year		Charged upto 01.01.2021	Charged during the year	Adjustment during the year	Total as at 31.12.2021		
1	2	3	4	5 (2 + 3 - 4)	6	7	8	9	10 (7 + 8 - 9)	11 (5 - 10)
Furniture and Fixtures	97,006,396	13,509,396	-	-	110,515,792	6,639,095	-	-	37,505,987	71,218,913
Mechanical Appliances	165,730,485	13,164,348	-	-	178,894,833	13,134,255	-	-	144,859,185	39,830,022
Motor Vehicles	126,873,223	2,400,000	-	-	129,273,223	17,024,140	-	-	98,139,449	44,120,332
Software	65,429,983	1,697,872	-	-	67,127,855	12,224,472	-	-	55,868,453	23,015,605
Interior Decoration	243,425,592	14,897,961	-	-	258,323,553	20,714,129	-	-	161,752,289	100,283,506
Computer & Accessories	125,305,402	6,428,343	-	-	131,733,745	18,852,654	-	-	109,344,846	35,514,152
Sub Total (C)	823,771,081	52,095,920	-	-	875,867,001	88,588,744	-	-	607,470,208	307,097,705
Total (A+B+C)	823,771,081	52,095,920	-	-	875,867,001	88,588,744	-	-	607,470,208	307,097,705

As on December 31, 2020

(Amount in Taka)

Particulars	Cost			Rate of Dep.	Depreciation				Written down value as at 31.12.2020	Written down value as on 31.12.2019
	Balance as at 01.01.2020	Addition during the year	Sale / Adjustment during the year		Charged upto 01.01.2020	Charged during the year	Adjustment during the year	Total as at 31.12.2020		
1	2	3	4	5 (2 + 3 - 4)	6	7	8	9	10 (7 + 8 - 9)	11 (5 - 10)
Furniture and Fixtures	76,005,867	21,000,529	-	-	97,006,396	6,482,362	-	-	30,866,892	50,743,058
Mechanical Appliances	154,547,993	11,182,492	-	-	165,730,485	11,988,650	-	-	131,724,930	39,836,979
Motor Vehicles	116,273,223	10,600,000	-	-	126,873,223	19,964,102	-	-	81,115,310	53,599,427
Software	62,453,145	2,976,838	-	-	65,429,983	11,214,915	-	-	43,643,981	29,808,018
Interior Decoration	208,117,842	35,307,750	-	-	243,425,592	21,788,565	-	-	141,038,161	87,102,589
Computer & Accessories	119,223,578	6,081,824	-	-	125,305,402	20,336,320	-	-	90,492,191	49,898,950
Sub Total (C)	736,621,648	87,149,433	-	-	823,771,081	91,774,914	-	-	518,881,464	310,989,021
Total (A+B+C)	736,621,648	87,149,433	-	-	823,771,081	91,774,914	-	-	518,881,464	310,989,021

Bangladesh Commerce Bank Limited
Lease Asset Schedule
 As on December 31, 2021

Annexure-A
 (Amount in Taka)

Particulars	Cost				Rate of Dep.	Depreciation				Written down value as at 31.12.2021	Written down value as on 31.12.2020
	Balance as at 01.01.2021	Addition during the year	Sale / Adjustment during the year	Total as at 31.12.2021		Charged upto 01.01.2021	Charged during the year	Adjustment during the year	Total as at 31.12.2021		
1	2	3	4	5 (2 + 3 - 4)	6	7	8	9	10 (7 + 8 - 9)	11 (5 - 10)	12
Right of use of Asset	39,397,152	-	-	39,397,152	-	15,250,510	15,250,510	-	30,501,020	8,896,132	24,146,642
Total	39,397,152	-	-	39,397,152	-	15,250,510	15,250,510	-	30,501,020	8,896,132	24,146,642

Annexure-A
 (Amount in Taka)

As on December 31, 2020

Particulars	Cost				Rate of Dep.	Depreciation				Written down value as at 31.12.2020	Written down value as on 31.12.2019
	Balance as at 01.01.2020	Addition during the year	Sale / Adjustment during the year	Total as at 31.12.2020		Charged upto 01.01.2020	Charged during the year	Adjustment during the year	Total as at 31.12.2020		
1	2	3	4	5 (2 + 3 - 4)	6	7	8	9	10 (7 + 8 - 9)	11 (5 - 10)	12
Right of use of Asset	-	39,397,152	-	39,397,152	-	-	15,250,510	-	15,250,510	24,146,642	-
Total	-	39,397,152	-	39,397,152	-	-	15,250,510	-	15,250,510	24,146,642	-

Bangladesh Commerce Bank Limited

Details of large loan

As at December 31, 2021

Annexure-B

SL	Group/ Client Name	Outstanding (Taka in crore)		
		Funded	Non-Funded	Total
1	SB Exim Bangladesh	187.53		187.53
2	Jamuna Agro chemical	115.11		115.11
3	Nur-un-nobi & Allied Concern	104.24		104.24
4	Marrine Vegetable Oils Ltd	63.68		63.68
5	M/S.F.R.JUTE TRADING CO LTD	54.70		54.70
6	Smile Appareals Ltd.	11.95	42.16	54.11
7	Dhaka Trading House	46.83		46.83
8	Suruj Miah Spinning Mills	40.74		40.74
9	M/S Sharmin Jute Balers,	40.61		40.61
10	M/S Islam Brothers	40.55		40.55
11	Pran RFL Group	49.08		49.08
12	DHARMAPUR CERAMIC INDUSTRIES LTD.	35.15		35.15
13	GRAM UNNAYAN KARMA	34.22		34.22
14	Abdul Monem Sugar Refinery Ltd.	30.04		30.04
15	Lithun Febrics Ltd	26.79		26.79
16	BRAND MAKER PROPERTY MANAGEMENT LTD	26.62		26.62
17	S. A. OIL REFINERY LTD	24.69		24.69
18	M. N. AKTER & CO	24.58		24.58
19	Saif powertec Ltd.	22.68		22.68
20	Somerset Properties Ltd.	22.42		22.42
Total		1,002.21	42.16	1,044.37

Bangladesh Commerce Bank Limited
Highlights of the Overall Activities of the Bank
For the year ended December 31, 2021

Annexure-C
(Amount in Taka)

SI #	Particulars	2021	2020
01	Paid up Capital	1,988,742,800	1,988,742,800
02	Right Share Application Money	917,259,650	917,259,650
03	Total Eligible Capital (as per Basel-III)	(6,859,210,461)	(6,034,017,043)
04	Surplus/(Deficit) Capital	(10,859,210,461)	(11,034,017,043)
05	Total Assets	46,129,378,821	40,880,195,270
06	Total Deposits	42,163,090,603	36,393,401,405
07	Total Loans and Advances	23,452,557,019	23,079,691,514
08	Total Contingent Liabilities and Commitments	5,044,534,306	4,609,800,576
09	Advances Deposits Ratio(%)	55.62	63.42
10	Classified Loans to Advance Ratio(%)	46.84	42.33
11	Profit After Tax and Provision	(1,582,899,461)	(1,958,796,143)
12	Classified Advance	10,984,831,253	9,770,453,424
13	Provision kept against Classified Advance	3,585,778,717	3,585,778,717
14	Surplus/(Deficit) Provision	(3,139,932,899)	(5,219,718,171)
15	Cost of Fund (%)	9.12	9.84
16	Interest Earning Assets	12,467,725,766	13,309,238,090
17	Non Interest Earning Assets	27,245,101,662	21,931,471,596
18	Return on Investment (ROI)%	5.20	7.61
19	Return on Assets (ROA)%	(3.43)	(4.79)
20	Income from Investment	333,438,951	428,978,272
21	Earnings Per Share (EPS)	(79.59)	(98.49)
22	Profit Per Share	(79.59)	(98.49)
23	Price - Earnings Ratio (Times)	(1.26)	(1.02)

*** Each share of Bangladesh Commerce Bank Limited has a face value of BDT 100.00

Bangladesh Commerce Bank Limited
Minimum Capital Requirement (MCR) as per BASEL-III
Under Risk Based Capital Adequacy

As on December 31, 2021

Annexure-D

Particulars	Amount (Tk.)
A. Regulatory Capital:	
1. Common Equity Tier-1 Capital (CET-1)	(7,017,270,167)
2. Additional Tier-1 Capital (AT-1)	-
3. Tier-2 Capital	158,059,705.82
4. Total Regulatory Capital (1+2+3)	(6,859,210,461)
B. Total Risk Weighted Assets (RWA):	36,131,856,767
C. Capital to Risk weighted assets ratio (CRAR) (A4/B)*100	-18.98%
D. Core Capital to RWA (A1/B)*100	-19.42%
E. Supplementary Capital to RWA (A2/B)*100	0.44%
F. Minimum Capital Requirement (MCR)	4,000,000,000

Risk Weighted Assets (RWA)

As on December 31, 2021

SI #	Particulars	Amount (Tk.)
A.	Credit Risk:	33,452,853,046
	On-Balance sheet	27,305,434,524
	Off- Balance sheet	6,147,418,523
B.	Market Risk	862,139,673
C.	Operational Risk	1,816,864,048
	Total: Risk Weighted Assets (RWA) (A+B+C)	36,131,856,767

Bangladesh Commerce Bank Limited

Investment In Shares

As at December 31, 2021

Annexure-E

(Amount In Taka)

Particulars	No. of Shares	Avg. Rate	Total Cost	Market Value of Shares	Unrealised Gain/(Loss)
1JANATAMF*	750,000	7.88	5,911,812	4,650,000	(1,261,812)
ABB1STMF*	500,000	6.29	3,146,280	2,750,000	(396,280)
AFCAGRO*	250,000	37.54	9,383,738	7,025,000	(2,358,738)
AIL*	294,250	84.43	24,843,897	13,064,700	(11,779,197)
BARKAPOWER	125,000	30.42	3,802,607	2,975,000	(827,607)
BDTHAI*	250,000	29.24	7,309,590	4,875,000	(2,434,590)
DESCO*	126,397	101.31	12,805,704	4,487,094	(8,318,611)
ESQUIRENIT*	100,000	37.98	3,797,598	3,500,000	(297,598)
GOLDENSON*	56,250	47.65	2,680,049	1,074,375	(1,605,674)
INTRACO*	161,005	24.37	3,924,257	3,123,497	(800,760)
JAMUNAOIL*	13,200	231.00	3,049,135	2,258,520	(790,615)
MAKSONSPIN*	231,863	50.48	11,703,582	5,727,016	(5,976,566)
MPETROLEUM	84,700	263.36	22,306,574	16,668,960	(5,637,614)
NBL*	472,594	11.60	5,483,284	3,544,455	(1,938,829)
PADMAOIL*	30,000	339.12	10,173,456	6,375,000	(3,798,456)
REGENTTEX*	189,299	28.54	5,401,787	1,836,200	(3,565,586)
RINGSHINE*	1,306	8.61	11,241	12,538	1,297
RSRMSTEEL*	170,200	69.31	11,797,065	3,931,620	(7,865,445)
RUNNERAUTO	18,066	84.83	1,532,612	926,786	(605,826)
RUPALIBANK*	562,295	39.04	21,951,395	17,937,211	(4,014,185)
SILVAPHL*	350,000	25.99	9,094,933	6,265,000	(2,829,933)
SOUTHEASTB*	1,844,676	18.69	34,481,184	28,592,478	(5,888,706)
SSSTEEL*	350,000	27.06	9,471,444	6,615,000	(2,856,444)
STANDBANKL*	567,509	11.47	6,510,432	6,072,346	(438,086)
STYLECRAFT*	4,125	335.02	1,381,958	503,250	(878,708)
TITASGAS*	10,000	87.89	878,921	363,000	(515,921)
UCB*	368,154	23.47	8,640,457	5,632,756	(3,007,701)
UNIQUEHRL*	428,000	81.38	34,830,958	21,485,600	(13,345,358)
VFSTD L*	270,355	26.74	7,228,375	5,488,207	(1,740,169)
ACIFORMULA	63,508	186.10	11,818,566	9,342,027	(2,476,539)
ADVENT	51,740	31.36	1,622,712	1,350,414	(272,298)
APEXTANRY	29,000	143.04	4,148,108	3,712,000	(436,108)
BCBICLGF	3,500,000	-	-	-	-
BEXGSUKUK	200,000	100.00	20,000,000	-	(20,000,000)
ECABLES	1,332	267.77	356,675	176,224	(180,451)
ESQUIREICL	2,202,644	-	-	-	-
ICLBAFUND	3,868,048	-	-	-	-
ILFSL	69,494	48.07	3,340,400	458,660	(2,881,740)
INTECH	313,180	55.81	17,478,782	8,737,722	(8,741,060)
LIBRAINFU	20,323	1,124.63	22,855,946	19,762,085	(3,093,860)
MASTERAGRO	26,649	10.00	266,490	255,830	(10,660)
MIDASFIN	220,330	70.64	15,563,963	3,921,874	(11,642,089)
MIRACLEIND	310,000	41.75	12,943,161	8,835,000	(4,108,161)
MOSTFAMETL	24,509	10.00	245,090	262,246	17,156
NLTUBES	33,379	127.58	4,258,619	2,984,083	(1,274,536)
ORYZAAGRO	27,244	10.00	272,440	283,338	10,898
ROBI	300,000	44.09	13,226,400	10,380,000	(2,846,400)
SKICL	6,995	10.00	69,950	540,714	470,764
UNITEDAIR	1,516,500	28.07	42,569,949	2,881,350	(39,688,599)
FIRSTFIN	5,000	14.12	70,621	32,500	(38,121)
BCB ICL GROWTH FUND	3,500,000	10.00	35,000,000	42,140,000	7,140,000
ICL Balance Fund	3,868,048	11.25	43,524,912	47,809,073	4,284,162
Esquire Icl Apparel Fund	2,202,644	13.62	30,000,011	30,528,646	528,635
Total		-	563,167,115	382,154,393	(181,541,357)

Bangladesh Commerce Bank Limited
Investment In Shares (Special Fund 200 Crore)

As at December 31, 2021

Annexure-F

(Amount in Taka)

Particulars	No. of Shares	Avg. Rate	Total Cost	Market Value of Shares	Unrealised Gain/(Loss)
1 BARKAPOWER	423,415	30.17	12,774,557	10,077,277	(2,697,280)
2 BSRMSTEEL*	337,027	72.93	24,579,885	23,962,620	(617,266)
3 MEGHNALIFE*	319,843	89.5	28,626,095	22,772,822	(5,853,273)
4 NCCBANK*	750,302	16.47	12,356,121	10,769,014	(1,587,107)
5 QUASEMIND*	100,000	50.1	5,010,001	8,100,000	3,089,999
6 SAPORTL*	94,400	27.76	2,620,170	25,668	(2,594,502)
7 SOUTHEASTB*	582,933	16.78	9,781,346	2,944,000	(6,837,346)
8 BEXGSUKUK	800,000	100	80,000,000	8,079,436	(71,920,564)
Total	-	-	175,748,213	86,730,836	(89,017,339)

AUDITORS' REPORT AND AUDITED FINANCIAL STATEMENTS OF

Commerce Bank Securities and Investment Limited

For the Year Ended 31st December, 2021



Independent Auditors' Report
To the Shareholders of Commerce Bank Securities and Investment Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Commerce Bank Securities and Investment Limited** “(the Company)”, which comprise the Statement of Financial Position as at December 31, 2021, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information disclosed in notes 01 to 30 and Annexure-A to G.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements presents fairly in all material respects the financial position of the Company as at December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note 16 to the accompanying financial statements which describe the matter relating to provision for t margin loan and unrealized loss against investment in dealer account as at 31 December, 2021. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Board's report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Firm's Name : Rahman Mostafa Alam & Co., Chartered Accountants

Signature : 

Auditors' Name : Md. Anwaruzzaman FCA, **Enrolment No:** 1268

Date : March 20, 2022

Place : Dhaka

DVC : 2203201268AS461715

Commerce Bank Securities and Investment Limited

Statement of Financial Position

As at on December 31, 2021

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
ASSETS			
Non - Current Assets:		122,590,580	106,915,919
Property, Plant and Equipment	3	9,026,664	8,522,496
DSE Membership	4	562,500	562,500
Investment	5	107,648,036	97,779,843
Deferred Tax	6	5,353,380	51,080
Current Assets:		1,522,318,991	1,085,527,674
Advance Taxes	7	117,885,181	87,510,282
Advance, Deposit and Prepayments	8	2,738,660	2,349,852
Accounts Receivable	9	89,413,229	40,049,596
Margin Loan to Investors	10	680,716,260	616,675,086
Cash and Cash Equivalents	11	631,565,661	338,942,858
Total Assets		1,644,909,571	1,192,443,593
EQUITY AND LIABILITIES			
Shareholders' Equity:		779,225,369	764,908,593
Share Capital	12	650,000,000	650,000,000
Retained Earnings	13	129,225,369	114,908,593
Current Liabilities:		865,684,202	427,535,000
Accounts Payable	14	485,595,863	148,316,524
Provision for Expenses	15	41,542,720	41,542,515
Provision for Bad Loan and Erosion	16	227,097,428	156,581,484
Provision for Income Tax	17	110,459,226	81,094,477
Lease Liability	18	988,964	-
Total Equity and Liabilities		1,644,909,571	1,192,443,593

The annexed notes from 01 to 31 and annexure A to G form an integral part of these financial statements.


Chief Executive Officer


Director


Director

Signed in term of our separate report of even date.

Firm's Name : Rahman Mostafa Alam & Co., Chartered Accountants

Signature : 

Auditors' Name : Md. Anwaruzzaman FCA, **Enrolment No:** 1268

Date : March 20, 2022

Place : Dhaka

DVC : 2203201268AS461715

Commerce Bank Securities and Investment Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended on 31 December 2021

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
Operating Income:	19	214,458,154	104,949,846
Less: Operating Expenses	20	24,711,104	14,124,953
Gross Profit		189,747,050	90,824,893
Less: Administrative Expenses	21	91,338,226	70,613,764
Net Operating Income		98,408,824	20,211,129
Add: Other Income	22	10,494,847	13,877,798
Less: Finance Cost	22.01	8,502	-
Net Profit before Provision and Tax		108,895,169	34,088,927
Less: Provision for Bad Loan and Erosion	23	70,515,944	10,000,000
		38,379,225	24,088,927
Less: Income Tax Expenses		24,062,449	10,625,957
Income Tax	24	29,364,749	10,652,951
Deferred Tax		(5,302,300)	(26,994)
Net Profit after tax transferred to Retained Earnings		14,316,776	13,462,970
Earnings per share (EPS)	25	0.22	0.21

The annexed notes 01 to 31 and annexure A to G form an integral part of the Statement of Profit or Loss and Other Comprehensive Income.


Chief Executive Officer


Director


Director

Signed in term of our separate report of even date.

Firm's Name : Rahman Mostafa Alam & Co., Chartered Accountants

Signature : 

Auditors' Name : Md. Anwaruzzaman FCA, Enrolment No: 1268

Date : March 20, 2022

Place : Dhaka

DVC : 2203201268AS461715

Commerce Bank Securities and Investment Limited

Statement of Changes in Equity

For the year ended on 31 December, 2021

Particulars	Share Capital	Retained Earnings	Total
Balance as on 01 January, 2021	650,000,000	114,908,593	764,908,593
Profit during the year		14,316,776	14,316,776
Balance as on 31 December, 2021	650,000,000	129,225,369	779,225,369
Balance as on 01 January, 2020	650,000,000	101,445,623	751,445,623
Profit during the year		13,462,970	13,462,970
Balance as on 31 December, 2020	650,000,000	114,908,593	764,908,593


 Chief Executive Officer


 Director


 Director

Commerce Bank Securities and Investment Limited

Statement of Cash Flows

For the year ended 31 December, 2021

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
A. Cash Flow from Operating Activities:			
Cash Receipts from:		224,953,001	118,827,644
Brokerage commission		156,376,941	79,193,955
CDBL fees	26.00	4,012,852	4,456,493
Interest income		21,708,110	17,291,341
Other income		10,494,847	13,877,798
Service charge		182,000	329,000
Dealer account		32,178,251	3,679,057
Less : Cash Payments		(143,240,896)	42,659,799
Income tax	27.00	30,374,899	15,325,478
Salary and Allowances		69,665,959	52,651,400
Finance Cost		8,502	-
Other Operating and Administrative expense	28.00	(243,290,256)	(25,317,079)
Net Cash Flow from Operating Activities:		368,193,897	76,167,845
B. Cash Flow from Investing Activities:			
Purchase of Property, Plant and Equipment		(2,650,691)	(3,014,275)
Investment in Margin Loan		(64,041,174)	(93,488,600)
Investments in Listed Shares		(9,868,193)	18,218,711
Net Cash used in Investing Activities		(76,560,058)	(78,284,164)
C. Cash Flow from Financing Activities:		988,964	-
D. Net Cash inflow from total Activities (A+B+C)		292,622,803	(2,116,319)
E. Opening Cash and Cash Equivalents		338,942,858	341,059,177
F. Closing Cash and Cash Equivalents (D+E)		631,565,661	338,942,858
Break up of Closing Cash and Cash Equivalents:		631,565,661	338,942,858
Cash in Hand		460,616	465,694
Cash at Bank		606,105,045	242,194,664
TREC Holder's Margin		25,000,000	-
Fixed Deposit		-	96,282,500


 Chief Executive Officer


 Director


 Director

Commerce Bank Securities and Investment Limited

Notes to the Financial Statements

As at and for the year ended 31st December 2021

1. FUNDAMENTALS OF THE COMPANY POLICIES AND OTHER INFORMATION:

1.1 Legal Form of the Enterprise:

Commerce Bank Securities and Investment Limited (CBSIL) is a Public Limited Company incorporated in Bangladesh under the Companies Act, 1994. It was registered with the Registrar of Joint Stock Companies & Firms on 20 September, 2010 and was granted registration number C-87050/10. CBSIL started its operation from 01 June, 2011.

1.2 Address of Registered Office and Principal Place of Business:

The principal place of business is the Registered Office at Taranga Complex, 19 Rajuk Avenue, Motijheel C/A, Dhaka-1000.

1.3 Nature of Business Activities:

The principal objectives of the Company for which it was established are to carry on the business of stock brokers, dealers in relation to shares and securities dealings and other services as mentioned in the Memorandum and Articles of Association of the Company.

2 Accounting Concepts, Policies adopted & Other Information for Preparation of Financial statements.

2.1 Statement of Compliance:

The Financial Statements of Commerce Bank Securities and Investment Limited have been prepared in accordance with the IAS & IFRS as adopted in Bangladesh, Companies Act, 1994 and other applicable Laws and Regulations.

2.1.1 Other regulatory compliance:

As required, CBSIL also complies with the applicable provisions of the following major laws/statutes:

- i) Securities and Exchange Rules, 1987;
- ii) Securities and Exchange Commission Act, 1993;
- iii) Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000;
- iv) Income Tax Ordinance, 1984;
- v) Income Tax Rules, 1984; -Negotiable Instruments Act, 1881; and
- vi) Other applicable laws and regulations

2.2 Measurement bases used in preparing the Financial Statements

The elements of financial statements have been measured on "Historical Cost" basis, which is one of the most commonly adopted base provided in "the framework for the preparation and presentation of financial statements" issued by the International Accounting Standards Board (IASB).

2.3 Going Concern

Financial Statements have been prepared on going concern basis as there was no significant doubt or uncertainty to continue the operation of the company in the foreseeable future.

2.4 Components of Financial Statements:

According to International Accounting Standard (IAS)-1 the complete set of financial statements includes the following components:

- (i) Statement of Financial Position;
- (ii) Statement of Profit or Loss and Other Comprehensive Income ;
- (iii) Statement of Changes in Equity;
- (iv) Statement of Cash Flows, and
- (v) Notes to the Financial Statements.

Statement of Cash Flows is prepared under direct method as required by IAS 7 and the Securities and Exchange Rules 1987.

2.5 Use of Estimates and Judgments:

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. It also requires disclosures of contingent assets and liabilities at the date of the financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed through ongoing concern basis.

2.6 Branch Accounting:

The company has been operating seven branches located at Dhaka, Narayanganj and Chattogram and accordingly the accounting consolidation is being maintained through Head Office.

2.7 Reporting Period:

These Financial Statements have prepared from 01 January 2021 to 31 December 2021.

2.8 Compliance Report on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs):

The Financial Reporting Council of Bangladesh (FRC) is the sole authority for adoption of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs). While preparing the financial statements, CBSIL applied most of IASs and IFRSs as adopted by the FRC. Details are given below:

Name of the IAS	IAS No	Status
Presentation of Financial Statements	1	Applied*
Statement of Cash Flows	7	Applied*
Accounting Policies, Changes in Accounting Estimates & Errors	8	Applied
Events after the Reporting Period	10	Applied
Income Taxes	12	Applied
Property, Plant & Equipment	16	Applied
Employee Benefits	19	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Financial Instruments: Presentation	32	Applied*
Earnings per Share	33	Applied
Provisions, Contingent Liabilities & Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied
Name of the IFRS	IFRS No	Status
Financial Instruments: Disclosures	7	Applied*
Financial Instruments	9	Applied*
Revenue from contracts with customers	15	Applied

*In order to comply with certain specific rules and recognitions of the regulatory authority, Bangladesh Securities and Exchange Commission (BSEC) which are different to IAS/IFRS, local laws and regulations will be prevailed.

2.09 Property, Plant and Equipment:

Property, Plant and Equipment have been stated at cost less accumulated depreciation. Depreciation is charged on reducing balance method over the periods appropriate to the estimated useful lives of different types of assets as follows:

Category	Rate
Furniture & Fixture	10%
Office Renovation	20%
Electronic Equipments	20%
Computer & Software	20%

2.10 Margin Loan

CBSIL extends margin loan to the BO Account holders at an agreed ratio (between investors' deposit and loan amount) of purchased securities against the respective account. The investors are to maintain the margin as per set rules and regulations. The margin is monitored on daily basis as it changes due to change in market prices of stocks. If the margin falls below the minimum requirement, the investors are required to deposit additional fund to maintain the margin as per rules, otherwise the company is compelled to resort to 'margin call' to bring the margin to the required level.

Interest on Margin Loan

Interest on Margin Loan is recognized as revenue on an accrual basis and interest receivable on such loan is added with original loan on quarterly basis.

2.11 Investment in Listed Securities:

Investments in listed securities are carried at cost. Where cost is more or less than market price, provision for such loss/gain has been made considering each individual investment as guided by BSEC.

2.12 Cash & Cash Equivalents:

Cash and cash equivalent consists of cash in hand, bank balances at the end of the year that are readily convertible to known amount of cash.

2.13 Advance, Deposits & Prepayments:

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to statements of comprehensive income or other account heads.

Security deposits are measured at payment value.

2.14 Accrued Expenses and Other Payables:

Liabilities are recognized for the goods and services received, whether invoiced or not. Payables are not interest bearing and are stated at their nominal value.

2.15 Provision for Taxation:

Provision has been made to cover the estimated tax liability for the year based on Tax Laws and Regulations applicable to CBSIL.

2.16 Deferred Tax:

The Company recognized deferred tax in accordance with the provision of International Accounting Standards (IAS)-12 due to temporary difference deductible or taxable for the events or transaction recognized in the Statement of Profit or Loss and Other Comprehensive Income. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount/reported amount in financial statements. Deferred tax asset or liability is the amount of income tax receivable or payable in future period(s) recognized in the current period. The deferred tax assets/income or liability/expense does not create a legal liability/recoverability to and from the income tax authority.

2.17 Provision:

Provision is recognized in the statement of financial position when the company has a legal and constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and are liable estimate thereof can be made.

2.18 Revenue Recognition:**Brokerage commission:**

Brokerage commission is recognized as income at the same time of selling or buying order executed.

Other Operating Income:

Dividend income is recognized when right to receive or payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred. Other operating income arises on services provided by the company are recognized on accrual basis.

2.19 Other Expenses:

Other expenses are also recognized and recorded on accrual basis.

2.20 Reporting Currency and Level of Precision

The figures in the financial statements represent Bangladesh Currency (Taka), which have been rounded-off to the nearest Taka.

2.21 Number Of Employees

56 (Fifty Six) employees were engaged in this company throughout the financial year, each of whom received salary over Tk. 36,000 per year. For each employee having taxable income and TIN certificate, due income tax has been deducted from their salary and duly deposited to the Govt.

2.22 General

Comparative figures and account titles in the financial statements have been re-arranged/re-classified, where necessary, to conform to changes in presentation in the current year.

2.23 Related Party Disclosure:

As per International Accounting Standard (IAS) 24: "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in note 30.

2.24 Events After the Reporting Date:

Events after the reporting date that provides additional information about company's financial position at the reporting date are reflected in the financial statements. Events after the reporting date that are material but not adjusting event are discussed in the notes when material.

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
3.00 Property, Plant and Equipment:			
Cost:			
Opening Balance		28,239,323	25,225,048
Add: Addition during the year		2,650,691	3,014,275
Less: Disposal/adjustment during the year		-	-
Closing Balance		30,890,015	28,239,323
Depreciation:			
Opening Balance		19,716,826	17,763,383
Add: Charged during the year		2,146,524	1,953,443
Less: Disposal/adjustment during the year		-	-
Closing Balance		21,863,350	19,716,826
Written Down Value		9,026,664	8,522,496
Details of Fixed Asset are shown in Annexure A. Physically verified on the year end date and found no reasonable ground for impairment and therefore, no action warrants. For details, please refer to Annexure - A.			
4.00 DSE Membership:			
		562,500	562,500
		562,500	562,500
The Company possesses Trading Right Entitlement Certificate (TREC) of DSE bearing TREC NO. 180 and presently holds 54,11,329 ordinary shares of DSE against total entitlement of 72,15,106 ordinary shares.			
5.00 Investment :			
Investment in Shares :			
Dealer account (Annexure-B)		54,163,159	54,563,023
Strategic account (Annexure-C)		53,484,877	43,216,820
		107,648,036	97,779,843
Confirmation from CDBL upon the number of securities of 40 companies have been obtained. For details, please refer to Annexure- B & Annexure- C.			
IAS and IFRS mandate to show investment in market price and the difference between the cost and market price to be accordingly treated in the income statement. On the other hand, BSEC, being the regulator of stock brokers realizing the precarious situation due to Bangladesh Stock Markets, has allowed to spread such erosion in four years from 2019 to 2022. Under the circumstances, the company has made reasonable provision for bad loan and erosion during the reporting period in compliance with the regulator's directives as shown in Note-16.			
6.00 A: Deferred Tax on Property, Plant and Equipment:			
WDV of Property, Plant and Equipment as per Financial Statements		7,502,482	8,522,496
WDV of Property, Plant and Equipment as per Tax Base		7,847,082	8,679,666
Temporary difference for Property, Plant and Equipment		344,599	157,170
Tax Rate		30.0%	32.5%
Deferred Tax Asset/ (Liabilities)		103,380	51,080
B: Deffered tax on Gratuity Provision			
Gratuity Provision		17,500,000	-
Temporary difference for Gratuity Provision		17,500,000	-
Tax Rate		30.0%	32.5%
Deferred Tax Asset/ (Liabilities)		5,250,000	-
Deferred Tax Expense (Income) for the year			
Deferred Tax Asset as at the opening of the year		51,080	24,086
Less: Deferred Tax Asset as at the closing of the year		5,353,380	51,080
Deferred Tax Expenses (Income) for the year		(5,302,300)	(26,994)

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
7.00 Advance Taxes:			
Opening Balance	(Annexure-D)	87,510,282	72,184,804
TAX deducted at source (TDS)	(Note - 7.01)	28,773,135	14,841,496
TAX paid during the period		1,601,764	483,982
		117,885,181	87,510,282
The entire amount of advance tax of Tk. 117,885,181 is supported by certificates/statements from bank therefore, confirmed. The amount is adjustable against tax demand.			
7.01 TAX deducted at source (TDS):			
TDS by DSE on Turnover		27,565,085	13,029,545
TDS on FDR Interest		337,532	714,426
TDS on Interest Income from other Bank Deposit		133,307	102,104
TDS on Income from Dividend. (Annexure -G)		737,211	995,421
		28,773,135	14,841,496
8.00 Advances, Deposits & Prepayments:			
Advance against expenses	(Note - 8.01)	2,375,765	1,703,577
Security deposit	(Note - 8.02)	10,000	10,000
Car Loan to Employee(s)	(Note - 8.03)	352,895	636,275
		2,738,660	2,349,852
All considered good.			
8.01 Advance against expenses			
Advance against Office Rent			
Opening Balance		1,497,451	2,533,481
Add: Paid during the Current Year		2,440,000	154,800
Less: Adjusted during the year		1,561,686	1,190,830
		2,375,765	1,497,451
Advances against expenses:			
Opening Balance		206,126	252,052
Add: Paid during the year		-	-
Less: Adjusted during the year		(206,126)	(45,926)
		0	206,126
		2,375,765	1,703,577
8.02 Security Deposit:			
Telephone Demand Note		10,000	10,000
		10,000	10,000
8.03 Car Loan to Employee (after adjustment):			
		352,895	636,275
		352,895	636,275
9.00 Accounts Receivables :			
Dhaka Stock Exchange (DSE)	(Note - 9.01)	88,594,781	38,183,728
Clients (Non-margin account holders)		818,448	968,892
FDR Interest		-	860,630
Other receivables		-	36,346
		89,413,229	40,049,596
Receivable from DSE has subsequently been received withing three business days and is confirmed. The amount of Tk. 818,448 is receivable from 1,068 No. of clients (non-margin account holders).			
9.01 Dhaka Stock Exchange (DSE):			
(i) Receivable from DSE-Broker		76,924,585	18,455,282
(ii) Receivable from DSE-Dealer		11,670,195	19,728,446
		88,594,781	38,183,728

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
10.00 Margin Loan to Investors		680,716,260	616,675,086
		680,716,260	616,675,086
The amount of margin loan is lent to 284 no. of borrowers as against 300 of the previous year. The anticipated loss that may arise in future has been made good by provisioning as per BSEC circular detailed in note no. 16			
11.00 Cash and Cash Equivalents:			
Cash in Hand	(Note - 11.01)	460,616	465,694
Cash at Bank	(Note - 11.02)	606,105,045	242,194,664
Fixed Deposit Receipts	(Note - 11.03)	-	96,282,500
TREC Holder's Margin to DSE	(Note - 11.04)	25,000,000	-
		631,565,661	338,942,858
11.01 Cash in Hand:			
Cash in Hand (Branches & Head office)		62,000	62,000
Petty Cash		398,616	403,694
		460,616	465,694
Cash in hand, both in head office and in branches, has been physically verified at the year end date and found correct.			
11.02 Cash at Bank:			
BCBL, Principal Branch (CD: 2767)		11,508,949	5,974,179
BCBL, Principal Branch (STD: 49)		-	-
BCBL, Principal Branch (CD: 2307)		39,729	40,649
IFIC, Stock Ex. Br. (CD-Dealer: 291-001)		5,000	-
IFIC, Stock Ex. Br. (SND-Dealer: 291-041)		5,704,872	21,480,983
CBSIL (A/C No. CD 3454, BCBL Pr, Br.)		80	-
CBSIL Strategic Invest. (CD 3377, BCBL Pr, Br.)		1,315,113	942,667
CBSIL Strategic Invest. -Matured Fu ID-26990		8,535,458	1,000,726
Collateral Deposit to DSE for investment in IPO		10,683,930	9,996,000
Consolidated Customers A/C:	(Note - 11.2.1)	568,311,913	202,759,459
		606,105,045	242,194,664
Balance in BCBL, Pr. Br. (STD: 49) was Tk. 0.66. The account is lying dormant during the reporting period. As per instruction of NBR and DSE, Strategic Investment-Matured Fund (BO ID -26990) has been separated from Consolidated Customers' account. As regards collateral deposit to DSE for investment in IPO, Tk. 10.60 million was deposited to DSE designated bank account and acknowledgement thereof has been obtained from the concerned bank. All other balances are confirmed and reconciled.			
11.2.1 Consolidated Customers A/C:			
BCBL, Principal Branch (CD: 2306)		32,073,029	44,960,206
IFIC, Stock Ex. Br. (CD-Broker: 290-001)		536,235,755	141,417,245
BCBL, Principal Branch, Public Issue Application A/c (STD: 78)		3,130	16,382,008
		568,311,913	202,759,459
11.03 Fixed Deposit Receipts:			
BCBL Principal Branch, A/c No: 00233004102		-	30,405,000
BCBL Principal Branch, A/c No: 00233004103		-	10,135,000
BCBL Principal Branch, A/c No: 00233004632		-	30,405,000
BCBL Principal Branch, A/c No: 00233005138		-	25,337,500
		-	96,282,500
All Fixed Deposit Receipts were encashed during the reporting period to company account CD 2767.			
11.04 TREC Holder's Margin to DSE:		25,000,000	-
		25,000,000	-

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
12.00 Share Capital			
Authorized Capital:			
100,000,000 Ordinary Share of Tk 10 each		1,000,000,000	1,000,000,000
12.01 Issued, Subscribed and Paid-up Capital			
65,000,000 Ordinary Shares of Tk 10 each		650,000,000	650,000,000

Total Share Holding Position as on December 31, 2021

Name of the Shareholders	% of Shareholdings	Face Value
Bangladesh Commerce Bank Limited	99.9999986%	649,999,910
Mr. A. Q. Siddiqui	0.0000002%	10
Mr. Mahmudul Haq Bhuiyan	0.0000002%	10
Mr. Md. Emdadul Hoque	0.0000002%	10
Mr. Rana Kaiser	0.0000002%	10
Mr. Anis Ahmed	0.0000002%	10
Mr. Manwar Hossain	0.0000002%	10
Mr. Syed Abdul Hamid	0.0000002%	10
Mr. Nasir Uddin Ahmed, FCA	0.0000002%	10
Mr. Abbas Uddin Ahmed	0.0000002%	10
TOTAL	100%	650,000,000

13.00 Retained Earnings:

Opening Balance	114,908,594	101,445,623
Add: Net Profit during the year	14,316,776	13,462,970
	129,225,369	114,908,594

14.00 Accounts Payable:

(i) Clients	483,148,606	147,428,372
(ii) Dhaka Stock Exchange (DSE) (Note - 14.01)	2,447,257	888,152
	485,595,863	148,316,524

(i) The amount of Taka 454,568,659 is payable to 6,250 no. of BO account holders having credit balance in their respective accounts at the year end date. Besides this Tk.13,010,000 and Tk.14,460,000 were received as IPO application money from client for BD Thai Beverage Ltd. and Union Bank Ltd. respectively to Customers account CD 2306 which were subsequently deposited to DSE and collected dividend of Tk.1,109,947 was payable to margin account holders. As a matter of policy, each account holder is supplied with portfolio statement along with account balance at the end of each working day. Thus, the balance is confirmed.

14.01 Dhaka Stock Exchange (DSE):

(i) Payable to DSE-Broker	2,438,504	874,795
(ii) Payable to DSE-Dealer	8,753	13,357
	2,447,257	888,152

(ii) The amount payable to DSE is confirmed.

15.00 Provision for Expenses

Office Rent	6,847,016	25,359,209
Provision for CDBL charge	395,429	523,260
Interest Waiver	7,344,326	7,344,326
Employees' Provident Fund	-	-
Payable to Supplier	118,257	118,257
Electricity, Gas and Water	1,104,284	1,005,376

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
Arrear Staff Salary		249,567	249,567
Provision for Incentive Bonus		5,813,187	3,900,487
Networking Line Charge		89,824	89,824
Audit Fees		230,000	115,000
Tax Consultancy Fees		82,800	207,000
Security Service		432,254	432,254
Stamp		40,870	33,040
Provision for Gratuity Fund		17,500,000	-
Provision for Other Expenses		1,272,862	1,143,004
Withholding VAT	(Note - 15.01)	14,729	343,158
Withholding Tax	(Note - 15.02)	7,314	678,751
		41,542,720	41,542,515
The entire amount either has subsequently been paid or is under the process of payment.			
15.01 Withholding VAT			
Opening Balance		343,158	3,047,622
Add: VAT deducted at Source		858,653	1,143,927
Add: Prior Year's adjustments-Provision for VAT		-	-
Less: VAT Paid		(1,187,082)	(3,848,391)
		14,729	343,158
The Liability has subsequently been paid			
15.02 Withholding Tax			
Opening Balance		678,751	15,697
Add: Tax Deducted at Source (TDS)		2,215,151	4,057,981
Less: Paid During the period		(2,886,589)	(3,394,927)
		7,314	678,751
The Liability has subsequently been paid			
16.00 Provision for Bad Loan & Erosion:			
Opening Balance		156,581,484	146,581,484
Less: Adjustment During the Year		-	-
Add: Current Year Provision	(Note - 16.01)	70,515,944	10,000,000
Total Provision		227,097,428	156,581,484
Total negative equity against margin loan and unrealized loss in company's own portfolios (Dealer account and Strategic Investment account) for the year 2021 is Tk. 271,475,762 and Tk. 25,383,621 respectively. Total required provision is Tk. 222,644,537 up to 31/12/2021 according to the Bangladesh Securities and Exchange Commission (BSEC) Directive no. BSEC/CMRRCD/2009-193/196 dated December 28, 2016, Directive no. BSEC/CMRRCD/2009-193/203 dated December 28, 2017 and Directive no. BSEC/SRI/2018/Policy/3/2018/931, dated December 24, 2018 and Directive no. BSEC/SRI/2018/Policy/3/2020/68, dated January 12, 2020. Against the amount of Tk. 222,644,537, an amount of Tk. 15,65,81,484 has already been provided up to 31 December, 2020 and further provision of Tk. 70,515,944 has been kept during the period and now therefore, the total provision stands at Tk. 227,097,428 at the end of 2021.			
Unrealized Gain/(loss) (Annexure-B)		(13,908,278)	(6,243,710)
Unrealized Gain/(loss) (Annexure-C)		(11,475,343)	2,287,860
		(25,383,621)	(3,955,850)
16.01 Current Year Provision:			
Erosion amount of Dealer and Strategic Account		25,383,622	-
Provision kept		19,418,471	-
Provision Shortfall on Portfolios		5,965,151	-

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
Total Negative Equity of Margin Loan		271,475,762	-
Provision kept		207,678,958	-
Provision Shortfall on Negative Equity		63,796,804	-
Total Provision Shortfall		69,761,955	-
17.00 Provision for Income Tax			
Opening Balance	(Annexure-E)	81,094,477	70,441,526
Current Year Income Tax	(Note - 23)	29,364,749	10,652,951
		110,459,226	81,094,477
18.00 Lease Liability		988,964	-
19.00 Operating Income:			
i) Brokerage commission on Turnover (represents commission income from BO Account holders against buy and sale of securities)		156,376,941	79,193,955
ii) Interest Income from Margin Loan		21,708,110	17,291,341
iii) BO Accounts Maintenance Charge		3,867,450	4,393,880
iv) Closing, Transfer, Transmission & Demat Fee from BO Account holders		145,402	62,613
v) Margin Documentation & Renewal Charge from Margin Account holders		182,000	329,000
vi) Income/(Loss) from Dealer Account (Annexure -F)		32,178,251	3,679,057
		214,458,154	104,949,846
TDS of Tk. 27,565,085 by DSE from no. (i) on the basis of turnover which has been shown as advance in note no. 7.01.			
20.00 Operating Expenses:			
Hawla Charge		800	100
Laga Charge (@ 0.025% on Transaction value)		13,717,722	6,506,735
Networking Line Charge		919,200	1,026,417
CDBL Charges		9,984,668	6,521,891
DSE Charges		88,714	69,810
		24,711,104	14,124,953
21.00 Administrative Expenses:			
Salary and Allowances		69,665,959	52,651,400
Security Service		666,600	838,200
Office Rent		6,575,042	6,831,285
Electricity, Gas and Water		2,464,735	3,407,052
Telephone, Mobile and Fax		733,113	693,343
Repair and Maintenance		130,835	91,572
SMS Service Charges		81,102	33,512
Directors' Meeting Attendance Fees		554,400	589,600
Depreciation of Fixed Assets		2,146,524	1,953,443
Audit Fees		115,000	115,000
Tax Consultancy Fees		165,600	165,600
Office Maintenance		431,139	319,428
Computer and Software Maintenance		518,604	218,854
Office Beautification and Utensil		34,500	49,450
Printing		92,781	48,875

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
Office Stationary		521,215	472,774
Postage & Courier Expense		7,983	4,233
Information Technology Enable Services (ITES)		-	49,511
Photocopy		777	132
Entertainment		1,196,586	775,571
Traveling and Conveyance		1,135,554	155,620
Business Development		385,762	184,496
Advertisement		33,240	40,200
Training and Development		7,628	7,667
Newspaper and Periodicals		19,509	21,561
Insurance Expense		46,839	31,373
AGM Expenses		95,300	136,068
Board Meeting Expenses		-	20,240
Annual Sports and Picnic		-	14,553
Legal Fees		11,500	72,613
License Renewal Fee		178,024	377,939
Bank Charge		243,215	231,670
Prior Year VAT Exp		3,062,236	-
Stamp		16,925	10,930
		91,338,226	70,613,764
In all applicable cases VAT is included.			
22.00 Other Income:			
Interest Income from FDR		2,514,686	7,153,332
Interest Income from other Bank Deposit		3,369,432	1,273,095
Dividend Income (Annexure - G)		3,686,054	4,977,106
Charge For Dishonor Cheque		376,575	254,550
IPO Charges Income		473,420	219,715
Miscellaneous income		74,680	-
		10,494,847	13,877,798
The amount of TDS from no. i, ii and iii have been shown in advance in note no. 07 and all the above amount are stated in gross.			
22.01 Other Expenses:			
Finance Cost (Lease)		8,502	-
		8,502	-
23.00 Provision for Bad Loan & Erosion:			
Negative Equity against Margin Loan		271,475,762	288,269,094
Portfolio Erosion		25,383,622	3,955,850
Total Negative Equity and Portfolio Erosion		296,859,384	292,224,943
Total Provision made		227,097,428	156,581,484
Less: Opening Balance		(156,581,484)	(146,581,484)
Add: Adjustment during the year		-	-
Current Year Provision		70,515,944	10,000,000

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
24.00 Income Tax Exp. (please read the note no. 23 in conjunction with note no. 23.01):			
Profit before Provision and Tax		108,895,169	34,331,327
Less: Income U/S 82C		75,698,894	22,718,930
Income other than U/S 82C		33,196,275	11,369,996
30% Tax on Income U/S 82C: Tk. 70,962,682		22,709,668	7,383,652
" 20% Tax on gain on Dividend Income : (Tk.1,784,343- Tk. 50,000) "		346,869	275,564
10% Tax on gain on Dealer Account : Tk.15,576,836		1,557,684	105,544
30% Tax on other Income: Tk. 15,835,095		4,750,529	2,888,191
		29,364,749	10,652,951

24.01 Calculation of apportioned profit and TAX thereon:

Heads of Income	Gross Income	Section	Net Profit Before Prov. & Tax Apportioned	TAX
(1) Brokerage Commission	156,376,941	82 (C)	75,698,894	22,709,668
(2) Dividend Income	3,686,054	83 (2)	1,784,343	346,869
(3) Dealer Gain	32,178,251	83 (2)	15,576,836	1,557,684
(4) Income from Other than above	32,711,756	83 (2)	15,835,095	4,750,529
Total (Total Operating Income + Other Income)	224,953,001		108,895,169	29,364,749

Income Tax Expenses have been calculated u/s 82 (C) and 83 (2) on the apportioned profit of respective heads to the total revenue earned.

25.00 Earnings per share (EPS):

Net Profit/Loss after tax	14,316,776	13,462,970
Total Number of outstanding Shares	65,000,000	65,000,000
	0.22	0.21

26.00 CDBL Fees

BO Acc. Opening, Closing, Demat Fee	145,402	62,613
Annual Accounts Maintenance Charge	3,867,450	4,393,880
	4,012,852	4,456,493

27.00 Income Tax Paid

Tax paid at source	(Note - 07.01)	28,773,135	14,841,496
Tax paid during the period		1,601,764	483,982
		30,374,899	15,325,478

28.00 Cash payments as Other Operating & Administrative expenses

Operating Expenses	24,711,104	14,124,953
Less: Interest on Borrowing	-	-
	24,711,104	14,124,953

Particulars	Notes	31.12.2021 Taka	31.12.2020 Taka
Administrative Expenses		91,338,226	70,613,764
Less: Salary and Allowances paid		(69,665,959)	(52,651,400)
		21,672,267	17,962,364
		46,383,371	32,087,318
Adjusted for non cash flow items			
Depreciation		(2,146,524)	(1,953,443)
Increase/(decrease) in Advance, Deposit & Prepayments		388,808	(1,377,681)
Increase/(decrease) in Accounts Receivable		49,363,633	14,293,549
(Increase)/Decrease in Accounts Payable		(337,279,339)	(69,629,978)
(Increase)/Decrease in Provision for Expenses		(206)	1,263,156
Provision for Bad Loan & Erosion		-	-
Prior Year's adjustments-Provision for VAT		-	-
		(289,673,627)	(57,404,396)
		(243,290,256)	(25,317,079)
29.00 Events after 31/12/2021:			
No material events occurred after 31/12/2021 which could affect the values reported in the financial statements.			
30.00 Related Party Disclosure:			
During the year 2021, Commerce Bank Securities and Investment Ltd. carried out a number of transactions with BCBL resulted in the balance as at the year end date as follows:			
31.01 Bangladesh Commerce Bank Ltd.:			
1. BCBL, Principal Branch (CD: 2767)		11,508,949	5,974,179
2. BCBL, Principal Branch (STD: 49)		0.66	0.66
3. BCBL, Principal Branch (CD: 2307)		39,729	40,649
4. BCBL, Principal Branch (CD: 2306)		32,063,029	44,960,206
6. BCBL, Principal Branch (CD: 3377)		1,315,113	942,667
7. BCBL, Principal Branch (STD: 78)		3,130	16,382,008
7. BCBL, Principal Branch (CD: 3454)		80	-
		44,930,030	68,299,711
31.02 Fixed Deposit Receipts:			
1. BCBL Principal Branch, A/c No: 00233004102		-	30,405,000
2. BCBL Principal Branch, A/c No: 00233004103		-	10,135,000
3. BCBL Principal Branch, A/c No: 00233004632		-	30,405,000
4. BCBL Principal Branch, A/c No: 00233005138		-	25,337,500
		-	96,282,500

32.03 Bangladesh Commerce Bank Limited (BCBL Portfolio In Investment with CBSIL):
As on 31st December 2021;

BO Account Name	Cost Price	Ledger Balance
Bangladesh Commerce Bank Ltd. (CC 5740)	454,571,581.88	90,980,923.49
Bangladesh Commerce Bank Ltd. Special Purpose Fund (CC 27945)	175,748,174.56	237,044,716.88

Commerce Bank Securities and Investment Limited
Schedule of Property, Plant and Equipments

As at December 31, 2021

Annexure - A

Particulars	COST			Dep.Rate	Depreciation			W.D.V as on 31.12.2021
	Balance as on 01.01.2021	Addition during the year	Balance as on 31.12.2021		Balance as on 01.01.2021	Charged for the year	Balance as on 31.12.2021	
	Taka	Taka	Taka		Taka	Taka	Taka	Taka
Furniture and Fixture	2,551,125	40,914	2,592,039	10%	1,275,419	131,662	1,407,081	1,184,958
Office Renovation	12,410,434	66,500	12,476,934	20%	9,297,797	635,827	9,933,625	2,543,309
Electronic Equipments	9,721,021	338,430	10,059,451	20%	6,690,165	673,857	7,364,022	2,695,429
Computer and Software	3,556,743	245,185	3,801,928	20%	2,453,445	269,697	2,723,142	1,078,786
Total as on 31 December, 2021	28,239,323	691,029	28,930,352		19,716,826	1,711,043	21,427,869	7,502,482
Total as on 31 December, 2020	25,225,048	3,014,275	28,239,323		17,763,383	1,953,443	19,716,826	8,522,496

Schedule of Right of Use Assets

As at December 31, 2021

Annexure - A1

Particulars	COST			Balance as at January 01, 2021	Depreciation			Written down value as at December 31, 2021
	Balance as at January 01, 2021	Addition During the Period	Balance as at December 31, 2021		Balance as at January 01, 2021	Charged during the year	Balance as at December 31, 2021	
Right of use asset	-	1,959,662	1,959,662	-	-	435,480	435,480	1,524,182
Total	-	1,959,662	1,959,662	-	-	435,480	435,480	1,524,182

Commerce Bank Securities and Investment Limited
Investment Schedule - Dealer Account

As at December 31, 2021

Annexure - B

SL #	Name of the Company	Quantity					Amount in Taka				Unrealised Gain/Loss
		Opening Balance	Acquired during the year	Right Share received	Bonus Share received	Sold During the Year	Total Quantity as on 31.12.21	Total Cost	Average Cost Per Share	Total Market Value as on 31.12.21	
1	1 AIL	2	3	4	5	6	7=(2+3+4+5-6)	8	9	10	11=(10-8)
2	ARGONDENIM	-	142,000	-	-	7,000	135,000	8,248,191	61.10	5,994,000	(2,254,191.20)
3	BDFINANCE	-	50,000	-	2,500	50,000	2,500	67,574	27.03	43,750	(23,823.50)
4	BXPHERMA	-	40,000	-	-	-	40,000	2,750,550	68.76	2,176,000	(574,550.25)
5	CRYSTALINS	-	9,000	-	-	-	9,000	1,997,500	221.94	1,734,300	(263,200.00)
6	DELTA LIFE	10,878	269,067	-	-	249,945	30,000	1,950,377	65.01	1,698,000	(252,377.40)
7	DSEBD	-	35,000	-	-	30,000	5,000	1,045,000	209.00	982,500	(62,500.00)
8	EXIM1STMIF	2,886,042	-	-	-	-	2,886,042	0	0.00	-	-
9	FORTUNE	-	60,000	-	-	-	60,000	558,919	9.32	372,000	(186,918.88)
10	HRTEX	-	161,000	-	-	151,000	10,000	1,026,400	102.64	921,000	(105,400.00)
11	LHBL	-	151,500	-	1,900	128,400	25,000	1,912,829	76.51	1,355,000	(557,829.09)
12	MASTERAGRO	130,000	80,000	-	-	180,000	30,000	2,963,000	98.77	2,133,000	(830,000.00)
13	OLYMPIC	-	26,648	-	-	-	26,648	266,480	10.00	255,821	(10,659.20)
14	ORYZAAGRO	20,000	-	-	-	16,531	3,469	700,208	201.85	557,121	(143,086.48)
15	PLFSL	-	27,243	-	-	-	27,243	272,430	10.00	283,327	10,897.20
16	PRIMELIFE	34,000	-	-	-	-	34,000	454,484	13.37	102,000	(352,483.87)
17	RAHIMTEXT	-	37,600	-	-	22,600	15,000	1,415,472	94.36	862,500	(552,971.95)
18	RINGSHINE	1,406	1,700	-	-	-	1,700	550,429	323.78	457,980	(92,448.70)
19	SBACBANK	-	-	-	-	-	1,406	12,023	8.55	13,498	1,474.54
20	SHASHADNIM	-	94,661	-	1,200	64,661	31,200	699,524	22.42	474,240	(225,284.00)
21	SONARBAINS	-	55,000	-	-	20,000	35,000	1,095,742	31.31	857,500	(238,242.11)
22	SPCL	-	212,000	-	-	202,000	10,000	984,388	98.44	741,000	(243,387.95)
23	SQURPHARMA	-	345,000	-	10,600	205,000	150,600	18,607,517	123.56	12,936,540	(5,670,976.87)
24	STANCERAM	25,840	-	-	-	10,840	15,000	3,804,979	253.67	3,214,500	(590,478.66)
25	UCB	1,000	-	-	-	-	1,000	362,103	362.10	158,000	(204,103.21)
26	UTTARAFIN	69,300	-	-	3,465	-	72,765	1,431,802	19.68	1,113,305	(318,497.22)
TOTAL		3,198,466	1,837,419	-	19,665	1,377,977	3,677,573	54,163,159	2,562.43	40,254,882	(13,908,278)

Commerce Bank Securities and Investment Limited
Investment Schedule-CBSIL Strategic Investment Account

As at December 31, 2021

Annexure - C

SL #	Name of the Company	Quantity					Amount in Taka				Unrealised Gain/Loss
		Opening Balance	Acquired during the year	Right Share received	Bonus Share received	Sold During the Year	Total Quantity as on 31.12.21	Total Cost	Average Cost Per Share	Total Market Value as on 31.12.21	
	1	2	3	4	5	6	7=(2+3+4+5-6)	8	9	10	11=(10-8)
1	AIL	-	222,650	-	-	157,079	65,571	3,678,076	56.09	2,911,352	(766,724)
2	AOL	-	119,900	-	-	55,521	64,379	3,914,371	60.80	2,697,480	(1,216,890)
3	APEXSPINN	-	16,000	-	-	0	16,000	2,505,131	156.57	1,976,000	(529,131)
4	BDLAMPS	-	26,281	-	-	16,281	10,000	2,555,358	255.54	1,927,000	(628,358)
5	BXPHARMA	-	97,290	-	-	67,290	30,000	7,525,526	250.85	5,781,000	(1,744,526)
6	DELTALIFE	-	48,500	-	-	25,000	23,500	5,160,050	219.58	4,617,750	(542,300)
7	EGEN	-	447,046	-	-	318,511	128,535	7,308,338	56.86	6,105,413	(1,202,925)
8	GPHISPAT	-	344,100	-	3,900	295,100	52,900	3,220,831	60.89	2,803,700	(417,131)
9	JANATAINS	-	72,500	-	-	35,000	37,500	1,858,859	49.57	1,788,750	(70,109)
10	LHBL	30,000	323,999	-	-	310,000	43,999	4,234,505	96.24	3,128,329	(1,106,176)
11	NHFIL	-	427,800	-	-	387,800	40,000	3,154,557	78.86	1,988,000	(1,166,557)
12	PREMIERCEM	-	206,159	-	-	141,159	65,000	5,555,310	85.47	4,231,500	(1,323,810)
13	RAHIMTEXT	-	9,900	-	-	4,000	5,900	1,889,957	320.33	1,589,460	(300,497)
14	SAMATALETH	6,000	0	-	-	0	6,000	924,009	154.00	463,800	(460,209)
	TOTAL	36,000	2,362,125	-	3,900	1,812,741	589,284	53,484,877	1,901.65	42,009,534	(11,475,343)

Commerce Bank Securities and Investment Limited

Advance Taxes

From 2010 to 2021

Annexure - D

Accounting Year / Assessment year	Opening Balance	Tax Deducted At Source (TDS)		Tax paid		Total Tax Paid		Closing Balance	
		Taka	3	Taka	4	Taka	5=(3+4)	Taka	6=(2+5)
1	2								
For Y.E. 21 (A. Y. 22-23)	87,510,282		28,773,135	1,601,764		30,374,899		117,885,181	
For Y.E. 20 (A. Y. 21-22)	72,184,804		14,841,496	483,982		15,325,478		87,510,282	
For Y.E. 19 (A. Y. 20-21)	53,146,890		15,390,531	3,647,383		19,037,914		72,184,804	
For Y.E. 18 (A. Y. 19-20)	28,169,538		24,977,351	-		24,977,351		53,146,890	
For Y.E. 17 (A. Y. 18-19)	10,750,735		17,418,803	-		17,418,803		28,169,538	
For Y.E. 16 (A. Y. 17-18)	515,319		10,235,416	-		10,235,416		10,750,735	
For Y.E. 15 (A. Y. 16-17)	-		-	-		-		-	
For Y.E. 14 (A. Y. 15-16)	-		-	-		-		-	
For Y.E. 13 (A. Y. 14-15)	-		-	-		-		-	
For Y.E. 12 (A. Y. 13-14)	-		-	-		-		-	
For Y.E. 11 (A. Y. 12-13)	-		-	-		-		-	
For Y.E. 10 (A. Y. 11-12)	-		-	-		-		-	

Commerce Bank Securities and Investment Limited
Provision for Income Tax
 From 2010 to 2021

Accounting Year/Assessment year		Opening Balance		Annexure - E				
				Provision for the year	Advance Adjusted	Tax Paid	Closing Balance	
							Taka	Taka
1	2	3	4	6	8=(2+3-4-5-6)			
For Y.E. 21 (A. Y. 22-23)	81,094,477	29,364,749	-	-	110,459,226			
For Y.E. 20 (A. Y. 21-22)	70,441,526	10,652,951	-	-	81,094,477			
For Y.E. 19 (A. Y. 20-21)	56,925,455	13,516,071	-	-	70,441,526			
For Y.E. 18 (A. Y. 19-20)	27,746,169	29,179,286	-	-	56,925,455			
For Y.E. 17 (A. Y. 18-19)	9,068,339	18,677,830	-	-	27,746,169			
For Y.E. 16 (A. Y. 17-18)	-	9,068,339	-	-	9,068,339			
For Y.E. 15 (A. Y. 16-17)	2,282,687	7,312,633	(10,110,639)	-	(515,319)			
For Y.E. 14 (A. Y. 15-16)	5,210,218	10,303,307	(13,230,838)	-	2,282,687			
For Y.E. 13 (A. Y. 14-15)	3,307,448	10,453,427	(8,550,657)	-	5,210,218			
For Y.E. 12 (A. Y. 13-14)	5,428,770	8,868,269	(10,989,591)	-	3,307,448			
*For Y.E. 11 (A. Y. 12-13)	-	10,294,313	4,865,543	-	5,428,770			
For Y.E. 10 (A. Y. 11-12)	-	-	-	-	-			

Annexure - E

(* Tk. 4,865,543 includes Tk. 4,850,543 + Tk. 15,000)

Commerce Bank Securities and Investment Limited
Capital Gain/(Loss) on Sale of Shares

As at December 31, 2021

Annexure - F

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No	Tk.	Tk.	Tk.
1	1STPRIMFMF	5,000	96,573	100,924	4,352
2	ABBANK	100,000	1,613,710	1,408,943	(204,768)
3	ACI	3,300	1,088,619	845,449	(243,170)
4	ACMEPL	13,380	133,800	446,773	312,973
5	ACTIVEFINE	80,000	1,499,120	1,444,408	(54,712)
6	ADNTEL	190,000	11,945,313	11,556,509	(388,804)
7	ADVENT	65,000	1,398,549	1,433,924	35,375
8	AFCAGRO	20,000	702,000	668,000	(34,000)
9	AGRANINS	80,000	4,721,345	5,050,676	329,331
10	AIL	7,000	327,878	344,243	16,364
11	ALARABANK	50,000	1,425,945	1,299,390	(126,555)
12	ALIF	50,000	725,545	774,419	48,874
13	AMANFEED	50,000	2,530,396	2,653,179	122,783
14	AOL	42,277	2,504,153	2,604,382	100,229
15	ARGONDENIM	50,000	1,351,490	875,000	(476,490)
16	ASIAPACINS	50,000	3,429,260	3,464,899	35,640
17	ATCSLGF	40,000	462,348	491,631	29,283
18	BARKAPOW	107,000	3,511,580	3,248,318	(263,261)
19	BATBC	2,610	3,430,978	3,699,455	268,477
20	BAYLEASING	140,000	4,208,268	4,222,189	13,921
21	BBSCABLES	18,700	1,139,948	1,175,348	35,400
22	BDFINANCE	-	-	-	-
23	BEACONPHAR	9,500	1,162,598	1,196,102	33,505
24	BEXIMCO	430,000	38,062,421	39,026,894	964,473
25	BGIC	62,000	2,987,002	3,079,350	92,348
26	BNICL	35,000	4,363,676	4,542,057	178,381
27	BPPL	45,000	2,248,278	2,319,538	71,260
28	BSC	95,000	4,707,442	4,857,486	150,044
29	BSRMLTD	35,000	2,453,273	2,631,150	177,877
30	BXPHERMA	-	-	-	-
31	CAPMIBBLMF	50,000	1,093,820	1,158,389	64,569
32	CENTRALPHL	150,000	2,311,735	2,357,231	45,496
33	CITYGENINS	115,000	4,235,778	4,408,197	172,419
34	CONFIDCEM	5,000	672,504	664,683	(7,821)
35	COPPERTECH	20,000	617,762	623,532	5,770
36	CRYSTALINS	249,945	14,128,405	15,220,165	1,091,761
37	DBH	34,500	2,852,053	2,873,959	21,906
38	DELTA LIFE	30,000	3,589,365	3,845,862	256,497
39	DELTA SPINN	50,000	504,380	519,610	15,230
40	DESCO	50,000	1,968,535	2,000,084	31,549

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No	Tk.	Tk.	Tk.
41	DESHBANDHU	100,000	1,386,040	1,571,820	185,780
42	DGIC	17,701	425,271	563,031	137,760
43	DHAKAINS	92,010	8,125,533	8,568,416	442,883
44	DOMINAGE	62,800	1,690,870	1,752,085	61,215
45	DOREENPWR	10,000	667,000	650,012	(16,988)
46	DSEBD	-	-	-	-
47	DSSL	416,500	6,680,701	6,931,598	250,897
48	DUTCHBANGL	10,000	799,599	867,849	68,250
49	EASTERNINS	8,935	901,576	968,139	66,562
50	EGEN	192,570	8,913,950	9,657,058	743,108
51	EHL	20,000	1,224,412	1,247,564	23,152
52	EIL	20,000	663,572	690,482	26,910
53	EPGL	10,000	594,446	499,791	(94,655)
54	ETL	50,000	668,500	711,966	43,466
55	EXIM1STMF	-	-	-	-
56	FEDERALINS	30,000	909,681	966,275	56,594
57	FIRSTSBANK	315,000	3,667,734	3,278,539	(389,195)
58	FORTUNE	151,000	5,510,331	6,302,327	791,996
59	FUWANGFOOD	60,000	1,333,848	948,000	(385,848)
60	GBBPOWER	175,000	5,615,600	5,791,901	176,301
61	GENEXIL	10,000	1,004,993	1,099,175	94,182
62	GENNEXT	100,000	565,420	549,588	(15,833)
63	GOLDENSON	50,000	880,660	876,342	(4,318)
64	GP	10,492	3,970,950	3,900,126	(70,824)
65	GPHISPAT	1,837	61,789	58,740	(3,049)
66	GREENDELT	15,000	1,893,919	1,817,636	(76,283)
67	GSPFINANCE	22,000	526,394	593,346	66,952
68	HRTEX	128,400	9,001,837	8,345,116	(656,722)
69	ICB	21,000	2,604,821	2,332,878	(271,943)
70	IFADAUTOS	30,300	1,696,943	1,725,187	28,244
71	INTRACO	50,000	972,625	944,191	(28,434)
72	IPDC	30,000	1,303,977	1,406,944	102,967
73	ISLAMICFIN	90,000	2,295,267	2,400,199	104,932
74	ISLAMIINS	30,000	1,456,092	1,545,451	89,359
75	ITC	40,000	1,828,800	1,687,371	(141,429)
76	KARNAPHULI	70,000	2,943,703	3,099,349	155,646
77	KBPPWBIL	88,493	1,275,255	1,314,710	39,455
78	KDSALTD	30,000	1,795,767	1,880,589	84,822
79	KTL	90,000	1,656,720	1,847,114	190,394
80	LANKABAFIN	477,450	17,552,153	17,881,358	329,205
81	LHBL	180,000	11,776,056	10,124,500	(1,651,556)
82	LOVELLO	16,897	168,970	382,275	213,305
83	LRBDL	459,000	16,654,638	22,711,595	6,056,958
84	MAKSONSPIN	30,000	976,884	1,005,000	28,116
85	MALEKSPIN	75,000	1,805,854	1,883,586	77,732

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No	Tk.	Tk.	Tk.
86	MASTERAGRO	-	-	-	-
87	MEGHNALIFE	10,000	701,526	761,429	59,903
88	MERCANBANK	150,000	2,256,690	2,068,448	(188,243)
89	MERCINS	26,060	895,578	989,325	93,747
90	METROSPIN	30,000	927,696	962,278	34,582
91	MIRACLEIND	30,000	1,203,903	1,306,020	102,117
92	MIRAKHTER	20,000	1,389,542	1,459,644	70,102
93	MONNOFABR	100,000	2,570,950	2,898,560	327,610
94	MOSTFAMETL	26,959	269,590	275,921	6,331
95	NCCBANK	107,500	1,778,856	1,551,462	(227,395)
96	NFML	215,000	7,315,885	7,541,482	225,597
97	NHFIL	30,000	1,444,401	1,208,952	(235,449)
98	NITOLINS	43,000	2,340,113	2,430,376	90,263
99	NPOLYMER	70,000	4,142,259	4,606,553	464,294
100	NRBCBANK	255,836	6,508,296	7,052,941	544,645
101	NURANI	7,150	76,392	47,869	(28,523)
102	OLYMPIC	16,531	3,336,731	3,157,468	(179,263)
103	ORIONPHARM	430,000	33,556,089	35,907,029	2,350,940
104	ORYZAAGRO	-	-	-	-
105	PADMALIFE	5,000	268,201	260,305	(7,896)
106	PADMAOIL	3,251	654,068	766,046	111,978
107	PARAMOUNT	29,000	2,829,210	2,872,805	43,595
108	PDL	150,000	2,086,560	2,275,792	189,232
109	PENINSULA	50,000	1,136,850	1,136,147	(703)
110	PEOPLESINS	70,000	3,098,076	3,352,993	254,917
111	PHARMAID	7,000	3,337,151	3,052,509	(284,642)
112	PHENIXINS	1,900	107,050	109,992	2,942
113	PIONEERINS	212,000	28,280,512	28,515,770	235,258
114	PLFSL	-	-	-	-
115	POWERGRID	20,000	1,358,000	1,416,000	58,000
116	PRIMEINSUR	90,000	3,815,613	4,134,897	319,284
117	PRIMELIFE	22,600	1,962,650	1,959,326	(3,323)
118	PROGRESLIF	2,000	224,969	244,726	19,757
119	PROVATIINS	28,000	2,116,211	2,210,454	94,243
120	PTL	187,000	11,145,591	11,666,733	521,142
121	PURABIGEN	20,000	738,554	739,445	891
122	RAHIMTEXT	-	-	-	-
123	RAKCERAMIC	30,000	1,469,100	1,437,732	(31,368)
124	RECKITT BEN	200	917,337	870,583	(46,754)
125	REPUBLIC	93,286	4,770,312	4,869,890	99,578
126	RINGSHINE	-	-	-	-
127	RSRMSTEEL	92,821	2,808,715	3,010,832	202,118
128	RUNNERAUTO	53,100	3,506,358	3,567,023	60,665
129	RUPALILIFE	60,000	3,588,576	3,649,019	60,443
130	SAIFPOWER	243,007	6,667,625	6,998,708	331,083

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No	Tk.	Tk.	Tk.
131	SALAMCRST	30,000	1,080,243	1,121,658	41,415
132	SALVOCHEM	55,000	1,541,435	1,731,046	189,611
133	SAPORTL	79,500	2,603,552	2,546,623	(56,929)
134	SBACBANK	64,661	779,785	1,463,551	683,766
135	SEAPEARL	21,865	898,800	992,861	94,061
136	SHASHADNIM	20,000	625,688	655,508	29,820
137	SHURWID	20,000	504,378	342,080	(162,298)
138	SKICL	6,994	69,940	531,075	461,135
139	SONALILIFE	9,307	93,070	632,401	539,331
140	SONALIPAPR	200	85,324	89,853	4,529
141	SONARBAINS	202,000	16,337,350	17,382,691	1,045,341
142	SOUTHEASTB	200,000	3,287,460	2,837,870	(449,590)
143	SPCL	205,000	22,481,177	18,253,083	(4,228,093)
144	SQURPHARMA	10,840	2,749,731	2,306,779	(442,952)
145	SSSTEEL	150,000	3,337,500	3,469,896	132,396
146	STANCERAM	-	-	-	-
147	STANDARINS	20,000	1,056,792	1,070,619	13,827
148	STYLECRAFT	10,000	1,531,724	1,962,031	430,307
149	TAKAFULINS	100,000	5,535,877	5,746,528	210,652
150	TITASGAS	20,000	685,514	729,307	43,793
151	UCB	-	-	-	-
152	UNITEDFIN	110,000	2,507,877	2,359,548	(148,329)
153	UNITEDINS	1,341	73,274	81,740	8,466
154	UPGDCL	16,092	4,429,949	4,571,057	141,108
155	UTTARAFIN	40,000	2,014,680	2,026,256	11,576
156	VFSTDL	80,000	2,027,520	2,178,825	151,305
157	WMSHIPYARD	70,000	1,016,764	1,041,219	24,455
158	YPL	6,807	105,587	113,592	8,004
159	1STPRIMFMF	20,000	407,984	391,706	(16,278)
160	AAMRANET	60,000	3,253,138	3,336,549	83,411
161	ABBANK	150,000	2,296,720	2,328,253	31,533
162	ACMELAB	30,000	3,004,251	3,120,822	116,571
163	ACTIVEFINE	70,000	1,417,667	1,504,238	86,571
164	ADNTEL	214,160	13,076,831	12,283,827	(793,004)
165	ADVENT	125,000	2,686,910	2,684,578	(2,332)
166	AFCAGRO	50,000	1,653,740	1,547,244	(106,496)
167	AFTABAUTO	10,000	328,246	346,740	18,494
168	AGNISYSL	100,000	2,048,830	1,945,588	(103,242)
169	AGRANINS	130,000	6,964,448	7,336,554	372,106
170	AIL	157,079	8,965,945	8,927,788	(38,157)
171	AMANFEED	30,000	1,869,402	1,969,522	100,120
172	AMBEEPHA	3,031	1,504,504	1,563,351	58,847
173	AOL	55,521	3,026,537	3,136,712	110,175
174	APEXSPINN	-	-	-	-
175	ASIAINS	54,600	5,704,965	5,359,628	(345,337)
176	ASIAPACINS	60,000	4,029,411	4,066,554	37,143
177	ATCSLGF	150,000	1,971,475	1,960,048	(11,427)
178	BARKAPOW	20,000	560,420	549,588	(10,833)
179	BATBC	2,000	1,150,536	1,110,456	(40,080)
180	BAYLEASING	220,000	6,829,280	6,688,034	(141,246)

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No	Tk.	Tk.	Tk.
181	BBS	50,000	960,720	983,716	22,996
182	BBSCABLES	60,000	4,507,318	4,590,826	83,508
183	BDCOM	40,000	1,030,772	1,067,199	36,427
184	BDFINANCE	80,000	2,739,050	2,866,848	127,798
185	BDLAMPS	16,281	2,860,036	2,931,187	71,152
186	BDTHAI	210,000	5,423,741	5,435,920	12,179
187	BEACHHATCH	130,000	2,629,966	3,054,636	424,670
188	BEACONPHAR	60,000	5,571,601	6,095,448	523,847
189	BEXIMCO	30,000	2,968,224	2,825,879	(142,345)
190	BGIC	20,000	1,177,874	1,217,087	39,213
191	BSC	40,000	2,003,232	2,012,452	9,220
192	BSRMLTD	123,597	9,318,285	10,065,620	747,335
193	BXPHERMA	67,290	12,222,491	12,859,491	637,000
194	CENTRALINS	115,320	7,279,605	6,970,999	(308,606)
195	CENTRALPHL	210,000	3,438,583	3,411,440	(27,144)
196	CITYGENINS	130,000	6,189,136	6,190,956	1,820
197	CNATEX	200,000	1,511,140	1,707,250	196,110
198	CONFIDCEM	15,000	1,825,665	1,870,596	44,931
199	CONTININS	50,000	2,750,265	2,771,358	21,093
200	COPPERTECH	143,410	5,080,567	5,286,357	205,790
201	CRYSTALINS	147,500	7,697,077	7,621,524	(75,553)
202	DBH	63,293	5,337,739	5,318,981	(18,758)
203	DELTALIFE	25,000	4,171,127	4,392,548	221,421
204	DESCO	50,000	1,709,670	1,728,836	19,166
205	DESHBANDHU	470,000	8,079,277	8,258,034	178,757
206	DGIC	30,000	1,149,662	1,175,849	26,187
207	DHAKAINS	86,900	7,132,111	7,305,227	173,116
208	DSSL	100,000	1,421,065	1,358,980	(62,085)
209	DULAMACOT	4,785	270,593	248,983	(21,610)
210	DUTCHBANGL	63,797	5,218,430	5,361,283	142,853
211	EASTERNINS	91,398	10,315,246	10,730,898	415,652
212	EASTLAND	20,000	907,228	919,310	12,082
213	EBL	50,000	2,049,535	1,991,741	(57,794)
214	EGEN	318,511	17,993,358	17,487,248	(506,110)
215	EHL	147,730	9,004,892	8,654,618	(350,274)
216	EIL	84,000	2,542,006	2,279,617	(262,389)
217	EPGL	95,841	5,458,007	5,295,624	(162,383)
218	ESQUIRENIT	30,000	1,092,819	1,124,156	31,337
219	ETL	100,000	1,320,990	1,319,010	(1,980)
220	EXIM1STMF	100,000	865,650	834,374	(31,276)
221	FARCHEM	50,000	885,665	854,359	(31,306)
222	FAREASTLIF	100,000	6,260,095	6,644,371	384,276
223	FORTUNE	20,000	886,664	1,017,176	130,512
224	FUWANGCER	100,000	2,456,840	2,438,170	(18,670)
225	FUWANGFOOD	100,000	2,096,575	2,153,384	56,809
226	GBBPOWER	125,000	4,138,600	4,246,813	108,213
227	GENEXIL	150,000	13,740,718	13,904,965	164,247
228	GHAIL	135,000	2,814,913	2,496,976	(317,937)

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No	Tk.	Tk.	Tk.
229	GLOBALINS	20,000	1,274,956	1,324,006	49,050
230	GOLDENSON	40,000	831,660	875,246	43,586
231	GPHISPAT	295,100	17,175,308	18,014,626	839,318
232	GOBALLPEN	15,000	2,029,818	1,993,974	(35,844)
233	GRAMEENS2	160,000	2,856,148	2,880,838	24,690
234	GREENDELT	30,000	2,729,046	3,085,105	356,059
235	GSPFINANCE	150,000	3,937,550	4,026,600	89,050
236	HEIDELBCEM	28,839	7,413,306	8,215,183	801,877
237	HFL	169,500	5,636,581	5,210,536	(426,045)
238	ICB	55,803	5,379,330	5,723,822	344,492
239	ICBAGRANI1	10,000	93,070	92,175	(895)
240	ICBAMCL2ND	105,000	1,178,684	1,185,624	6,941
241	ICBSONALI1	44,631	360,386	365,700	5,313
242	IDLC	40,000	2,672,002	2,732,349	60,347
243	IFADAUTOS	45,000	2,505,587	2,387,708	(117,879)
244	IFIC	670,000	11,108,955	11,859,245	750,290
245	INDEXAGRO	40,000	5,006,748	4,709,702	(297,046)
246	INTECH	20,000	774,580	803,302	28,722
247	INTRACO	50,000	1,200,900	1,234,074	33,174
248	IPDC	185,000	7,644,427	7,445,827	(198,600)
249	ISLAMICFIN	220,000	6,441,824	6,298,924	(142,900)
250	ISLAMIINS	64,648	4,399,907	4,241,133	(158,774)
251	JAMUNABANK	50,000	1,153,375	1,134,149	(19,226)
252	JANATAINS	35,000	2,036,027	1,925,954	(110,072)
253	KARNAPHULI	85,000	3,675,755	3,638,967	(36,788)
254	KBPPWBIL	50,000	650,490	689,483	38,993
255	KEYACOSMET	50,000	450,340	454,659	4,319
256	KOHINOOR	6,000	2,573,829	2,954,645	380,816
257	KPCL	70,000	3,206,539	3,466,738	260,199
258	KPPL	50,000	965,725	819,385	(146,340)
259	LANKABAFIN	440,000	18,120,402	16,619,950	(1,500,452)
260	LHBL	310,000	19,898,696	20,983,436	1,084,740
261	LOVELLO	80,000	2,614,958	2,703,371	88,413
262	LRBDL	240,000	11,595,961	11,673,852	77,891
263	MAKSONSPIN	100,000	1,013,260	1,009,243	(4,018)
264	MALEKSPIN	115,000	3,826,356	3,726,556	(99,799)
265	MERCANBANK	200,000	3,616,225	3,608,762	(7,463)
266	MIDASFIN	65,000	1,353,417	1,401,703	48,286
267	MIRACLEIND	54,500	2,304,462	2,519,980	215,519
268	MIRAKHTER	55,000	4,924,640	5,054,167	129,527
269	MLDYEING	50,000	1,523,640	1,499,774	(23,866)
270	MONNOCERA	20,000	2,393,644	2,456,480	62,836
271	MONNOFABR	195,000	5,044,185	5,860,283	816,098
272	NAHEEACP	20,000	1,082,256	1,051,825	(30,431)
273	NCCBANK	100,000	1,683,370	1,756,472	73,102

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No	Tk.	Tk.	Tk.
274	NFML	50,000	1,641,230	1,604,106	(37,124)
275	NHFIL	387,800	21,927,590	21,693,106	(234,483)
276	NITOLINS	195,987	11,717,841	12,024,175	306,334
277	NORTHNRINS	44,950	2,755,174	2,897,985	142,811
278	NPOLYMER	80,000	4,760,866	4,756,041	(4,825)
279	NRBCBANK	130,000	4,296,592	4,262,434	(34,158)
280	OAL	100,000	1,616,210	1,540,344	(75,866)
281	OIMEX	50,000	1,271,490	1,338,995	67,505
282	ORIONINFU	45,000	3,897,268	4,051,302	154,035
283	ORIONPHARM	475,015	39,733,368	41,209,437	1,476,069
284	PARAMOUNT	44,000	3,614,156	4,087,429	473,273
285	PDL	150,000	1,893,090	1,932,288	39,198
286	PENINSULA	100,000	2,459,330	2,419,722	(39,608)
287	PEOPLESINS	20,000	1,139,834	1,040,436	(99,398)
288	PF1STMF	100,000	1,180,880	1,069,198	(111,683)
289	PHARMAID	2,000	1,138,607	1,332,000	193,393
290	PHENIXINS	125,000	7,480,804	7,533,882	53,078
291	PIONEERINS	5,000	833,125	866,820	33,696
292	POPULARLIF	40,000	4,314,782	4,041,437	(273,345)
293	POWERGRID	165,000	8,912,421	8,387,503	(524,917)
294	PREMIERCEM	141,159	12,176,327	12,171,584	(4,743)
295	PRIMEBANK	150,000	3,664,285	3,387,608	(276,677)
296	PRIMEFIN	170,000	2,366,774	2,509,117	142,343
297	PRIMELIFE	20,000	1,539,190	1,575,987	36,797
298	PROVATIINS	25,000	2,051,995	2,163,809	111,815
299	PTL	372,670	21,195,396	21,544,246	348,850
300	PURABIGEN	60,000	2,299,724	2,334,748	35,024
301	QUASEMIND	68,000	3,203,371	3,072,655	(130,716)
302	QUEENSOUTH	80,000	2,629,968	2,518,110	(111,858)
303	RAHIMAFood	30,000	6,722,068	7,389,941	667,874
304	RAHIMTEXT	4,000	1,345,155	1,339,440	(5,715)
305	RAKCEMIC	100,000	3,895,196	3,977,015	81,819
306	REGENTTEX	50,000	675,505	679,490	3,985
307	RELIANCINS	5,000	514,248	548,588	34,341
308	REPUBLIC	130,000	7,059,256	6,963,377	(95,879)
309	ROBI	761,121	28,996,046	37,349,418	8,353,372
310	RSRMSTEEL	204,621	5,577,550	5,843,419	265,869
311	RUNNERAUTO	35,304	2,179,018	2,210,983	31,965
312	RUPALIINS	90,000	3,646,236	3,484,412	(161,824)
313	SAIFPOWER	324,603	7,878,139	7,983,564	105,425
314	SAIHAMCOT	70,000	1,449,084	1,460,904	11,820
315	SALAMCRST	116,530	3,983,263	4,326,802	343,538
316	SALVOCHEM	130,000	3,308,917	3,506,368	197,451
317	SAMATALETH	-	-	-	-
318	SAMORITA	23,000	1,888,836	2,017,885	129,050

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No	Tk.	Tk.	Tk.
319	SAPORTL	30,000	910,917	941,378	30,461
320	SBACBANK	100,000	2,201,650	2,193,354	(8,296)
321	SEAPEARL	110,000	4,912,645	4,837,507	(75,138)
322	SEMLIBLSF	60,000	757,568	712,465	(45,103)
323	SEMLLECMF	235,000	2,456,339	2,230,372	(225,967)
324	SHASHADNIM	50,000	1,155,865	1,139,145	(16,720)
325	SHURWID	50,000	1,075,805	674,494	(401,311)
326	SKICL	5,000	415,790	386,950	(28,840)
327	SONALILIFE	16,500	1,236,426	1,284,610	48,184
328	SONALIPAPR	2,000	812,580	881,346	68,767
329	SONARBAINS	80,500	7,662,612	7,473,605	(189,007)
330	SOUTHEASTB	50,000	770,580	689,483	(81,098)
331	SPCERAMICS	340,000	11,385,847	11,726,970	341,123
332	SPCL	247,266	24,502,941	24,947,581	444,640
333	SSSTEEL	200,000	4,792,790	4,846,363	53,573
334	STANDARINS	30,000	1,409,056	1,458,988	49,932
335	STYLECRAFT	15,000	2,273,208	2,574,737	301,529
336	SUMITPOWER	50,000	2,101,315	2,225,480	124,165
337	TOSRIFA	50,000	595,770	574,608	(21,162)
338	UNIONCAP	150,000	1,080,810	1,179,941	99,131
339	UNITEDFIN	50,000	1,255,130	1,324,006	68,876
340	UTTARABANK	50,000	1,255,940	1,264,051	8,111
341	WATACHEM	5,000	1,663,472	1,610,972	(52,499)
342	YPL	50,000	779,600	834,374	54,774
	TOTAL				32,178,251

Commerce Bank Securities and Investment Limited
Dividend Income on Shares

For the year ended 31st December, 2021

Annexure - G

Sl. No.	Instruments	Quantity No.	Face Value Tk.	Rate	Dividend Tk.	TDS Tk.	Net Dividend Tk.
1	ICB	20,000	10	5%	10,000.00	2,000.00	8,000.00
2	SOURPHARMA	24,610	10	47%	115,799.30	23,159.86	92,639.44
3	EXIMBANK	60,000	10	10%	60,000.00	12,000.00	48,000.00
4	BRACBANK	40,000	10	7.5%	30,000.00	6,000.00	24,000.00
5	IFADAUTOS	15,000	10	9%	13,500.00	2,700.00	10,800.00
6	SEAPPEARL	FRACTION			186.50	37.30	149.20
7	ACI	3,000	10	80%	24,000.00	4,800.00	19,200.00
8	BBSCABLES	17,000	10	10%	17,000.00	3,400.00	13,600.00
9	RUNNERAUTO	30,000	10	10%	30,000.00	6,000.00	24,000.00
10	GPHISPAT	36,750	10	5%	18,395.41	3,679.08	14,716.33
11	OLYMPICIND	20,000	10	52%	104,000.00	20,800.00	83,200.00
12	WATACHEMICAL	2,000	10	35%	7,000.00	1,400.00	5,600.00
13	ORIONPHARMA	20,000	10	10%	20,000.00	4,000.00	16,000.00
14	NATIONALTUBE	29,810	10	3%	8,943.00	1,788.60	7,154.40
15	BSC	50,000	10	10%	50,000.00	10,000.00	40,000.00
16	SALVOCHEMICAL	80,000	10	1%	8,000.00	1,600.00	6,400.00
17	STANCERAMIC	1,000	10	1%	100.00	20.00	80.00
18	DOMINAGE	10,000	10	2%	2,000.00	400.00	1,600.00
19	BARAKAPOWER	100,000	10	8%	80,000.00	16,000.00	64,000.00
20	DSE	5,411,329	10	3%	1,623,398.70	324,679.74	1,298,718.96
21	COPPERTECH	20,000	10	2.50%	5,000.00	1,000.00	4,000.00
22	SINOBANGLA	20,000	10	5%	10,000.00	2,000.00	8,000.00
23	MAKSONSPIN	56,000	10	2%	11,200.00	2,240.00	8,960.00
24	ESQUIREKNIT	20,860	10	15%	31,290.00	6,258.00	25,032.00
25	GP	10,492	10	145%	152,134.00	30,426.80	121,707.20
26	UNITEDFINANCE	60,000	10	10%	60,000.00	12,000.00	48,000.00
27	DBH	30,000	10	15%	45,000.00	9,000.00	36,000.00
28	CRYSTALINS	40,000	10	10%	40,000.00	8,000.00	32,000.00

Sl. No.	Instruments	Quantity No.	Face Value Tk.	Rate	Dividend Tk.	TDS Tk.	Net Dividend Tk.
29	SBPCL		10	5%	28,000.00	5,600.00	22,400.00
30	SOUTHEASTBANK	200,000	10	10%	200,000.00	40,000.00	160,000.00
31	BNICL	15,000	10	15%	22,500.00	4,500.00	18,000.00
32	NRBCBANK	15,000	10	7.50%	11,250.00	2,250.00	9,000.00
33	CITYGENINSURANCE	20,000	10	10%	20,000.00	4,000.00	16,000.00
34	BATBC	5,000	10	300%	150,000.00	30,000.00	120,000.00
35	UCBL	69,300	10	5%	34,650.00	6,930.00	27,720.00
36	NCCBANK	100,000	10	7.50%	75,000.00	15,000.00	60,000.00
37	EXIMBANK1STMF	60,000	10	7.50%	51,250.00	10,250.00	41,000.00
38	SONARBAINS	20,000	10	15%	30,000.00	6,000.00	24,000.00
39	SBACBANKLTD	40,000	10	4%	16,000.00	3,200.00	12,800.00
40	ICB	16,000	10	5%	8,000.00	1,600.00	6,400.00
41	PARAMOUNTTEXTILES	15,000	10	15%	22,500.00	4,500.00	18,000.00
42	K&Q BD	5,500	10	4%	2,200.00	440.00	1,760.00
43	ADNTELECOM	20,000	10	15%	30,000.00	6,000.00	24,000.00
44	ORIONINFUSION	25,000	10	10%	25,000.00	5,000.00	20,000.00
45	KPPL	50,000	10	0.25%	1,250.00	250.00	1,000.00
46	SINOBANGLA	35,500	10	5.00%	17,750.00	3,550.00	14,200.00
47	SBPCL	10,065	10	28%	28,209.00	5,641.80	22,567.20
48	DBH	20,255	10	15%	30,382.50	6,076.50	24,306.00
49	NHFIL	105,000	10	15%	157,500.00	31,500.00	126,000.00
50	DBH	FRACTION			25.13	5.03	20.10
51	EASTERNINSURANCE CO	13,045	10	20%	26,090.00	5,218.00	20,872.00
52	SONALILIFE	16,500	10	2%	3,300.00	660.00	2,640.00
53	GLOBALINS	10,000	10	10%	10,000.00	2,000.00	8,000.00
54	POPULARIF	10,000	10	40%	40,000.00	8,000.00	32,000.00
55	SONARBAINS	10,500	10	15%	15,750.00	3,150.00	12,600.00
56	EHL	35,000	10	15%	52,500.00	10,500.00	42,000.00
Total					3,686,054	737,211	2,948,843

OUR BRANCHES AND SUB-BRANCHES

SL	Name of Division	Address	Contacts
Call Center			16270
Dhaka			
01	Principal	19, Rajuk Avenue, Taranga Complex (Ground Floor), Motijheel C/A, Dhaka-1000.	09613222001, 7112069, 9561551, 09613222002 Fax: 9585023 E-mail: principal@bcbl.com.bd
02	Dilkusha	Boliadi Mansion (1st Floor), 16, Dilkusha C/A, Dhaka-1000	09613225001-6, 9578578, 9570105, 9571375 Fax: 9571375 E-mail: dilkusha@bcbl.com.bd
03	Bangshal	141, Lutfor Rahman Lane, North South Road, Bangshal, Dhaka-1100.	09613221501-4, 9580624, 9566140 Fax: 9566140 E-mail: bangshal@bcbl.com.bd
04	Moulvibazar	40, Imamgonj, Moulvibazar, Dhaka-1100	09613222096, 7343769 Fax: 7311051 E-mail: moulvibazar@bcbl.com.bd
05	Dholaikhal	23, Goal Ghat Lane (1st Floor), Wari, Dholaikhal, Dhaka-1100.	09613221196, 9590344 Fax: 7118665 E-mail: dholaikhal@bcbl.com.bd
06	Banglabazar	52, North Brook Hall Road, Banglabazar, Dhaka-1100.	09613221301-3, 47115256, 47119034 Fax: 7121878 E-mail: banglabazar@bcbl.com.bd
07	Zigatola	25/1, Zigatola, Dhaka-1209	09613221601, 9668558, 58614119 Fax: 9622154 E-mail: zigatola@bcbl.com.bd
08	Green Road	75, Greenroad (1st floor), Hossain Tower, Farmgate, Dhaka.	09613221401-5, 58154664, 58126886 E-mail: greenroad@bcbl.com.bd
09	Mouchak	238/1, Maruf Market (1st Floor), Outer Circular Road, Malibagh, Dhaka.	09613223001, 8312061, 8321072 Fax: 8321072 E-mail: mouchak@bcbl.com.bd
10	Mirpur	Plot#2, Avenue-6, Section-1, Mirpur, Dhaka-1216	09613222101-4, 55075192-3 Fax: 8051722 E-mail: mirpur@bcbl.com.bd
11	Gulshan	Landview Commercial Complex, 28 Gulshan North C/A, Gulshan Circle-2, Dhaka-1212.	09613227001-7, 8881045, 9854019, 8881044, Fax: 8882044 E-mail: gulshan@bcbl.com.bd
12	Khilgaon	290/3, Block-A, Nahar Tower (1st Floor), Railgate, Khilgaon, Dhaka-1219.	09613222501, 7213779 Fax: 7215803 E-mail: khilgaon@bcbl.com.bd

SL	Branch Name	Address	Contacts
13	Uttara	House-60, Sector-13, Gorib-E-Neous Avenue Uttara, Dhaka-1230	09613222801, 8921555 E-mail: uttara@bcbl.com.bd
14	Bijoy Nagar	Al-Raji Complex House# 166/167, Ward# 36 Shahid Syed Nazrul Islam Sarani Bijoy Nagar, Dhaka.	09613223101, 7115625 Fax-02-7115957 E-mail: bijoy Nagar@bcbl.com.bd
15	Foreign Exchange	Monir Tower (Level-2) 167/1 Fakirapool, DIT Extension Road, Motijheel, Dhaka-1000.	09613223601, 9573467, 9573468, Fax: 02-9573469 E-mail: fex@bcbl.com.bd
16	Savar	63/14 Bazar Road, Islam Plaza, Savar, Dhaka.	09613223801, 7742151 Fax: 02-7742150 E-mail: savar@bcbl.com.bd
17	Pragati Sarani	KA/218, Kuril Chourasta, Zakir Complex (1st Floor), Dhaka.	09613224096, 09613224097, 8417359 Fax: 02-8417506 E-mail: pragati@bcbl.com.bd
18	Meraj Nagar	Meraj Nagar Supper Market (2nd Floor), Shaympur, Kadamtoli, Dhaka-1362.	09613224401, 09613224403 09613224402, E-mail: meraj Nagar@bcbl.com.bd
19	Bandura	Puraton Bandura, Nawabgonj, Dhaka.	09613223301, E-mail: bandura@bcbl.com.bd
20	Dhamrai	Keyetpara, Dhamrai Bazar, Dhamrai, Dhaka.	09613222401, 7730237 Fax: 7730237 E-mail: dhamrai@bcbl.com.bd
21	Narayanganj	69, Bangabundu Road, Tokeyo Plaza 1 (2nd Floor), Ward no-15, Narayanganj City Corporation, DIT, Narayanganj-1400.	09613229001-5, 645054, 7640321, 7644750 Fax: 7645054 E-mail: narayanganj@bcbl.com.bd
22	Kathgora Bazar	Hazi Nujomuddin Super Market, Kathgora Bazar, Post: Jirabo, Union: Ashulia, Ward no-1. P/S- Ashulia, Dhaka.	09613224301, 7792634 Fax: 02-7792632 E-mail: kathgora@bcbl.com.bd
23	Shibchar	47, Shadar Road, Shibchar, Madaripur	0662456101, 09613224601-3 E-mail: shibchar@bcbl.com.bd
24	Kaliakoir	Rajob Ali Super Market (2nd Floor), Kaliakoir Bazar, Gazipur.	0982251848-9 096132224701-3 E-mail: kaliakoir@bcbl.com.bd
25	Sonargaon	Salina Plaza (1st Floor), Mograpara Sonargaon, Narayanganj.	7656033, 09613224802 09613224801, E-mail: sonargaon@bcbl.com.bd

SL	Branch Name	Address	Contacts
26	Balla	Balla Bazar, Battola (Kaporpatti), Kalihati, Tangail.	09613224902, 09613224907, 09613224901 E-mail: balla@bcbl.com.bd
27	Gazipur Chowrasta	Mubarak Complex, Ward No-16, Gazipur City Corporation, Joydebpur, Gazipur.	09613225051, 09613225052 E-mail: gazipur@bcbl.com.bd
28	Banani	Antorip (1st Floor), House#2, Road No:11, Block No: F, Banani, Dhaka.	09613225701, 09613225702 E-mail: banani@bcbl.com.bd
29	Aganagar	Shawon Plaza (1st floor), Aganagar, South Keranigonj, Dhaka.	01711587835 E-mail: aganagar@bcbl.com.bd
30	Rokeya Sarani	Glorious Mollah Tower, Holding No-745, West Shewrapara, Mirpur, Dhaka North City Corporation, Dhaka.	09613226301-3 E-mail: rokeyasarani@bcbl.com.bd
31	Panchdona	Haji Shamsul Haque Plaza (1st Floor), Meherpara, Panchdona, Narsingdi.	09613225601, 09613225602 E-mail: panchdona@bcbl.com.bd
32	Banglamotor	Padma Life Tower, Holding, No-115, Kazi Nazrul Islam Avenue, Hatirjheel, Dhaka.	09613226401, 09613226402 E-mail: banglamotor@bcbl.com.bd
Chattogram			
33	Agrabad	56, Jibon Bima Bhaban, Agrabad C/A, Chattogram.	9613226001-4, 031-717974, 031-717973, 2522781, Fax: 031-724879 E-mail: agrabad@bcbl.com.bd
34	Jubilee Road	30, Imam Gazzali Market (1st Floor), Jubilee Road, Chattogram.	09613221901, 031-627837, Fax: 031-2850065 E-mail: jubileeroad@bcbl.com.bd
35	Khatungonj	304, SW Tower, (1st Floor), Lama Bazar, Kotwali, Khatungonj, Chattogram.	09613222301, 031-618821, 2864559 Fax: 031-728145 E-mail: khatungonj@bcbl.com.bd
36	Chaktai	68, Rajakhali Road, New Chaktai, Chattogram-400	09613222201, 031-2867575, 031-634612, Fax: 031-636412 E-mail: chaktai@bcbl.com.bd
37	Dewanhat	1128, Sheikh Mujib Road, Ahmed Mansion, Chattogram.	09613221201, 031-2513622 Fax: 031-728145 E-mail: dewanhat@bcbl.com.bd
38	Muradpur	Karim's Icon (2nd Floor), 73/74, CDA Avenue, Muradpur, Chittagong.	09613223096, 031-655982, 656154 E-mail: muradpur@bcbl.com.bd
39	Cumilla	35/32 Zilla School Road Kandirpar, Cumilla.	09613222601, 081-69951 Fax: 081-69902 E-mail: comilla@bcbl.com.bd
40	Feni	Idris Plaza, Holding No-612 (1st & 2nd Floor), Islampur Road, Feni Bazar, Feni	09613222901, 0331-69011, Fax: 0331-69012 E-mail: feni@bcbl.com.bd
41	Mandari Bazar	Babosayee Samitee Market (1st Floor) Lakshmipur Sadar, Lakshmipur.	0381-55634, Fax: 0381-55633 E-mail: mbazar@bcbl.com.bd
42	Kangshanagar Bazar	Kangshanagar Bazar, Burichang, Cumilla-3520	09613224501-2 E-mail: kangshanagar@bcbl.com.bd

SL	Branch Name	Address	Contacts
43	A K Khan Moor	H#825, Jakir Hossain Road, Ward No # 9, Chittagong City Corporation, Pahartoli, Chittagong.	09613225301, 09613225302 E-mail: akkhanmoor@bcbl.com.bd
44	Lohagara	Sayed Plaza, Lohagara, Chattogram	09613225401, 09613225402 E-mail: lohagara@bcbl.com.bd
45	Kumira	Boro Kumira, Shitakundo, Chattogram	01818395954 E-mail: kumira@bcbl.com.bd
46	Dhamairhat	Uttar Rangunia Uchha Biddaloy Shopping Complex, Lalanagar, Rangunia, Chattogram.	09613226601, 09613226602 E-mail: dhamairhat@bcbl.com.bd
47	Khutakhali	Shamshul Alam New Market (1st floor), Word No-5, 17 No Khutakhali Union, Thana-Chakaria, Cox's Bazar	Phone: 01788749700 E-mail: khutakhali@bcbl.com.bd
48	Dewanbazar	Faruk Tower (1st floor), Dewan Bazar, Kotawali Thana, Chattogram	Phone: 01713375099 E-mail: dewanbazar@bcbl.com.bd
49	Patiya	S.M. Tower (1st Floor), 7 No Ward, Patiya Pourasova Patiya, Chattogram.	Phone: 01894806809 E-mail: patiya@bcbl.com.bd
Khulna			
50	Khulna	141, Sir Iqbal Road, Khulna-9100	09613224001-4, 041-732595, 041-2830144, 810911, Fax: 041-810911 E-mail: khulna@bcbl.com.bd
51	Daulatpur	727, Jessore Road, Daulatpur, Khulna-9202	09613221701, 041-761604 Fax: 041-762589 E-mail: daulatpur@bcbl.com.bd
52	Jessore	Mohsin Super Market, 10 R. N. Road Jashore.	09613223501, Fax: 042171180 E-mail: jessore@bcbl.com.bd
53	Kopil Muni	Sorojini Banijo Beponi Market (1st floor), Kopilmuni Sohachori Vidda Mondir, P/O-Kopilmuni. P/S- Paikgacha, Dist. Khulna	09613224101, E-mail: kopilmuni@bcbl.com.bd
54	Lohagara	Nawab Plaza(1st Floor), Ward no-04 , Lohagara, Narail	09613226201-3 E-mail: lohagaranarail@bcbl.com.bd
55	Rupdia	Hiron Super Market, Rupdia, Narendrapur, Katwali, Jessore.	09613226501, 09613226502 E-mail: rupdia@bcbl.com.bd
Rajshahi			
56	Bogra	676, Chamber Bhaban, Jhawtola, Bogura-5800	09613228001-4, 051-65441, Fax: 051-65710 E-mail: bogra@bcbl.com.bd

SL	Branch Name	Address	Contacts
57	Naogaon	Kader Manson (1st Floor) Naogaon Main Road, Naogaon	09613221801, 0741-81118 Fax: 0741-63222 E-mail: naogaon@bcbl.com.bd
58	Rajshahi	341, Station Road, Metropolitan Market (1st Floor), Rajshahi.	09613225201, 09613225202 E-mail: rajshahi@bcbl.com.bd
59	Sujanagar	Haji Abdul Kuddus Shopping Mol, Pabna- Sujangar-Kashinathpur Road	09613226801, 09613226802 E-mail: sujanagar@bcbl.com.bd
60	Ahmedpur	Nahar Plaza (2nd Floor), Baraigram, Ahmedpur, Nator.	09613225501, 09613225502 E-mail: ahmedpur@bcbl.com.bd
Barishal			
61	Barisal	Elahi Tower, Holding no-523, Ward no-8, Bazar Road, Barisal Sadar, Barishal.	09613224201, 0431-2176433 Fax: 0431-61616 E-mail: barisal@bcbl.com.bd
62	Batajore	Batajor Bazar Batajor, Gournadi Barishal.	09613223901 E-mail: batajore@bcbl.com.bd
Sylhet			
63	Sylhet	Gellariya Shopping & Apartment Complex (2nd Floor), West Zinda Bazar, Jallarpar Road, Sylhet	09613221096, 0821-723210 Fax: 0821-728487 E-mail: sylhet@bcbl.com.bd
64	Juri	Hazilmzad Ali Market Vobanigonj Bazar, Juri Moulvibazar.	09613223701, 086275719 Fax: 08627-57192 E-mail: juri@bcbl.com.bd
65	Shamshernagar	Rahim Manson, Shamshernagar, Upazilla:- Kamolganj, Zilla: Moulvibazar	09613225101, 09613225102 E-mail: shamshernagar@bcbl.com.bd
66	Chunarughat	Niranjan City, Holding No-0095-00, Balla Road, Chunarughat, Habigonj.	09613226701, 09613226702 E-mail: chunarughat@bcbl.com.bd
Rangpur			
67	Dinajpur	SM Tower (2nd Floor) Bahadur Bazar Dinajpur.	09613223401, 053166556 Fax: 0531-66555 E-mail: dinajpur@bcbl.com.bd
68	Rangpur	Moin Plaza (1st Floor), 12 Station Road, Rangpur City Corporation, Rangpur.	0128877726 E-mail: rangpur@bcbl.com.bd
Mymensingh			
69	Seedstore Bazar	Hobir Bari, Seedstore Bazar, Valuka, Mymensingh.	09613222701, E-mail: seedstore@bcbl.com.bd
70	Mymensingh	67- 68 Choto Bazar, Kotwali, Mymensingh.	01894806761 E-mail: mymensingh@bcbl.com.bd





SUB-BRANCHES

SL	Sub-Branch	Address	Controlling Br.
01	Mir hajirbug, Dhaka	Arafat Villa, Holding No-66, Mirhajirbug bagicha Mosjid, Word No-51, Thana- Shamnagar, Dhaka Dokkin City Corporation, Dhaka.	Dholaikhal
02	Shah Mukdhom Medical college	Shah Mukdhom Medical college, vill-Lolitahar, Ward no:-09, Union: Parila, Th- Chondrima, Rajshahi.	Rajshahi
03	Full bari gate, Khulna	Shesk Super Market, Fulbari gate, Khan Jahan Ali, Khulna.	Daulatpur
04	Narshingdi Upozila moor, Panchdona	Fazlu Miah Super Complex, 1st floor, Narshingdi, Sadar, Narshingdi.	Panchdona
05	Asampara, Habigonj	Shekh Mension, 1st Floor, Asampara Bazar, Gazipur, Chunarughat, Habiganj.	Chunarughat
06	Nowapur Bazar, Narayangong	City Plaza, (1st Floor), Nayapur, Sadipur, Sonargaon, Narayangonj.	Sonargaon
07	Bodorganj, Rangpur	Badorganj Shopping Complex (1st Floor), Upozila Road, Badarganj, Rangpur.	Rangpur
08	Gangachora, Rangpur	H.K. Shopping Complex, Gangachora Bazar, Zero Point, Gangachora, Rangpur.	Rangpur
09	Koira, Khulna	Mridhu Super Market (1st Floor), Modinabad, Koira, Khulna.	Kopilmoni Bazar
10	Dasuria, Pabna	Khan Palace, Dashuria, Ishordi, Pabna.	Ahmedpur
11	Tulatoli, Chattagram	Gawsia Market, Tulatoli Jamai bazar Road, Chottogram City Corporation, Bakulia, Chattagram.	Chaktai
12	Rupsha, Khulna	East Rupsha Bus Stand Road, Bag mara, Rupsha, Khulna.	Khulna
13	Stationbazar Sub br	Friends Plaza Floor (1st floor), Holding No-0312/01, Natore Razshahi Road, Word No-07, Natore Poroshova, Thana-Natore Sadar, Natore.	Ahmedpur
14	Shantahar Sub br	Razplaza (1st floor) Holding No-419, Daily Bazar Road, Shantahar prorshova, Thana-Adamdighi, Bogra.	Naogaon
15	Nandipara Sub br	Salina Monjil (1st floor), Holding No-0312/01, Nandipara Main Road, Word No-74, Thana-Khilgaon, Dhaka South Citycorporation, Dhaka.	Khilgaon
16	Sagardighi Sub br	Siddique Plaza (1st floor), Sagardighi bazar, Union-Sagardighi, Thana-Ghatail, Tangail	Seedstore
17	E.P.Z	L.A Tower (1st floor), Holding No-2353/3401, M.A.Aziz Road, Word No-39, Thana-E.P.Z, Ctg City Corporation, Chattagram.	Agrabad

SL	Sub-Branch	Address	Controlling Br.
18	Ranigaon	Doha Roha Market (1st floor), East Ranigaon, Ranigaon Union, Word No-03, Thana-Chunarughat, Habigonj.	Chunarughat
19	Station Road	Allahu Building (1st floor), 211/21, Station Road South, Word No-09, Cumilla City Corporation, Thana-Adorsha Sadar, Cumilla.	Cumilla Zila School Road
20	Chakbazar	M.M.Plaza (1st floor), Holding No-13/13, Teriputti, Chakbazar Police pari road, Word No-06, Cumilla City Corporation, Cumilla.	Cumilla Zila School Road
21	Beparipara	Rashid Tower (1st floor), Holding No-907/948, Beparipara road, Word No-27, Halishahar, Ctg City Corporation, Chattagram.	Agrabad
22	Zia Sarani	Nasir Mansion (1st Floor), Holding No-36/B, Palashpur, Zia Sarani, Ward No-60, Dhaka South	Merajnagar
23	Rabirbazar	Sarder Mansion (1st Floor), 12 No Prithimpasha Union, Dag No-495, Khatian No-1196, Mouza- Prithimpasha, P.S- Kulaura, Moulvibazar.	Shamsher Nagar
24	Shaistaganj	Islam Complex (1st floor), Holding No-0333-00, Daudnagar Bazar Sarak, Ward No-04, Shaistaganj Pourashava, Shaistaganj, Habigonj.	Chunarughat
25	Jalalpur Bazar	Sheikh Mansion (1st floor), Vill- Jalalpur, Dag No- 2528, Khatian No-337, Mouza- Sabdalpur, Union-07 No Jalalpur, Ward No-04, Thana- Moglabazar, Dist – Sylhet.	Sylhet
26	Panchtala Bazar	Latif Mansion (1st floor), Post Office Road, Panchtala Bazar Moor, Word No-37 Thana-Badda, Dhaka.	Progotisarani

BCBL Network District Coverage



-  BCBL Branch Coverage
-  BCBL Sub-Branch Coverage
-  Division
-  Capital

BCB
ডিস্কা
কার্ড

BCB ক্রেডিট কার্ড
নেই কোনো হিডেন চার্জ

- ইন্টারেস্ট ফ্রি ক্রয় সুবিধা
- নেই কোনো হিডেন চার্জ



বাংলাদেশ কমার্স ব্যাংক লিমিটেড
BANGLADESH COMMERCE BANK LIMITED

* শর্ত প্রযোজ্য



Bangladesh Commerce Bank Limited

Corporate Office: Eunoos Trade Center (Level-22),
52-53, Dilkusha C/A, Dhaka-1000, Bangladesh

PROXY FORM

I/We _____ of _____

_____ being a Shareholder of **Bangladesh Commerce Bank Limited** do hereby appoint
Mr./Ms. _____ of _____

as my/our proxy to attend and vote for me/us and on my/our behalf at the **24th Annual General Meeting** of the Company to be held on Saturday, **24 September, 2022** at 11.00 a.m. at through Digital Platform.

As witness my/our hands this _____ day of _____ 2022.

(Signature of the Shareholder(s))

Folio No: _____

No. of Shares: _____

Date: _____

(Signature of the proxy)



Note: The proxy form should reach the Registered Office of the Company not less than 72 hours before the time fixed for the meeting.

Signature Verified

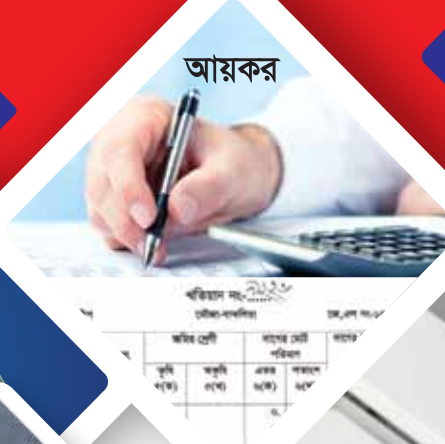
Authorized Signatory
Bangladesh Commerce Bank Limited

Note: Signature must agree with the recorded signature.



অটোমেটেড চালান সিস্টেম-এ দ্রুত, সহজ ও নিরাপদে সরকারি রাজস্ব জমা দিন

আয়কর



গণ-প্রজাতন্ত্রী বাংলাদেশ সরকারের অর্থ মন্ত্রণালয় কর্তৃক প্রবর্তিত অটোমেটেড চালান সিস্টেমের মাধ্যমে বাংলাদেশ কমার্স ব্যাংকের সকল শাখা/উপ-শাখায় বামেলাবিহীন দ্রুত ও সহজে সরকারি ৮০টিরও বেশী (পাসপোর্ট ফি, আয়কর, ভ্যাট, নামজারী ফি, ভূমি উন্নয়ন কর, জাতীয় পরিচয়পত্র ফি, জন্ম ও মৃত্যু নিবন্ধন ফি ইত্যাদি) রাজস্ব জমা দেওয়া যায়।

আজই কোন রকম বামেলা ছাড়াই সরকারি রাজস্ব জমা দিতে ব্যাংকের যেকোন শাখা/উপশাখায় চলে আসুন।

বিস্তারিত জানতে ভিজিট করুন: www.bcblbd.com অথবা আপনার নিকটস্থ শাখা/উপশাখায় যোগাযোগ করুন।

**গণ-প্রজাতন্ত্রী বাংলাদেশ সরকারের ডিজিটাল বাংলাদেশ বিনির্মাণের
গর্বিত অংশীদার বাংলাদেশ কমার্স ব্যাংক লিমিটেড।**



বাংলাদেশ কমার্স ব্যাংক লিমিটেড
BANGLADESH COMMERCE BANK LIMITED

Call Center: 16270

www.bcblbd.com



Corporate Office : Eunoos Trade Center, Level-22, 52-53, Dilkusha C/A, Dhaka-1000.
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