

**Independent Auditors Report
and
Audited Consolidated & Separate Financial Statements
of
Bangladesh Commerce Bank Limited and it's subsidiaries
As on and for the year ended on 31 December 2024**



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 the Bangladesh Commerce Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2024 and the consolidated and separate profit and loss accounts, consolidated and separate statement 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.

In our opinion, except for the effect of the matters 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 consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2024 and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2 and comply with the Bank Company Act, 1991 (as amended up to date), the Companies Act 1994, the Rules and Regulations issued by the Bangladesh Bank, and other applicable Laws and Regulations.

Basis for Qualified Opinion

1. BRPD circular letter No. 18, dated 15 June 2023, requires all Banks to maintain paid-up Capital not less than Taka 500 crore. The paid-up capital of the Bank as on 31 December 2024 is Taka 198.87 crore as presented in note 14.2 of these financial statements, which means the Bank could not maintain the minimum required paid-up capital as directed by the aforementioned BRPD circular of the Bangladesh Bank due to restrictions in the Act no. 12 of 1997. In addition, we draw your attention to note 14.2 regarding the compliance of the RJSC.
2. As per the revised Guidelines on Risk-Based Capital Adequacy 2014 (Revised Regulatory Capital Framework for banks in line with Basel III) issued by the Bangladesh Bank; the Bank need to maintain total capital of Taka 500 crore, but the total eligible capital of the Bank is Taka (1,207.32) crore as presented in note 14.3 of these financial statements hence the deficit of Capital fund stood amount to Taka 1,707.32 crore as on 31 December 2024. As on 31 December 2024, the Bank's negative Capital to Risk Weighted Assets Ratio (CRAR) is 32.35%, which is in a negative upward trend since long. On the other hand, in minor shock, it will stand at negative 39.00%. It is also noted that the Bank avails deferral facilities from Bangladesh Bank by vide Letter No. DOS(CAMS)1157/41(Dividend) /2025-3096, dated 21 May 2025, amounts to Taka 1,200.92 crore otherwise, the negative CRAR will be 64.11%.



3. As per IFRS 16- Leases, all rent contracts should be accounted for as a finance lease, and these will lead to recognition of lease liability. The Bank has implemented the above IFRS for its Head Office only, resulting in non-compliance with full implementation of IFRS 16.
4. As discussed in note 3.3 of the financial statements where shortfall of CRR & SLR represent amount to Taka 139.52 crore and Taka 427.32 crore respectively and remain negative throughout the year, which indicates the Bank was facing serious liquidity crisis and its net cash flow were negative amount Taka 720.50 Crore and liquidity statement also negatively represent amount to Taka 1,218.37 crore. The above-mentioned financial scenario indicates the inability of the Bank's repayment to its depositor in maturity. On the other hand, Taxes and Duties Payable amount to Taka 30.36 crore and VAT and Payable on deposit Taka 3.88 crore were outstanding due to liquidity crisis which needs to be deposited through treasury challan to the Government as per the Income Tax Act.
5. Concerning the disclosure in Note No. 21, it was observed that an amount of BDT 9.12 crore was shown as interest paid on deposits related to the project "Development of Road and Drainage Network with Citizen Service" under Mymensingh City Corporation, maintained at the Mymensingh Branch. As per the decision taken in the ALCO meeting dated 27.02.2022, this interest was paid to the Current Account No. 05921000228 of M/s. Karnaphuli Enterprise amounting to Taka 7.52 crore, amounting to Taka 5 lakh Pay Order No. 0633461 remained unreconciled till 08.04.2024, and amounting to Taka 1.55 crore paid in cash through various pay orders. However, we could not confirm that the interest was paid to any account maintained by the Mymensingh City Corporation. The payment of interest to a non-interest-bearing account held by a party, and not directly to the respective parties (City Corporation) bank account, indicates a fraudulent misappropriation of funds and constitutes a violation of standard banking regulations, thereby increasing the interest expenses of the Bank by the same amount.
6. With reference to the note no. 9.1 & 13.3 total advance Income Tax reported amount to Taka 130.30 crore against Income Tax provision amount to Taka 76.06 crore, the differential amount to Taka 54.24 crore is doubtful for future adjustment.
7. With reference to Note No. 2.22, the consolidated financial statements include the unaudited financial statements of Commerce Bank Securities and Investment Limited. These unaudited financial statements reflect total assets of Taka 125.80 crore; shareholders' equity of Taka 79.54 crore; current liabilities of Taka 41.81 crore; non-current liabilities of Taka 4.44 crore; operating income of Taka 14.21 crore; and net income after tax & reserve of Taka 0.33 crore.



Emphasis of Matter

1. We draw your attention to note no. 7.9.1 of the financial statements, where the Bank's total required provision against loans and advances is to Taka 1,013.17 crore, which is in an upward trend, and the Bank avails deferral facilities from Bangladesh Bank by vide Letter No. DOS(CAMS)1157/41(Dividend)/ 2025-3096, dated 21 May 2025, amounts to Taka 1,200.92 crore. However, the Bank's net gap between cost of funds and yield on loans is to 5.68% due to 68.34% classified loans and advances, which leads to the Bank on negative interest income and operating cash flows year to year. It's also reducing the total assets of the Bank.

We conducted our audit in accordance with the 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 Group 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 consolidated 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 qualified opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.1.2, Note 4.1.3, and Note 14.03, which describe the Bank incurred net loss over a 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 (SL No 1, 2, 4 & 5) indicate that a material uncertainty exists that may cast significant doubt on the Bank's ability to continue as a going concern. In consideration of consecutive backing from the Bangladesh Bank, our report has not been modified.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the year ended 31 December 2024. These matters were addressed in the context of the audit of the financial statements, and in forming the Auditors' opinion thereon, and we do not provide a separate opinion on these matters. For each matter described below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



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 loans & advances portfolios associated with credit risk is judgmental and complex.</p> <p>The Bank calculates provision for loans and advances by considering various factors such as rate of provision, loan category, expiry date, Outstanding Balance, Interest suspense amount, value of eligible collateral as per BRPD circular no. 14 dated 23 September 2012 and its subsequent amendments.</p> <p>To minimize COVID-19 impact, Bangladesh Bank issued several circulars for providing deferral facility to aggrieved customers and directed the banks to keep an extra provision (Special General Provision-COVID-19) for those borrowers who have availed the deferral facilities.</p> <p>As per BRPD Circular No. 58 dated December 31, 2024, the Special General Provision for COVID-19 has been repelled and Banks may transfer the special general provision to general or specific provision. Bangladesh Commerce Bank Limited has not transferred the special general provision Taka 4.33 crore to specific provision.</p> <p>At the year's end, the Bank reported total loans and advances of Taka 2,351.19 crore (2023: Taka 2,397.54 crore) and provision for loans and advances of Taka 375.72 crore (2023: Taka 372.43 crore) respectively. We have focused on the following significant judgments and estimates that 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 monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; and • Review of quarterly Classification of Loans (CL). • Follow Bangladesh Bank's circular and guidelines; <p>Our substantive procedures in relation to the provision for loan and advances portfolio comprised the following:</p> <p>For confirming the classification of rescheduled lease, loans and advances. we performed the following procedures:</p> <ul style="list-style-type: none"> • We checked the no. of instalments outstanding and compliance with BRPD Circular No. 16 dated 18 July 2022; • We have checked that provision regarding COVID-19 has been transferred to general provision. • Reviewed the adequacy of the bank's general and specific provisions; • Assessed the methodologies on which the provision amounts are based, (value of eligible securities, interest suspense), recalculated the provisions for lease, loans and advances; and • We assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.



Description of key audit matters	Our response to key audit matters
Since the identification of NPLs and provisioning for loans and advances require a significant level of estimation and given its significance to the overall audit, we have identified the measurement of provisioning for loans and advances as a key audit matter.	<ul style="list-style-type: none"> Finally, we compare the amount of provision requirement as determined by the Bangladesh Bank inspection team to the actual amount of provision maintained.
See notes no.07, 7.7,7.9.1 and 13.1 to the financial statements.	
Loans and advances	
Loans and advances are the main elements of the financial statements of the Bank. The income of the Bank is mainly dependent on the portfolio of loans and advances. Management performance is highly dependent on the target achievement of loans and advances. Loan disbursement requires robust documentation followed by approval from the appropriate level of authority. We have identified loans and advances as key audit matters because there is an inherent risk of fraud in the disbursement of loans and advances by management to meet specific targets or expectations. In addition, the bank reported a non-performing loan of Taka 1,606.75 crore. 29.75% higher than the previous year (2023: 1,238.35 crore) which is 68.34% of the total loans and advances.	<p>We tested the design and operating effectiveness of key controls focusing on credit appraisal, loan disbursement procedures, and monitoring process as well as the percentage of non-performing loans and advances.</p> <p>We have performed procedures to check whether the Bank has ensured appropriate documentation as per Bangladesh Bank regulations and the Bank's policy before disbursement of loans and advances. In addition, we have performed procedures to check whether the loans and advances are recorded completely and accurately and that are exist at the reporting date. Furthermore, we have assessed the appropriateness of disclosure against Bangladesh Bank guidelines.</p>
See notes no 7, 7.7,7.10 and 13.1 to the financial statements.	
Recognition of interest income	
Recognition of interest income has a significant and wide influence on financial statements. Recognition and measurement of interest income has involvement in complex IT environments.	We tested the design and operating effectiveness of key controls over the recognition and measurement of interest on loans and advances.
We identify recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in recognition of interest by	<p>We performed a test of operating effectiveness on automated control in place to measure and recognize interest income.</p> <p>We have also performed substantive procedures to check whether interest income is recognized completely and accurately.</p>



Description of key audit matters	Our response to key audit matters
<p>management to meet specific targets or expectations.</p> <p>The bank has reported an interest income of Taka 159.99 crore, which is 22.09% higher than the previous year (2023: Taka 1,31.05 crore). As such, negative EPS represents Taka 192.91, which has decreased 51.91% as compared to last year.</p> <p>The Bank has reported investment income of Taka 38.21 crore, which is an increase of 10.97%. On the other hand, commission, exchange brokerage, and other operating income reported Taka 15.09 crore, which is 16.32% lower than the previous year (2023: Taka 12.97 crore).</p> <p>Accordingly, this has been considered a key audit matter.</p>	<p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p> <p>We Performed the substantive analytical procedure to assess reasonableness of interest recognized during the year.</p>
See note no 20,22 & 23 to the financial statements	
Measurement of deferred tax assets (DTA)	
<p>The adequacy of the income tax provision and the measurement of deferred tax assets is considered a key audit matter due to the significant judgment involved in determining both the current and deferred tax, as well as the potential impact on the financial position and performance of the company. These areas involve complex estimates, the application of tax laws, and the assessment of future taxable income, which require careful consideration and professional judgment.</p> <p>Both income tax provisions and deferred tax assets rely on significant estimates. There is a risk that these estimates may be incorrect or overly optimistic, particularly in the case of deferred tax assets, which can be recognized only if it is probable that the Bank will have future taxable profits against which the deferred tax assets can be utilized.</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 both current tax and deferred tax, including the assumptions used in estimating the Bank's taxable income.</p> <p>We carefully reviewed any ongoing tax litigation between the Bank and the income tax authority, as well as the tax positions for the years where income tax assessments are still pending. We also assessed the adequacy of the tax provision recorded by the Bank. Special attention was given to any reversals or adjustments made to the income tax provision from prior years.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income to ensure that The Bank has</p>



Description of key audit matters	Our response to key audit matters
Due to the inherent complexity and estimation uncertainty in both areas, and the materiality of the amounts involved; we have determined them as a key audit matter.	<p>sufficient taxable profit to recover the deferred tax assets in foreseeable future.</p> <p>We recalculated the current tax provision and deferred tax assets to ensure that the Bank has determined them in accordance with the applicable laws and regulations.</p> <p>We engaged our tax specialist team to assess the key assumptions, controls, and the recognition and measurement of both current and deferred tax.</p> <p>Finally, we assessed the appropriateness and presentation of the disclosures in accordance with IAS 12, Income Taxes, including the deduction of deferred tax assets from regulatory capital.</p>
See note 9.8 of the financial statements.	
Shareholder's Equity	
<p>The bank has an amount of Taka 198.87 crore, reported as a paid-up capital in the financial statements and Right Share Application Money reported to Taka 91.73 crore.</p> <p>This has a wide influence on the financial statements and requires adequate compliance.</p> <p>Accordingly, this has been considered a key audit matter.</p>	<p>We assessed the status of the processes and controls put in place by the Bank.</p> <p>We checked necessary compliances and procedures relating to the matter. Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards. Share certificate has not been issued against "Right Share Application Money" due to restrictions in the act no. 12 of 1997. Amendment may require in the act no. 12 of 1997 to issue right share, which is now under process in the Ministry of Finance under Bank and Financial Institutions Division.</p>
See note 14.2(a) to the financial statements.	



Description of key audit matters	Our response to key audit matters
Valuation of treasury bills and treasury bond	
<p>The classification and measurement of Treasury Bills and Treasury Bonds require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of Treasury Bills and Treasury Bonds is determined using complex valuation techniques that may take into consideration direct or indirect unobservable market data and complex pricing models that 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, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note no 6.1.1 and 6.1.2 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 that 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 investment valuation as of 31 December 2024 and compared our results to the recorded value.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note no 6.2 to the financial statements	



Description of key audit matters	Our response to key audit matters
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, change 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 for changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configurations, and other application layer controls identified as key to our audit.</p> <p>We perform the testes of IT general controls to evaluate the application development and databases, hosting platforms and segregation of incompatible duties relevant to application and database change management.</p>
Legal and regulatory matters	
<p>We focused on this area because the Bank operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows concerning the provisions that have been established and other contingent liabilities.</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 about the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p>



Description of key audit matters	Our response to key audit matters
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.	We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information. We also assessed the Bank's provisions and contingent liabilities disclosure.

Other Matter

We have sought balance confirmations for cash & balance with Bangladesh, banks & NBFIs, investments in shares & securities, deposits, and bonds. However, no responses have been received to date. The consolidated and separate financial statements of Bangladesh Commerce Bank Limited for the year ended 31 December 2023 were audited by Hoda Vasi Chowdhury & Co. Chartered Accountants, who expressed a modified opinion on those statements on 30 April 2024.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our Auditors' 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, best 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 consolidated and separate Financial Statements and Internal Controls

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



In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Bank or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the bank audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 (as amended up to date), the Bank Companies Act, 1991 (as amended up to date), the Financial Reporting Act 2015 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 do verification thereof; except those mention in our basis for qualified opinion section of our report.
- ii. to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - (a) internal audit, internal control and risk management arrangements of the Group and 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 Group and its related entities (other than matter disclosed above in para 5 of the basis for qualified opinion);



কাজী জহির খান এন্ড কোং
KAZI ZAHIR KHAN & Co.
Chartered Accountants
In Practice Since 1980



ABACUS
WORLDWIDE
INDEPENDENT MEMBER



- iii. financial statements of Bangladesh Commerce Bank Limited subsidiary namely, Commerce Bank and Investment Limited have not been audited. All these entities (unaudited figure) have been properly reflected in the consolidated financial statements;
- iv. in our opinion, proper books of account as required by law have been kept by the Group and Bank so far as it appeared from our examination of those books;
- v. the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- vi. the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- vii. the expenditures incurred were for the purpose of the Bank's business for the year;
- viii. the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- ix. provisions have been made for Investment and other based on the financial statements for the year ended on 31 December 2024 which are in our opinion, doubtful of recovery as per Bangladesh Bank approval given vide letter no DOS (CAMS) 1157/41 (Dividend) /2025-3096, dated- 21 May 2025.
- x. the information and explanations required by us have been received and found satisfactory;
- xi. we have reviewed over 80% of the Risk Weighted Assets (RWA) of the Bank and spent over 5,200 person hours; and
- xii. Capital to Risk Weighted Assets Ratio (CRAR) as required by Bangladesh Bank has not been maintained during the year.

Signed for & on behalf of
Kazi Zahir Khan & Co.
Chartered Accountants
Firm Registration No. With FRC:
CAF- 001-116

Md Nurul Hossain Khan, FCA
Managing Partner
Enrolment: #0240

Place: Dhaka
Date: 28 May 2025
DVC: 2505280240AS356471

Signed for & on behalf of
Ahsan Manzur & Co.
Chartered Accountants
Firm Registration No. With
FRC: CAF- 001-127

Md. Raghieb Ahsan, FCA
Managing Partner
Enrolment: #689

Place: Dhaka
Date: 28 May 2025
DVC: 2505280689AS438368

Address: Home Town Apartments, (Flat-C, level-15 & Flat-B, Level-13), 87 New Eskaton Road, Dhaka-1000, Tel: +88-02-48319757, Email: kzkc48@gmail.com

Address: House: 373 (2nd Floor), Road: 28, DOHS Mohakhali, Dhaka-1206, Ph- +88-02-9885210, Email: info@amc-bd.com

Bangladesh Commerce Bank Limited and its Subsidiary
Consolidated Balance Sheet
As at 31 December 2024

Particulars	Notes	Amount in Taka	
		2024	2023
PROPERTY AND ASSETS			
Cash	3(a)	813,649,104	6,900,362,520
Cash in hand (including foreign currencies)	3.1(a)	375,647,033	656,348,830
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	438,002,071	6,244,013,691
Balance with other banks and financial institutions	4(a)	12,961,458,526	14,079,396,425
Inside Bangladesh		12,714,310,349	13,569,655,434
Outside Bangladesh	4.2	247,148,177	509,740,991
Money at call on short notice	5(a)	28,400,000	28,600,000
Investments	6(a)	4,957,153,336	5,027,501,394
Government		4,075,211,249	4,095,950,675
Others		881,942,087	931,550,719
Loans and Advances	7(a)	23,467,515,664	23,975,400,474
Loans, Cash Credit, Overdrafts etc.		23,464,914,219	23,954,496,999
Bills purchased and discounted		2,601,445	20,903,475
Fixed assets including premises, furniture and fixtures	8(a)	562,136,562	592,646,068
Other assets	9(a)	6,743,300,075	6,032,384,864
Non-banking assets	10	-	-
Total Property and Assets		49,533,613,268	56,636,291,745
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	7,381,875,653	8,021,610,644
Deposits and other accounts	12(a)	42,648,595,675	46,911,386,340
Current Account and Other Accounts etc.	12.1	6,255,831,283	6,309,117,378
Bills Payable	12.2	746,691,476	739,260,821
Savings Bank Deposits	12.3	3,389,409,646	4,657,033,992
Short Term Deposit	12.4	2,996,946,305	3,090,765,320
Fixed Deposits	12.5	19,824,121,297	25,212,886,057
Deposits under Different Schemes	12.6.2	9,435,595,669	6,902,322,773
Other liabilities	13(a)	11,541,444,411	9,881,891,675
Total Liabilities		61,571,915,740	64,814,888,660
Capital/Shareholders' Equity			
Paid-up-Capital	14.2 (a)	1,988,742,800	1,988,742,800
Share Capital BCI Ltd.		15,300,000	15,300,000
Right Share Application Money	14.2 (b)	917,259,650	917,259,650
Statutory Reserve	15(a)	275,060,371	275,060,371
Other Reserve	16(a)	10,696,261	10,317,176
Revaluation Reserve for HTM & HFT Securities	17(a)	45,064,374	72,049,741
Retained Earnings/(Loss on profit & loss A/C)	18(a)	(15,290,426,207)	(11,457,326,744)
Total Shareholders' Equity		(12,038,302,751)	(8,178,597,006)
Non-Controlling Interest		280	92
Total Equity		(12,038,302,471)	(8,178,596,914)
Total Liabilities and Shareholders' Equity		49,533,613,268	56,636,291,745



Bangladesh Commerce Bank Limited & its Subsidiary
Consolidated Balance Sheet (Continued)
As at 31 December 2024

Particulars	Notes	Amount in Taka	
		2024	2023
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities			
Acceptances and Endorsements	19	240,317,608	257,172,176
Letter of Guarantees	19.1	1,190,443,143	1,278,409,260
Irrevocable Letter of Credit	19	668,534,901	920,649,302
Bills for Collection	19	2,856,784,149	2,830,454,929
Other contingent liability	19.2	100,610,480	103,626,480
TOTAL CONTINGENT LIABILITIES		5,056,690,280	5,390,312,147
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		5,056,690,280	5,390,312,147

The annexed notes 1 to 40 and Annexure A,B,C,D, E and F form an integral part of these consolidated financial statements.


Managing Director


Director

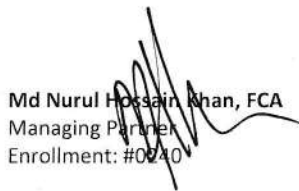

Director


Chairman

Signed in terms of our separate report of even date

Signed for & on behalf of
Kazi Zahir Khan & Co.
Chartered Accountants
Firm Registration No. With FRC:
CAF- 001-116

Signed for & on behalf of
Ahsan Manzur & Co.
Chartered Accountants
Firm Registration No. With FRC:
CAF- 001-127


Md Nurul Hossain Khan, FCA
Managing Partner
Enrollment: #09240


Md. Raghib Ahsan, FCA
Managing Partner
Enrollment: #689

Place: Dhaka
Date: 28/05/2025
DVC: 2505280240AS356471

Place: Dhaka
Date: 28 May 2025
DVC: 2505280689AS4 38368



Bangladesh Commerce Bank Limited and its Subsidiary
Consolidated Profit & Loss Account
As at 31 December 2024

Particulars	Notes	Amount in Taka	
		2024	2023
Interest Income	20 (a)	1,659,556,427	1,370,481,756
Interest paid/ Profit shared on Deposits and Borrowings etc	21(a)	4,255,737,074	2,828,270,300
Net Interest Income		(2,596,180,646)	(1,457,788,544)
Income from Investments in Shares and Securities	22(a)	391,843,765	357,036,178
Commission, Exchange Earnings & Brokerage	23(a)	223,320,596	212,672,684
Other Operating Income	24(a)	102,708,395	165,015,872
		717,872,756	734,724,734
Total operating income (A)		(1,878,307,891)	(723,063,811)
Salaries and Allowances	25(a)	1,246,737,397	1,243,678,524
Rent, Taxes, Insurance, Electricity, etc.	26(a)	182,298,412	211,255,287
Legal Expenses		462,403	1,328,126
Postage, Stamp, Telecommunication etc.	27(a)	38,321,078	38,701,452
Stationery, Printing, Advertisement etc.	28(a)	48,654,788	29,062,986
Managing Director's salary and fees	29	9,720,000	12,960,000
Directors' Fee and expenses	30(a)	2,764,100	1,586,424
Auditors' Fee		510,000	471,500
Depreciation & Repairs of Bank Assets	31(a)	127,900,297	133,176,596
Other Expenses	32(a)	106,691,692	97,235,638
Total operating expenses (B)		1,764,060,167	1,769,456,532
Total Profit/ (Loss) before Provision & Taxes (C)=A-B		(3,642,368,057)	(2,492,520,343)
Provision for Loans & Advances		29,107,010	30,944,240
Provision for diminution in value of Investment		54,328,209	(19,082,449)
Provision for Off Balance Sheet Items		-	(4,144,858)
Other provisions		-	17,572,141
Total provision (D)		83,435,219	25,289,074
Profit/(loss) before taxes (C-D)		(3,725,803,276)	(2,517,809,417)
Provision for Taxation		106,916,824	5,188,993
Current tax expense		122,533,335	22,757,956
Prior year tax expense		-	-
Deferred tax expense/ (Income)		(15,616,512)	(17,568,962)
Net profit/ (loss) after taxation		(3,832,720,100)	(2,522,998,411)
Appropriations			
Statutory Reserve		-	-
General Reserve		-	-
Capital Reserve		379,085	-
Dividends Etc.		-	-
		379,085	-
Retained surplus		(3,833,099,185)	(2,522,998,411)
Earning Per Share (EPS)	34(a)	(192.72)	(126.86)

The annexed notes 1 to 40 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 terms of our separate report of even date

Signed for & on behalf of
Kazi Zahir Khan & Co.
Chartered Accountants
Firm Registration No. With FRC:
CAF- 001-116



Md Nurul Hossain Khan, FCA
Managing Partner
Enrollment: #0240

Place: Dhaka

Date: 28/05/2025

DVC: 2505280240AS356471

Signed for & on behalf of
Ahsan Manzur & Co.
Chartered Accountants
Firm Registration No. With FRC:
CAF- 001-127


Md. Raghib Ahsan, FCA
Managing Partner
Enrollment: #689

Place: Dhaka

Date: 28 May 2025

DVC: 2505280689AS438368



Bangladesh Commerce Bank Limited and its Subsidiary
Consolidated Cash Flow Statement
As at 31 December 2024

Particulars	Amount in Taka	
	2024	2023
A. Cash flow from operating activities		
Interest receipts	977,356,656	711,691,968
Interest payments	(3,991,252,068)	(2,589,174,919)
Dividend receipts	28,851,542	9,911,131
Fees and commission receipts in cash	150,920,539	129,749,260
Cash payment to employees	(1,185,997,470)	(1,188,913,435)
Cash payment to suppliers	(260,043,870)	(268,184,555)
Income Taxes paid	(111,584,431)	(52,096,670)
Receipts from other operating activities	143,301,495	187,993,608
Payments for other operating activities	(89,023,828)	(77,305,615)
Operating profit before changes in operating assets and liabilities	(4,337,471,436)	(3,136,329,228)
Increase/(Decrease) in operating assets & liabilities	(1,789,762,453)	5,238,354,681
Statutory Deposits	20,739,426	-
Loan & advance to customers	463,462,332	(315,596,092)
Other assets	319,904,113	(167,663,008)
Deposits from other banks/ borrowings	(2,248,338,348)	(1,229,350,607)
Deposits from customers	(2,278,937,323)	6,204,578,040
Other liabilities	1,933,407,346	746,386,348
Net cash flows from/ (used in) operating activities (CBSIL)	(388,539,010)	(27,041,505)
Net cash flow from operating activities (A)	(6,515,772,899)	2,074,983,948
B. Cash flow from investing activities	(39,912,500)	(85,829,140)
Purchase of property, plant & equipment	(89,173,468)	(198,566,499)
Purchase/sale of Securities & bond	49,260,968	112,737,359
Net Cash flow from investing activities(CBSIL)	14,228,386	(31,611,954)
Net cash flow from/ (used in) investing activities (B)	(25,684,114)	(117,441,094)
C. Cash flow from financing activities		
Receipts from issue / repayment of debt instruments	(639,734,991)	7,311,619,082
Long Term loan payment to BCBL	-	-
Payment for redemption of debt instruments	(26,985,367)	(18,679)
Receipts from issuing ordinary share/ rights share	-	-
Cash Dividend	-	-
Net Cash flow from Financing activities(CBSIL)	3,168,558	20,303,614
Net cash flow from /(used in) financing activities (C)	(663,551,801)	7,331,904,016
G. Cash and cash equivalents at end of year (D+E+F) (*)		
Net increase in Cash and Cash Equivalents (A+B+C)	(7,205,008,814)	9,289,446,870
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and Cash Equivalents at the beginning of the year	21,009,758,545	11,720,311,676
Cash and cash equivalents at end of year	13,804,749,731	21,009,758,545
Closing Cash & Cash Equivalent		
Cash in Hand (including foreign currency)	375,647,033	656,348,830
Balance with Bangladesh Bank and its Agent Banks	438,002,071	6,244,013,691
Balance with Other Bank's and Financial Institutions	12,961,458,526	14,079,396,425
Money at Call on Short Notice	28,400,000	28,600,000
Prize Bond	1,242,100	1,399,600
	13,804,749,731	21,009,758,545


Managing Director


Director

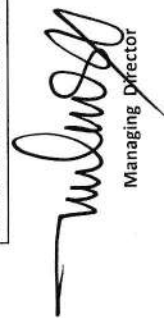

Director


Chairman



Bangladesh Commerce Bank Limited and its Subsidiary
Consolidated Statement of changes in Equity
As at 31 December 2024

Particulars	Paid up Capital (Including Share Capital BCI & Right Share Application Money)	Share Premium	Non-Controlling Interest	Statutory Reserve	Revaluation Reserve (HFT/HTM)	Other Reserve	Retained Earnings	Total
Balance as on January 01, 2024	2,921,302,450	-	92	275,060,371	72,049,741	10,317,176	(11,457,326,742)	(8,178,596,912)
Changes in Accounting Policy	-	-	-	-	-	-	-	-
Restated Balance								
Share Capital BCI Ltd.								
Adjustment for the application of IFRS-16 (Lease)								
Right Share Application Money								
Increase in Statutory Reserve	-	-	-	-	-	379,085	-	379,085
Revaluation Reserve for HTM Securities	-	-	-	-	(26,985,367)	-	-	(26,985,367)
Capital Reserve								
Net Profit/(Loss) for the year	-	-	188	-	-	-	(3,833,099,373)	(3,833,099,185)
Balance as on December 31, 2024	2,921,302,450	-	280	275,060,371	45,064,374	10,696,261	(15,290,426,207)	(12,038,302,472)
Balance as on January 01, 2023	2,921,302,450	-	91	275,060,371	72,068,420	8,920,366	(8,929,078,331)	(5,651,726,633)
Changes in Accounting Policy	-	-	-	-	-	-	-	-
Restated Balance								
Share Capital BCI Ltd.								
Adjustment for the application of IFRS-16 (Lease)								
Right Share Application Money								
Increase in Statutory Reserve	-	-	-	-	-	1,396,810	-	1,396,810
Revaluation Reserve for HTM Securities	-	-	-	-	(18,679)	-	-	(18,679)
Issuance of Share Capital	-	-	-	-	-	-	-	-
Redemption of Share Capital	-	-	-	-	-	-	-	-
Net Profit/(Loss) for the year	-	-	0.70	-	-	-	(2,522,998,411)	(2,522,998,411)
Deferred Tax Adjustment							(5,250,000)	
Balance as on December 31, 2023	2,921,302,450	-	92	275,060,371	72,049,741	10,317,176	(11,457,326,742)	(8,173,346,912)

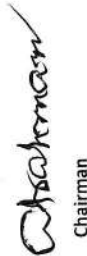

Managing Director




Director


Director




Chairman

Bangladesh Commerce Bank Limited

Balance Sheet

As at 31 December 2024

Particulars	Notes	Amount in Taka	
		2024	2023
PROPERTY AND ASSETS			
Cash	3	813,452,789	6,900,049,335
Cash in hand (including foreign currencies)	3.1	375,450,718	656,035,644
Balance with Bangladesh Bank and its agent bank (s)	3.2	438,002,071	6,244,013,691
Balance with other banks and financial institutions	4	12,822,742,732	13,569,655,434
Inside Bangladesh	4.1	12,575,594,555	13,194,652,626
Outside Bangladesh	4.2	247,148,177	375,002,808
Money at call on short notice	5	28,400,000	28,600,000
Investments	6	5,391,428,997	5,461,429,391
Government	6.1	4,075,211,249	4,095,950,675
Others	6.2	1,316,217,748	1,365,478,716
Loans and Advances	7	23,511,938,141	23,975,400,474
Loans, Cash Credit, Overdrafts etc. / Investment	7.1	23,509,336,696	23,954,496,998
Bills purchased and discounted	7.2	2,601,445	20,903,475
Fixed assets including premises, furniture and fixtures	8	555,556,056	584,759,894
Other assets	9	5,846,483,759	5,106,025,685
Non-banking assets	10	-	-
Total Property and Assets		48,970,002,475	55,625,920,213
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	7,381,875,653	8,021,610,644
Deposits and other accounts	12	42,648,595,675	46,911,386,340
Current/ Al-Wadeeah Current Account and Other Accounts	12.1	6,255,831,283	6,309,117,378
Bills Payable	12.2	746,691,476	739,260,821
Savings Bank / Mudaraba Savings Bank Deposits	12.3	3,389,409,646	4,657,033,992
Short Term Deposit	12.4	2,996,946,305	3,090,765,320
Fixed Deposits / Mudaraba Fixed Deposits	12.5	19,824,121,297	25,212,886,057
Deposits under Different Schemes	12.6.2	9,435,595,669	6,902,322,773
Other Liabilities	13	11,123,257,162	9,013,254,556
Total Liabilities		61,153,728,491	63,946,251,541
SHAREHOLDERS' EQUITY			
Capital/Shareholders' Equity			
Paid-up-Capital	14.2 (a)	1,988,742,800	1,988,742,800
Share Capital BCI Ltd.	14.3	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 & HFT Securities	17	45,064,374	72,049,741
Exchange Equalization Account		-	-
Retained Earnings/(Loss on profit & loss A/C)	18	(15,434,073,576)	(11,597,664,256)
Total Shareholders' Equity		(12,183,726,015)	(8,320,331,328)
Total Liabilities and Shareholders' Equity		48,970,002,475	55,625,920,213



Bangladesh Commerce Bank Limited
Balance Sheet (Continued)
As at 31 December 2024

Particulars	Notes	Amount in Taka	
		2024	2023
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities			
Acceptances and Endorsements	19	240,317,608	257,172,176
Letter of Guarantees	19.1	1,190,443,143	1,278,409,260
Irrevocable Letter of Credit	19	668,534,901	920,649,302
Bills for Collection	19	2,856,784,149	2,830,454,929
Other contingent liability	19.2	100,610,480	103,626,480
TOTAL CONTINGENT LIABILITIES		5,056,690,280	5,390,312,147
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		5,056,690,280	5,390,312,147

The annexed notes 1 to 40 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 terms of our separate report of even date

Signed for & on behalf of
Kazi Zahir Khan & Co.
Chartered Accountants
Firm Registration No. With FRC:
CAF- 001-116


Md. Nurul Hossain Khan, FCA
Managing Partner
Enrollment: #0240

Place: Dhaka

Date:

DVC: 28/05/2025
2505280240AS356471

Signed for & on behalf of
Ahsan Manzur & Co.
Chartered Accountants
Firm Registration No. With FRC:
CAF- 001-127


Md. Raghib Ahsan, FCA
Managing Partner
Enrollment: #689
Place: Dhaka
Date: 28 May 2025
DVC: 2505280689AS438368



Bangladesh Commerce Bank Limited

Profit and Loss Account

As at 31 December 2024

Particulars	Notes	Amount in Taka	
		2024	2023
Interest Income / Profit on Investment	20	1,599,992,579	1,310,548,720
Interest paid/ Profit shared on Deposits and Borrowings etc	21	4,255,737,074	2,828,270,300
Net Interest Income		(2,655,744,495)	(1,517,721,580)
Income from Investments	22	382,119,427	344,344,302
Commission, Exchange Earnings & Brokerage	23	150,920,539	129,749,260
Other Operating Income	24	99,428,939	159,947,268
		632,468,905	634,040,830
Total operating income (A)		(2,023,275,590)	(883,680,750)
Salary and Allowances	25	1,176,277,470	1,175,953,435
Rent, Taxes, Insurance, Electricity, etc.	26	172,199,926	200,908,256
Legal Expenses		462,403	1,328,126
Postage, Stamp, Telecommunication etc.	27	37,553,378	38,003,332
Stationery, Printing, Advertisement etc.	28	48,019,266	28,253,168
Managing Director's salary and allowances	29	9,720,000	12,960,000
Directors' Fee	30	2,271,300	1,019,800
Audit Fees		510,000	471,500
Depreciation & Repair of Fixed Assets	31	125,983,850	130,744,662
Other Expenses	32	90,987,866	75,702,516
Total operating expenses (B)		1,663,985,459	1,665,344,794
Profit before Provision (C)=A-B		(3,687,261,049)	(2,549,025,543)
Provision for Loans & Advances / Investment	13.01	-	-
Provision for diminution in value of Investment	13.06	54,328,209	(19,082,449)
Provision for Off Balance Sheet Items	13.09	-	(4,144,858)
Other provisions		-	9,429,638
Total provision (D)		54,328,209	(13,797,669)
Profit/(loss) before taxes (C-D)		(3,741,589,258)	(2,535,227,874)
Provision for Taxation		94,820,062	(9,835,422)
Current tax expense	13.3	111,584,431	6,442,183
Deferred tax expense / (income)	9.8.1	(16,764,369)	(16,277,606)
Net profit/ (loss) after taxation		(3,836,409,320)	(2,525,392,452)
Appropriations			
Statutory Reserve	15	-	-
General Reserve		-	-
Dividends etc.		-	-
Retained surplus		(3,836,409,320)	(2,525,392,452)
Earning Per Share (EPS)	34	(192.91)	(126.98)

The annexed notes 1 to 40 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 terms of our separate report of even date

Signed for & on behalf of
Kazi Zahir Khan & Co.
Chartered Accountants
Firm Registration No. With FRC:
CAF- 001-116

Signed for & on behalf of
Ahsan Manzur & Co.
Chartered Accountants
Firm Registration No. With FRC:
CAF- 001-127


Md. Nurul Hossain Khan, FCA
Managing Partner
Enrollment: #0240
Place: Dhaka
Date:
DVC: 28/05/2025


Md. Raghib Ahsan, FCA
Managing Partner
Enrollment: #689
Place: Dhaka
Date: 28 May 2025
DVC: 2505280689AS438368

2505280240AS356471



Bangladesh Commerce Bank Limited
Cash Flow Statement
As at 31 December 2024

Particulars	Amount in BDT	
	2024	2023
A. Cash flow from operating activities		
Interest receipts	977,356,656	711,691,968
Interest payments	(3,991,252,068)	(2,589,174,919)
Dividend receipts	28,851,542	9,911,131
Fees and commission receipts in cash	150,920,539	129,749,260
Cash payment to employees	(1,185,997,470)	(1,188,913,435)
Cash payment to suppliers	(260,043,870)	(268,184,555)
Taxes paid	(111,584,431)	(52,096,670)
Receipts from other operating activities	143,301,495	187,993,608
Payments for other operating activities	(89,023,828)	(77,305,615)
Operating cash flow before changes in operating assets and liabilities	(4,337,471,436)	(3,136,329,228)
Increase/(Decrease) in operating assets & liabilities	(1,789,762,453)	5,238,354,681
Statutory Deposits	20,739,426	-
Loan & advance to customers	463,462,332	(315,596,092)
Other assets (item-wise)	319,904,113	(167,663,008)
Deposits from other banks	(2,248,338,348)	(1,229,350,607)
Deposits from customers	(2,278,937,323)	6,204,578,040
Other liabilities account of customers	1,933,407,346	746,386,348
Net cash flow from/ (used in) operating activities (A)	(6,127,233,889)	2,102,025,453
B. Cash flow from investing activities		
Purchase of property, plant & equipment	(89,173,468)	(198,566,499)
Purchase/sale of Securities & bond	49,260,968	112,737,359
Net cash used in investing activities (B)	(39,912,500)	(85,829,140)
C. Cash flow from financing activities		
Receipts from issue / repayment of debt instruments	(639,734,991)	7,311,619,082
Payment for redemption of debt instruments	(26,985,367)	(18,679)
Receipts from issuing ordinary share/ rights share	-	-
Cash Dividend paid	-	-
Net cash flow from/ (used in) financing activities (C)	(666,720,358)	7,311,600,402
Net increase in Cash and Cash Equivalents (A+B+C)	(6,833,866,747)	9,327,796,715
Effects of exchange rate changes on cash and cash equivalents	-	-
Opening Cash and Cash Equivalents	20,499,704,369	11,171,907,653
Cash and cash equivalents at end of year	13,665,837,622	20,499,704,369
Closing Cash & Cash Equivalents		
Cash in Hand (including foreign currency)	375,450,718	656,035,644
Balance with Bangladesh Bank and its Agent Banks (including foreign currencies)	438,002,071	6,244,013,691
Balance with Other Bank's and Financial Institutions	12,822,742,732	13,569,655,434
Money at Call on Short Notice	28,400,000	28,600,000
Prize Bond	1,242,100	1,399,600
	13,665,837,622	20,499,704,369


Managing Director


Director


Director

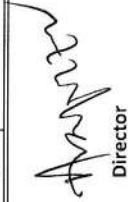

Chairman

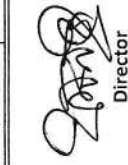


Bangladesh Commerce Bank Limited
Statement of Changes in Equity
As at 31 December 2024

Particulars	Paid up Capital (Including Share Capital BCI & Right Share Application Money)	Share Premium	Statutory Reserve	Revaluation Reserve (HFT/HTM)	Other Reserve	Retained Earnings	Total
Balance as on January 01, 2024	2,921,302,450	-	275,060,371	72,049,741	8,920,366	(11,597,664,256)	(8,320,331,327)
Changes in Accounting Policy	-	-	-	-	-	-	-
Restated Balance							
Share Capital BCI Ltd.		-	-	-	-	-	-
Right Share Application Money		-	-	-	-	-	-
Adjustment for the application of IFRS-16 (Lease)		-	-	-	-	-	-
Increase in Statutory Reserve	-	-	-	-	-	-	-
Revaluation Reserve for HTM Securities	-	-	-	(26,985,367)	-	-	(26,985,367)
Net Profit/(Loss) for the year	-	-	-	-	-	(3,836,409,320)	(3,836,409,320)
Balance as on December 31, 2024	2,921,302,450	-	275,060,371	45,064,374	8,920,366	(15,434,073,576)	(12,183,726,015)
Balance as on January 01, 2023	2,004,042,800		275,060,371	72,068,420	8,920,366	(9,072,271,804)	(6,712,179,846)
Changes in Accounting Policy	-	-	-	-	-	-	-
Restated Balance	1,988,742,800	-	275,060,371	72,068,420	8,920,366	(9,072,271,804)	(6,727,479,846)
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	-	-	-	(18,679)	-	-	(18,679)
Net Profit/(Loss) for the year	-	-	-	-	-	(2,525,392,452)	(2,525,392,452)
Balance as on December 31, 2023	2,921,302,450	-	275,060,371	72,049,741	8,920,366	(11,597,664,256)	(8,320,331,328)


Managing Director


Director


Director


Chairman



Bangladesh Commerce Bank Limited
Liquidity Statement
(Asset and Liability Maturity Analysis)
As at 31 December 2024

Particulars	Amount in BDT				
	Up to 01 Month	1-3 Months	3-12 Months	1-5 Years	More than 5 Years
Assets:					
Cash in hand & with Bangladesh Bank	364,084,461	-	-	-	449,368,329
Balance with other banks & financial institutions	2,873,576,646	5,912,566,674	4,036,599,412	-	-
Money at call and short notice	28,400,000	-	-	-	-
Investment	1,625,249	858,800,671	975,818,629	1,624,579,783	1,930,604,673
Loans and Advances	8,192,305,487	3,827,055,725	5,687,151,300	5,805,425,630	-
Fixed Assets including premises, furniture and fixtures	-	-	-	40,498,240	515,057,815
Other Assets	406,066,460	477,564,721	740,361,764	238,782,360	3,983,708,454
Non-banking assets	-	-	-	-	-
Total Assets	11,866,058,303	11,075,987,790	11,439,931,105	7,709,286,013	6,878,739,272
Liabilities:					
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	-	-	92,215,809	7,289,659,842	-
Deposits	7,392,272,055	12,609,321,823	14,515,666,201	2,218,295,759	5,913,038,506
Other Liabilities	117,474,304	6,402,245,589	3,492,833,322	1,110,703,947	-
Total Liabilities	7,509,746,360	19,011,567,412	18,100,715,333	10,618,659,548	5,913,038,506
Net Liquidity	4,356,311,943	(7,935,579,622)	(6,660,784,228)	(2,909,373,535)	965,700,765
					(12,183,726,015)


Managing Director


Director


Director


Chairman



Bangladesh Commerce Bank Limited
Notes to the Financial Statements
As at and for the year ended on 31 December 2024

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 the Companies Act 1994 and commenced commercial operation on 16 September 1999. It has 74 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 Nature of business

Main operation

The principal activities of the Bank are to carry on all kinds of commercial banking business in Bangladesh.

1.2 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, 2024 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 and SD Act, 2012 and amendment thereon;
- v) Financial Reporting Act 2015;
- vi) Parliamentary Act No.12,1997;
- vii) The Income Tax Act 2023

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 categorized as "Amortized Cost (AC)" or "Fair Value through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Bonds designated as Amortized Cost are measured at amortized cost method and interest income is recognized through profit and loss account. Any changes in fair value of bonds designated as FVTPL is recognized in profit and loss account. Any changes in fair value of bonds designated as FVOCI is recognized in other reserve as a part of equity.



Bangladesh Commerce Bank Limited
Notes to the Financial Statements
As at and for the year ended on 31 December 2024

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 recognized 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 amortization of discount are recognized in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortized at year end and gains or losses on amortization are recognized 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 amortized 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). buyer's book.

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.



Bangladesh Commerce Bank Limited
Notes to the Financial Statements

As at and for the year ended on 31 December 2024

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 guarantees are contract that requires the issuer 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 original or modified terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of:

(i) the amount of the loss allowance and (ii) the amount initially recognised less, the cumulative amount of income recognised in accordance with the principles of IFRS 15. Financial guarantees are 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) 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.

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.

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.



Bangladesh Commerce Bank Limited

Notes to the Financial Statements

As at and for the year ended on 31 December 2024

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 recognize 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

This Financial Statements have been prepared on the assessment of the banks ability to continue as a going concern. But there are indicators that indicate substantial doubt about the Bank ability to continue as a going concern for foreseeable future for the below mentioned issues-

- a. The Consolidated net operating income of the Bank become negative since 2018. The net operating loss reported by the Bank for the year ended 31 December 2024 is amount in Taka 3,645,576,671 and for the year ended 31 December 2023 is amount in Taka 2,492,520,343.
- b. The accumulated net loss reported by the Bank for the year ended 31 December 2024 is amount in Taka 15,290,358,725. The net loss reported by the Bank for the year ended 31 December 2024 is amount in Taka 3,836,329,476 and for the year ended 31 December 2023 is amount in Taka 2,525,392,452.
- c. The Bank reported negative shareholders equity since 2019. The shareholders equity reported by the Bank for the year ended 31 December 2023 is amount in Taka (8,320,331,328) And for the year ended 31 December 2024 is amount in Taka (12, 183,726,015) (Statement of changes in Equity).
- d. Total classified loans and advances at 31 December 2023 was amount in Taka 12,383,535,000 or 51.65% of total portfolio, as compared to amount in Taka 16,067,575,348 or 68.34% at 31 December 2024.
- e. The Bank has deposit instruments of amount in Taka 7,005,948,250 in seven Non-Banking Financial institutions as at 31 December 2024.

However, 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 04 (four) new loan product and 03 (three) new deposit product to expand the business and also various strategy like special taskforce formation to regularize the default loan so that provision shortfall reduced which will ultimately increase the eligible capital of the Bank.



Bangladesh Commerce Bank Limited
Notes to the Financial Statements
As at and for the year ended on 31 December 2024

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, 2024.

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.



Bangladesh Commerce Bank Limited
Notes to the Financial Statements
As at and for the year ended on 31 December 2024

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 2023 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, 2024 to December 31, 2024.

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.



Bangladesh Commerce Bank Limited
Notes to the Financial Statements
As at and for the year ended on 31 December 2024

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



Bangladesh Commerce Bank Limited
Notes to the Financial Statements
As at and for the year ended on 31 December 2024

Investment Class	Initial Recognition	Measurement after Recognition	Recording of changes
Investment in associate	Cost	Cost less accumulated impairment, if any, in Separate Financial Statements and equity method less accumulated impairment, if any, in Consolidated FS	

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, BRPD circular no.53 dated 22 December 2022, BRPD circular no.09 dated 08 April 2024 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.



Bangladesh Commerce Bank Limited
Notes to the Financial Statements
As at and for the year ended on 31 December 2024

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 recognized a right of initial application on a lease by lease basis. Bangladesh Commerce Bank Ltd. is complying 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.



Bangladesh Commerce Bank Limited

Notes to the Financial Statements

As at and for the year ended on 31 December 2024

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) License

Value of the License 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.



Bangladesh Commerce Bank Limited
Notes to the Financial Statements
As at and for the year ended on 31 December 2024

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.



Bangladesh Commerce Bank Limited

Notes to the Financial Statements

As at and for the year ended on 31 December 2024

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 7 (Seven) years of service in the Bank will get equivalent one last months basic salary for each year of service, after completion of 12 (Twelve) years will get 1.5 (One and half) of it's last month's basic salary for each year of service and after completion of 20 (Twenty) years will get double of it's last month's basic salary for each year of service. 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.



Bangladesh Commerce Bank Limited
Notes to the Financial Statements

As at and for the year ended on 31 December 2024

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:

- It is probable that the economic benefit associated with the transaction will flow to the entity; and
- 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.



Bangladesh Commerce Bank Limited
Notes to the Financial Statements
As at and for the year ended on 31 December 2024

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	Partially 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



Bangladesh Commerce Bank Limited
Notes to the Financial Statements
As at and for the year ended on 31 December 2024

Ref.	Name of the standards	Status
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 : Implementation of IFRS 16 and its relevant assumptions and disclosures

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 recognized a right of initial application on a lease by lease basis. Bangladesh Commerce Bank Ltd will comply IFRS 16 Leases from the year 2020.

2.12 Risk Management

Risk is an inherent part of the business activities and risk management is pivotal for the sustainability of business. This era of globalization 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.



Bangladesh Commerce Bank Limited

Notes to the Financial Statements

As at and for the year ended on 31 December 2024

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.



Bangladesh Commerce Bank Limited

Notes to the Financial Statements

As at and for the year ended on 31 December 2024

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:

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.



Bangladesh Commerce Bank Limited
Notes to the Financial Statements
As at and for the year ended on 31 December 2024

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, Board 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.



Bangladesh Commerce Bank Limited
Notes to the Financial Statements
As at and for the year ended on 31 December 2024

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.



Bangladesh Commerce Bank Limited
Notes to the Financial Statements
As at and for the year ended on 31 December 2024

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
- 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 Regarding submission of Audited Financial Statements of Commerce Bank Securities and Investment Limited (CBSIL) for the year ended 31st December 2024 to the DSE and Consolidated Financial Statements have been prepared based on the unaudited financial statements of CBSIL.

After submission of the Audited Financial Statements of CBSIL for the year ended 31st December 2024 to the Dhaka Stock Exchange PLC. (DSE), an objection was raised by the DSE on the following ground:

As per DSE letter reference no. DSE/MCD/AFS/PNAEL/T-180/603 dated 15 May 2025, it was informed that the submitted Audited Financial Statements have been audited by Ahmed Zaker & Co., Chartered Accountants, who were not included in the DSE Panel of Auditors list to audit the financial statements of DSE TREC holder companies, as stipulated under Rule 4(2) of the Securities and Exchange Rules, 2020.

It is noted that during the appointment of the statutory auditors, CBSIL inadvertently overlooked the aforementioned requirement. Furthermore, Ahmed Zaker & Co., Chartered Accountants, failed to disclose that they were not enlisted in the DSE Panel of Auditors.

Upon receipt of the DSE letter, CBSIL notified Ahmed Zaker & Co. and requested the cancellation of both the Document Verification Code (DVC) and the Audit Report. This action was taken to enable a re-audit of the financial statements by an audit firm listed in the DSE Panel of Auditors.

Considering the above, and in order to finalize the Consolidated Financial Statements of Bangladesh Commerce Bank Limited, it is necessary to conduct a re-audit of the financial statements of CBSIL for the year ended 31st December 2024. Meanwhile, the Consolidated Financial Statements have been prepared based on the unaudited financial statements of CBSIL.

2.23 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.



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
3	Cash		
	Cash in hand (Note 3.1)	375,450,718	656,035,644
	Balance with Bangladesh Bank and its agent bank(s) (Note 3.2)	438,002,071	6,244,013,691
		813,452,789	6,900,049,335
3(a)	Consolidated Cash		
	Bangladesh Commerce Bank Limited	813,452,789	6,900,049,335
	CBSIL	196,315	313,185
		813,649,104	6,900,362,520
3.1	Cash in Hand		
	In local currency	375,392,192	655,977,119
	In foreign currencies	58,526	58,526
		375,450,718	656,035,644
3.1(a)	Consolidated Cash in Hand		
	Bangladesh Commerce Bank Limited (Note 3.1)	375,450,718	656,035,644
	CBSIL	196,315	313,185
		375,647,033	656,348,830
3.2	Balance with Bangladesh Bank and its agent bank(s)		
	Balance with Bangladesh Bank		
	In local currency	319,789,347	6,021,995,954
	In foreign currencies	106,244,606	221,521,316
		426,033,953	6,243,517,270
	Balance with Sonali Bank in local currency (as agent of Bangladesh Bank)	11,968,118	496,420
		438,002,071	6,244,013,691
3.2(a)	Consolidated Balance with Bangladesh Bank and its agent bank(s)		
	Bangladesh Commerce Bank Limited (Note 3.2)	438,002,071	6,244,013,691
	CBSIL	-	-
		438,002,071	6,244,013,691
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 2022 was based on weekly average balance of October 2022). BCB has been maintaining it bi-weekly basis.		
	a. Convention Bank		
	Cash Reserve Ratio (CRR) : 4.00% of Average Demand & Time Liabilities		
	Required Reserve	1,585,555,000	1,632,247,000
	Actual Reserve held with Bangladesh Bank	190,354,900	5,806,949,269
	TT in Transit	-	-
		190,354,900	5,806,949,269
		(1,395,200,100)	4,174,702,269
	Surplus/(Deficit)	0.48%	14.23%
	Maintained Ratio		
	Statutory Liquidity Ratio (SLR) : 13% of Average Demand & Time Liabilities		
	Required Reserve	5,153,054,000	5,304,804,000
	Actual Reserve held	879,907,160	5,401,608,130
	Surplus/(Deficit)	(4,273,146,840)	96,804,130
	Maintained Ratio	2.22%	13.24%
	Average Deposit (Demand & Time Liabilities)	39,638,873,000	40,806,187,000
	b. Islamic Bank		
	Cash Reserve Ratio (CRR) : 4.00% of Average Demand & Time Liabilities		
	Required Reserve	49,386,000	51,732,000
	Actual Reserve held with Bangladesh Bank	60,000,000	160,000,000
	TT in Transit	60,000,000	160,000,000
		10,614,000	108,268,000
	Surplus/(Deficit)	4.25%	12.37%
	Maintained Ratio		
	Statutory Liquidity Ratio (SLR) : 5.5% of Average Demand & Time Liabilities		
	Required Reserve	77,607,000	85,088,126
	Actual Reserve held	1,579,110	127,208,870
	Surplus/(Deficit)	(76,027,890)	42,120,744
	Maintained Ratio	0.11%	9.84%
	Average Deposit (Demand & Time Liabilities)	1,411,029,000	1,293,306,000



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
4	Balance with other banks and financial institutions		
	In Bangladesh (Note 4.1)	12,575,594,555	13,194,652,626
	Outside Bangladesh (NOSTRO A/C) (Note 4.2)	247,148,177	375,002,808
		12,822,742,732	13,569,655,434
4(a)	Consolidated Balance with other banks and financial institutions		
	In Bangladesh	12,714,310,349	13,704,393,617
	Outside Bangladesh (NOSTRO A/C)	247,148,177	190,336,895
		12,961,458,526	13,894,730,511
4(b)	Consolidated Balance with other banks and financial institutions		
	Bangladesh Commerce Bank Limited (Note 4)	12,822,742,732	13,569,655,434
	CBSIL	138,715,794	509,740,991
		12,961,458,526	14,079,396,425
4.1	In Bangladesh		
4.1.1	Current Deposits:		
	Agrani Bank Ltd.	8,928,255	14,126,166
	Janata Bank Ltd.	4,121,002	41,757
	Trust Bank Ltd.	2,273,667	549,014
	Sonali Bank.	25,400,295	10,299,369
	Dutch Bangla Bank Limited	7,740,185	5,672,553
	Al-Arafah Islami Bank Ltd.	2,415,544	30,833,133
	BASIC Bank Limited	5,003,520	6,980
	Rupali Bank Limited	1,312	3,037
	Islami Bank Bangladesh Ltd.	293,495,824	140,213,175
	Exim Bank Bangladesh Ltd.	5,112,579	2,280,372
	NRBC Bank Ltd.	99,023	-
	Balance with Investment Account-Share **	125,376,186	494,355,445
		479,967,392	698,381,000
4.1.2	STD Accounts:		
	Sonali Bank Ltd.	2,003	85,706
	NRBC Bank Ltd.	20,153	1,846,307
	Uttara Bank Limited	2,159,808	157,161
	Janata Bank Ltd.	17,145,748	38,266,423
	Union Bank Ltd.	404,998,067	405,101,172
	Social Islami Bank Limited	2,662,204	6,617,297
	Bangladesh Krishi Bank	6,005	2,052,308
	First Security Islami Bank Limited	1,721,019,509	1,401,444,542
	IFIC Bank Limited	2,303,407	4,572,116
	Agrani Bank Ltd.	29,737,009	30,180,343
		2,180,053,913	1,890,323,376
**	Balance with Investment Account-Share - This amount kept in Commerce Bank Securities and Investment Limited for trading share and securities.		
4.1.3	FDR Accounts:	9,915,573,250	10,605,948,250
	a) FDR in NBFi		
	Reliance Finance Ltd.(AVIVA)	2,900,000,000	2,900,000,000
	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)**	710,000,000	710,000,000
	Premier Leasing & Finance Ltd.	88,500,000	88,500,000
	FAS Finance & Investment Ltd.	200,000,000	200,000,000
	First Lease Finance & Investment Ltd.	90,000,000	90,000,000
		7,005,948,250	7,005,948,250
	b) MTD R/ FDR in Bank		
	Social Islami Bank PLC	300,000,000	300,000,000
	Union Bank PLC	1,000,000,000	1,000,000,000
	Islami Bank PLC	1,600,000,000	2,300,000,000
	Exim Bank PLC	9,625,000	-
		2,909,625,000	3,600,000,000
	Total Balance with Other Bank and NBFi	12,575,594,555	13,194,652,626



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

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

Name of Banks & Financial Institutions	On Demand	Up to 1 month	1 to 3 months	6 months to 1 year	1 to 5 years	Amount in Taka	
						2024	2023
Agrani Bank Ltd.	38,665,264	-	-	-	-	-	38,665,264
Janata Bank Ltd.	21,266,750	-	-	-	-	-	21,266,750
Al-Arafah Islami Bak Ltd.	2,415,544	-	-	-	-	-	2,415,544
Trust Bank Ltd.	2,273,667	-	-	-	-	-	2,273,667
Sonali Bank Ltd.	25,402,298	-	-	-	-	-	25,402,298
Dutch Bangla Bank Ltd.	7,740,185	-	-	-	-	-	7,740,185
Islami Bank Bangladesh Ltd.	293,495,824	-	-	-	-	-	293,495,824
Uttara Bank Ltd.	2,159,808	-	-	-	-	-	2,159,808
Rupali Bank Ltd.	1,312	-	-	-	-	-	1,312
Social Islami Bank Ltd.	2,662,204	-	-	-	-	-	2,662,204
Rajshahi Krishi Unnayan Bank	20,152.78	-	-	-	-	-	20,153
BASIC Bank Ltd.	5,003,520	-	-	-	-	-	5,003,520
Union Bank Ltd.	404,998,067	-	-	-	-	-	404,998,067
Bangladesh Krishi Bank	6,005	-	-	-	-	-	6,005
First Security Islami Bank Ltd.	1,721,019,509	-	-	-	-	-	1,721,019,509
Exim Bank Bangladesh Ltd.	5,112,579	-	-	-	-	-	5,112,579
IFIC Bank Limited	2,303,407	-	-	-	-	-	2,303,407
Balance with Investment Account-Share	125,376,186	-	-	-	-	-	125,376,186
Grand total	2,659,922,283	-	-	-	-	-	2,659,922,283

4.2 Outside Bangladesh
Interest-bearing Accounts
Non Interest- bearing Accounts

Amount in Taka	
2024	2023
247,148,177	375,002,808
231,135,978	360,961,344
16,012,200	14,041,464

4.2.1 Interest-bearing Accounts

Mashreq Bank PSC, NY
Zhejiang Chouzhou Com Bank China Usd
Zhejiang Chouzhou Com Bank China Usd

215,116,626	348,741,704
10,188,787	6,783,116
5,830,564	5,436,523
231,135,978	360,961,344

4.2.2 Non Interest-bearing Accounts

Sonali Bank Ltd. Kolkata
NIB Bank Karachi
Standard Chartered Bank, Mumbai, India
Sonali Bank (Uk) Ltd.
Punjab National Bank(Acud)
Sonali Bank (Uk) Ltd. (Euro)

2,959,661	1,099,650
17,357	15,874
6,424,392	5,875,642
200,052	182,964
6,074,520	2,420,538
336,218	4,446,795
16,012,200	14,041,464

Total

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

Particulars	Currency Name	2024			2023		
		Amount in FC	Conversion Rate per Unit FC	Amount in Taka	Amount in FC	Conversion Rate per Unit FC	Amount in Taka
Sonali Bank Ltd. Kolkata(Acud)	USD\$	24,664	120.00	2,959,661	10,020	109.75	1,099,650
NIB Bank Karachi	USD\$	145	120.00	17,357	145	109.75	15,874
Standard Chartered Bank, Mumbai (Acud)	USD\$	53,537	120.00	6,424,392	53,537	109.75	5,875,642
Sonali Bank (Uk) Ltd.	EURO	2,636	127.57	336,218	35,215	126.28	4,446,795
Sonali Bank (Uk) Ltd.	USD\$	1,667	120.00	200,052	1,667	109.75	182,964
Punjab National Bank(Acud)	USD\$	50,621	120.00	6,074,520	22,055	109.75	2,420,538
Total				16,012,200			14,041,464

Note: Balance with other Bank and financial institutions includes Taka 6,424,392 equivalent to USD 53,536.60 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.

4.2.4 Maturity grouping of foreign currency balances

On demands
Upto 1 month
1-3 month
3-6 month
6-9 month
9 months to 1 year
1 year and above

Amount in Taka	
2024	2023
247,148,177	375,002,808
-	-
-	-
-	-
-	-
-	-
-	-
247,148,177	375,002,808



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
5	MONEY AT CALL ON SHORT NOTICE		
	Inside Bangladesh (Note: 5.1)	28,400,000	28,600,000
	Outside Bangladesh (Note: 5.2)	-	-
		28,400,000	28,600,000
5.1	In Bangladesh Banks		
		28,400,000	28,600,000
		28,400,000	28,600,000
5.2	Outside Bangladesh		
5(a)	CONSOLIDATED MONEY AT CALL AND SHORT NOTICE		
	Bangladesh Commerce Bank Limited	28,400,000	28,600,000
	CBSIL	-	-
		28,400,000	28,600,000
6	INVESTMENTS	5,391,428,997	5,461,429,391
6.1	Government Securities Treasury Bond/ Bill		
	30-day Bangladesh Bank Bill	-	-
	91-day Treasury Bill	-	-
	182-day Treasury Bill	-	-
	364-day Treasury Bill	-	95,525,732
	2-year Treasury Bond	-	-
	5-year Treasury Bond	100,725,192	101,070,918
	10-year Treasury Bond	-	-
	15-year Treasury Bond	55,589,751	79,061,682
	20-year Treasury Bond	235,055,346	85,494,565
		391,370,289	361,152,898
	Prize Bond	1,242,100	1,399,600
	Securities Pledge With Bangladesh Bank	3,682,598,860	3,733,398,178
		4,075,211,249	4,095,950,675
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	-	-
	15-year Treasury Bond	15,119,503	38,596,902
	20-year Treasury Bond	9,482,312	10,371,715
		24,601,815	48,968,617
6.1.2	Government Securities (HTM)		
	30-day Bangladesh Bank Bill	-	-
	91-day Treasury Bill	-	-
	182-day Treasury Bill	-	-
	364-day Treasury Bill	-	95,525,732
	2-year Treasury Bond	-	-
	5-year Treasury Bond	100,725,192	101,070,918
	10-year Treasury Bond	-	-
	15-year Treasury Bond	40,470,248	40,464,780
	20-year Treasury Bond	225,573,034	75,122,851
		366,768,474	312,184,281
6.2	Other Investments		
	Shares in quoted companies (Annexure-E)	429,167,619	458,428,602
	Shares in quoted companies (Special Fund 200 Crore) (Annexure-F)	159,550,220	159,550,205
	Shares in un-quoted companies (Note: 6.2.1)	20,000,000	40,000,000
	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
		1,316,217,748	1,365,478,716

Details of Investment in quoted shares are shown in Annexure-E



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
6.2.1	Shares in un-quoted companies		
	Confidence Power Rangpur Ltd	20,000,000	20,000,000
	Confidence Power Bogura Unit-2 Ltd	20,000,000	20,000,000
		20,000,000	40,000,000
6.2.2	Corporate Bond		
	Non Convertible Bond-Golden Harvest	50,000,000	50,000,000
		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	-	-
	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	-	95,525,732
	With a residual maturity of more than 2 years	391,370,289	265,627,166
		391,370,289	361,152,898
		4,957,153,336	5,027,501,394
6(a)	Consolidated Investment		
	Government Securities		
	Bangladesh Commerce Bank Limited	(Note: 6.1) 4,075,211,249	4,095,950,675
	CBSIL	-	-
		4,075,211,249	4,095,950,675
	Other Investments		
	Bangladesh Commerce Bank Limited	(Note: 6.2) 1,316,217,748	1,365,478,716
	CBSIL	215,724,249	216,071,912
		1,531,941,997	1,581,550,629
	Less: Investment in Subsidiary.	(649,999,910)	(649,999,910)
		881,942,087	931,550,719
7	LOANS AND ADVANCES / Investment		
	Loans, Cash Credit, Overdraft etc/Investment	23,509,336,696	23,954,496,998
	Bills Purchased and Discounted	2,601,445	20,903,475
		23,511,938,141	23,975,400,474
7.1	Loans, Cash Credit, Overdraft etc/Investment		
	Inside Bangladesh		
	a. Conventional Banking		
	Demand Loan	511,026,640	509,371,358
	Loan General	4,162,823,470	4,142,021,303
	Cash Credit (Hypo)	2,944,988,735	2,964,779,160
	Agriculture Loan	461,027,318	717,989,206
	Overdraft	1,446,479,564	1,477,166,811
	SME Loan	5,957,511,030	6,567,141,836
	Payment Against Document (PAD)	1,496,223,868	1,052,038,176
	Loan against Trust Receipt (LTR)	1,731,256,470	1,637,864,097
	House Building Loan	1,210,428,431	1,258,918,650
	Credit Card	343,402,244	282,483,139
	Consumer Credit	68,828,085	75,628,340
	Staff Loan	604,830,448	586,736,201
	Loans & Advances (BCI)	495,027,845	474,887,025
		21,433,854,148	21,747,025,303
	b. Islamic Banking		
	Bai-Muajjal Investment	821,057,245	852,304,015
	Bai-Murabaha Investment	32,333,432	46,935,751
	Hire Purchase Investment	1,134,006,133	1,196,824,931
	Quard against MTD/ Scheme	77,954,420	65,330,712
	Quard against STAFF PF	866,244	1,111,171
	Hire Purchase Investment House Building Staff	7,673,196	8,220,718
	BAI - Muajjal Against BB Stimulus Fund	1,591,878	-
	BAI - Muajjal Working Capital Under Stimulus Fund	-	36,744,397
		2,075,482,548	2,207,471,695
	Outside Bangladesh		
		23,509,336,696	23,954,496,998
7.2	Bills Purchased and Discounted		
	Payable in Bangladesh		
	Inland Bills Purchased	2,601,445	20,903,475
	Payable outside Bangladesh		
	Foreign Bills Purchased	-	-
		2,601,445	20,903,475
		23,511,938,141	23,975,400,474



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
7.3	As per the remaining maturity grouping of loans and advances in the following order		
	Re-payable on demand	8,192,305,487	8,353,790,473
	Not more than 3 months	3,827,055,725	3,902,493,835
	More than 3 Months but less than 1 year	5,687,151,300	5,799,255,219
	More than 1 year but less than 5 years	5,805,425,630	5,919,860,947
	More than 5 years	-	-
		23,511,938,141	23,975,400,474
7.4	Countrywise Classification of Loans and Advances		
	Inside Bangladesh	23,511,938,141	23,975,400,474
	Outside Bangladesh	-	-
		23,511,938,141	23,975,400,474
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	-	-
	c) Loans and advances to customer group amounting more than 10% of bank's total capital	9,163,900,000	9,382,300,000
	d) Other customers	13,730,518,781	14,006,364,273
	e) Staff Loan	617,519,360	586,736,201
		23,511,938,141	23,975,400,474
	Loans and advances allowed to each customer exceeding 10% of Bank's total capital fund		
	Number of the Clients (See Annexure-B)	18	19
7.6	Classification of Loan as per geographical concentration (Division)		
	Dhaka	15,251,407,964	15,349,412,406
	Chittagong	4,658,188,133	4,623,004,738
	Rajshahi	1,303,653,986	1,397,328,942
	Khulna	1,162,647,478	1,361,310,342
	Sylhet	368,423,053	421,311,192
	Barisal	162,879,220	192,516,780
	Rangpur	384,268,829	381,701,344
	Mymensingh	220,469,478	248,814,730
		23,511,938,141	23,975,400,474
7.7	Industrial concentration of Loans & Advances (including Bill purchased and discounted)		
	Food & Beverage industries	536,819,586	588,431,952
	Furniture & Fixture	30,137,249	23,742,390
	Printing, publishing & allied industries	55,964,153	89,216,378
	Petroleum & coal Products	267,347,382	264,522,437
	RMG & Textile	2,863,176,384	2,833,145,275
	Non-metallic mineral products	703,358,073	609,134,655
	Basic metal products	67,014,351	57,748,294
	Cement industries	194,894,015	92,438,625
	Small Scale Industries	1,336,239,827	1,339,324,135
	Power Generation & Gas	321,648,314	328,231,789
	Other manufacturing industries	1,482,321,690	1,553,311,040
	Rural Credit & Agri Loan	461,027,318	717,989,206
	Import Credit	3,776,972,227	3,740,272,636
	Trade & Commerce	10,315,159,279	10,685,722,675
	Others	1,099,858,293	1,052,168,987
	Total	23,511,938,141	23,975,400,474
7.8	Sector wise concentration of Loans & Advances (including Bill purchased and discounted)		
	Agricultural Loan	461,027,318	717,989,206
	Industrial Loan (other than working capital)	1,283,438,755	1,328,721,568
	Working capital Loan	3,559,015,953	3,617,380,127
	Import Credit	3,317,426,367	3,536,812,636
	Commercial Loan	9,239,993,093	9,144,041,442
	RMG & Textile	2,863,176,384	2,833,142,485
	Construction Loan	1,140,428,431	1,258,903,692
	Transport and Communication Loan	125,534,785	116,132,587
	Consumer Credit	422,038,762	358,122,374
	All Others Loans	1,099,858,293	1,064,154,357
	Total	23,511,938,141	23,975,400,474



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023

7.9 Loans & Advances to Executives & all other staffs

Staff House Building Loan

Staff Car Loan

Staff loan against Provident Fund

556,785,081	541,199,006
1,055,156	1,054,657
59,679,123	44,482,538
617,519,360	586,736,201

Note: Staff Car scheme: All confirmed staff at job grade from Senior Assistant Vice President and above can avail staff car scheme taking approval from competent authority. The Board of Directors in its 350th Board meeting dated 16.09.2021 has revised "Car Loan policy -2011" through which existing Staff enlisted car loan been transferred to Bank's Fixed Asset in the financial statement.

7.9.1 Required Provision for Loans & Advances

Particulars	2024				2023	
	Outstanding Loans	Base for provision	Rate	Required Provision	Required Provision	Provision
I) Standard						
a) CCS	586,730,873	586,730,873	2%	11,734,617	11,196,220	11,196,220
b) HBL	574,366,713	574,366,713	1%	5,743,667	5,838,715	5,838,715
c) LP	2,895,337	2,895,337	2%	57,907	187,804	187,804
d) Small Enterprise Finance	2,006,742,271	2,006,742,271	0.25%	5,016,856	10,544,657	10,544,657
e) Loans against Share	28,820,162	28,820,162	1%	288,202	235,088	235,088
f) Agricultural Credit	125,394,693	125,394,693	1%	1,253,947	1,003,328	1,003,328
g) Micro Credit	74,719,503	74,719,503	1%	747,195	1,853,572	1,853,572
h) Others	3,319,630,448	3,319,630,448	1%	33,196,304	54,039,106	54,039,106
ii) Staff Loan	617,519,360		0%		-	-
iii) SMA	107,543,433	71,353,571		7,571,557	231,509	231,509
iv) UC by Writ Petition	650,307,860	388,300,000	100%	388,300,000	389,552,000	389,552,000
v. Special Gen.Provision Covid					50,600,000	50,600,000
BRPD 05/19						
BB NOC RSDL					45,620,000	45,620,000
Special Provision for UC Loan						
Sub-Standard	686,100,000	122,854,175	20%	20,577,209	8,283,715	8,283,715
Doubtful	307,100,000	62,062,766	50%	31,021,131	10,749,540	10,749,540
					1,496	1,496
Bad or Loss	14,424,067,488	9,626,191,408	100%	9,626,191,408	7,748,096,249	7,748,096,249
Total	23,511,938,141	16,990,061,920		10,131,700,000		8,338,033,000

Total Required Provision for Loans and Advances

10,131,700,000

8,338,033,000

Total Provision Maintained

(Note: 13.1)

3,757,198,261

3,724,291,261

Excess/ (Short) Provision against Loans & Advance*

(6,374,501,739)

(4,613,741,739)

Excess/ (Short) Other Provision **

-

(78,858,000)

Total Excess/ (Short) Provision

(6,374,501,739)

(4,692,599,739)

*Bangladesh Bank identified provision shortfall of Taka 637.45 crore against loans and advances as on 31 December 2024 and the provision was deferred up to finalizing the Financial Statements for the year 31 December 2024 vide their letter ref: DOS(CAMS)1157/41(Dividend)/2025-3096 dated: 21/05/2025.



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
7.10	Classification of Loan & Advances		
	Un-classified	7,444,362,793	11,591,865,474
	i) Standard	6,719,300,000	10,945,153,273
	ii) Staff loan	617,519,360	586,736,201
	iii) SMA	107,543,433	59,976,000
	Sub-Standard	686,100,000	118,173,000
	Doubtful	307,100,000	114,808,000
	Bad or Loss	15,074,375,348	12,150,554,000
	Total	23,511,938,141	23,975,400,474
7.11	Particulars of Loans and Advances		
	(1) Debts considered good in respect of which the Bank Company is fully secured;	18,849,237,853	19,146,656,846
	(2) Debts considered good against which the Banking Company holds no security other than the debtor's personal guarantee;	-	-
	(3) Debts considered good & secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors;	4,662,700,288	4,828,743,627
	(4) Loans adversely classified; provision not maintained there against;	6,374,501,739	4,613,741,739
	(5) Debts due by directors or officers of the banking company of any of these separately or jointly with any other person;	617,519,360	586,736,201
	(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;	-	-
	(9) 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	-	-
	b) Amount of provision kept against loan classified as "Bad/Loss" as at reporting date	3,566,768,189	3,566,424,778
	c) Interest creditable to the interest Suspense Accounts;	-	-
	(11) Details of loan written off		
	a) Cumulative amount of written-off loan at the end of the year	97,531,498	97,531,498
	b) Cumulative amount of written-off loans (opening)	97,531,498	97,531,498
	c) Amount of written-off loan during the year	-	-
	d) Amount realized (including adjustment) against loan previously written-off	1,881,268	1,881,268
	Previous year	1,881,268	1,881,268
	Current year	-	-
	e) Net outstanding amount of written-off loan at the end of the year (a-d)	97,531,498	97,531,498
	f) Amount of written-off loan for which law suit has been filed	-	-
		2,601,445	20,903,475
7.12	Bills Purchased and Discounted		
7.12.1	As per classification into the following broad categories		
	Payable in Bangladesh	2,601,445	20,903,475
	Payable outside Bangladesh	-	-
		2,601,445	20,903,475
7.12.2	As per the remaining maturity grouping in the following order		
	Payable within 1 month	2,601,445	20,903,475
	Over 1 month but less than 3 months	-	-
	Over 3 months but less than 6 months	-	-
	6 months or more	-	-
		2,601,445	20,903,475
7(a)	CONSOLIDATED LOANS AND ADVANCES		
	Bangladesh Commerce Bank Limited	23,509,336,696	23,954,496,999
	Less: Inter Company Transaction	44,422,477	-
		23,464,914,219	23,954,496,998
	Add: Bill Purchased & Discount	2,601,445	20,903,475
		23,467,515,664	23,975,400,474



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
8	Fixed assets (Details are shown in annexed - A)		
	Motor Vehicles	36,370,962	22,604,269
	Furniture & Fixture	83,859,809	91,747,546
	Machinery & Equipment	83,392,880	55,687,178
	Computer & Accessories	22,232,500	174,776,421
	Interior Decoration	141,158,255	21,778,712
	Hardware & Software Automation	16,779,644	28,480,769
	Right of use of Asset	171,762,006	189,684,998
		555,556,056	584,759,894
8(a)	Consolidated fixed assets including premises, furniture and fixtures		
	Bangladesh Commerce Bank Limited (Note: 8)	555,556,056	584,759,894
	CBSIL	6,580,506	7,886,173
		562,136,562	592,646,068
9	Other Assets		
	Advance Income Tax (Note: 9.1)	1,303,011,597	1,191,445,030
	Stock of Stationery, Stamps & Security Stationary (Note: 9.2)	9,949,473	37,152,815
	Advance Rent, Advertisement, etc. (Note: 9.3)	58,157,599	65,423,099
	Accrued Interest & Commission Receivable (Note: 9.4)	4,064,304,809	3,132,273,557
	Security Deposits (Note: 9.5)	1,486,270	1,486,270
	Suspense Accounts (Note: 9.6)	60,938,481	62,889,086
	Sundry Assets (Note: 9.7)	193,449,478	469,416,181
	Deferred Tax Assets (Note: 9.8)	58,983,291	42,218,922
	BCBL General Account (Note: 9.9)	96,202,761	103,720,726
		5,846,483,759	5,106,025,685
9.1	Advance Income Tax		
	Opening Balance	1,191,427,166	1,139,330,496
	Prior Year's Adjustment	-	-
	Addition during the year	111,584,431	52,096,670
		1,303,011,597	1,191,427,166
9.2	Stock of Stationery, Stamps & Security Stationary		
	Stock of Stationery	5,213,974	7,556,691
	Stock of Stamp	1,803,691	1,853,626
	MICR Printing Security Stationary	617,337	21,517,303
	BCBL Debit & Credit Card	744,223	4,596,690
	Stock of Security Stationary	1,570,248	1,628,504
		9,949,473	37,152,815
9.3	Advance Rent, Advertisement, etc.		
	Advance Rent	57,463,415	64,750,189
	Prepaid Insurance Premium	191,617	170,342
	Prepaid Expenses for Hardware & Software	451,600	451,600
	Prepaid Advertisement	-	-
	Prepaid Expenses Mfs provider	50,967	50,967
		58,157,599	65,423,099
9.4	Accrued Interest & Commission Receivable		
	Interest Receivable from Loans and Advance	3,700,043	4,069,406
	Interest Receivable from Banks and NBF	3,922,214,489	3,022,187,410
	Interest Receivable from Bill / Bond	118,285,729	84,570,763
	Dividend Receivables from Share	20,104,548	21,445,978
		4,064,304,809	3,132,273,557
9.5	Security Deposits		
	Security Deposits	1,486,270	1,486,270
9.6	Suspense Accounts		
	Sundry Debtors	40,716,578	42,020,880
	Advance against TA/DA	221,934	19,000
	Legal Expense	31,300	31,300
	Advance against Sanchay Patra	637,782	336,262
	Deferred expenditure	3,337,002	6,501,058
	Advance Against Proposed Branches	15,915,800	13,902,500
	Other Suspense Account	78,086	78,086
		60,938,481	62,889,086



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
9.7 Sundry Assets			
Cash Remittance		8,263,368	32,497,951
Foreign Remittance Settlement A/C		20,250,953	41,345,984
ATM cash settlement		83,000	1,707,000
Protested Bill		95,050,149	95,050,149
Excise Duty Adjustment (FDR)		14,002,570	16,422,820
Adjusting A/C Debit (Treasury)		99,438	226,692,277
Sub-total (a)		137,749,478	413,716,181
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)		193,449,478	469,416,181
** Advance against Building Taka 52,200,000 : The amount has been paid against purchase of 8.00 (Katha) Land with seven storied Building at 19 Rajuk Avenue, Motijheel Dhaka. The Honorable High Court announced its judgement in favor of Bangladesh Commerce Bank Ltd to register the Asset in the Bank's name. The asset is in possession under the bank from 1990 and the Principal branch along with some division of head office are carrying on their activities in that building.			
9.8 Deferred Tax Assets			
Opening Balance		42,218,922	25,941,316
Add : Addition during the year		-	16,277,606
Less: Adjustment during the year		(16,764,369)	-
Closing Balance		58,983,291	42,218,922
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 2024	383,794,049	509,499,835	(125,705,786)
Right of use assets	171,762,006	-	171,762,006
Lease obligation	193,514,449	-	(193,514,449)
Total	749,070,504	509,499,835	(147,458,228)
Assets			
Fixed assets net of depreciation as on 31 December 2023	395,074,896	487,459,454	(92,384,558)
Lease obligation	202,847,744	-	(202,847,744)
Right of use assets	189,684,998	-	189,684,998
Total	787,607,639	487,459,454	(105,547,305)
Applicable tax rate			40%
Deferred tax assets as on 31 December 2024			58,983,291
Deferred tax assets as on 31 December 2023			42,218,922
Deferred tax (expenses)/ Income accounted for during the year 2024			16,764,369
9.9 BCBL General Account			
BCBL General Account Cr.		3,763,181,410	3,197,715,927
BCBL General Account Dr.		3,859,384,172	3,301,436,652
		96,202,761	103,720,726
9(a) Consolidated Other Assets			
Bangladesh Commerce Bank Limited	(Note: 9)	5,846,483,759	5,106,025,685
CBSIL		896,816,316	926,359,180
		6,743,300,075	6,032,384,864
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		131,559,103	199,442,528
From Inside Bangladesh - Borrowing from Bangladesh Bank		3,189,769,321	7,822,168,117
From Inside Bangladesh - Over Draft from BB		4,060,547,229	-
Impress fund from Bangladesh Bank		-	-
		7,381,875,653	8,021,610,644



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
11(a)	Consolidated Borrowings from Bangladesh Bank, other Banks, Financial Institutions and Agents		
	Bangladesh Commerce Bank Limited	7,381,875,653	8,021,610,644
	CBSIL	-	-
		<u>7,381,875,653</u>	<u>8,021,610,644</u>
11.2	Maturity-wise borrowings		
	Repayable on demand	7,381,875,653	8,021,610,644
	Not more than 3 months	-	-
	Over 3 Months but less than 1 year	-	-
	Over 1 year but not less 5 years	-	-
	Over 5 years	-	-
		<u>7,381,875,653</u>	<u>8,021,610,644</u>
11.3	Security wise borrowings		
	Secured (by Bangladesh Bank deposits)	-	-
	Unsecured	7,381,875,653	8,021,610,644
		<u>7,381,875,653</u>	<u>8,021,610,644</u>
12	Deposits and other Accounts		
	Current/ Al-Wadeeah Current Account and Other Accounts (Note: 12.1)	6,255,831,283	6,309,117,378
	Bills Payable (Note: 12.2)	746,691,476	739,260,821
	Savings Bank / Mudaraba Savings Bank Deposits (Note: 12.3)	3,389,409,646	4,657,033,992
	Short Term Deposits (Note: 12.4)	2,996,946,305	3,090,765,320
	Fixed Deposits / Mudaraba Fixed Deposits (Note: 12.5)	19,824,121,297	25,212,886,057
	Deposits under Different Schemes (Note: 12.6.2)	9,435,595,669	6,902,322,773
		<u>42,648,595,675</u>	<u>46,911,386,340</u>
12.1	Current Deposits and Other Accounts		
	Current Deposits / AL-WADIAH CURRENT	2,974,626,201	3,037,243,156
	Foreign Currencies	65,335,284	185,126,535
	Other Deposits (Note: 12.6.1)	3,215,869,797	3,086,747,688
		<u>6,255,831,283</u>	<u>6,309,117,378</u>
12.2	Bills Payable		
	Pay Order Payable	696,420,246	737,937,942
	D.D. Payable	1,322,879	1,322,879
	Bills Payable(Fixed Asset)	48,948,351	-
		<u>746,691,476</u>	<u>739,260,821</u>
12.3	Savings Bank Deposits		
	Local Currency	3,389,409,646	4,657,033,992
	Foreign Currencies	-	-
		<u>3,389,409,646</u>	<u>4,657,033,992</u>
12.4	Short Term Deposits		
	Local Currency	2,996,946,305	3,090,765,320
	Foreign Currencies	-	-
		<u>2,996,946,305</u>	<u>3,090,765,320</u>
12.5	Fixed Deposits / Mudaraba Fixed Term Deposit(MTD)		
	Deposits without Bank	19,121,459,645	22,261,886,057
	Bank Deposits	702,661,652	2,951,000,000
		<u>19,824,121,297</u>	<u>25,212,886,057</u>
12.6	Other Deposits and Schemes		
	Other Deposits (Note: 12.6.1)	3,215,869,797	3,086,747,688
	Deposits under Different Schemes (Note: 12.6.2)	9,435,595,669	6,902,322,773
		<u>12,651,465,466</u>	<u>9,989,070,461</u>
12.6.1	Other Deposits		
	Margin on Letter of Credit	315,348,746	634,051,954
	Margin on Letter of Guaranty	60,629,321	52,758,975
	Margin on Letter of Shipping Guaranty	3,269,779	4,679,957
	Margin on E gp	5,444,850	7,703,311
	Beftn Return Account	(50,353)	14,087,979
	Risk Fund	397,983	504,467
	Service charge / CIB Service Charge	3,051,763	2,373,696



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
	Buying House Commission	1,699,631	1,871,068
	Visa Settlement Account	653,173	275,594
	Margin on FBP / Acceptance on B/B LC / Margin on LTR	992,746	1,289
	BEFTN & BACPS/ITCL/S-cash/Payza Wallet/Nagad	4,264,878	3,647,351
	Sundry Creditors	89,523,500	78,275,744
	Fund Buildup	22,596,406	34,779,961
	Refundable Fund Of Bcb Sme Entrepreneur	22,000	22,000
	Taxes And Duties Payable	303,638,843	125,287,411
	Vat and Payable on Deposit	38,834,101	25,359,507
	Interest / Profit Payable on Deposit	2,365,552,431	2,101,067,425
		3,215,869,797	3,086,747,688
12.6.2	Deposits under different schemes		
	Monthly Income/Pension Scheme	3,566,505,741	1,237,053,884
	Life Pension Deposit Scheme	4,356,953	4,679,174
	Marriage Deposit Scheme	15,653,268	13,811,844
	Millionaire Deposit Scheme	38,507,876	50,807,688
	Monthly Savings Schemes	3,493,876,158	4,021,929,608
	Education Deposit Scheme	118,526	178,223
	Lakhopoti Deposit Scheme	2,599,983	503,763
	Triple Deposit Scheme	30,927,839	4,255,180
	Kotipoti Deposit Scheme	108,775,725	108,543,355
	Double Deposit Scheme	2,161,364,389	1,439,188,492
	Investor Deposit Scheme	12,909,211	21,371,562
		9,435,595,669	6,902,322,773
12.5(a)	Consolidated Other Deposits		
	Bangladesh Commerce Bank Limited (Note: 12.5)	12,651,465,466	9,989,070,461
	CBSIL	-	-
		12,651,465,466	9,989,070,461
12.6	Maturity wise Classification Payable:		
	On Demand	2,217,681,617	2,439,342,197
	Within 1 Month	5,174,590,439	5,691,798,461
	More than 1 month but less than 6 months	12,609,321,823	13,869,642,321
	More than 6 month but less than 1 year	14,515,666,201	15,966,528,660
	More than 1 year but within 5 years	2,218,295,759	6,099,030,150
	More than 5 year but within 10 years	5,913,038,506	2,845,031,536
	Over 10 years and Unclaimed		
		42,648,594,344	46,911,373,325
12(a)	Consolidated Deposits and other Accounts		
	Bangladesh Commerce Bank Limited	42,648,595,675	46,911,386,340
	CBSIL	-	-
		42,648,595,675	46,911,386,340
13	Other Liabilities		
	Provision for Loans and Advances (Note: 13.1)	3,757,198,261	3,724,291,261
	Interest / Profit Suspense Accounts (Note: 13.2)	5,103,329,992	3,977,892,290
	Provision for Current Income Tax (Note: 13.3)	760,643,123	649,058,691
	Provision for Deferred Tax (Note: 13.4)	-	-
	Provision for Gratuity (Note: 13.5)	-	-
	Provision for Share & Debenture Unrealized Gain / Loss (Note: 13.6)	203,521,964	149,193,754
	Provision for IT Assets (Note: 13.7)	284,111	284,111
	Accrued Expense Payable (Note: 13.8)	803,827,758	31,119,515
	Impress Fund Payable	1,181,047	189,047
	Cash Incentive	9,065,197	8,197,919
	Provision for Off Balance Sheet Exposure (Note: 13.9)	16,747,063	16,747,063
	Provision for Other Assets (Note: 13.10)	231,727,209	231,727,208
	Lease Liability (Note: 13.11)	193,514,449	202,847,744
	Unearned Income on Investment	15,047,281	21,705,951
	Bai Murabaha Compensation Realized	27,169,708	-
		11,123,257,162	9,013,254,556



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka			
		2024	2023		
Details of Provision Required and Maintained:					
S.N	Particulars	References	Required Provision	Provision Maintained	Excess/ (Short) Provision
1	Provision for Loans and Advances	(Note: 7.9.1) (Note: 13.1)	10,131,700,000	3,757,198,261	(6,374,501,739)
2	Provision for Off Balance Sheet Exposure	(Note: 13.9)	26,533,077	16,747,063	(9,786,014)
3	Provision for Other Assets	(Note: 13.10)	304,500,000	231,727,209	(72,772,791)
4	Provision for Gratuity Fund		783,600,000	657,400,000	(126,200,000)
5	Provision for Money at Call and Short Notice	(Note: 5.00)	28,400,000	-	(28,400,000)
6	Provision for Share & Debenture Unrealized Loss	(Note: 13.6)	203,521,964	203,521,964	-
7	Provision for Balance with other Banks and NBFI	(Note: 4.1)	5,397,500,000	-	(5,397,500,000)
Total:			16,875,755,041	4,866,594,496	(12,009,160,545)

As per the Bangladesh Bank's Department of Banking Inspection (DBI) NOC letter no. DBI-5(IS)/157/2025-605 dated 27 April 2025, the inspection team has identified a total provision shortfall of Tk. 1,206.34 crore as of 31 December 2024. Due to insufficient profit earned during the financial year, the Department of Off-Site Supervision (DOS) of Bangladesh Bank, vide their letter no. DOS (CAMS) 1157/41(Dividend)/2025-3096 dated 21 May 2025, has allowed the deferral of Tk. 1,200.92 crore from the total provision shortfall for the purpose of finalizing the Financial Statements for the year ended 31 December 2024.

However, in accordance with the guidelines provided in the Bank Company Act, 1991, there is no scope for deferring the provision amount of Tk. 5.34 crore related to the diminution in value of investment in shares and debentures. Consequently, a total provision of Tk. 20.35 crore has been maintained under this account to comply with regulatory requirements.

A time-bound recovery plan for addressing the provision shortfall and capital deficiency is to be formulated and submitted to the Honorable Board of Directors for approval, prior to its submission to Bangladesh Bank.

13.1 Provision for Loans and Advances / Investment					
General Provision	(Note: 13.1.1)	95,515,127	95,515,127		
Special General Provision-COVID 19	(Note: 13.1.2)	43,316,605	43,316,605		
Specific Provision	(Note: 13.1.3)	3,618,366,529	3,585,459,529		
		3,757,198,261	3,724,291,261		
13.1.1 General Provision					
Opening Balance		95,515,127	95,515,127		
Add : Transferred during the year		-	-		
Less: Adjustment during the year		-	-		
		95,515,127	95,515,127		
13.1.2 Special General Provision-COVID 19					
Opening Balance		43,316,605	43,316,605		
Add : Transferred during the year		-	-		
Less: Adjustment during the year		-	-		
		43,316,605	43,316,605		
13.1.3 Specific Provision					
Opening Balance		3,585,459,529	3,585,459,529		
Less: Fully Provided Bad Loan Written off		-	-		
Add : Transferred from Interest Suspense **		32,907,000	-		
Add : Specific Provision Kept for the year		-	-		
Add : Net Charge in the Profit and Loss Account		-	-		
		3,618,366,529	3,585,459,529		
** Interest Suspense transferred to Specific Provision due to non required in interest suspense.					
13.1.2(a) Consolidated Specific Provision					
Bangladesh Commerce Bank Limited	(Note: 13.1.3)	3,618,366,529	3,585,459,529		
CBSIL		193,578,804	164,328,804		
		3,811,945,333	3,749,788,333		
13.2 Interest Suspense A/C					
Opening Balance		3,977,892,290	3,183,800,678		
Add : Addition during the year		1,459,093,991	943,374,516		
Less: Interest Realized during the year		300,749,288	149,282,904		
Less: Transferred to Specific Provision		32,907,000	-		
Less: Written off during the year		-	-		
		5,103,329,992	3,977,892,290		
13.2 (a) Details of Interest Suspense					
Interest Suspense for Loans and Advances		1,835,634,455	1,547,124,187		
Interest Suspense for NBFI		3,116,595,537	2,430,768,103		
Interest Suspense for Banks		151,100,000	-		
		5,103,329,992	3,977,892,290		



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
13.3	Provision for Current Income Tax		
	Opening Balance	649,058,691	642,616,508
	Add : Current year tax	111,584,431	6,442,183
	Add : Prior years tax	-	-
	Less: Adjustment during the year	-	-
		760,643,123	649,058,691

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. Alternate Dispute 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. Alternate Dispute 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	-	-	-	Appeal is pending at the commissioner of taxes.
31-12-2021	2022-2023	-	-	-	Assessment due at LTU
31-12-2022	2023-2024	-	-	-	Assessment due at LTU
31-12-2023	2024-2025	-	-	-	Return submitted at LTU
31-12-2024	2025-2026	-	-	-	Return will be submitted at LTU



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
13.4	Provision for Deferred Tax Liability		
	Opening Balance	-	-
	Add : Addition during the year	-	-
	Less: Adjustment during the year	-	-
		-	-
13.5	Provision for Gratuity		
	Opening Balance	-	-
	Add : Addition during the year	-	-
	Less: Transfer to Gratuity Fund	-	-
	Less: Adjustment during the year	-	-
		-	-
13.6	Provision for Share & Debenture (Unrealized Gain/Loss)		
	Opening Balance	149,193,754	168,276,203
	Add : Addition during the year	54,328,210	-
	Less: Adjustment during the year	-	19,082,449
		203,521,964	149,193,754
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	20,402,831	8,548,078
	Others (including penal interest provision)	17,051,578	22,241,437
	Adjusting A/C Credit (Treasury)	28,500,000	-
	Penal Interest Payable to BB for CRR SLR Shorfall	508,819,811	-
	OD Interest Payable to Bangladesh Bank	228,493,538	-
	Audit Fee	460,000	230,000
		803,827,758	31,119,515
13.9	Provision for Off Balance Sheet Exposure		
	Opening Balance	16,747,063	20,891,921
	Add : Addition during the year	-	-
	Less: Adjustment during the year	-	4,144,858
		16,747,063	16,747,063
13.10	Provision for Other Assets		
	Opening Balance	231,727,209	222,297,570
	Add : Addition during the year	-	9,429,638
	Less: Adjustment during the year	-	-
		231,727,209	231,727,208
Note: Amount of Provision for Other Assets includes BCBL General Account, Advance Rent, Interior Decoration, Protested Bill, Sundry Deposits NBL, Sundry Debtors & Legal Expenses for BDT 8.7740 Crore, 1.683 Crore, 0.10 Crore, 9.5050 Crore, 0.35 Crore, 1.4598 Crore & 0.0031 respectively.			
13.11	Lease Liability		
	Opening Balance	202,847,744	211,595,206
	Add: Addition	12,910,303	13,496,137
	Less: Adjustment	22,243,599	22,243,599
		193,514,449	202,847,744
13.12	BCBL General Account		
	BCBL General Account Cr.	-	-
	BCBL General Account Dr.	-	-
		-	-
13(a)	Consolidated Other Liabilities		
	Bangladesh Commerce Bank Limited		
	CBSIL	11,123,257,162	9,013,254,556
		462,609,726	868,637,119
		11,585,866,888	9,881,891,675
	Less: Inter Company Transaction	44,422,477	-
		11,541,444,411	9,881,891,675

(Note: 13)



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
14.	Capital		
14.1	Authorized Capital		
	100,000,000 Ordinary share of Tk. 100 each	10,000,000,000	10,000,000,000
14.2 (a)	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, 2024	% of Total	31.12.2024	31.12.2023
			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	11.31%	224,998,200	224,998,200
GA Category - Autonomous/Govt owned corporate	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

14.2 (b) Break up of Right Share Application Money (*) as follows:

Particulars	No. of Shares as on December 31, 2024	31.12.2024	31.12.2023
		Amount in Taka	Amount in Taka
The Government of The People's Republic of Bangladesh	6,750,000	675,000,000	675,000,000
Three State Owned Bank			
Sonali Bank PLC	1,125,000	112,500,000	112,500,000
Janata Bank PLC	674,982	67,498,200	67,498,200
Agrani Bank PLC	450,000	45,000,000	45,000,000
General Shareholders	172,615	17,261,450	17,261,450
Total	9,172,597	917,259,650	917,259,650

* Share certificate has not been issued against "Right Share Application Money" due to restrictions in the act no. 12 of 1997. Amendment may required in the act no. 12 of 1997 to issue right share, which is now under process in the Ministry of Finance under Bank and Financial Institutions Division.

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 2023 is shown below:

Tier - I (Core Capital)

Paid up capital
Right Share Application Money
Share capital BCI
Non-Repayable share premium account
Statutory Reserve
General Reserve
Retained Earnings
Minority interest in subsidiaries
Non cumulative Irredeemable preference share

(12,228,790,389) (8,392,381,069)

1,988,742,800	1,988,742,800
917,259,650	917,259,650
15,300,000	15,300,000
-	-
275,060,371	275,060,371
8,920,366	8,920,366
(15,434,073,576)	(11,597,664,256)
-	-
-	-

Deductions from Tier-I (Core Capital) :

Book value of Goodwill
Shortfall in provisions required against classified assets ***
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,
Investments in subsidiaries which are not consolidated
Other if any

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

Total Eligible Tier-I Capital

(12,228,790,389) (8,392,381,069)



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
	Tier-II (Supplementary Capital)	155,578,795	155,578,795
	General Provision on Unclassified Loans	138,831,732	138,831,732.00
	Revaluation Reserve for HTM Securities	-	-
	Assets Revaluation Reserve	-	-
	All Others Preference Share	-	-
	General Provision (Off balance sheet items)	16,747,063	16,747,063
	Exchange Equalization Fund	-	-
	Total Eligible Capital (Tier-I + Tier-II)	(12,073,211,594)	(8,236,802,274)
	Total Risk Weighted Assets (As per BASEL-III guideline)	37,325,544,764	36,138,287,491
	Required Capital	5,000,000,000	5,000,000,000
	Details are shown in Annexure - D		
	Actual Capital Held:		
	Core Capital	(12,228,790,389)	(8,392,381,069)
	Supplementary Capital	155,578,795	155,578,795
		(12,073,211,594)	(8,236,802,274)
	Capital to Risk weighted assets ratio (CRAR) (Required 12.50%)	-32.35%	-22.79%
	Core Capital to RWA	-32.76%	-23.22%
	Supplementary Capital to RWA	0.42%	0.43%
<p>*** As per Bangladesh Bank DBI-05 NOC letter ref no- DBI-5(IS)/157/2025-605, Dated 27 April 2025, Bangladesh Bank identified provision shortfall of Tk. 1206.34 Crore against (Loans & Advances, Off Balance Sheet Exposure, Share & Debenture Unrealized Gain/(Loss), Gratuity Fund, Money at Call and Short Notice, Balance with other Banks and NBFI and Other Assets). However, Bangladesh Bank's DOS deferred the provision amount 1200.92 Crore up to finalizing the Financial Statements for 31 December 2024 vide their letter ref: DOS(CAMS)1157/41(Dividend)/2025-3096 dated: 21/05/2025 and 5.34 crore provision kept against diminution in value of Investment in Share & Debenture as per guidance provide by Bank Company Act-1991 and Bangladesh Bank's DOS.</p>			
<p>Note: Bangladesh commerce bank Ltd. was established by the Parliament order act no-12 of 1997. Raising capital to the required level of 500 crore through public issue may require amending the act no. 12 of 1997 which is now under process in Ministry of Finance under Bank and Financial Institutions division. 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 .</p>			
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	1,775,895	1,396,810
		10,696,261	10,317,176
17	Revaluation Reserve for HTM & HFT Securities		
	Opening Balance	72,049,741	72,068,420
	Add : Transferred during the year	2,849,879	13,495,669
	Less: Adjustment during the year	29,835,246	13,514,348
		45,064,374	72,049,741
17(a)	Consolidated Revaluation Reserve for HTM & HFT Securities		
	Bangladesh Commerce Bank Limited	45,064,374	72,049,741
	CBSIL	-	-
		45,064,374	72,049,741



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
18	Profit and Loss Accounts / Retained Earnings		
	Profit and Loss Accounts / Retained Earnings-BCBL	(11,597,664,256)	(9,072,271,804)
	Profit and Loss Accounts / Retained Earnings-CBSIL	(3,836,409,320)	(2,525,392,452)
		<u>(15,434,073,576)</u>	<u>(11,597,664,256)</u>
18(a)	Consolidated Profit and Loss Accounts / Retained Earnings		
	Profit and Loss Accounts / Retained Earnings	(15,434,073,576)	(11,597,664,256)
	Profit and Loss Accounts / Retained Earnings	143,647,369	140,337,512
		<u>(15,290,426,207)</u>	<u>(11,457,326,744)</u>
19	Contingent Liabilities and Other Commitments		
	Acceptances and Endorsements	240,317,608	257,172,176
	Letter of Guarantees (Note: 19.01)	1,190,443,143	1,278,409,260
	Irrevocable Letter of Credit	668,534,901	920,649,302
	Bills for Collection	2,856,784,149	2,830,454,929
	Other contingent liability (Note: 19.02)	100,610,480	103,626,480
		<u>5,056,690,280</u>	<u>5,390,312,147</u>
19.1	Letter of Guarantees		
	Money for which the Bank is contingently liable in respect of guarantee issued favoring Directors	-	-
	Government	1,187,741,711	1,272,019,324
	Bank and Other Financial Institution	-	-
	Others	2,701,432	6,389,936
		<u>1,190,443,143</u>	<u>1,278,409,260</u>
	Commitments		
	Less than 1 Year	1,190,443,143	1,278,409,260
	Equal to or more than 1 year	-	-
		<u>1,190,443,143</u>	<u>1,278,409,260</u>
19.2	Other Contingent Liabilities		
	Companies Liabilities for L/G	-	-
	Companies Liabilities for L/C	-	-
	Bills for Collection	-	-
	Tax liability	100,610,480	103,610,480
	Interest receivable	-	16,000
		<u>100,610,480</u>	<u>103,626,480</u>
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 / Profit on Investment		
	Interest / Profit received from Loans and Advances / Investment	1,124,447,086	1,050,087,234
	Interest / Profit received from Banks & Other financial Institutions	475,545,493	260,461,486
		<u>1,599,992,579</u>	<u>1,310,548,720</u>
20 (a)	Consolidated interest Income		
	Bangladesh Commerce Bank Limited (Note: 20)	1,599,992,579	1,310,548,720
	CBSIL	62,861,344	59,933,036
		<u>1,662,853,922</u>	<u>1,370,481,756</u>
	Less: Inter Company Transaction	3,297,495	-
		<u>1,659,556,427</u>	<u>1,370,481,756</u>
21	Interest Paid/ Profit shared on Deposits and Borrowings etc		
	Interest / Profit Paid on Deposits *	3,181,572,868	2,594,787,368
	Interest / Profit Paid on Borrowing	458,986,062	147,403,184
	Penal interest paid to BB	615,178,144	86,079,748
		<u>4,255,737,074</u>	<u>2,828,270,300</u>

Penal interest has been imposed by BB for CRR,SLR shortfall in according to BB order, Section 36(4) of 1971 and DOS circular No: 03/2010.

* An amount of Tk. 9,12,50,000 was paid as interest against a Current Deposit Account maintained at Mymensingh Branch, in the name of the project titled "Development of Road and Drainage Network with Citizen Service" under Mymensingh City Corporation. However, it has been observed that the said amount was received by another party through fraudulent means, instead of the actual beneficiary. In connection with the aforementioned incident, legal action has already been initiated at the branch level, and a case has been filed with the Anti-Corruption Commission against the individuals involved.



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
21(a)	Consolidated interest Paid on Deposits		
	Bangladesh Commerce Bank Limited (Note: 21)	4,255,737,074	2,828,270,300
	CBSIL	-	-
		4,255,737,074	2,828,270,300
	Less: Inter Company Transaction	-	-
		4,255,737,074	2,828,270,300
22	Income from Investment		
	Treasury Bill/Bond	310,736,759	287,127,975
	Capital Gain	38,872,556	23,046,339
	Dividend on Share	27,510,112	29,169,988
	Corporate Bond	5,000,000	5,000,000
		382,119,427	344,344,302
22(a)	Consolidated Income from Investment		
	Bangladesh Commerce Bank Limited (Note: 22)	382,119,427	344,344,302
	CBSIL	9,724,338	12,691,876
		391,843,765	357,036,178
23	Exchange, Commission and Brokerage		
	Commission	86,431,493	97,040,166
	Exchange Earnings	64,489,045	32,709,094
		150,920,539	129,749,260
23(a)	Consolidated Exchange, Commission and Brokerage		
	Bangladesh Commerce Bank Limited (Note: 23)	150,920,539	129,749,260
	CBSIL	72,400,057	82,923,424
		223,320,596	212,672,684
24	Other Operating Income		
	Rent on Locker	200,274	145,867
	Other Receipts (Note: 24.1)	99,228,665	159,801,401
		99,428,939	159,947,268
24.1	Other Receipts		
	Maintenance Charge	83,138,059	64,806,054
	Visa Card Annual Fees	3,067,626	2,470,500
	Loan Supervision Charge	3,729,541	78,788,931
	Appraisal Fee	9,278,419	13,705,065
	Postage	15,021	29,853
	Telex, Telephone & Telegram Recoveries	-	1,000
		99,228,665	159,801,401
24(a)	Consolidated Other Operating Income		
	Bangladesh Commerce Bank Limited (Note: 24)	99,428,939	159,947,268
	CBSIL	3,279,456	5,068,603
		102,708,395	165,015,872
25	Salary and Allowances		
	Basic Salary	562,034,175	550,716,282
	Allowances	496,729,468	490,722,550
	Gratuity	-	12,000,000
	Provident Fund	41,007,475	39,593,469
	Bonus	76,506,352	82,921,135
		1,176,277,470	1,175,953,435
25(a)	Consolidated Salary and Allowances		
	Bangladesh Commerce Bank Limited (Note: 25)	1,176,277,470	1,175,953,435
	CBSIL	70,459,927	67,725,089
		1,246,737,397	1,243,678,524
26	Rent, Taxes, Insurance, Electricity, etc.		
	Rent	97,186,839	123,429,391
	Rates and Taxes	1,776,159	1,851,872
	Insurance	33,601,964	35,376,373
	Car Insurance, Tax	2,090,043	3,095,545
	Electricity/Gas/Water Bill	37,544,922	37,155,075
		172,199,926	200,908,256



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
26(a)	Consolidated Rent, Taxes, Insurance, Electricity, etc.		
	Bangladesh Commerce Bank Limited (Note: 26)	172,199,926	200,908,256
	CBSIL	10,098,486	10,347,031
		182,298,412	211,255,287
27	Postage, Telegram, Telephone		
	Telephone	2,700,708	3,022,350
	Postage, Telegram & Connectivity	34,852,670	34,980,982
		37,553,378	38,003,332
27(a)	Consolidated Postage, Telegram, Telephone		
	Bangladesh Commerce Bank Limited (Note: 27)	37,553,378	38,003,332
	CBSIL	767,700	698,120
		38,321,078	38,701,452
28	Stationery, Printing & Advertisement		
	Printing Stationery	31,307,355	8,600,611
	Other Stationery	6,836,024	9,205,927
	Security Stationery	139,467	115,735
	Publicity and Advertisement	9,736,420	10,330,895
		48,019,266	28,253,168
28(a)	Consolidated Stationery, Printing & Advertisement		
	Bangladesh Commerce Bank Limited (Note: 28)	48,019,266	28,253,168
	CBSIL	635,522	809,818
		48,654,788	29,062,986
29	Managing Director's salary and allowances		
	Basic Salary	6,480,000	8,640,000
	House Maintenance / Furnishing	3,240,000	4,320,000
		9,720,000	12,960,000
30	Directors' fees & Honorarium		
	Directors' fees & Honorarium	2,271,300	1,019,800
		2,271,300	1,019,800
30(a)	Consolidated Directors' fees & honorium		
	Bangladesh Commerce Bank Limited (Note: 30)	2,271,300	1,019,800
	CBSIL	492,800	566,624
		2,764,100	1,586,424
31	Depreciation and Repair of Fixed Assets		
	Depreciation of Fixed Assets	116,009,987	117,445,051
	Repairs and Maintenance	9,973,863	13,299,611
		125,983,850	130,744,662
31(a)	Consolidated Depreciation and Repair of Fixed Assets		
	Bangladesh Commerce Bank Limited (Note: 31)	125,983,850	130,744,662
	CBSIL	1,916,447	2,431,935
		127,900,297	133,176,596
32	Other Expenditure		
	Business Development	22,576,567	12,352,174
	Conveyance	4,502,510	4,918,834
	Maintenance Charge	68,950	267,350
	Computer Photocopy Paper	2,424,882	2,820,350
	BB Clearing Charge	6,523	11,927
	Evaluation Fee	1,817,490	2,525,521
	Photocopy & Photograph	592,252	758,493
	Entertainment	12,787,654	18,763,302
	Excise Duty	662,000	57,150
	Fuel & Lubricants of Car	2,411,321	2,994,251
	Honorarium	1,927,750	2,215,375
	Laundry	1,427,917	1,476,854
	Internet Bill	131,586	121,229
	Misce Expense	101,077	16,595
	Training	61,000	34,645
	Subscription	625,816	171,856
	Travelling & Daily Allowances	2,741,626	6,051,210



Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2024

Notes	Particulars	Amount in Taka	
		2024	2023
	Uniform	-	5,397
	Software & Hardware Maintenance	1,384,867	3,679,447
	Bank Charge	3,428,938	2,164,117
	Finance cost- Lease Liability	12,910,303	13,496,137
	Covid-19 Prevention Goods	-	3,120
	Commission Paid to Bank	142,087	275,838
	Managers' meeting /Conference	159,858	-
	Plantation	435,843	435,919
	Agm & Egm Expenses	205,545	47,450
	Incentive Wage F.Remittance	17,415,210	-
	Pantry Supplies	38,294	37,976
		90,987,866	75,702,516
32(a)	Consolidated Other Expenditure		
	Bangladesh Commerce Bank Limited (Note: 31)	90,987,866	75,702,516
	CBSIL	19,001,321	21,533,122
		109,989,187	97,235,638
	Less: Inter Company Transaction	(3,297,495)	-
		106,691,692	97,235,638
33	Closing Cash and Cash Equivalent		
	Cash in hand (including foreign currencies)	375,450,718	656,035,644
	Balance with Bangladesh Bank & Sonali Bank (Including foreign currencies)	438,002,071	6,244,013,691
	Balance with Other Bank & Financial Institutions	12,822,742,732	13,569,655,434
	Money at Call and short notice	28,400,000	28,600,000
	Prize Bond	1,242,100	1,399,600
		13,665,837,622	20,499,704,369
34	Earnings Per Share (EPS)		
	Net Profit after Tax	(3,836,409,320)	(2,525,392,452)
	Number of Ordinary Share	19,887,428	19,887,428
	Earnings Per Share	(192.91)	(126.98)
34(a)	Consolidated Earnings Per Share (EPS)		
	Net Profit after Tax	(3,832,720,100)	(2,522,998,411)
	Number of Ordinary Share	19,887,428	19,887,428
	Consolidated Earnings Per Share (EPS)	(192.72)	(126.86)
35	Net Asset Value Per Share (NAV)		
	a) Capital / Share holders' Equity for the year	(12,183,726,015)	(8,320,331,328)
	b) Number of Outstanding Share	19,887,428	19,887,428
	Net Asset Value Per Share (NAV) (a÷b)	(612.63)	(418.37)
36	Net Operating Cash Flow Per Share		
	a) Net Cash flows from Operating Activities	(6,127,233,889)	2,102,025,453
	b) Number of Outstanding Share	19,887,428	19,887,428
	Net Operating Cash Flow Per Share (NAV)(a÷b)	(308.10)	105.70
37	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. Related party transactions of the Bank for the period from January to December 2024 do not exist except mentioned in Note 7(a), 13(a), 20(a), 32(a).		
38	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.		
39	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.		
40	Approval of the financial statements		
	The financial statements of the Bank has been approved by the Board of Directors at its 408 th Board meeting held on 28th May 2025.		



Bangladesh Commerce Bank Limited
Fixed Assets including premises, furniture & Fixtures Schedule
As on 31 December 2024

Annexure-A
(Amount in Taka)

Particulars	Cost				Rate of Dep.	Depreciation				Written down value as at 31.12.2023
	Balance as at 01.01.2024	Addition during the year	Sale / Adjustment during the year	Total as at 31.12.2024		Charged upto 01.01.2024	Charged during the year	Adjustment during the year	Total as at 31.12.2024	
1	2	3	4	5 (2 + 3 - 4)	6	7	8	9	10 (7 + 8 - 9)	11 (5 - 10)
Furniture and Fixtures	147,608,630	843,338	69,592	148,382,376	10%	55,802,791	9,244,059	-	65,046,850	83,859,809
Mechanical Appliances	233,815,404	53,166,899	44,446	286,937,857	20%	184,655,324	23,590,437	-	208,245,761	83,392,880
Motor Vehicles	147,795,376	21,342,290	180,713	168,956,953	20%	121,153,506	6,869,135	-	128,022,641	36,370,962
Software	105,049,739	267,200	-	105,316,939	20%	75,582,220	11,968,325	-	87,550,545	16,779,644
Interior Decoration	392,624,005	1,405,937	-	394,029,942	20%	190,459,135	35,048,456	-	225,507,591	141,158,255
Computer & Accessories	155,510,824	12,147,803	-	167,658,627	30%	162,852,690	10,966,855	-	173,819,545	22,232,500
Total	1,182,403,978	89,173,468	294,751	1,271,282,695		790,505,666	97,687,267	-	888,192,933	383,794,049

As on December 31, 2023

Particulars	Cost				Rate of Dep.	Depreciation				Written down value as at 31.12.2022
	Balance as at 01.01.2023	Addition during the year	Sale / Adjustment during the year	Total as at 31.12.2023		Charged upto 01.01.2023	Charged during the year	Adjustment during the year	Total as at 31.12.2023	
1	2	3	4	5 (2 + 3 - 4)	6	7	8	9	10 (7 + 8 - 9)	11 (5 - 10)
Furniture and Fixtures	117,807,689	29,800,940	-	147,608,630	10%	44,674,753	11,128,038	-	55,802,791	91,747,546
Mechanical Appliances	204,376,386	29,439,018	-	233,815,404	20%	161,395,330	23,259,994	-	184,655,324	55,687,178
Motor Vehicles	135,428,984	13,200,000	833,608	147,795,376	20%	110,632,391	10,521,115	-	121,153,506	22,604,269
Software	70,774,739	34,275,000	-	105,049,739	20%	66,626,036	8,956,184	-	75,582,220	28,480,769
Interior Decoration	315,046,507	77,577,499	-	392,624,005	20%	181,053,099	9,406,036	-	190,459,135	172,766,127
Computer & Accessories	141,236,782	14,274,042	-	155,510,824	30%	126,602,966	36,249,724	-	162,852,690	174,776,421
Total	984,671,087	198,566,499	833,608	1,182,403,978		690,984,575	99,521,091	-	790,505,666	387,352,752



Bangladesh Commerce Bank Limited
Lease Asset Schedule
As on 31 December 2024

Annexure-A.1
(Amount in Taka)

Particulars	Cost			Rate of Dep.	Depreciation				Written down value as at 31.12.2023
	Balance as at 01.01.2024	Addition during the year	Sale / Adjustment during the year		Charged upto 01.01.2024	Charged during the year	Adjustment during the year	Total as at 31.12.2024	
1	2	3	4	5 = (2 + 3 - 4)	6	7	8	9	10 = (7 + 8 - 9)
Right of use of Asset	254,473,055	-	-	254,473,055		64,788,057	17,922,992	-	82,711,049
Total	254,473,055	-	-	254,473,055		64,788,057	17,922,992	-	82,711,049
								11 = (5 - 10)	12
								171,762,006	189,684,998
								171,762,006	189,684,998

As on 31 December 2023

Particulars	Cost			Rate of Dep.	Depreciation				Written down value as at 31.12.2022
	Balance as at 01.01.2023	Addition during the year	Sale / Adjustment during the year		Charged upto 01.01.2023	Charged during the year	Adjustment during the year	Total as at 31.12.2023	
1	2	3	4	5 = (2 + 3 - 4)	6	7	8	9	10 = (7 + 8 - 9)
Right of use of Asset	254,473,055	-	-	254,473,055		46,865,065	17,922,992	-	64,788,057
Total	254,473,055	-	-	254,473,055		46,865,065	17,922,992	-	64,788,057
								11 = (5 - 10)	12
								189,684,998	207,607,990
								189,684,998	207,607,990



Bangladesh Commerce Bank Limited
Details of large loan
As at 31 December 2024

Annexure-B

SL	Group/ Client Name	Outstanding (Taka in crore)		
		Funded	Non-Funded	Total
1	Jamuna Agro chemicals	115.35	0.00	115.35
2	Nur-un-nobi & Allied Concern	102.70	0.00	102.70
3	M/S Marrine Vegetable Oils Ltd	61.87	0.00	61.87
4	Dhaka Trading House	64.26	0.00	64.26
5	Pran RFL Group	28.88	0.00	28.88
6	F.R.JUTE TRADING CO LTD	54.34	0.00	54.34
7	Suruj Miah Spinning Mills	40.75	0.00	40.75
8	SB Exim Bangladesh Ltd.	131.57	0.00	131.57
9	LITUN FABRICS LTD	27.22	0.00	27.22
10	M/S Islam Brothers	49.61	0.00	49.61
11	Toy Woods (BD) Co. Ltd.	21.54	0.07	21.61
12	M/s Sharmin Jute Ballers	40.04	0.00	40.04
13	M.N Akter & Co.	22.87	0.00	22.87
14	Abdul Monem Sugar Refinery Ltd.	32.64	0.00	32.64
15	Dharmapur Ceramic Ind. Ltd.	34.72	0.00	34.72
16	Smile Apparels Ltd.	0.08	24.71	24.79
17	Somerset Properties Ltd.	21.70	0.00	21.70
18	S. Alam Cold Rolled Steels Limited	0.00	41.47	41.47
Total		850.14	66.25	916.39



Bangladesh Commerce Bank Limited
Highlights of the Overall Activities of the Bank
For the year ended 31 December 2024

Annexure-C
(Amount in Taka)

Sl #	Particulars	2024	2023
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)	(12,073,211,594)	(8,236,802,274)
04	Surplus/(Deficit) Capital	(17,073,211,594)	(13,236,802,274)
05	Total Assets	48,970,002,475	55,625,920,213
06	Total Deposits	42,648,595,675	46,911,386,340
07	Total Loans and Advances	23,511,938,141	23,975,400,474
08	Total Contingent Liabilities and Commitments	5,056,690,280	5,390,312,147
09	Advances Deposits Ratio(%)	55.13	51.11
10	Classified Loans to Advance Ratio(%)	68.34	51.65
11	Profit After Tax and Provision	(3,836,409,320)	(2,525,392,452)
12	Classified Advance	16,067,575,348	12,383,535,000
13	Provision kept against Classified Advance	3,618,366,529	3,585,459,529
14	Surplus/(Deficit) Provision	(6,374,501,739)	(4,613,741,739)
15	Cost of Fund (%)	11.31	9.88
16	Interest Earning Assets	7,444,362,793	11,591,865,474
17	Non Interest Earning Assets	36,134,210,685	38,572,625,348
18	Return on Investment (ROI)%	7.09	6.31
19	Return on Assets (ROA)%	(7.83)	(4.54)
20	Income from Investment	382,119,427	344,344,302
21	Earnings Per Share (EPS)	(192.91)	(126.98)
22	Profit Per Share	(192.91)	(126.98)
23	Price - Earnings Ratio (Times)	(0.52)	(0.79)

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



Bangladesh Commerce Bank Limited
Minimum Capital Requirement (MCR) as per BASEL-III
Under Risk Based Capital Adequacy
As on 31 December 2024

Annexure - D

Particulars	Amount (Taka.)
A. Regulatory Capital:	
1. Common Equity Tier-1 Capital (CET-1)	(12,228,790,389)
2. Additional Tier-1 Capital (AT-1)	-
3. Tier-2 Capital	155,578,795
4. Total Regulatory Capital (1+2+3)	(12,073,211,594)
B. Total Risk Weighted Assets (RWA):	37,325,544,764
C. Capital to Risk weighted assets ratio (CRAR) (A4/B)*100	-32.35%
D. Core Capital to RWA (A1/B)*100	-32.76%
E. Supplementary Capital to RWA (A2/B)*100	0.42%
F. Minimum Capital Requirement (MCR)	5,000,000,000

Risk Weighted Assets (RWA)
As on 31 December 2024

Particulars	Amount (Taka)
A. Credit Risk:	35,474,011,824
On-Balance sheet	29,153,148,974
Off- Balance sheet	6,320,862,850
B. Market Risk	402,964,292
C. Operational Risk	1,448,568,648
Total: Risk Weighted Assets (RWA) (A+B+C)	37,325,544,764



Bangladesh Commerce Bank Limited
Investment In Shares
As on 31 December 2024

Annexure-E
(Amount in Taka)

Particulars	No. of Shares	Avg. Rate	Total Cost	Market Value of Shares	Unrealized Gain/(Loss)
1JANATAMF*	750,000	7.88	5,911,812	2,475,000	(3,436,812)
ABB1STMF*	500,000	6.29	3,146,280	1,650,000	(1,496,280)
AFCAGRO*	250,000	37.54	9,383,738	2,250,000	(7,133,738)
BARKAPOWER	125,000	30.42	3,802,607	1,225,000	(2,577,607)
DESCO*	126,397	101.31	12,805,704	2,919,771	(9,885,933)
ESQUIRENIT*	100,000	37.98	3,797,598	1,950,000	(1,847,598)
GOLDENSON*	56,250	47.65	2,680,049	838,125	(1,841,924)
JAMUNAOIL*	13,200	231.00	3,049,135	2,262,480	(786,655)
MAKSONSPIN*	231,863	50.48	11,703,582	1,437,551	(10,266,031)
MPETROLEUM	84,700	263.36	22,306,574	16,626,610	(5,679,964)
NBL*	472,594	11.60	5,483,284	2,315,711	(3,167,573)
PADMAOIL*	30,000	339.12	10,173,456	5,661,000	(4,512,456)
REGENTTEX*	189,299	28.54	5,401,787	662,547	(4,739,240)
RSRMSTEEL*	170,200	69.31	11,797,065	1,531,800	(10,265,265)
RUNNERAUTO	18,066	84.83	1,532,612	471,523	(1,061,089)
SILVAPHL*	350,000	25.99	9,094,933	3,570,000	(5,524,933)
SOUTHEASTB*	2,075,009	16.62	34,481,184	18,675,081	(15,806,103)
SSSTEEL*	378,000	25.06	9,471,444	3,288,600	(6,182,844)
STANDBANKL*	614,125	10.60	6,510,432	3,684,750	(2,825,682)
STYLECRAFT*	4,125	335.02	1,381,958	232,650	(1,149,308)
TITASGAS*	10,000	87.89	878,921	209,000	(669,921)
UCB*	446,477	19.35	8,640,457	4,107,588	(4,532,869)
VFSTDL*	270,355	26.74	7,228,375	1,946,556	(5,281,819)
BEXGSUKUK	200,000	100.00	20,000,000	9,500,000	(10,500,000)
ECABLES	1,332	267.77	356,675	137,596	(219,080)
GIB	1,452,397	9.07	13,173,680	7,116,745	(6,056,935)
ILFSL	69,494	48.07	3,340,400	257,128	(3,083,272)
INTECH	313,180	55.81	17,478,782	6,044,374	(11,434,408)
MIDASFIN	222,533	69.94	15,563,963	257,128	(15,306,835)
NLTUBES	33,379	127.58	4,258,619	2,820,526	(1,438,093)
ROBI	300,000	44.09	13,226,400	8,490,000	(4,736,400)
UNITEDAIR	1,516,500	28.07	42,569,949	2,881,350	(39,688,599)
BCB ICL GROWTH FUND	3,500,000	10.00	35,000,000	38,675,000	3,675,000
ICL Balance Fund	3,868,048	11.25	43,524,912	42,084,362	(1,440,550)
Esquire Icl Apparel Fund	2,202,644	13.62	30,000,011	27,378,865	(2,621,146)
Total			429,167,620	225,634,415	(203,521,963)



Bangladesh Commerce Bank Limited
Investment In Shares (Special Fund 200 Crore)
As on 31 December 2024

Annexure-F
(Amount in Taka)

Particulars	No. of Shares	Avg. Rate	Total Cost	Market Value of Shares	Unrealized Gain/(Loss)
BARKAPOWER	423,415	30.17	12,774,557	4,149,467	(8,625,090)
BSRMSTEEL*	328,292	75.18	24,680,389	16,677,234	(8,003,156)
ESQUIRENIT*	270,558	35.52	9,610,550	5,275,881	(4,334,669)
NCCBANK*	819,329	15.08	12,356,121	8,848,753	(3,507,368)
SOUTHEASTB*	1,042,167	14.04	14,627,518	9,379,503	(5,248,015)
SSSTEEL*	313,200	17.56	5,501,032	2,724,840	(2,776,192)
BEXGSUKUK*	800,000	100	80,000,000	38,000,000	(42,000,000)
Total			159,550,220	85,055,678	(74,494,489)

