





বাংলাদেশ কমার্স ব্যাংক লিমিটেড BANGLADESH COMMERCE BANK LTD.



ANNUAL REPORT 2019

"Banking for Development"

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

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

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LETTER OF TRANSMITTAL

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

Annual Report of Bangladesh Commerce Bank Limited for the year ended 31st December, 2019.

Dear Sir,

On behalf of the Board of Directors we are pleased to present before you the Bank's (BCBL) Annual Report 2019 along with Audited Financial Statements (Consolidated and Separate), Cash Flow Statements and Statement of Changes in Equity for the year ended December 31, 2019 along with the notes thereon of Bangladesh Commerce Bank Bangladesh Limited and its subsidiaries for your kind perusal and record.

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

Sincerely Yours,

Sayed M Estencher Billah

Company Secretary



বাংলাদেশ কমার্স ব্যাংক লিমিটেড

কর্পোরেট অফিসঃ ইউনুস ট্রেড সেন্টার (লেভেল ২২) ৫২-৫৩, দিলকুশা বা/এ, ঢাকা-১০০০।

২২তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এতদ্বারা বাংলাদেশ কমার্স ব্যাংক লিমিটেড এর সম্মানিত শেয়ারহোল্ডারগণের জ্ঞাতার্থে জানানো যাচ্ছে যে, বাংলাদেশ কমার্স ব্যাংক লিমিটেড এর ২২তম বার্ষিক সাধারণ সভা **ডিজিটাল প্লাটফর্ম এ** আগামী ১৯ সেপ্টেম্বর, ২০২০ইং তারিখ রোজ শনিবার সকাল ১১.০০ টায় নিম্নোক্ত কার্যাবলী সম্পাদনের নিমিত্তে অনুষ্ঠিত হবে।

আলোচ্যসূচী ঃ

- ১। ৩১ ডিসেম্বর, ২০১৯ইং সমাপ্ত বছরের ব্যাংকের নিরীক্ষিত হিসাবাবলী, ঐ তারিখে স্থিতিপত্রসহ তদ্বিষয়ে পরিচালক ও নিরীক্ষকদের প্রতিবেদন গ্রহণ ও অনুমোদন।
- ২। নিয়োগপ্রাপ্ত পরিচালক-এর নিয়োগ শেয়ারহোল্ডার কর্তৃক অনুমোদন।
- ৩। ব্যাংকের মেমোরেভাম এভ আর্টিকেলস অব এসোসিয়েশন এবং কোম্পানী আইনের বিধান মোতাবেক পরিচালকের অবসর গ্রহণ ও তদস্থলে পরিচালক নির্বাচন/পুনঃনির্বাচন।
- ৪। ২০২০ইং সালের জন্য অডিটর নিয়োগ ও পারিশ্রমিক নির্ধারণ।
- ৫। সভাপতির অনুমতিক্রমে অন্য যেকোন বিষয়ে আলোচনা।

পর্ষদের আদেশক্রমে

তারিখ ঃ আগষ্ট ২৯, ২০২০ ঢাকা।

স্বা/-(সৈয়দ মোহাম্মদ ইস্তেনচার বিল্লাহ) কোম্পানী সচিব

বিশেষ দ্রষ্টব্যঃ

- ১। কোম্পানীর ২২তম বার্ষিক সাধারণ সভা উপলক্ষ্যে শেয়ার হস্তান্তর বহিঃ আগামী ০১-০৯-২০২০ইং থেকে ০৩-০৯-২০২০ইং তারিখ (উভয় দিনসহ) বন্ধ থাকবে।
- ২। ২২তম বার্ষিক সাধারণ সভায় অংশগ্রহণ ও ভোট প্রদানের যোগ্য কোম্পানীর যে কোন সদস্য/সদস্যা তার পক্ষে সভায় অংশগ্রহণ ও ভোট প্রদানের জন্য প্রক্সি নিয়োগ করতে পারবেন। প্রক্সি ফরম অথবা পাওয়ার অব এটর্নী বা ক্ষমতাপত্র বা নোটারী পাবলিক কর্তৃক সত্যায়িত ক্ষমতাপত্র এজিএম-এর কার্যক্রম শুরু হওয়ার কমপক্ষে ৭২ ঘন্টা পূর্বে কোম্পানীর রেজিষ্টার্ড অফিসে প্রেরণ করতে হবে। যদি প্রক্সি ফরম যথাযথভাবে পূরণ ও ২০/- টাকা মূল্যের রেভিনিউ ষ্ট্যাম্প সংযোগপূর্বক নির্ধারিত সময়ে জমা দেয়া না হয় তাহলে প্রক্সি ফরম বৈধ বলে বিবেচিত হবে না।
- ৩। সাধারণ সভা অনুষ্ঠানের দিন ডিজিটাল প্লাটফরম সকাল ১০.০০ ঘটিকায় খোলা হবে। সম্মানিত শেয়ারহোল্ডারবৃন্দের এজিএম-এ যোগদানের জন্য বিস্তারিত প্রক্রিয়া ব্যাংকের ওয়েবসাইট <u>www.bcblbd.com</u> -এ দেখার অনুরোধ করা হলো।
- ৪। ২২তম বার্ষিক সাধারণ সভার বার্ষিক প্রতিবেদন-২০১৯, নোটিশ ও প্রক্সি ফরম ডাকযোগে সম্মানিত শেয়ারহোল্ডারবৃন্দের নিবন্ধিত ঠিকানায় প্রেরণ ও ব্যাংকের ওয়েবসাইটে আপলোড করা হবে। সভা অনুষ্ঠানের পূর্বে কেউ বার্ষিক প্রতিবেদন, নোটিশ/প্রক্সি ফরম এবং এজিএম-এ উপস্থিতির লিংক না পেয়ে থাকলে ব্যাংকের website: www.bcblbd.com বা রেজিস্টার্ড অফিসের সচিব বিভাগে যোগাযোগ করার জন্য অনুরোধ করা হলো (টেলিফোন- ০৯৬১-৩২২-১০৭০)।
- ৫। ঠিকানার কোন পরিবর্তন হলে বার্ষিক প্রতিবেদন প্রেরণের পূর্বে বাংলাদেশ কমার্স ব্যাংক লিমিটেড-এর রেজিষ্টার্ড অফিসের সচিব বিভাগে লিখিতভাবে অবহিত করার জন্য সম্মানিত শেয়ারহোল্ডারগণকে অনুরোধ করা হলো।



BANGLADESH COMMERCE BANK LTD.

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

Notice of the 22nd Annual General Meeting

Notice is hereby given that the 22nd Annual General Meeting (AGM) of all the Honorable shareholders of Bangladesh Commerce Bank Limited will be held on **Saturday, 19 September, 2020** at 11.00 a.m. through **Digital Platform** to transact the following business.

Agenda:

- 1) To receive, consider and adopt the Audited Financial Statements for the year ended 31st December 2019 along with the Reports of the Directors and Auditors' thereon.
- 2) To approve the appointment of Director.
- 3) To elect/re-elect Directors in accordance with the provisions of law and the Memorandum and Articles of Association of the Company.
- 4) To appoint Auditor(s) of the Company and fix up their remuneration for the year 2020.
- 5) To transact any other Business with the Permission of the Chair.

Dated: August 29, 2020 Dhaka.

By order of the Board of Directors

Sd/-

(Sayed Mohammed Estencher Billah)

Company Secretary

Notes:

- 1) The Register Book of shareholders of the Company shall remain closed from **01-09-2020 to 03-09-2020** (inclusive both days) and no shares will transfer during this period.
- 2) A Member eligible to participate and vote at the Annual General Meeting may appoint any person as a proxy on his/her behalf. Proxy Form or Power of Attorney or Authorization Letter or Authorization attested by Notary Public is to be submitted to the Registered Office of the Company at least 72 hours before the time fixed for the Meeting. If Proxy Form duly filled in along with Revenue stamp of **Tk.20**/- is not submitted within the stipulated time, the Proxy will not be treated as valid.
- 3) On the day of Annual General Meeting Digital Platform will remain open from 10.00 am. The shareholders are requested to joining link in AGM and detail participation process for the meeting will also be available in the Bank's website: **www.bcblbd.com.**
- 4) Annual Report-2019 along with Notice and Proxy Form of 22nd Annual General Meeting will be sent to the registered address of all respective shareholders and the same would also be uploaded at the website of the Bank. Anybody who has not received the Annual Report, Notice/Proxy Form and link to attend AGM is requested to visit the website www.bcblbd.com of the Bank or contact with Board Division of the Registered Office of BCBL (Contact No. 0961-322-1070).
- 5) Respected Shareholders are requested to inform **regarding change of address** (if any) to the Board Division of the Registered Office on or before **send Annual Report.**

Vision



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

Mission



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

OUR STRATEGIC PRIORITIES

To take effective measures to increase capital base and provision shortfall.

To be a trendsetter in the socio-economic development of the country.

To maintain a healthy growth of business in all core activities with desired image.

To enrich management capacity & human resources quality and develop a pro-active work force with a suitable compensation package.

To ensure environment friendly investment in line with the "Green Banking Guideline" issued by Bangladesh Bank.

To extend banking services to all classes of people.

OUR STRATEGIC PRIORITIES

To establish relationship banking & continuously improve service quality.

To acquire state of the art technologies and adopt innovative ideas for financial inclusion.

To strengthen the risk management technique and compliance culture.

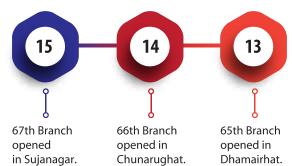
To expand the customer

base and maintain an incremental deposit & reduce
To develop appropriate corporate governance system

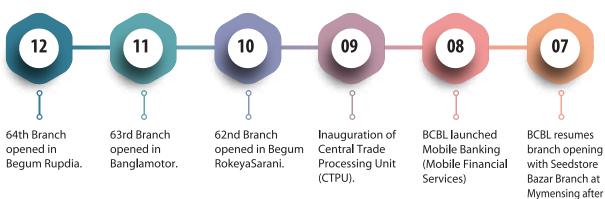
best practice.

CORPORATE MILESTONES

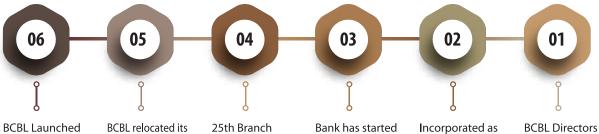
24.12.2019 18.12.2019 14.11.2019



07.11.2019 17.10.2019 24.12.2018 05.04.2014 28.03.2012 27.09.2011



25.05.2011 28.04.2011 16.11.2002 06.09.1999 01.06.1998 08.02.1998



opened in

Cumilla.

BCBL Launched it's 'BCB Credit Card'.

BCBL relocated its Corporate Office from Taranga Complex to 52-53, Dilkusha C/A, Eunoos Trade Center(Level-22), Dhaka-1000. Bank has started its operation with 24 branches around the country.

Public Limited Boa Company under form the Companies Act, 1994, Bank Companies Act, 1991 and in accordance with the Parliamentary Act no 12 of 1997.

BCBL Directors Board been formed.

09 years.

CORPORATE DIRECTORY

Name Bangladesh Commerce Bank Limited. (BCBL)

Date of Incorporation 1st June, 1998.

Core Business A public limited company incorporated in Bangladesh on June 01, 1998 under the Companies Act, 1994, the Bank Companies Act, 1991 and

Parliamentary Act 12 of 1997.

Bangladesh Commerce Bank Limited is known as a commercial bank. Like all commercial banks BCBL's core business is also obtaining deposits and providing loans. It is a financial institution providing services for businesses, organizations and individuals.

Services includes offering different types of deposit account, saving deposit account and other scheme account as well as giving loans to organizations and individuals to accelerate economic development.

BCBL make its profit by taking small, short-term, relatively liquid deposits and transforming these into small, medium, larger loans for short, medium and long term maturity loans. These processes of asset transformation generate net income for BCBL.

BCBL also earned short term profit by investing through treasury functions as well as non funded business like Trade Business.

However, BCBL is primarily engaged in deposit and lending activities to private and corporate clients through wholesale and retail banking. Other services typically include credit card, mobile banking, custodial service, guarantees, cash management and settlement etc..

Authorized Capital BDT 10,000 Million.

Paid Up Capital BDT 1,989 Million.

Face Value Per Share BDT 100 per share.

Auditor Rahman Mostafa Alam & Co.

Chartered Accountants.

Tax Consultant K. M. Hasan & Co.

Chartered Accountants.

Registration Number C-35510(2286)/98

Bangladesh Bank License Number BRPD (P)744(KHA)/99-2842

Registered Head Office Eunoos Trade Center (Level-22)

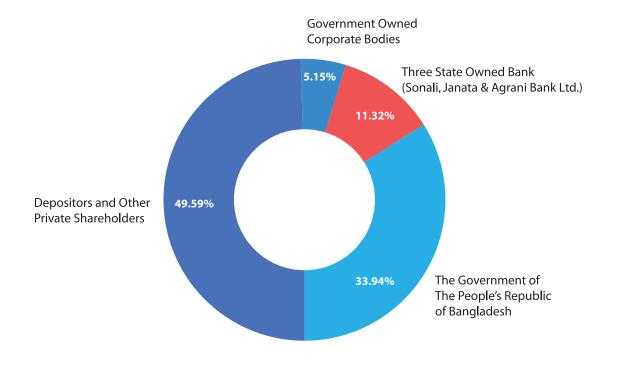
52-53, Dilkusha Commercial Area

Dhaka-1000. Bangladesh.

TIN 222834807779 BIN 000001525-0202

Ownership Composition

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



Composition of Board & Its Committees

HONORABLE CHAIRMAN OF THE BOARD

Dr. Engr. Rashid Ahmed Chowdhury

COMPOSITION OF BOARD OF DIRECTOR'S:

SI. No.	Name of the Directors	Status with the Committee				
1.	Dr. Engr. Rashid Ahmed Chowdhury	Chairman				
2.	Mr. Md. Farhad Uddin	Member				
3.	Mr. Md. Wahiduzzaman Khandaker	Member				
4.	Mr. Md. Azizur Rahman	Member				
5.	Mr. Md. Anisur Rahman	Member				
6.	Mr. Mohammed Arshed	Member				
7.	Mr. Mohammad Hanif Chowdhury	Member				
8.	Mr. Md. Shafiqul Islam, FCA	Member				
9.	Mr. A A M Zakaria	Member				
10.	Mr. Humayun Bokhteyar, FCA	Member				
11.	Mr. Zafar Alam	Ex-Officio Director				

COMPOSITION OF EXECUTIVE COMMITTEE:

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

COMPOSITION OF AUDIT COMMITTEE:

SI. No.	Name of the Directors	Status with the Committee
1.	Mr. Md. Shafiqul Islam, FCA	Chairman
2.	Mr. Md. Farhad Uddin	Member
3.	Mr. Md. Wahiduzzaman Khandaker	Member
4.	Mr. Md. Anisur Rahman	Member

COMPOSITION OF RISK MANAGEMENT COMMITTEE:

SI. No.	Name of the Directors	Status with the Committee
1.	Mr. Mohammad Hanif Chowdhury	Chairman
2.	Mr. Md. Farhad Uddin	Member
3.	Mr. Md. Wahiduzzaman Khandaker	Member
4.	Mr. Mohammed Arshed	Member
5.	Mr. Md. Shafiqul Islam, FCA	Member

Directors' Profile



Dr. Engr. Rashid Ahmed ChowdhuryChairman Of the Board of Directors



Mr. Humayun Bokhteyar, FCA Chairman, EC Committee



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



Mr. Mohammad Hanif Chowdhury Chairman, Risk Management Committee



Mr. Md. Farhad Uddin Director



Mr. Md. Wahiduzzaman Khandaker Director



Mr. Md. Azizur RahmanDirector



Mr. Md. Anisur Rahman Director



Mr. Mohammed Arshed
Director



Mr. A M M Zakaria Director



Mr. Zafar Alam, MD (CC) Ex-Officio Director



Dr. Engr. Rashid Ahmed Chowdhury

Chairman

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

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

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

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

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



Md. Farhad Uddin

Director

Mr. Md. Farhad Uddin, son of Mr. Md. Afazuddin Molla was born in 1955 in a humble Muslim family. He is a Government nominated Director of Bangladesh Commerce Bank Limited. As a senior civil servant in the Government Sector, he was former Additional Secretary to the Government of the People's Republic of Bangladesh. He holds important positions in various Government Organizations, namely (I) Chairman, BFIDC, (II) DG-DMB (III) Member-BEPZA.



Md. Wahiduzzaman khandaker

Director

Mr. Md. Wahiduzzaman Khandaker, son of late Md. Abdul Hakim Khandaker & Mrs. Faizun Nessa Begum was born in 1958 in a respectable Muslim Family. He is a Govt. nominated Director of Bangladesh Commerce Bank Limited (BCBL).

Mr. Khandaker studied Higher Secondary Education at Govt. Commerce College, Chittagong. He also obtained B. Com (Hons), M. Com in Finance from the University of Dhaka. He is also a member of DAIBB.

Mr. Khandaker started his banking carrier in 1983 as a Senior Officer (Financial Analyst) at the Investment Corporation of Bangladesh (ICB). Before he was the Managing Director of Probashi Kallyan Bank (PKB), he had served as a Deputy Managing Director (DMD) of Investment Corporation of Bangladesh (ICB) and Bangladesh Development Bank Ltd (BDBL). He was also the General Manager of Rupali Bank Limited and Investment Corporation of Bangladesh. He had also served as a DGM and CEO of ICB Assets Management Co. Ltd.

He was the Director of a) Islami Bank Bangladesh Ltd. Dhaka, b) Aramit Ltd. Chittagong, c) Aramit Cement Ltd. Chittagong, d) Chairman of ICB Asset Management Co. Ltd. Dhaka & e) ICB Securities Trading Co. Ltd (ISTCL), Dhaka.



Md. Azizur Rahman

Director

Mr. Md. Azizur Rahman, son of Mr. Hakim Uddin Bayaty and Mrs. Hazera Begum was born in a humble Muslim family of Madaripur. He is a Government nominated Director of Bangladesh Commerce Bank Limited. As a civil servant, he started his service in 1994 in the Government Sector. At present, he is the Director General (Joint Secretary) of the Honorable Prime Minister's Office.



Md. Anisur Rahman

Director

Mr. Md. Anisur Rahman is the Deputy Managing Director of Agrani Bank Limited from 11th June, 2018.

He was born on 1st August, 1962 in a respectable family and son of Late Md. Shahadat Hossain Biswas & Mrs. Zobida Begum. Mr. Md. Anisur Rahman obtained his Bsc and Msc in Mathematics from the University of Dhaka. As a prudent banker, he has 30 years of banking experience. He started his banking career with Agrani Bank in 14th March, 1988 as a Senior Officer. He attended a number of seminars, workshops and received different training.

He attended a number of seminars, workshops and received different training in home and abroad conducted by prestigious and world famous Institutions.



Mohammed Arshed

Director

Mr. Mohammed Arshed, is representing Karnaphuli Prakritik Gas Limited in the Board of Directors of Bangladesh Commerce Bank Limited. Mr. Md. Arshed is the Chairman of C & A Dietary & Hospitality Ltd. He is the Managing Director of C & A Real Estate Ltd., C & A Energy Ltd., C & A Dairy Ltd., Khalid Enterprise Ltd., C & A Agro Ltd., C & A Court Yard Ltd. and C & A Beverage Ltd. He was born on August 03, 1971. After completion of hisGraduation, he started his career in business. He has got professional experience for more than 10 years. He is the Managing Partner of S & A Bay of Bengal. He travelled many countries on business ground.



Mohammad Hanif Chowdhury

Director

Mr. Mohammad Hanif Chowdhury, is representing Victor Trade and Business Limited in the Board of Directors of Bangladesh Commerce Bank Limited. He was born on February 14, 1956. After completion of graduation, he involved himself with the export import business. He is the Director of Jansco Canada International Inc. in Canada. He conducted his own business residing in Canada for many years. He was the Vice-Chairman of the NRB Global Bank Limited at present he is the Chairman of Unitex Group of Companies and Republic Insurance Company Ltd. He travelled many countries in connection with business.

Annual Report 2019



Md. Shafiqul Islam, FCA

Director

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



A A M Zakaria

Director

Mr. A A M Zakaria, is representing Brilliant Business Company Limited in the Board of Directors of Bangladesh Commerce Bank Limited. He was the Managing Director of First Security Islami Bank Limited (FSIBL) wherein he served for around 9 years prior to his joining with FSIBL. He Worked with Dutch Bangla Bank Limited as the Deputy Managing Director. He has got over 37 years of diversified banking experiences both at nationalized and private commercial banks. He was born on November 16, 1949. He obtained a post-graduation degree in Economics from Dhaka University. He visited many countries throughout the world and participated in many trainings & seminars in home and abroad



Humayun Bokhteyar FCA,

Director

Mr. Humayun Bokhteyar FCA, was born in a respectable Muslim family of Satkania, Chittagong. He became Chartered Accountant in 1991.

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

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

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

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



Zafar Alam

Managing Director, Ex-officio Director -

Mr. Zafar Alam has been appointed as the Managing Director (current charge) of Bangladesh Commerce Bank Limited on 27 December, 2019. He started his career with 'Islami Bank Bangladesh Limited' in 1992 as a Probationary Officer. Prior to joining as Managing Director he had been working as the Additional Managing Director of Bangladesh Commerce Bank Limited and Deputy Managing Director as well as CAMLCO of Social Islami Bank Limited. He has vast experience in his long 28 years of Banking career having expertise in diversified field of banking. He was the Chief Human Resource Officer (CHRO) in Islami Bank Bangladesh Limited. He obtained the Diploma in Islamic Banking from IBRTA. He delivers speeches on various banking related issues. He attended many international conferences, seminars, training & business development programs in different countries. He visited many foreign countries including Singapore, UAE, Malaysia, Thailand, India etc.

MESSAGE FROM THE HONORABLE CHAIRMAN



Dr. Engr. Rashid Ahmed ChowdhuryChairman of the Board of Directors

Bismillahir Rahmanir Rahim RESPECTED SHAREHOLDERS,

Assalamu Alaikum,

On behalf of the Board of Directors (BoD), I welcome you all to the 22nd Annual General Meeting of Bangladesh Commerce Bank Limited. It is my privilege to present before you the Annual Report along with the Audited Financial Statements for the year ended 31 December, 2019. I would like to express my heartfelt thanks and gratitude to you all for your continuous support and guidance in running our beloved institution efficiently, and in overcoming the obstacles and challenges.

DEAR SHAREHOLDERS,

GLOBAL ECONOMY

The growth of the global economy has been estimated to be 2.9% in 2019, which is projected to increase to 3.3% in 2020 and inch up further to 3.4% in 2021. Compared to the October WEO forecast, the estimate for 2019 and the projection for 2020 represent 0.1% point reduction for each year while that for 2021 is 0.2% point lower. In emerging market and developing economies, the growth was forecast to decline to 3.9% in 2019 and then pick up to 4.6% in 2020, which was 4.5% in 2018 (World Economic Outlook, October 2019, IMF). The economic environment was dragged by the slower growth in many countries. Even the prolonged recessions in certain countries and regions may be inevitable due to the corona virus pandemic. The outlook of global economic growth in 2020 looks very lackluster. Despite the downturn of global economic growth, the economy of Bangladesh did not suffer that much. It registered 8.1% GDP growth in FY19. The banking sector of Bangladesh saw alarming rise in NPLs, liquidity crisis, bullish trend of exchange rate against USD, sluggishness in private sector credit growth etc. The corona virus will also impact the country's economy.

The International Monetary Fund warned that the pandemic might push the global economy into the worst recession since the Great Depression of

the 1930s, the consequence might be far worse than the one triggered by the Global Financial Crisis in 2008-09. IMF also projected that the global economy would contract by 3.0% in 2020. Asian Development Bank estimates that the global economy could lose between USD5.8 and USD8.8 trillion equivalents to 6.4 and 9.7% of the global GDP. The World Trade Organization similarly predicts the world merchandise trade to shrink between 13 and 32% in 2020. The World Bank (WB) in its June 2020 Global Economic Prospects Report predicted even a worse global economic scenario. It estimates that the global economy will shrink by 5.2% this year and then rebound to 4.2% in 2021. The COVID-19 recession is likely to be the deepest in advanced economies and cause sharp growth contraction in emerging economies.

It was expected that the world economy will have a modest rebound in 2020; however global economic prospect remain subdued and very uncertain due to unprecedented Novel Corona Virus (COVID 19) pandemic. The average impact of this ongoing pandemic is apprehended to be so massive and far reaching that the world economic order is expected to take a new shape. Even the prolonged recession in certain countries and regions may be a neo normal scenario. Quite expectedly, the outlook of global economic growth in 2020 simply looks very bleak and uncertain.

THE BANGLADESH ECONOMY

According to the Annual Report 2018-2019 of the Bangladesh Bank, robust growth momentum continues in the Bangladesh economy amid tepid global growth environment, with 8.15% real GDP growth published by the Bangladesh Bureau of Statistics (BBS) for FY19 against 7.86% in the previous year. The strong 8.15% FY19 real GDP growth was broad based across economic sectors, supported by both strong domestic and external demand reflected in 10.1% export growth. The per capita Gross National Income and

per capita GDP increased to USD 1,909 and USD 1,828, respectively in 2018-19 from USD 1,751 and USD 1,675, respectively in FY 2017-18. Inward remittance grew by 9.8%, reaching a record USD16.4 billion in FY 2019. This is 9.6% higher compared to that of FY 2018. Net foreign direct investment increased by 42.9% and private consumption by 5.4% with increased investments in the power, food, and textiles sectors.

RESPECTED SHAREHOLDERS,

Throughout the core business area, Bank's operating loss for the year 2019 is Tk. 625.21 million. Provisions for loans and advances, taxation and other required provisions, BCBL attained a net loss of Tk. 1289.97 million. The Bank's classified loans (CL) stood at 50.39% against industry position of 9.32%. We believe that this will come down to below 20% within a short time.

The Bank listed a slightly lower performance this year. And, in all respects, efficiency in banking operations has decreased. Cost to Income ratio 182.40% in 2019 which was 109.3% in the previous year. Operating loss is Tk.625.21 million and the after-tax loss is Tk.1289.97 million due to adjustment of prior period's provision for loans & advances. ROA and ROE, the two key profitability ratio, have been negative (3.26%) and (3244.41%) respectively while the basic loss per share was (Tk.64.86) and earnings per share was (Tk.112.19) in 2018.

HUMAN CAPITAL

We hearten employing right persons in right positions; develop skills, looking after enthusiastic and motivated incumbents with sustainable remuneration packages. ln developing well organized and competent human resources, we always acknowledged the individual prerequisites. To this end, we emphasized on learning and development programs to further enhance the efficiency of our human resources. To deal with variable HR needs. the human resource policy of the Bank has been reviewed continually. We believe that a professional yet caring work environment would help attract and retain people with high caliber. It will ensure higher level of comfort for the employees and create stronger ties with the Bank.

IN GRATITUDE

I thank my fellow Board of Directors of BCBL for their judicious guidance and support for consistent growth and development of BCBL. I would like to thank the Bangladesh Bank, External Auditors, Registrar of Joint Stock Companies & Firms and other Regulatory authorities for their prudent guidance and assistance. I would also like to express my sincerest gratitude to all the stakeholders who have been providing us with constant and unfaltering support over the years. I am also grateful to the entire management team for their persistent hard work and achievements.

My best wishes to all of you.

Thank you,

Dr. Engr. Rashid Ahmed Chowdhruy

Chairman.

MESSAGE FROM MANAGING DIRECTOR



Zafar Alam Managing Director (CC)

In the Name of Allah, Most Gracious, Most Merciful

Dear Shareholders, respected members of the Board & valued stakeholders

Assalamu Alaikum

It is with deep gratitude and honor that I present the position and performance of the Bank for the year 2019 when we are setting for a fresh journey to ascertain our motto towards financial excellence. We all know that the banking industry prevalent now was not in the same phenomenon during its inception in 1972 when the country faced with greater challenges of building a viable economy and a stable social and political order out of a war-ravaged country. Under the glorious leadership of Bangabandhu Sheikh Mujibur Rahman who took the pragmatic steps of restructuring the existing banking after a war distorted newly independent country through President's Order No. 127 of 1972. With great respect and modesty, I remember the father of the nation famed leader Bangabandhu Sheikh Mujibur Rahman in his 100th birth centenary.

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

World Economy and Operating Environment:

We are standing before in a situation where the whole world is in stress due to ongoing outbreak of the novel corona virus disease (COVID-19) which has become the main concern of the whole world and the country as well. This pandemic is one of the biggest disruptors to the global and national economy and financial markets. Restrictions on movement of people, goods and services, and containment measures such as factory closures have cut manufacturing and domestic demand sharply. The IMF now expects the global economy to shrink by 3% in 2020 before growing 5.8% next year. The World Economic League Table 2020, the Centre for Economics and Business Research (CEBR) also says that Bangladesh's economy will further climb up from the 40th place in the World Economic League Table in 2020 to 26th and 25th position respectively by 2029 and 2034. However, due to limited resource mobilization, dependence on bank borrowing to finance its development programs, ongoing several mega infrastructure projects including the Padma multi-purpose bridge, a mass rapid transit system, an LNG terminal and several power plants and deep sea ports etc., the government will go through fiscal challenges in managing its expenditures and continuing development initiatives. If we look at the banking sector, it is high time for us to tackle rise in non-performing loans, and establish strong governance to drive the economy better than before. The better it does so, the better the economy will perform in the long-run through more productive economic activities and reduced financial risk.

Preventive Measures of Covid-19:

To overcome the overall economic situation of the country honorable Prime Minister Sheikh Hasina unveiled a series of stimulus packages totaling Tk.72,750 crore to buttress the deleterious consequences of the Covid -19 pandemic on 5th April 2020. The size of the stimulus may eventually need to be around 3%-5% percent of GDP. In accordance with the stimulus packages of the government Bangladesh Bank, the central bank of Bangladesh circulates several necessary circulars to conquer the situation and to keep the economy stable and growth oriented as well. Economic stimulus packages are:

 Required Cash Reserve Requirement (CRR) of the banks has been reduced.

- Refinance scheme BDT 50bn (approx. USD 595m) for agriculture sector
- Refinance Scheme of BDT 30bn (approx. USD 357m) for low income professionals, farmers, micro businessmen
- Providing agricultural loan at 4% to the crop sector
- Expatriate Bangladeshis can get 2% incentives without showing any paper on remittance.
- Export oriented Industries will get BDT 5000 crore for salary and wages
- Working capital for industrial loans BDT 30,000 crore.
- Working capital for CMSME sector BDT 20,000 crore
- Agriculture sector BDT 5000 crore
- Low income professionals, farmers and small business owners BDT 3000 crore.

In a nutshell these are the main economic packages Bangladesh Bank announces. BCBL always come forward for the implementation of all initiatives taken by the Government as well as Bangladesh Bank. Hence, BCBL has constantly been working, as a basis of priority, for successful accomplishment of those stimulus packages circulated by Bangladesh Bank so that the entire rejuvenation plan of the Government on the contemporary economic stagnancy be successful.

Committed Performance:

We have delivered moderate financial performance in 2019 with the growth in Deposits, new products of deposit and loan & advances which will boost up our performance in the coming years different segments including SME. Fees and commissions will grow remarkably with the agreement and initiative that we have taken in the year 2020. We have taken initiative to expand trade services, foreign exchange income and card operations. Amidst such expansions, ongoing focus on process efficiencies and productivity improvements will enable Bank to achieve an improvement in its cost-to-income ratio in great extent we took efforts a testament to its brand strength and customer convenience offered through a multi-channel strategy. Our intense focus on quality of asset will be able to achieve NPL ratio of lesser than 20% in the years to come. We have adopted proactive measures to stem the influx of NPL through tightening underwriting and approval mechanisms and strengthening collections and monitoring drive.

For details, please go to the section- Stakeholders' Information, Management Discussion and Analysis,

Risk Management Report and notes to the financial statements of this annual report.

Net Operating Results:

Despite higher Operating losses we have reduced net loss of Tk.94 crore compared to previous year 2018 which resulted decreasing negative EPS of Tk. 47.33 per share.

Strategic Move:

The Bank continued to put thrust on strengthening its dominant position in the Retail and SME segments while sustaining its competitive edge in the corporate segment. This strategy will allow the Bank to optimize its risk-return balance while diversifying its portfolio. The Retail and SME Banking segment recorded sound growth, supported by strategic focus on new client acquisition and tapping cross-sale opportunities. We have also going to introduce a brand new segment app-based internet banking to strengthen our position with the market leaders.

Digitalization:

Digital innovations are transforming economies and financial ecosystems the world over. Customers are demanding banking that is simple, functional, reliable, and seamless. New opportunities for business growth abound as do new risks to data security and compliance, among others. In the ever evolving market scenario strengthening digital capabilities is our key priority. We have been continuously trying to increase operational efficiency by automating and digitalizing internal operational processes. Introducing new service features in existing banking products and service channels has become integral part of our DNA. And by enhancing transaction security we are committed to give our customers utmost comfort. We will introduce VISA credit in the year 2020 with all available banking features. To safeguard the Bank's IT assets from ransom ware or malware attacks, we are taking all necessary backup of data so that it can be retrieved in the event of emergency situation. We are also working on upgrading the current core banking solution to enhance our operational efficiency which will lead to better customer experience.

Cost Effectiveness:

A Cost Reduction Committee (CRC), a specialized committee to drive cost rationalization awareness and initiatives across the `BCBL, has made a noteworthy contribution, so far we have reduced

controllable cost in some extent and initiative has been taken to reduce to our cost to income ratio in 2019. In the coming days, we will focus more on cost rationalization to ensure eco-friendly operational environment, minimum wastages, committed human resources with positive mindset etc. that will reap up the benefits for the Bank.

A Responsible Bank:

We believe that every small 'GREEN' step taken today would go a long way in building a greener future. Through proper planning and management, we are trying to ensure minimal wastage of natural resources. We suggest our employees switch their lights off after office hours, use daylight instead of electric lights, turn off all air-conditioner after 7 p.m., moving towards paperless office as much as possible, managing water consumption, planting trees and encouraging green practices -all these have been mainstay of our development banking activities. Besides. As a financial services provider we are aware of the role we play to facilitate economic activity and address critical social and environmental issues. We will continue to drive initiatives to embed the principles of economic, social and environmental sustainability to our business strategy and process in the coming days.

Better Customer Services:

We work towards providing excellence in customer experiences consistently through all our banking channels. Our priority is to bring common people into banking arena and simple process so that customers can feel more comfortable when dealing with the Bank. Many .We are continuously working to give the best possible experience to our 7000 thousand plus existing customers. To keep up with our previous successful track, our aim is to uplift the standard achieved through improved productivity and excellence in customer service.

Governance and Compliance:

We work towards providing excellence in customer experiences consistently through all our banking channels. Our priority is to bring common people into banking arena and simple process so that customers can feel more comfortable when dealing with the Bank. Many .We are continuously working to give the best possible experience to our 7000 thousand plus existing customers. To keep up with our previous successful track, our aim is to uplift the standard achieved through improved productivity and excellence in customer service.

Human Resources to Human Capital:

We help our human resources shaping their career from inspiring them to work with us to creating a real learning environment to providing required training to build up skills to developing them through modern performance management system and finally to showing them a sustainable career path. We have always focused on growth for our employees both in terms of their rewards and honing the skills they need to deliver top performance. We take care of our people by actively listening to their issues, and we respect our employees by treating them fairly. Our emphasis is on developing more and more home grown people in the coming days. We install in them a culture of high ethical standard and norms and empower them to lead the Bank responsibly in future.

Going forward for the Year 2020:

To excel the performance of 2019, pragmatic initiatives have been taken in key areas that will help to uplift the position of the Bank in the current year:

Deposit:

Deposit is the lifeblood of a bank. Some key initiatives are given below to have a strong and sustainable deposit base.

- Introduced three (03) deposit products named BCB Chikitsha Shuridh, BCB Bibah Shuridh, BCB Shikka Shurid
- These 03 Deposit scheme products helps deposit base in perpetual nature.
- Initiatives have been taken to increase low cost deposit by emphasizing to open CD A/C.
- Launched a special slogan "Everyday each employee one (01) account have been introduced which have become a successful initiative to boost up no of new account that is being supervised directly from desk of Managing Director.
- Initiative has been taken for favorable shifting of Deposit Mix.

Loans & Advances:

• We have implemented regulators declared loan and deposit rate of 9% & 6%.

Foreign Exchange:

• Cash FC transaction, student file processing, passport endorsement been introduced.

Cost Effectiveness:

 An instruction circular has been issued regarding Cost reduction addressing different

- administrative expenses and as well as to maintain financial discipline in all the SBUs
- A significant amount (10% to 20%) of office rent will be saved through favorable revised rental agreement.

Learning & Innovation

- Introducing VISA Card and App based internet service to convergence with global standard
- Seven (07) Loan products have been introduced and three (03) new Deposit Products will be introduced soon.
- During Covid-19 pandemic using online platform Management reviewed each employee's performance by one to one conversation and motivated them for better performance at the coming future.
- Detail analysis on Key indicators has done in half yearly Business Conference June-2020. 20 branches been provided with Tk.100 crore milestones.
- Total eleven (11) workshop from which 477 employees been trained on different topic.

Asset Quality & Recovery from NPL:

- Cash Recovery has been made and we have regularized notable amount non- performing loan crore and significant amount of loan is waiting for NOC from Bangladesh Bank.
- Management has arranged a discussion over top 20 defaulters for recovery of significant amount of bad loan so that these become regular soon.

Acknowledgement:

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

Zafar Alam

Managing Director (CC)

Shareholder's Information

Five Years at a Glance

Figures in Million BDT

2015 10,000
10,000
10,000
1,989
3,404
24,208
203
16,059
66.34%
4,106
157
15,273
30,050
5 3 7 4 5 3 3 4 7

B. INCOME STATEMENT METRIC	2019	2018	2017	2016	2015
Net interest income (excluding Investment Income)	243	737	728	611	453
Non-interest income	50	71	59	61	62
Investment Income	341	302	328	331	280
Non Investment Income (Exchange, fees & charges)	125	158	138	106	88
Operating Revenue	759	1,267	1,253	1,109	883
Operating Profit (Profit before provision and tax)	(625)	(284)	302	216	8
Provision for loans, investment and other assets	665	1,832	156	91	-
Profit before tax	(1,290)	(2,116)	146	100	8
Profit after tax (PAT)	(1,290)	(2,231)	29	25	2

C. CAPITAL METRIC	2019	2018	2017	2016	2015
Risk weighted assets (RWA) under Basel II	41,489	38,791	30,204	26,719	26,197
Core capital (Tier 1)	(6,052)	(2,707)	797	338	1,047
Supplementary capital (Tier 2)	144	148	127	122	136
Total Capital / Regulatory capital (Tier 1 and 2)	(5,908)	(2,559)	924	460	1,183
Statutory capital	2,264	2,264	2,264	2,234	2,210
Capital adequacy ratio	-14.24%	-6.60%	3.06%	1.72%	4.52%
Core capital (Tier 1) to RWA	-14.59%	-6.98%	2.64%	1.27%	4.00%
RWA to total assets	104.90%	102.01%	82.99%	85.73%	87.18%

Shareholder's Information

Figures in Million BDT

D. CREDIT QUALITY	2019	2018	2017	2016	2015
Non performing/classified loans (NPLs)	11,325	8,583	5,598	6,255	5,037
Specific Provision	2,999	2,499	765	741	683
General Provision	89	89	89	89	103
Total Provision	3,088	2,588	854	830	786
NPL to total loans and advance	50.39%	38.75%	29.03%	37.60%	31.37%

E. TRADE BUSINESS METRIC	2019	2018	2017	2016	2015
Export	2,542	6,174	2,284	2,629	2,302
Import	3,698	5,034	4,719	3,846	2,843
Remittance	2,089	1,722	1,187	1,173	978

F. EFFICIENCY/PRODUCTIVITY RATIOS	2019	2018	2017	2016	2015
Return on average equity (ROE)	(3245.24%)	(175.26%)	0.83%	0.72%	0.06%
Return on average assets (ROA)	-3.26%	-5.87%	0.08%	0.08%	0.55%
Cost to income ratio	182.40%	109.35%	87.98%	80.52%	99.06%
Yield on advance (average)	7.45%	7.04%	7.01%	7.64%	9.23%
Cost of deposits (average)	6.85%	5.95%	4.25%	5.04%	9.60%
Net interest margin ratio	2.29%	2.18%	3.95%	2.90%	2.80%
Cash reserve ratio (daily basis)	5.71%	6.45%	6.44%	7.41%	6.53%
Statutory liquidity reserve ratio	19.84%	20.82%	19.99%	15.17%	14.04%
Operating profit per employee	(0.57)	(0.27)	0.32	0.26	0.01
Operating profit per branch	(9.33)	(4.58)	5.39	4.50	0.17

G. SHARE-DISTRIBUTION METRIC	2019	2018	2017	2016	2015
Earnings per share (EPS) in BDT	-64.86	-112.19	1.48	1.26	0.08
Operating profit per share in BDT	-31.44	-14.23	15.2	10.86	0.40
Price earning ratio (times)	(1.54)	(0.89)	67.57	79.37	1,202.39

H. OTHER INFORMATION (ACTUAL FIGURE)	2019	2018	2017	2016	2015
No of branches	67	62	56	48	48
No of employees	1101	1035	952	820	851

Graphical Presentation

Business Performance











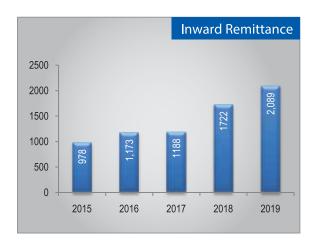


Graphical Presentation

Business Performance







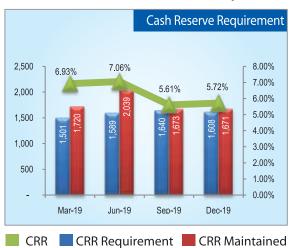
Operating Efficiency

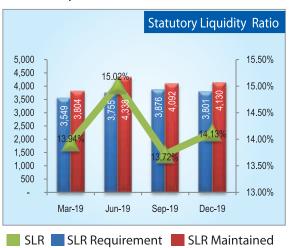


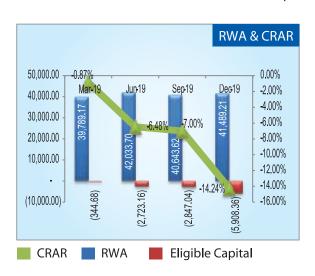


Graphical Presentation

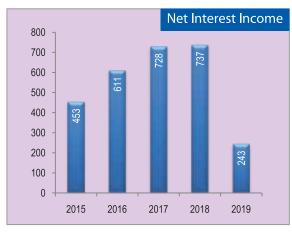
Operating Efficiency

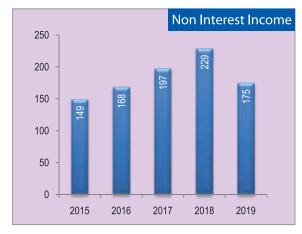






Profitability





Graphical Presentation

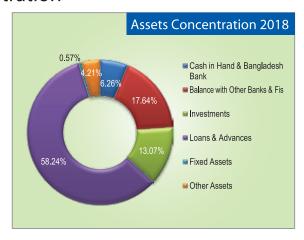
Profitability

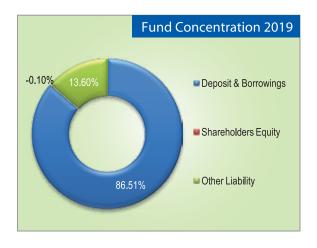


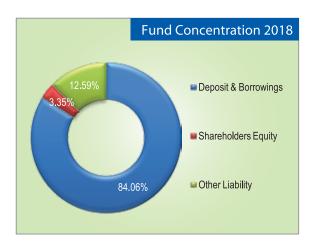


Concentration



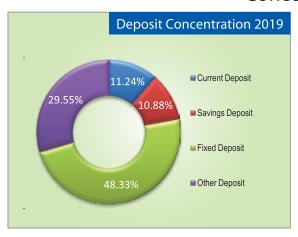


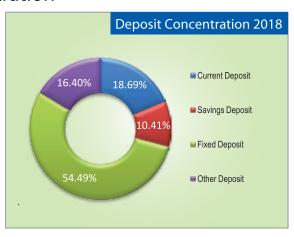




Graphical Presentation

Concentration





Credit Ratings 2019



Rated by : Alpha Credit Rating Limited

Date of declaration: 25 June, 2020

Valid till: 24 June, 2021

Value Addition & Distributions

Fig. in Million

Particulars	20	2019		2018	
	Consolidate	Bank	Consolidate	Bank	
Income from banking services	2,971	2,846	3,245	3,040	
Less: Cost of services & supplies	2,540	2,506	2,210	2,169	
Value Added by Banking Services	431	339	1,035	871	
Non-banking income	-		-	-	
Provision for loans & other assets	665	665	1,900	1,832	
Wealth creation	(234)	(326)	(865)	(961)	
Wealth distribution					
Employees as salaries & allowances	1,016	964	1,199	1,154	
Government as Income Tax	17	=	29	-	
Statutory Reserve	-	-	-	-	
Retained Earnings	(1,266)	(1,290)	(2,209)	(2,231)	

Economic Value Added (EVA) Statement

Fig. in Million

Particulars	2019		20	2018	
	Consolidate	Bank	Consolidate	Bank	
Shareholder's equity	62	(40)	1,351	1,273	
Add: Accumulated provision for loans &					
advances and other assets	3,797	3,651	3,134	2,987	
Total:	3,859	3,611	4,485	4,260	
Capital Employed (Average Shareholders' equity)	1,412	617	2,451	2,384	
Earnings					
Profit after tax	(1,266)	(1,290)	(2,209)	(2,231)	
Add: Provision for loans & advances and other					
assets during the year	665	665	1,900	1,832	
Less: Written off loans during the year	-		-		
Total Earnings	(602)	(625)	(309)	(399)	
Average cost of equity (Based on weighted					
average rate of years treasury bond issued by					
the Bangladesh Government) Plus 2% risk premium	10%	10%	9.13%	9.13%	
Capital charge (Cost of average equity)	141	62	224	218	
Economic Value Added	(743)	(687)	(533)	(617)	

REPORT OF THE BOARD AUDIT COMMITTEE

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

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

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

In this connection, the Audit Committee comprising of 04 (Four) members has been appointed by the Board of Directors. As per Bangladesh Bank Circular, no member of the Executive Committee has been included in the Audit Committee. The present Audit Committee was reconstituted by the Board in its 329th meeting held on 11.12.2019 consisting of the following members:

COMPOSITION OF THE AUDIT COMMITTEE

SI. No.	Name of the Directors	Status in the Board	Status with the Committee
1.	Mr. Md. Shafiqul Islam, FCA	Director	Chairman
2.	Mr. Md. Farhad Uddin	Director	Member
3.	Mr. Md. Wahiduzzaman Khandaker	Director	Member
4.	Mr. Md. Anisur Rahman	Director	Member

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

MEETINGS OF THE AUDIT COMMITTEE:

During the year 2019, the Audit Committee of the Bank conducted 05 (five) meetings. Proceedings of the Audit Committee meeting were reported timely and regularly to the Board of Directors as well as Bangladesh bank to comply the Bangladesh Bank DOS Circular letter No. 07 dated 24.04.2011. Meeting dates are as follows:

SI. No.	Meeting	Date of Meeting
1.	62nd Meeting of the Audit Committee	April 16, 2019
2.	63rd Meeting of the Audit Committee	May 15, 2019
3.	64th Meeting of the Audit Committee	September 11, 2019
4.	65th Meeting of the Audit Committee	October 30, 2019
5.	66th Meeting of the Audit Committee	December 11, 2019

Key Activities of the Year 2019:

During the year 2019, the Audit Committee performed, amongst others, the following key functions, were viewed and discussed before the committee:

- Reviewed and approved the 'Annual Audit Plan-2019'
- Evaluated External Audit Report of the Bank and the recommendations made there under.
- Reviewed performance budget for the year 2019, before submission to the Board for approval.
- Reviewed integrated health report for the year 2018.
- Evaluated Bangladesh Bank comprehensive inspection report and the recommendations made there under.
- Implementation of Core Risk Management Guidelines including Internal Control and Compliance Risk along with compliance thereof.
- Reviewed Internal Control System, Mobile Banking policy, Internal Control & Compliance (ICC) Manual and TA/DA policy, Purchase policy of the Bank.
- Reviewed Audit and Inspection reports on the branches, divisions and departments of the Corporate Office for the year 2018 prepared by the Internal Control and Compliance Division (ICCD) of the Bank.
- Reviewed & evaluated actions taken by the management in regard to deficiencies raised in the Bangladesh Bank Inspection report and by the Internal Audit and Inspection Team of the Bank.
- Reviewed the corrective measures taken by the management in regard to the lapses pointed out on the internal control system and other issues as are raised by internal and external auditors and inspectors of the regulatory authority.
- Reviewed Management Report on Accounts of the Bank for the year ended 31 December, 2018.
- Reviewed improvement of the Bank for the year 2019 as per directives of Bangladesh Bank, DOBB and Department of Off Site Supervision (DOS) Bangladesh Bank.
- Followed up recovery drives of Loans & Advances of the Bank.
- Recommended for appointment of External Auditor-Rahman Mostafa Alam & Co. Chartered Accountants to conduct Audit of the Financial Statements of the Bank for the year 2019.

Compliance with existing Laws and Regulations:

Review whether the laws and regulations framed by the regulatory authorities (Central Bank, BSEC and other bodies) and internal regulations approved by the Board are being complied with.

Miscellaneous:

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

Review the Financial Statements:

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

Reporting:

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

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

Acknowledgement

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

On behalf of the Audit Committee

Md. Shafiqul Islam, FCA Chairman, Audit Committee

DIRECTORS' REPORT 2019



The Board of Directors is pleased to welcome you all in the 22nd Annual General Meeting (AGM) of the Bank and present before you the Board of Directors' Reports and Audited Financial Statements together with Auditors' Reports for the year ended December 31, 2019. And a review of business and performance of the Bank, a short summery of global economy and Bangladesh economy as well as future prospects and other various aspects, world market trend are also briefly pointed out.

Global Economy

The growth of global economy estimated at 2.9% in 2019, is projected to increase to 3.3% in 2020 and inch up further to 3.4% in 2021. Compared to the October World Economic Outlook (WEO) forecast, the estimate for 2019 and the projection for 2020 represent 0.1% point reductions for each year while that for 2021 is 0.2% point lower. The downward revision primarily reflects negative surprises to economic activity in a few emerging market economies, notably India, which led to a reassessment of growth prospects over the next two years. In a few cases, this reassessment also reflects the impact of increased social unrest.

On the positive side, market sentiment has been boosted by tentative signs that manufacturing activity and global trade are bottoming out, a broad-based shift toward accommodative monetary policy, intermittent favorable news on US-China trade negotiations, and diminished fears of a no-deal Brexit, leading to some retreat from the risk-off environment that had set in at the time of the October (WEO). However, few signs of turning points are yet visible in global macro-economic data.

While the baseline growth projection is weaker, developments since the fall of 2019 point to a set of risks to global activity that is less tilted to the downside compared to the October 2019 (WEO). These early signs of stabilization could persist and eventually reinforce the link between still-resilient consumer spending and improved business spending. Additional support could come from fading idiosyncratic drags in key emerging markets coupled with the effects of monetary easing. Downside risks, however, remain prominent, including rising geopolitical tensions, notably between the United States and Iran, intensifying social unrest, further worsening of relations between the United States and its trading partners, and deepening economic frictions between other countries. A materialization of these risks could lead to rapidly deteriorating sentiment, causing global growth to fall below the projected baseline.

Stronger multilateral cooperation and a more balanced policy mix at the national level, considering available monetary and fiscal space, are essential for strengthening economic activity and forestalling downside risks. Building financial resilience, strengthening growth potential, and enhancing inclusiveness remain overarching goals. Closer cross-border cooperation is needed in multiple areas, to address grievances with the rules-based trading system, curb greenhouse gas emissions, and strengthen the international tax architecture. National-level policies should provide timely demand support as needed, using both fiscal and monetary levers depending on available policy room.

Source

World Economic Outlook, January 2020, World Bank

Global Economic Outlook

Global growth has slumped sharply during the second half of 2018 and the pace of growth remained slow in the first half of 2019. The slowdown in activity was broad based among the major advanced economies and smaller Asian advanced economies. The weakening in activities was even more evident across emerging market and developing economies. As a result, growth in global output plummeted to 3.6 percent in 2018 from 3.8 percent in 2017 and is projected to slow further to 3.0 percent in 2019, which is the lowest since 2008-09. Growth is, however, anticipated to pick up to 3.4 percent in 2020. In advanced economies growth is projected to slowdown from 2.3 percent in 2018 to 1.7 percent in 2019 and 2020. In emerging market and developing economies, growth is forecasted to decline to 3.9 percent in 2019 and then pick up to 4.6 percent in 2020, which was 4.5 percent in 2018 (World Economic Outlook, October 2019, IMF).

In the United States, growth is projected to decline from 2.9 percent in 2018 to 2.4 percent in 2019 and soften further to 2.1 percent in 2020. In the euro area, growth decreased sharply from 2.5 percent in 2017 to 1.9 percent in 2018 and is projected to drop further to 1.2 percent in 2019 and 1.4 percent 2020. Growth in United Kingdom declined to 1.4 percent in 2018 from 1.8 percent in 2017 and is projected to further decline to 1.2 percent in 2019. Japan's economy is set to grow by 0.9 percent in 2019.

In spite of government fiscal stimulus measures, economic growth of China has slowed down to 6.6 percent in 2018 from 6.8 percent in 2017. Moreover, China's growth was projected to slow down further to 6.1 percent in 2019 and 5.8 percent in 2020 due to mainly trade tension with USA. India's economic activity also decelerated from 7.2 percent in 2017 to 6.8 percent in 2018 and is projected to decrease further to 6.1 percent in 2019 and then pick up to 7.0 percent in 2020.

In advanced economies, inflation is expected to decline to 1.5 percent in 2019 from 2.0 percent in 2018 supported by the softer outlook for energy prices and the expected moderation in growth. Inflation in emerging market and developing economies excluding Venezuela is projected to remain at 4.7 percent in 2019 from 4.8 percent in 2018. World trade volume growth is projected to decline considerably from 3.6 percent in 2018 to 1.1 percent in 2019 and then rise to 3.2 percent in 2020. The growth rate of imports for advanced economies is expected to decline from 3.0 percent in 2018 to 1.2 percent in 2019 and then increase to 2.7 percent in 2020. In emerging markets and developing economies, growth rate of imports is projected to decrease significantly from 5.1 percent in 2018 to 0.7 percent in 2019, and then increase again to 4.3 percent in 2020. Exports of advanced economies are expected to grow by 0.9 percent and 2.5 percent in 2019 and 2020 respectively, while those of emerging markets and developing economies are expected to grow by 1.9 percent and 4.1 percent respectively during the same period.

According to IMF's WEO of October 2019, demand could pick up more than expected due to accommodative monetary policy in many countries in recent period. But, still there remain downside risks to outlook. Further acceleration of trade tensions between the United States and China and associated increase in policy uncertainty could worsen the growth outlook from its baseline forecast. Moreover, deterioration of financial market sentiment would imply tighter financial conditions leading to worsening trade and geopolitical tensions and a no-deal Brexit withdrawal of the United Kingdom from the European Union could protract slowdown in global growth. In the medium term, augmented trade barriers and increased trade and geopolitical tensions could lead to disruption of supply chains and thus could reduce growth. Finally, in the vulnerable countries unmitigated climate change could reduce growth forecast.

According to Global Financial Stability Report (GFSR) of October 2019, financial conditions have tightened, but remain relatively accommodative. In the near term, risks to the global financial stability have increased, although they remain moderate relative to historical standards. In the medium term, risks to the global financial stability could go up resulting continuous build up of financial vulnerabilities including high leverage and liquidity, maturity and currency mismatches due to existing buoyant market sentiment. In many systemically important countries with significant share of global output, there already exist higher vulnerabilities in sovereign, corporate and nonbank financial sectors relative to historical standards.

Source:

Annual Report 2018-2019 of Bangladesh Bank

Developments in the Bangladesh Economy

According to Annual Report 2018-2019 of Bangladesh Bank, Robust growth momentum continues in the Bangladesh economy amid tepid global growth environment, with 8.15 percent real GDP growth published by Bangladesh Bureau of Statistics (BBS) for FY19 against growth projection averaging 3.9 percent for 2019 in emerging market and developing economies. The strong 8.15 percent FY19 real GDP growth was broad based across economic sectors, supported by both strong domestic and external demand reflected in 10.1 percent export growth. Both the key FY19 monetary program objectives, viz., bringing down annual average CPI inflation to 5.6 percent by end June 2019, from 5.8 percent of end June 2018, and supporting attainment of government's 7.8 percent real GDP growth target for FY19 stood over-fulfilled; with end June CPI inflation at 5.5 percent and 8.15 percent FY19 real GDP growth.

Agriculture Sector

Agriculture sector contributed 13.6 percent of GDP in FY19 and growth of this sector moderated from a high base of 4.2 percent in FY18 to 3.9 percent in FY19. This growth was mainly supported by the growth of fishing, forest related services and animal farming sub-sector.

Industry Sector

Industry sector contributed 35.0 percent of GDP, and grew by 12.7 percent in FY19, up from 12.1 percent in FY18. This growth was supported by strong growth of manufacturing and electricity, gas and water supply sub-sectors. As a result of pick up in exports, especially to the US and some newly penetrated markets, large and medium scale industrial sub-sector grew briskly by 14.8 percent. Small scale manufacturing sub sector also grew by 11.0 percent.

Service Sector

The services sector accounts for the largest share of GDP, although the share is gradually diminishing. In FY19, 51.4 percent of GDP came from this sector which was 52.1 percent in FY18. Service sector grew by 6.8 percent, slightly up from 6.4 percent growth in FY18. The growth of major components of services sector – like, health and social works, wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods, hotel and restaurants, education and transport, storage and communication increased. On the other hand, growth of public administration, defence and financial intermediations decreased slightly in FY19.

Exports

The growth of export (f.o.b) earnings increased to 10.1 percent in FY19 from 6.7 percent in FY18. Export as percentage of GDP slightly decreased to 12.9 percent from 13.2 percent over the same period. Among the major export items, petroleum bi-products, chemical products, agricultural products, specialised textiles, cotton and cotton products, plastic products, woven garments, knitwear, and footwear products experienced a higher growth in FY19, while raw jute, leather and leather products, jute goods, engineering products, home textile, and frozen food experienced a negative growth leading to slow down of the pace of export performance.

Import

Imports (c.i.f) grew at a rate of 1.8 percent in FY19 compared with the 25.2 percent growth in FY18. Import payments as percentage of GDP decreased to 19.4 percent in FY19 from 21.5 in FY18. Import payments for oil seeds, clinker, fertilizer, POL, spices, crude petroleum, milk and cream, dyeing and tanning materials, plastic and rubber articles thereof, iron, steel and other base metals, pulses, textile and textile articles thereof, and staple fiber rose in FY19 compared to FY18 while those for food grains specially rice, sugar, edible oil, raw cotton and pharmaceutical products declined during the same period.

Remittance

Remittance receipts increased by 9.6 percent to USD 16419.63 million in FY19 from USD 14981.69 million in FY18. Due to government incentive, simplification of sending remittances in formal channel and different supportive policies regarding remittances helped expatriates to increase remittance inflows again. To facilitate the formal channel, Bangladesh Bank reduced the security deposit requirement for the exchange houses abroad to establish drawing arrangement with local banks. Bangladesh receives a lion's share of remittances from the Middle Eastern countries. During FY19, the highest amount (18.9 percent) of remittances came from Saudi Arabia followed by the United Arab Emirates (UAE) (15.5 percent), United States of America (11.2 percent), Kuwait(8.91 percent), Malaysia (7.3 percent), United Kingdom (7.2 percent) and Oman (6.5 percent). All other countries contributed to 24.5 percent of total remittances over the same period.

Foreign Direct Investment (FDI)

Foreign Direct Investment (FDI) plays positive role for developing the Bangladesh economy. FDI is not only an important source of financing but more importantly it is an excellent source of new technology and modern management. As a potential source of foreign exchange reserves, FDI needs to be encouraged. For this reason, progressive measures have been taken to promote the financial openness and enhance the investment climate. FDI has been emphasized by the Government in its 7th five year plan and has undertaken various policies for adequate incentives in attracting foreign investors. Net FDI inflow increased significantly by 38.6percent to USD 2650 million in (as perBPM6 shown in BOP) FY19. On the other hand, portfolio investment decreased significantly by 50.7 percent to USD 172 million in FY19 compared to USD 349 million of preceding year.

Price Development

The 12 month average general CPI inflation edged down to 5.5 percent in June 2019 with low volatility, well below the targeted ceiling of 5.6 percent mainly supported by a good crop harvest and lower global food prices. One interesting feature of the food and non-food components of CPI inflation is that they are moving to opposite direction. Food inflation decreased to 5.5 percent in June 2019 from 7.1 percent in June 2018, while non-food inflation increased to 5.4 percent from 3.7 percent during the same period. However, non-food and non-energy 'core' component of CPI inflation kept rising steadily and stood at 5.5 percent in June 2019 which was 3.8 in June 2018 indicating rising inflationary pressure.

Inflation outlook for FY20 is also expected to remain contained within the target ceiling of 5.5 percent declared in the national budget. Although recent upward revisions of domestic gas prices, augmented prices of goods and services resulting from the implementation of new VAT law which expanded the VAT coverage and depreciating pressure on BDT resulting from increased demand for foreign exchange are potential sources of risk that can create upward pressure on the CPI inflation.

Savings and Investments

Although growth of investment reduced from a year earlier, total investment as percentage of GDP increased to 31.6 percent in FY19 from 31.2 percent in FY18. The ratio of public investment to GDP remained almost same at around 8.0 percent over the same period and the ratio of private investment to GDP slightly increased from 23.3 percent in FY18 to 23.5 percent in FY19.

Gross national savings as percentage of GDP increased to 29.5 percent in FY19 from 27.4 percent in FY18. Similarly, domestic savings as percentage of GDP increased from 22.8 percent to 25.0 percent during the same period. Gross domestic savings at current market price grew much faster (23.8 percent) than the investment (14.2 percent). Therefore, the domestic savings-investment gap as percentage of GDP decreased significantly to 6.6 percent in FY19 from 8.4 percent in FY18.

External Sector

In FY19, export grew faster than import. Export grew by 10.1 percent while growth of import was 1.8 percent. Exports (f.o.b) stood at USD 39,945.0 million in FY19 which was USD 36,285.0 million in FY18. During the same period the total import payments (c.i.f) increased to USD 59,914.7 million from USD 58,865.3 million in FY18. As export grew faster than import, trade deficit lessened to USD 15494.0 million during the period from USD 18178.0 million in FY18. The services and income account along with primary and secondary income registered a surplus of USD 10,240.0 million. Remittance inflows increased by 9.6 percent at the end of FY19 compared with the growth of 17.3 percent in FY18. Current account balance slightly improved to USD (-) 5,254.0 million in FY19 from USD (-) 9567.0 million in FY18. The capital and financial account surplus reached to USD 5861.0 million in FY19 from USD 9,342.0 million in FY18. The overall balance of payments surplus turned into USD 12.0 million, which was USD (-) 857.0 million in FY18.

Capital Market Outlook

Capital market is considered the second largest segment of financial system in the country. The market has immense potentials for industrialization, development of infrastructure in particular and economic growth in general. The market comprised of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE), where DSE is pioneering in the exploration of economic advancement of the country. Bangladesh Bank has been playing proactive role to steady functioning and development of the market as well. DSE introduced the DSE-SME platform on 30 April 2019 through which the SMEs will get the opportunity to fulfil its capital requirement. A guideline on 'Sustainable Report for Sustainable Development' for listed companies in Bangladesh has been published by the Netherlands based Global Report Initiative (GRI) and DSE on 28 March 2019. Moreover, DSE and Colombo Stock Exchange Limited have signed a Memorandum of Understanding (MoU) on 28 March, 2019 for formalizing collaborative efforts directed at mutual development.

Dhaka Stock Exchange (DSE) broad index and the market capitalisation of DSE were increasing during July-August in FY19. However, both the index and the market capitalisation were decreasing during September-December of FY19. The DSEX and the market capitalisation increased to 5600.64 and BDT 3962.26 billion respectively at the end of August 2018 from 5,405.46 and BDT 3,847.35 billion in June 2018. With some ups and downs, the index and the market capitalisation stood at 5,421.62 and BDT 3,998.16 respectively at the end of FY19.

Near and Medium-Term Outlook for Bangladesh Economy

Economic growth outlook is expected to remain buoyant in line with the target of growth (8.2%) set in national budget for FY20. This outlook is based on the expected strong growth in exports underpinned by trade redirection resulted from tensions between the USA and China, robust growth in private consumption expenditure resulted from increased remittances, accommodative private sector credit policy, continued reform programmes to reduce the cost of doing business and accelerated governments pending in the development infrastructural sector. Agriculture, industry and services sectors growth are expected to stay high supported by the government's policy to improve agricultural product prices, expected favourable weather, strong domestic demand powered by remittances as well as Bangladesh bank's policy support to help investment in productive pursuits, and of course increased external demand resulted from the USA and China trade war.

Growth Outlook

Bangladesh economy has shown its resilience to achieve GDP growth on an average by 7.0% over the last five years. Bangladesh Bank projects that the existing growth momentum in the country will continue through 2024. Besides, the International Monetary Fund (IMF) has Projected Bangladesh's economic growth to be at 7.6% in FY20, which is the highest in the South Asian Region. The projected growth rate is 0.6% points lower than the government's projection of 8.2%. According to the IMF, despite the positive near-term outlook, maintaining the past growth performance may become more challenging for Bangladesh. However, Bangladesh has to maintain sustainable inclusive growth in order to obtain the upper middle income country status by 2030. To achieve the desired growth, the country needs to increase FDI, mobilize adequate financing in private sector, development in financial market, infrastructural development, export diversification, increase revenue collection and reduce cost of doing business.

Banking Sector Performance

The performance of the banking sector described here, although provisional data is used in most cases, is best comparable with the year-end data rather than FY based data. To make a reasonable comparison, end June 2019 data has also been provided on the basis of availability. Depending on the ownership structure, there are four categories of scheduled banks in Bangladesh: state-owned commercial banks (SCBs), state-owned development financial institutions (DFIs), private commercial banks (PCBs) and foreign commercial banks (FCBs). Total number of scheduled banks operated in 2018 was 57. Two (02) new banks have received license but their operation is yet to be started. The number of bank branches increased to 10,286 at the end of December 2018 from 9,955 of December 2017. On the other hand, depending on the mode of operations (e.g. Conventional and Islami Shariah based), there are three types of banks: full-fledged conventional banks,

full-fledged Islami Shariah based banks and banks with dual operation. Information on the banking structure and activities by types of banks. In 2018, the SCBs held 25.6% share of the total assets which was 25.9% in 2017. PCBs' share of the total assets slightly decreased from 67.1% in 2017 to 67.0% in 2018. The FCBs held 5.2% share of the total assets in 2018, showing an increase of 0.6% point over the previous year. The DFIs' share of the total assets was 2.2% in 2018 against 2.4% in 2017. At the end of December 2018, total asset of banking sector was BDT 14,572.9 billion which was 11.59% higher than the previous period. Total deposits of the banking sector stood at BDT 10798.7 billion in 2018 which was BDT 9874.9 billion in 2017, showing an increase of 9.36%. From the year 2017 to 2018, considering the share in total deposit of the banking sector, SCBs' share decreased from 27.3% to 26.6%, PCBs' share increased from 65.9% to 66.0%, FCBs' share increased from 4.0% to 4.8% and DFIs' share decreased from 2.8% to 2.6%.

Source:

Annual Report 2018-2019 of Bangladesh Bank

Client as Trusted and Development Partner

We look after our every client to make him/her a development partner through addressing their needs and wants by providing best services at affordable prices. We put a client in the ladder where he/she climbs customer-supporter-advocate phases and finally becomes development partner of the Bank. Our mission is customer focused and we consider it as the customers' right to get full range of banking services at an affordable price at anytime and anywhere. We are promise-bound through our mission to make the banking easy for our customers and support entrepreneurship, social responsibility and economic development of the country.

Corporate Banking

Corporate banking, also known as business banking, refers to the aspect of banking that deals with corporate customers. The term was originally used in the United States to distinguish it from investment banking, after the Glass-steagall Act of 1933 separated the two activities.

Brand of a bank is completely defined by the experience we deliver. Customers do not apparently buy things in bank; they mainly buy experience from us. This experience does not solely depend on what services or what competitive benefits we provide; rather, how we provide and it is not only the task of one individual or division rather it's an everybody's business of the bank. For better understanding of the market demand, communication and making branding activities of Bangladesh Commerce Bank Limited more fruitful and effective. Bangladesh Commerce Bank Limited meticulously trying to meet customers' expectation through various activities besides its banking services; like sponsorship for promotion of social initiatives, educational programs, cultural events and national sports. Bangladesh Commerce Bank Limited believes that financial inclusion must involve all aspects of the life in a comprehensive way. We keep the customers, stakeholders and well wishers informed of our activities round the year through advertisements and press releases in different prominent print and electronic media.

Cluster Management

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

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

Regulatory and Compliance Culture

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

Financial Position Review

Summary

Bank's overall business grew gradually in 2019 over that of 2018, within various external challenges. Deposits of the Bank increased by 7.61% and stood at BDT. 34038.70 million at the end year 2019. Consolidated Loans and Advances increased by 1.48% and stood at BDT. 22475.70 million at the end of year 2019 compared to year 2018. Portfolio Investment increased by BDT. 8.60 Million showing growth of 1.27% compared to year 2018.

Status of asset quality

As on 31st December 2019, NPL ratio of the banking industry stood at 9.32%, which was 10.10% one year back. The NPL ratio of BCBL was 50.39% at the end of year 2019 which was 38.75% at the end of year 2018. The status of unclassified and classified loan of the Bank is as follows:

Classification Type	31st December 2019	31 st December 2018
Unclassified	11,150,336,126	13,565,281,819
1) Standard	10,236,036,545	13,499,664789
2) SMA	91,42,99,581	65,617,030
Non Performing Loan	11,325,362,993	8,582,841,180
Sub-Standard	66,97,24,993	72,853,074
Doubtful	177,425,999	101,282,032
Bad or loss	10,478,212,001	8,408,706,074
Total	22,475,699,119	22,148,122,999
NPL Ratio	50.39%	38.75%

Subsidiary Businesses

In pursuance of an inorganic growth route and to open up diversified earnings stream, BCBL established one subsidiary named Commerce Bank Securities and Investment Limited (CBSIL) till the reporting date i.e. 31st December 2019. Commerce Bank Securities and Investment Limited (CBSIL) emerged as a fully owned subsidiary of Bangladesh Commerce Bank Limited (BCB) after it had obtained its certificate of incorporation on the 20th September, 2010. On the 21st April, 2011, the Stock Broker and Stock Dealer license was transferred in favour of CBSIL and after the completion of necessary formalities; the company started its formal operation on the 1st June, 2011.

Internal Control System

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

- ✓ Various committees have been formed to assist the Board in ensuring that the Bank's operations are in line with the corporate objectives, policies, strategies, instructions and the annual budget that have been approved.
- ✓ The Audit Committee of the Board reviews internal control findings identified by the Internal Audit of the bank, Inspection Team of Bangladesh Bank, External Auditors and Management and evaluates the adequacy and effectiveness of the risk management and internal control systems.

- ✓ The Board of Directors hold meetings at suitable intervals with senior management, internal auditors, external auditors and the Audit Committee for evaluating the effectiveness of the internal control system.
- ✓ Internal audit reports are submitted to the Audit Committee without management filtering and the internal auditors have direct access to the Audit Committee as and when required.
- Self-Assessment of Anti-Fraud Internal Controls is carried out on quarterly basis and is sent to Bangladesh Bank according to DOS Circular Letter No. 17, dated 07 November 2012 issued by Bangladesh Bank.

Risk Management

The Risk Management Committee (RMC) of the Board reviews and monitors the overall risk management system of the Bank and updates to the Board from time to time. Risk management functions are subject to continuous scrutiny of ICCD and supervision of RMD to ensure appropriateness and integrity of the risk management mechanism. The risk management system of BCBL has been described in 'Risk Management Report' section of this annual report. Also the major area focused by RMC in 2019 have been presented in "Report of the Risk Management Committee of the Board" section of this annual report.

Corporate and Financial Reporting:

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

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

Corporate Governance Compliance:

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

Status of the compliance of conditions of Corporate Governance guidelines imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018, along with a certificate from a practicing Chartered Accountant has been provided in corporate governance report.

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

Barco

Corporate Events 2019



The Annual Business Conference-2019 of Bangladesh Commerce Bank Limited held

Bangladesh Commerce Bank Ltd. inaugurated its 65th Branch "Dhamair Hat Branch" at Chattogram.





Bangladesh Commerce Bank Ltd. inaugurated its 67th Branch "Sujanagar Branch" at Pabna.

Corporate Events 2019

Commerce Bank observes International Mother Language Day





Commerce Bank observes National Mourning Day

Bangladesh Commerce Bank Limited's floral tribute to the Martyrs on Victory Day



Corporate Events 2019



Bangladesh Commerce Bank Limited organized its 21st Annual General Meeting on 30/11/2019





Bangladesh Commerce Bank Limited celebrates its Founding Anniversary

Report On

Corporate Governance

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

Structure of the Board

The BCBL Board of Directors consists of eleven members as on 31st December 2019 including Managing Director as an ex-officio member. Directors were elected by the shareholders of the Bank and Nominated by ministry of Finance, Govt of the Bangladesh as per parliamentary Act 12 of 1997. All the Board members are highly competent in terms of academic and professional qualification & expertise and made noteworthy contribution in banks overall management. Directors are successful businessman of the country and important government officials. BCBL is fortunate to have leading bankers as the member of the Board of Directors. Directors meet at least once in a month to discuss and decide on different agenda(s) of the Bank. To manage the day to day banking activity board members delegated certain powers to Managing Director & CEO.

Board Meetings and Attendance

The Board meeting of BCBL held on regular basis, usually once in every month. However, emergency meeting is called as and when required. Meeting agenda(s) are fixed and all relevant information, references and detailed working papers are communicated with the Board members well before the date of the meeting. At the meeting, management presents and discusses with more insights, addresses Director's query and provides additional information as required for consideration of the matter by the Board. During the year 2019, total seventeen Board Meetings were held; the attendance records of those meetings are as follows:

Sl. No.	Name of the Directors	Total Meeting held	No. Of Meeting Attended	No. of Meeting Absent/Leave
1.	Dr. Engr.Rashid Ahmed Chowdhury	17	17	-
2.	Mr. Md. Farhad Uddin	17	16	Leave Granted
3.	Mr. Md. Wahiduzzaman Khandaker	17	17	-
4.	Mr. Md. Azizur Rahman	17	05	Leave Granted
5.	Mr. Md. Anisur Rahman	15	11	Leave Granted
6.	Mr. Mohammed Arshed	17	15	Leave Granted
7.	Mr. Mohammad Hanif Chowdhury	17	15	Leave Granted
8.	Mr. Md. Shafiqul Islam, FCA	17	17	-
9.	Mr. A A M Zakaria	17	12	Leave Granted
10.	Mr. Humayun Bokhteyar, FCA	17	16	Leave Granted

^{**} Mr. Md. Anisur Rahman joined as Director of BCBL in its 318th Meeting of the Board of Directors held on 21.03.2019.

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

Ownership Composition

As on 31st December 2019 the shareholding composition among different category is given below:

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

Directors Shareholding Status

Shareholding structure of Directors as on 31st December 2019 is as follows:

Sl. No.	Name of the Directors	Designation	Share held as on 31.12.2019	Remarks
1.	Dr. Engr. Rashid Ahmed Chowdhury Representative of Padma Export Import & Trading Co. Ltd.	Chairman	20,875	
2.	Mr. Md. Farhad Uddin Government Nominated	Director	-	
3.	Mr. Md. Wahiduzzaman Khandaker Government Nominated	Director	-	
4.	Mr. Md. Azizur Rahman Government Nominated	Director	_	
5.	Mr. Md. Anisur Rahman Government Nominated (Representative of Financial Institutions)	Director	-	
6.	Mr. Mohammed Arshed Representative of Karnaphuli Prakritik Gas Limited	Director	13,015	
7.	Mr. Mohammad Hanif Chowdhury Representative of Victor Trade and Business Ltd.	Director	13,000	
8.	Mr. Md. Shafiqul Islam, FCA Representative of Honeywell Securities Corporation Ltd.	Director	13,400	
9.	Mr. A A M Zakaria Representative of Brilliant Business Co. Ltd.	Director	13,050	
10	Mr. Humayun Bokhteyar, FCA Representative of Pusti Vegetable Ghee Limited	Director	19,550	

Appointment of External Auditors

As recommended by the Board of Directors, shareholders of BCBL in its' 21st AGM held on 30th November, 2019 appointed Rahman Mostafa Alam & Co., Chartered Accountants as the statutory auditors for the year 2019. The fee of the statutory auditor decided BDT 200,000.00 (Two Lac) only including Tax and excluding VAT.

Services not provided by External Auditors

We hereby declare that Rahman Mostafa Alam & Co., Chartered Accountants involved in statutory audit, was not engaged in any of the following services for BCBL during 2019:

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

No partner or employees of the Rahman Mostafa Alam & Co. Chartered Accountants, possesses any share of BCBL during the tenure of their audit assignments.

Highlights on Central Bank Inspections

As schedule Bank BCBL always be indebted to Bangladesh Bank as the regulatory body for conducting comprehensive as well as special audit which surfaced notable findings for BCBL. During the year 2019 Bangladesh Bank carried out comprehensive inspection on BCBL banking operations of Head Office, Principal Branch, Gulshan Branch, Dilkusha Branch, Bangshal Branch, Agrabad Branch, Narayanganj Branch, Daulatpur Branch and Naogaon Branch. They submitted their detailed inspection report to BCBL and those were placed to the audit committee of the Board for their review and comments. All the findings of the inspections were discussed in the meetings and potential risk and mitigation plans were decided as per the recommendations of the report. The reports were finally submitted to the Board for the review and comments. The Board took the observations and instructed the management to comply with the recommendations made by Bangladesh Bank for improvement. Bangladesh Bank also conducted other relevant audits on different functions of BCBL throughout the year.

Formation of Board Committee

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

Audit Committee

BCBL established an Audit Committee as a sub-committee of the Board of Directors in accordance with the Bangladesh Bank's directive vides circular # 11 dated 27 October 2013. The Committee is constituted with four members of the Board of Directors. The Company Secretary is working as Secretary of the committee. The objective of this committee is to work as a sub-committee of the Board in overseeing and monitoring overall internal control system and the financial reporting process to ensure that the financial statements reflect true and fair view of the state of affairs of the company. Accordingly, the Board clearly defined the roles and responsibilities of the committee to carry out its overseeing function in an effective manner.

Sl. No.	Name of the Directors	Status with the Committee
1	Mr. Md. Shafiqul Islam, FCA	Chairman
2	Mr. Md. Farhad Uddin	Member
3	Mr. Md. Wahiduzzaman Khandaker	Member
4	Mr. Md. Anisur Rahman	Member

In 2019, Audit Committee held 05 (five) meetings where committee reviewed different issues related to company's risk management, internal control system and periodic financial statements. Key officials as relevant to the matters discussed and recommended action items of the Audit Committee were properly documented and reported to the Board of Directors. The meeting attendance of the committee members is shown below:

Sl. No	Name of the Directors	Total Meeting held	No. of Meeting attend	No. of Meeting Absent
1	Mr. Md. Shafiqul Islam, FCA	5	5	-
2	Mr. Md. Farhad Uddin	5	5	-
3	Mr. Md. Wahiduzzaman Khandaker	5	5	-
4	Mr. Md. Anisur Rahman	4	4	-

Risk Management Committee

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

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

SI. No.	Name of the Directors	Status with the Committee
1.	Mr. Mohammad Hanif Chowdhury	Chairman
2.	Mr. Md. Farhad Uddin	Member
3.	Mr. Md. Wahiduzzaman Khandaker	Member
4.	Mr. Mohammed Arshed	Member
5.	Mr. Md. Shafiqul Islam, FCA	Member

Separation of Chairman and Managing Director & CEO Roles

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

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

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

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

Responsibilities of the Chairman of the Board

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

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

Benefits provided to the Directors and Managing Director & CEO

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

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

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

Management Committees of BCBL

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

Senior Management Team (SMT)

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

Scope of the Committee

- * Setting out a strong internal control framework within the organization and shall take the responsibilities for the overall management of the Bank.
- * Place policies and procedures to identify, measure, monitor and control these risks following the governance and guidelines of the Board of the Directors.
- * Place an internal control structure and assign clear responsibility, authority and reporting relationship.

- * Monitor the adequacy and effectiveness of the internal control system based on the Bank's established policy and procedure.
- * Review on a yearly basis the overall effectiveness of the control system and provide a certification on a yearly basis to the Board of Directors on the effectiveness of Internal Control policy, practice and procedure.

SI. No.	Name of the Members	Designation
01.	Mr. Zafar Alam	Managing Director & CEO (Current Charge)
02.	Mr. Kazi Md. Rezaul Karim	Deputy Managing Director
03.	Mr. S. M. Jahangir Akhter	SEVP & Head of Mobile Banking, BACH & Akti Bari Akti Kamar
04.	Mr. Mohammad Ziaul Karim	EVP & Head of CMD & Investment Division
05.	Mr. Nazmul Karim Siddique	SVP & Head of Marketing Division
06.	Mr. Afzal Hossain Khan	SVP & Head of Recovery Division
07.	Mr. H.M. Abul Kamal Azad	SVP & Head of IT & Card Division
08.	Mr. Anis Uddin Ahmed	SVP & Head of ML & TFP Division
09.	Mr. S.M. Reazur Rahman	SVP & Head of Risk Management Division
10.	Mr. Md. Zakaria	SVP & Head of Credit Administration Division
11.	Mr. Mohammad Abu Taher	SVP & Head of Trade Division
12.	Mr. Sayed Md. Estencher Billah	VP & Company Secretary
13.	Mr. S.M. Showkat Hoaasin	VP & Head of BCCD
14.	Mr. Shah Md. Junaed Ibne Amin	VP & Head of Human Resources Division
15.	Mr. Kazi Fakhrul Alam	SAVP & Head of SME
16.	Mr. Fakhir Nazmul Alam	SAVP & Head Legal Affairs Division
17.	Mr. Nazim Anwar	SAVP & Head Establishment & General Service Division
18.	Mr. Kamal Hossain, ACA	AVP & Head of Financial Administration Division

Eight meetings of the committee held during the year 2019 and following major decisions has been taken in those meetings:

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

SENIOR MANAGEMENT TEAM:



Name of the Executives	Position in SMT
Mr. Zafar Alam	Chairman
Mr. Kazi Md. Rezaul Karim	Member
Mr. S. M. Jahangir Akhter	Member
Mr. Mohammad Ziaul Karim	Member
Mr. Afzal Hossain Khan	Member
Mr. Anis Uddin Ahmed	Member
Mr. S.M. Reazur Rahman	Member
Mr. H.M. Abul Kamal Azad	Member
Mr. Abu Taher	Member
Mr. Mohammad Zakaria	Member
Mr. S.M. Showkat Hossain	Member
Mr. Sayed Md. Estencher Billah	Member Secretary
Mr. Shah Md. Junaed Ibne Amin	Member
Mr. Md. Abul Hossain	Member
Mr. Kazi Fakhrul Alam	Member
Mr. Md. Mobarrak Hossain	Member
Mr. Fakir Nazmul Alam	Member
Mr. Nazim Anwar	Mebmer
Mr Kamal Hossain, ACA	Member

EXECUTIVES OF BCBL

Designation	NAME
Managing Director & CEO (C.C.)	Mr. Zafar Alam
Deputy Managing Director	Mr. Kazi Md. Rezaul Karim
Senior Executive Vice President	Mr. S. M. Jahangir Akhter
Senior Executive Vice President	Mr. Mohammad Iqbal
Executive Vice President	Mr. Mohammad Ziaul Karim
Executive Vice President	Mr. Gazi Mohammad Hasan
Senior Vice President	Mr. Nazmul Karim Siddique
Senior Vice President	Mr. Afzal Hossain Khan
Senior Vice President	Ms. Lipe Azad
Senior Vice President	Mr. Anis Uddin Ahmed
Senior Vice President	Mr. S.M. Reazur Rahman
Senior Vice President	Mr. H.M. Abul Kamal Azad
Senior Vice President	Mr. Md. Kamruzzaman Akhand
Senior Vice President	Mr. Mohammad Zakaria
Vice President	Mr. Ali Azam Chowdhury
Vice President	Mr. Sudatta Sebak Barua
Vice President	Mr. Md. Mojibur Rahman Khan
Vice President & CFO	Mr. Mohammad Saiful Islam, FCMA
Vice President	Mr. S.M. Showkat Hossain
Vice President	Mr. Sayed Md. Estencher Bi ll ah
Vice President	Mr. Shah Md. Junaed Ibne Amin
Senior Assistant Vice President	Mr. Md. Abul Hossain
Senior Assistant Vice President	Mr. Mohammad Nasir Uddin
Senior Assistant Vice President	Mr. Kazi Fakhrul Alam
Senior Assistant Vice President	Mr. Md. Mobarrak Hossain
Senior Assistant Vice President	Mr. Fakir Nazmul Alam
Senior Assistant Vice President	Mr. Mohammad Belal
Senior Assistant Vice President	Mr. Md. Abul Kalam Azad
Senior Assistant Vice President	Mr. Mohammed Jafar Igbal
Senior Assistant Vice President	Mr. Md. Farid Hasan
Senior Assistant Vice President	Mr. Mohammad Rezaul Haque
Senior Assistant Vice President	Mr. Nazim Anwar
Assistant Vice President	Mr. Abdul Munim Chowdhury
Assistant Vice President	Mr. Md. Mahabub Morshed
Assistant Vice President	Mr. Ziauddin Ahmed
Assistant Vice President	Mr. Syed Salahuddin
Assistant Vice President	Mr. Md. Arif Ali
Assistant Vice President	Mr. Firoz Ahmed
Assistant Vice President	Mr. Md. Abul Kalam Azad
Assistant Vice President	Mr. Md. Syful Islam
Assistant Vice President	Mr. S. M. Amir Hossain
Assistant Vice President	Mr. Syed Taimurul Hoque
Assistant Vice President	Mr. Saad Hossain Sharif
Assistant Vice President	Mr. Md. Habibur Rahman
Assistant Vice President	Mr. Md. Omar Faruk Bhuiyan
Assistant Vice President	Mr. Md. Harun-ar-Rashid
Assistant Vice President	Mr. Mutasim-bin-Shahid
Assistant Vice President	Mr. Mohammad Arif Uddin
Assistant Vice President Assistant Vice President	Mr. Md. Sarwar Mahmud
Assistant Vice President Assistant Vice President	Mr. Firoz Ahmed
Assistant Vice President	Mr. Mohammad Shariful Islam
Assistant vice President Assistant Vice President	
Assistant vice President Assistant Vice President	Mr. Mainuddin Ahmed Siddique
	Mr. Sarwar Md. Shahriar
Assistant Vice President	Mr. Kamal Hossain, ACA

SUSTAINABILITY REPORT



Green banking is not just another way of doing corporate social responsibility (CSR) rather it is an effort to keep the earth livable. Fundamentally green banking refers to endorsing environment-friendly practices and reducing carbon footprint from banking activities.

Bangladesh is one of the emerging economics in the world and has witnessed rapid industrial growth over the last two decades that has contributed significantly to the rise in the country's GDP. On the other hand, we are at risk of environmental pollution and climate impact in the form of natural and man-made disasters. Floods, tropical cyclones, storm, surges, drought are likely to become more frequent and severe in the coming years. We need to protect our financing from the risks arising out of the deteriorating environment scenario and climate changes. As per conversation of environment and Sustainable Development Goals and social protection, credit operations of banks must be conducted by addressing of environmental and social issues through Environmental and Social Risk Management. Bangladesh Bank advised to banks/financial institutions to finance eco-friendly products/initiatives to make eco-friendly finance more familiar to the all stakeholders including clients and banks/financial institutions as well as to facilitate for implementing various development plans of Bangladesh Government such as perspective plan of Bangladesh: 2010-2021, National Sustainable Development Strategy 2016-2030 and Sustainable Development Goals (SDG).

Green Banking is promoting environment-friendly banking activities and reducing carbon emission on carrying their operations. BCBL focuses mainly on two principles in green banking activities. First, we emphasize on green practices in our daily operational activities by lowering energy consumptions, introducing digitalization and other measures to minimize the carbon footprint. Secondly, in extending credit facilities, BCBL always prioritize the business sectors/enterprises which promotes & runs under green business environment and not detrimental anyway to the environment directly or indirectly. The business which creates environmental hazards, BCBL never goes for financing those projects/enterprises in compliance with the green banking policy enforced. Besides, due analysis on environmental issues have been carrying out in apprising loan proposals.

Mentionable, the Board of Directors of BCBL has approved the 'Green Banking Policy for BCBL' formulated in line with the Bangladesh Bank's Guidelines & Policy of the same vide their BRPD Circular No. 02/2011 dated 27.02.2011. In addition to that, a fully equipped 'Sustainable Finance Unit' and a separate 'Sustainable Finance Committee' have been formed for overall betterment and looking after the related issues.

Further mentionable, BCBL has signed two Participation Agreements with Bangladesh Bank regarding "Refinance Scheme for Green Products" and "Financing Brick Kiln Efficiency Improvement Project" in 2018.

Under the Brick Kiln Efficiency agreement, BCBL has received Bangladesh Bank Refinance of total BDT 241.20 Million against the total finance of BDT 410.00 Million to the energy efficient modern tunnel kiln brick projects as on December 2019.

Report of the Chief Risk Officer (CRO)

Risk is defined as a possibility of loss due to uncertainty. Again Risk is the probability that an actual return on investment will be lower than the expected return. It cannot be mitigated entirely but it can be minimized. Risk is inescapable. Thus it must be assessed, addressed, managed and mitigated.

"Financial Risks" are uncertainties resulting in adverse and unfavorable variation of profitability or losses outright. There is deviation in what we achieve from what we planned. This unpredictability of future is due to uncertainties associated with the steps that we have undertaken in the process or various external factors that influence the process that are necessary to achieve our planned object. Taking on various types of risks is integral part to the banking business. Sound risk management and balancing risk rewards trade-offs are critical to the banks' success. Business and revenue growth have therefore to be weighted in the context of the risks implicit in the banks' business strategy. The identification, measurement, monitoring and management of risk accordingly remain a key focus area of the bank.

The risk management policy operates on the following principles:

- Oversight by the Board/ EC/Risk Management Committee. Board approves policies and processes of risk management which is recommended by the top management and executive committee approves the credit proposals submitted by the top management;
- Audit committee of the Board and Board Risk Management Committee review the internal audit report and the risk management reports;
- Dedicated independent risk management division such as Credit Management division, Internal Control and Audit Division, International Division, Treasury Division Information Technology Division and money laundering risk through Chief Anti Money Laundering Compliance Officer;
- Dedicated committee at management level has been set up to monitor risk such as Credit risk through Credit Review Committee, operational risk through Management Committee and Internal Control and Audit Division, market and liquidity risk through Asset Liability Committee (ALCO), IT risk through IT Division;

Risk Management Process:

BCBL's risk management process is on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with international best practices. The Board of Directors has oversight on all the risks assumed by the bank. Specific committees have been constituted to facilitate focused oversight of various risks as assumed by the bank. The Risk Management Process consists of the following steps:

- (I) Identification: Successful mitigation of a bank's risk largely depends on identification of risks accurately. Typically major risks are categorized under Credit Risks, Market Risks, Operational Risks, Liquidity Risk and Reputation Risk.
- (II) Measurement: The consistent assessment of the above-mentioned types of risks is an essential prerequisite of successful risk management. To measure Risk there are various types of tools and techniques.
- (III) Aggregation: When aggregating risks, it is important to take into account correlation affects which cause a bank's overall risk different from the sum of the individual risk. This applies to risk both within a risk category as well as across the different risk categories.
- (IV) Planning and controlling: Furthermore risk management is the function of planning the bank's overall risk position and actively managing the risk based on this plan.
- (V) Monitoring: Risk monitoring is used to check whether the risk actually incurred lie within the prescribed limits, thus ensuring an institution's capacity to bear these risks.

Risk Management Committee:

Board Risk Management Committee comprises the following honorable Directors of BCBL:

The Board Risk Management Committee:

Sl#	Names	Position
01	Mr. Mohammad Hanif Chowdhury	Chairman
02	Mr. Md. Farhad Uddin	Member
03	Mr. Md. Wahiduzzman Khandaker	Member
04	Mr. Mohammed Arshed	Member
05	Mr. Md. Shafiqul Islam, FCA	Member

Scope of the Board Risk Management Committee:

- Risk identification and control policy;
- Construction of the organization structure;
- Analysis and approval of Risk Management Policy;
- Storage of data and reporting system;
- Monitoring and implementation of overall risk management policy;
- Monitoring the implementation of Internal Capital Adequacy Assessment Process (ICAAP) under Pillar-II and Basel-III

OVERVIEW OF RISK MANAGEMENT DURING THE YEAR 2019:

In compliance with BRPD Circular No-11 dated 27 October, 2013, 4 (four) Board Risk Management Committee Meetings were held in the year 2019 wherein the reviewed different issues related to bank risk management, Internal Control System, and approved the ICAAP (Internal Capital Assessment Process) for BCBL, "Strengthening and updating Risk Management System in BCBL, and Periodic "Risk Management Paper", "Stress Testing Result", and "Internal Capital Assessment Process (ICAAP)".

It is to be noted that risk management division works strictly in the line with risk management guidelines for BCBL which was approved by the board of directors on 18.12.2014. Risk management division collects all relevant data from all the branches head office for analyzing risk in preparing Stress Testing Result, Risk Management Paper.

In all 4(four) meetings 2019, Board Risk Management Committee directed the bank Management to ensure monitoring of the activities of Task force/Recovery cell and fast resolve the suit files with the court of law. The committee exerted concern on increasing classified loans and advised to ensure close monitoring so that the newly disbursed loans would not get classified and to reduce the existing classified loans. The committee instructed to form effective Recovery Team towards realization of the default loans as well as to reduce the un-realized loss of the bank's share portfolio. It was added that a rationale distribution and disbursement of the loans zone-wise and sanction of small loans reducing concentration on large loans should be ensured.

The Committee advised to circulate the directives of Bangladesh Bank among all the employees of BCBL and to ensure the compliance as well. The committee advised to keep the ledger balance well maintained in accordance with the sanctioned limit while bring the Geographical Concentration for other divisions like Dhaka & Chittagong. The management would set recovery targets for employees like deposit targets and take extensive measures to realize the default loans from Top-20 defaulters.

The committee also advised to improve the Asset Quality and to reduce the Cost of Fund. It was added to check and verify the Nostro Account Balance regularly. The committee emphasized to reduce the SMA category loans by increasing the contacts with the customers and to take extensive measures to realize the classified loans. The management would address the Off-Balance Sheet Exposure immediately. The committee advised to bring the loans under collateral cover to reduce the risk thereby. The committee also advised to reduce other Banks' Deposit to "O" level while increase the core deposit. The committee exerted concern on provision shortfall; thus advised to take extensive measures to set right. The Branches would send the loan proposals exerting due diligence and 1.00 crore and above loans would require Credit Administration Division (CAD) disposal before disbursement.

A committee with the following Executives was formed as under:

Risk Management Committee:

Sl#	Names	Position
01	Mr. Mohammad Iqbal, SEVP	CRO
02	Mr. S. M. Jahangir Akhter, SEVP	Member
03	Mr. Md. Ziaul Karim, EVP	Member
04	Mr. Gazi Mohammad Hasan, EVP	Member
05	Mr. Nazmul Karim Siddique, SVP	Member
06	Mr. H M Abul Kalam Azad, SVP	Member
07	Mr. Mohammad Zakaria, SVP	Member Secretary
08	Mr. Mohammad Saiful Islam, FCA, VP	Member
09	Mr. Syed Mohammad Istenchar Billah, VP	Member
10	Mr. Md. Abul Hossain, SAVP	Member
11	Mr. Kazi Fakhrul Alam, SAVP	Member

Apart from all these, Bank Management formed 14 Clusters unit to give most priority towards recovery of classified loans with a view to reduce the classified loans to 20.00% in the year 2020 in line with Department of Off-Site Supervision (BSS-6 Section) and its letter no- DOS (BSS-6)/1162/2(3)/2017 dated 14/03/2017.

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

1. Scope of Application:

1.1 Qualitative Disclosures

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

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

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

2.1 Qualitative Disclosures

(a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or Tier 2.

As per the guidelines of Bangladesh Bank, Common Equity Tier-1 Capital of BCBL consists of (i) Fully Paid-up Capital, (ii) Statutory Reserve, (iii) General Reserve, (iv) Retained Earnings and (v) Minority Interest in Subsidiaries and (vi) Right Share Application Money.

Tier-2 Capital consists of (i) General Provision against unclassified Loans/Investments, (ii) Off-balance sheet exposure and (iii) 50% of Revaluation gain/ loss on investment (HFT) as per guideline the balance of 31.12.2014 is considered after deducting 40%.

2.2 Quantitative Disclosure

				BDT in Crore
(b)	The amount of Regulatory	Particulars	Solo	Conso.
(5)	,	Fully Paid up Capital	198.87	198.87
	capital, with separate	Share Capital BCI	1.53	1.53
	disclosure of:	Statutory Reserve	27.51	27.51
	CET1 Capital	General Reserve	0.89	0.89
	Additional Tier 1 Capital	Retained Earnings	-340.88	-338.52
		Right Share Application Money	91.73	91.73
	Total Tier 1 Capital	CET1 Capital	-20.35	-17.99
	Tier 2 Capital	Additional Tier 1 Capital	0.00	0.00
	ner z capitai	Total Tier 1 Capital	-20.35	-17.99
		General Provision	14.39	14.39
		Revaluation Reserve	0	0
		Tier 2 Capital	14.39	14.39
(c)	Regulatory	BDT in		BDT in Crore
(C)	9	Particulars	Solo	Conso.
	Adjustments/Deductions from capital	Provision Shortfall in NPL	584.88	584.88
		Provision Shortfall in Share		
		Total Adjustment	584.88	584.88
				BDT in Crore
(d)	Total eligible capital	Particulars	Solo	Conso.
		Total eligible capital	-590.84	-588.48

3. Capital Adequacy:

3.1 Qualitative Disclosures

(a)	A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities.	The Bank has adopted Standard computation of capital charge for and Basic Indicator Approach (I Assessment of capital adequacy is with the capital adequacy reportin The Bank has maintained capital ade "Consolidated" and "Solo" are -14.1 as against the minimum regulator Tier-I capital adequacy ratio for "C well as "Solo" is -14.24% against requirement of 5%. The Bank's maintain its capital with the object capital ratio and high rating.	credit risk and BIA) for operacarried out in g to the Banglequacy ratio or 7% & -14.24% or requirement onsolidated" is the minimum policy is to n	market risk, ational risk. conjunction adesh Bank. the basis of respectively of 12.50%. 3-14.17% as a regulatory nanage and
(1.)				BDT in Crore
(b)	Capital requirement for	Particulars	Solo	Conso.
	Credit Risk	Capital requirement for Credit Risk	375.09	375.36
				BDT in Crore
(c)	Capital requirement for Market Risk	Particulars	Solo	Conso.
		Capital requirement for Market Risk	11.86	11.86
				BDT in Crore
(d)	Capital requirement for	Particulars	Solo	Conso.
	Operational Risk	Capital requirement for Operational Risk	27.94	27.94
(-)	Total capital, CET1 capital,			BDT in Crore
(e)	Total Tier 1 capital and Tier	Particulars	Solo	Conso.
	2 capital ratio:	CRAR	-14.24%	-14.17%
	· ·	CET1 Capital Ratio	-14.59%	-14.52%
	For the consolidated	Total Tier 1 Capital Ratio	-14.59%	-14.52%
	group; and • For stand alone	Total Tier 2 Capital Ratio	0.35%	035%
(f) (g)	Capital Conservation Buffer Available Capital under Pillar 2 Requirement	As the bank could not maintain the the bank could not able to maintain		

4. Credit Risk:

4.1 Qualitative Disclosures

(a)	The general qualitative disclosure requirement with respect to credit risk, including:	
	 Definitions of past due and impaired (for accounting purposes); 	With a view to strengthening credit discipline and bring classification and provisioning regulation in line with international standard, a phase-wise program for classification

and provisioning was undertaken by the Bank as per Bangladesh Bank circulars issued from time to time. In this regard, all the loans and advances/investments are grouped into four categories for the purpose of classification, namely (i) Continuous Loan, (ii) Demand Loan, (iii) Fixed Term Loan and (iv) Short-term Agricultural and Micro Credit. They are classified as follow:

Continuous & Demand Loan will be classified as:

- Sub-standard- if it is past due/overdue for 03(three) months or beyond but less than 06 (six) months;
- Doubtful- if it is past due/overdue for 06 (six) months or beyond but less than 09 (nine) months;
- Bad/Loss- if it is past due/overdue for 09 (nine) months or beyond.

Fixed term loan will be classified as:

In case of any installment(s) or part of installment(s) of a Fixed Term Loan amounting up to Taka 1 million is not repaid within the due date, the amount of unpaid installment(s) are treated as "past due or overdue installment". Such types of Fixed Term Loans are classified as under:

- Sub-standard- if the amount of past due installment is equal to or more than the amount of installment(s) due within 06 (six) months, the entire loans are classified as "Sub-standard".
- Doubtful- if the amount of past due installment is equal to or more than the amount of installment(s) due within 09 (nine) months, the entire loans are classified as "Doubtful.
- Bad/Loss-if the amount of past due installment is equal to or more than the amount of installment(s) due within 12(twelve) months, the entire loans are classified as "Bad/Loss".

Fixed term loan will (amounting more than BDT 10 lac) be classified as:

In case of any installment(s) or part of installment(s) of a Fixed Term Loan amounting more than Taka 1 million is not repaid within the due date, the amount of unpaid installment(s) are treated as "past due or overdue installment". Such types of Fixed Term Loans are classified as under:

- Sub-standard- if the amount of past due installment is equal to or more than the amount of installment(s) due within 03 (three) months, the entire loans are classified as "Sub-standard".
- Doubtful- if the amount of past due installment is equal to or more than the amount of installment(s) due within 06 (six) months, the entire loans are classified as "Doubtful". Bad/Loss- if the amount of past due installment is equal to or more than the amount of installment(s) due within 09 (nine) months, the entire loans are classified as "Bad/Loss".

Short term agricultural and micro credit will be classified as: Short-term Agricultural and Micro Credit will be considered irregular if it is not repaid within the due date as stipulated in the loans agreement and will be classified as under:

- Sub-standard- if the irregular status continues after a period of 12 (twelve) months, the credits are classified as "Sub-standard".
- Doubtful- if the irregular status continue after a period of 36 (thirty six) months, the credits are classified as "Doubtful".
- Bad/Loss- if the irregular status continue after a period of 60 (sixty) months, the credits are classified as "Bad/Loss".

A Continuous Ioan, Demand Ioan or a Term Ioan which remained overdue for a period of 02 (two) months or more, is treated as "Special Mention Account (SMA)".

The Bank is required to maintain the following general and specific provision in respect of classified and unclassified loans and advances / investments on the basis of Bangladesh Bank guidelines issued from time to time:

 Description of approaches followed for specific and general allowances and statistical methods;

Particulars	Rate	
General provision on unclassified Small and Medium Enterprise (SME) financing.	0.25%	
General provision on unclassified loans and advances/ investments other than Consumer Financing, Loans to Brokerage House, Merchant Banks, Stock Dealers etc., SMA as well as SME Financing).	1%	
General provision on interest receivable on loans/investments.	1%	
General provision on off-balance sheet exposures (Provision has been made on the total exposure and amount of cash margin & value of eligible collateral were not deducted while computing off-balance sheet exposure).	1%	
General provision on unclassified loans and advances/ investments for housing finance, loans for professionals to set-up business under consumer financing scheme.	2%	
General provision on the unclassified loans to Brokerage House, Merchant Banks, Stock Dealers, etc.	2%	
General provision on unclassified amount for Consumer Financing.	5%	
General provision on outstanding amount of loans kept in		

Special Mention Account (SMA) will be at the same respective rate as stated above (0.25% to 5%) as per BRPD Circular No. 05 dated 29.05.2013.

Particulars		
Specific provision on Sub-Standard loans and advances / investments.	20%	
Specific provision on Doubtful loans and advances/investments.	50%	
Specific provision on bad / loss loans and advances/invests.	100%	

The Bank has a well structured delegation and sub-delegation of credit approval authority for ensuring good governance and better control in credit approval system. The Board of Directors and its Executive Committee hold the supreme authority for any credit approval in line with the credit committee consisting of the senior management of the bank. Credit proposal processing, assessment of risks and mitigates there against, placing before credit committee, seeking approval from the competent authority, assisting in completion of documentation formalities and above all maintaining relationship with the branches and customers have so long been done by Credit Management Division (CMD). The function of CMD department has redefined by (i). Credit Assessment, (ii). Credit Monitoring, (iii) Credit Information & Policy Development for smoothly execution of the credit risk management through segregating internal units. Separate segments for Corporate, Retail, SME, Credit Cards have been formed in order to diversify the credit risk. Towards mitigating the risks, BCBL has developed a robust credit approval system. The credit proposals recommended by branches are scrutinized by CMD Department. Sanctions are conveyed to the Branches after getting approval from Credit Committee of Corporate Office or Board of Directors if needed.

 Discussion of the bank's credit risk management policy; The standardized approach is applied for risk weighting of exposure as per directive of Bangladesh Bank. It requires banks to use risk assessment. The Bank is following Credit Risk Grading (CRG) manual for assessing a borrower and making decisions of disbursing loans and advances/ investments while nominating the External Credit Assessment Institutions (ECAIs) duly recognized by Bangladesh Bank to derive risk-weights of exposures under the portfolio of claims. Maximum counterparty/group exposure are limited to 15% (funded) of the bank's capital base as stipulated by BB where a higher limit is required for projects of national importance subject to prior approval of Bangladesh Bank. The single borrower exposure limit has been increasing day by day of the bank with the increase of the total capital of the bank. But the management of the bank is exercising the prudential limit to a single borrower in order to minimize concentration risk of the bank considering the security coverage, satisfactory performance, credit risk grading status, earning potentials, capital requirement, etc. against the limit.

4.2 Quantitative Disclosures

(b)	Total gross credit risk	Loan Type	BDT in Crore
	exposures broken down by major types of credit	Demand Loan	113.66
		Loan General	563.97
	exposure.	Cash Credit (Hypo)	384.84
		Agriculture Loan	81.98
		Overdraft	506.32
		SME Loan	123.71
		Payment Against Document (PAD)	107.95
		Loan against Trust Receipt (LTR)	203.57
		House Building Loan	66.26
		Credit Card	2.40
		Consumer Credit	3.84
		Staff Loan	42.61
		Bill Purchase / Discounted	0.02
		Loans & Advances (BCI)	46.44
		Total	2247.57
		10000	
(-)		Segment	BDT in Crore
(c)	Geographical distribution	Dhaka Division	1545.75
	of exposures, broken		+
	down in significant areas	Chittagong Division	418.58
	by major types of credit exposure.	Rajshahi Division	105.78
		Khulna Division	106.22
		Sylhet Division	27.72
		Barisal	20.38
		Rangpur	23.13
		Total	2247.57
. D			
(d)	Industry or counterparty	Industry	BDT in Crore
	type distribution of	Agricultural Loan	81.98
	exposures, broken down	Industrial Loan (other than working capital)	230.92
	by major types of credit	Working capital Loan	296.57
	exposure.	Import Credit	425.26
		Commercial Loan	805.26
		RMG & Textile	238.47
		Construction Loan	66.26
		Transport and Communication Loan Consumer Credit	9.95
		All Others Loans	3.84
		Total	89.06 2247.57
		Total	2247.57
(e)	Residual contractual		
	maturity breakdown of the whole portfolio, broken	Residual Maturity	BDT in Crore
		Re-payable on demand	292.18
	down by major types of	Not more than 3 months	398.94
	credit exposure.	More than 3 Months but less than 1 year	972.09
	·	More than 1 year but less than 5 years	406.37
		More than 5 years	177.99
		Total	2247.57

(f)	Ву	major	industry	or
	cou	nterpart	y type:	

- Amount of impaired loans and if available, past due loans, provided separately;
- Specific and general provisions; and
- Charges for specific allowances and charge-offs during the period.

Industry	BDT in Crore
Agricultural Loan	81.98
Industrial Loan (other than working capital) 230.92
Working capital Loan	296.57
Import Credit	425.26
Commercial Loan	805.26
RMG & Textile	238.47
Construction Loan	66.26
Transport and Communication Loan	9.95
Consumer Credit	3.86
All Others Loans	89.04
Total	2247.57

(g) Gross Non Performing Assets (NPAs)

Non Performing Assets (NPAs) to Outstanding Loans & advances Movement of Non Performing Assets (NPAs) Opening balance Additions Reductions Closing balance

Movement of specific provisions for NPAs

Opening balance Provisions made during the period Write-off Write-back of excess provisions Closing balance

Particulars	BDT in Crore		
Gross Non Performing Assets (NPAs)	1132.54		
NPAs to Outstanding Loans & advances	50.39%		
Movement of Non Performing Asset	s (NPAs)		
Opening balance	858.29		
Additions/(Reductions)	274.25		
Closing balance	1132.54		
Movement of specific provisions for NPAs			
Opening balance	258.76		
Provisions made during the period	50.00		
Write off			
Write back of excess provisions			
Closing balance	308.76		

5. Equities: Disclosure for Banking Books position:

5.1 Qualitative Disclosures

(a) The general qualitative disclosure requirement with respect to equity risk; including

 differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and Investment in equity securities are broadly categorized into two parts:

- Quoted Securities (Common or Preference Shares & Mutual Fund) that are traded in the secondary market (Trading Book Assets).
- Unquoted securities include shares of Central Depository Bangladesh Limited (CDBL), investment in SWIFT and Market Stabilization Fund (MSF).

The primary aim is to investment in these equity securities for the purpose of capital gain by selling them in future or held for dividend income. Dividends received from these equity securities are accounted for as and when received. Both Quoted and Un- Quoted equity securities are valued at cost and necessary provisions are maintained if the prices fall below the cost price.

	• discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.	The primary aim is to investment in these equity securities for the purpose of capital gain by selling them in future or held for dividend income. Dividends received from these equity securities are accounted for as and when received. Both Quoted and Un- Quoted equity securities are valued at cost and necessary provisions are maintained if the prices fall below the cost price.					
(b)	Value disclosed in the					BDT in Crore	
(/	balance sheet of investments, as well as the	D (* 1	S	olo	o Conso.		
		Particulars	Cost	Mkt Value	Cost	Mkt Value	
	fair value of those	Share Portfolio	56.95	26.08	57.38	26.41	
	securities, a comparison to publicly quoted share values where the share price is materially different from fair value.						
(c)	The cumulative realized	BDT in Crore					
	gains (losses) arising from sales and liquidations in the reporting period.	Particulars		So	lo	Conso.	
		Realized gains/(losses)		7.8	37	9.03	
(d)	Total unrealized gains (losses) Total latent revaluation gains (losses)	BDT in Crore					
		Particulars		So	lo	Conso.	
		Unrealized gains/(losses)		(30	.87)	(30.96)	
		Particulars		So	lo	Conso.	
		Latent revaluation gains/(losses)					
	• Any amounts of the	Particulars		So	lo	Conso.	
	above included in Tier 2 capital.	Amount of above include in capital		al	-		
(e)	apital requirements broken down by appropriate equity groupings, consistent with	BDT in Crore					
		Particulars		Sol		Conso.	
	the bank's methodology, as	Specific market risk General market risk		2.6		2.61	
	well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.	General market fisk		2.6		2.61	

6. Interest rate risk in the banking book (IRRBB):

6.1 Qualitative Disclosures

(a) The general qualitative disclosure requirement including the nature of IRRBB and kev assumptions, including assumptions regarding loan prepayments and behaviour of non-maturity deposits, and frequency of IRRBB measurement.

Interest rate risk is the risk where changes in market interest rates might adversely affect a bank's financial condition. Changes in interest rates affect both the current earnings (earnings perspective) as well as the net worth of the bank (economic value perspective). To evaluate the impact of interest rate risk on the net interest margin, BCBL monitors the size of the gap between rate sensitive assets and rate sensitive liabilities in terms of the remaining period to re-pricing. Re-pricing refers to the point in time when adjustments of interest rates on assets and liabilities occur owing to new contracts, renewal of expiring contracts or that a contract specifies a floating rate that adjusts at fixed time intervals.

A maturity mismatch approach is used to measure BCBL's exposure to interest rate risk. A positive mismatch means that more assets than liabilities are re-priced in a given period. With a positive mismatch, a rise in market interest rates will have a positive effect on the bank's earnings. On the other hand, a negative mismatch, where more liabilities are re-priced than assets in a given period, means a drop in earnings if interest rates had increased.

6.2 Quantitative Disclosures

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

Particulars	BDT in Crore
Market value of assets	3,955.04
Market value of liabilities	3,959.01
Weighted Average of Duration of Liabilities (DL)	1.95
Weighted Average of Duration of Assets (DA)	3.31
Duration GAP (DA-DL)	1.44
Yield to Maturity (YTM -Assets)	10.65%
Yield to Maturity (YTM -Liability)	6.38%

Particu ars	Magnitude of interest rate change			
	1%	2%	3%	
Fall in market value of equity	(51.56)	(103.13)	(154.69)	

Stress Testing:

Particulars	Magnitude of Shock (BDT in Crore)			
	1%	2%	3%	
Regulatory Capital	-642.40	-693.97	-745.53	
RWA	4053.97	4053.97	4037.52	
CRAR	-15.85%	-17.12%	-18.39%	
			•	

7. Market risk:

7.1 Qualitative Disclosures

(a) Views of BOD on trading / investment activities The Board approves all policies related to market risk, sets limits and reviews compliance on a regular basis. The objective is to provide cost effective funding last year to finance asset growth and trade related transaction.

Methods used to measure Market Risk Standardized approach has been used to measure the market risk. The total capital requirement in respect of market risk is the aggregate capital requirement calculated for each of the risk sub-categories. For each risk category minimum capital requirement is measured in terms of two separately calculated capital charges for 'specific risk' and 'general market risk'

Market Risk Management system

The Treasury Division manage market risk covering liquidity, interest rate and foreign exchange risks with oversight from Asset-Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director. ALCO meets at least once in a month.

Policies and processes for mitigating Market Risk

There are approved limits for Market Risk related instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against market risks. The exchange rate committee of the Bank meets on a daily basis to review the prevailing market condition, exchange rate, forex position and transactions to mitigate foreign exchange risks.

7.1 Quantitative Disclosures

(b)	The societal manufacture		BDT in Crore	
(D)	The capital requirements	Particulars	Solo	Conso.
	for: interest rate risk;	Interest rate risk	5.26	5.26
	equity position risk;	Equity position risk	5.22	5.22
	foreign exchange risk; and	Foreign exchange risk	1.39	1.39
	Commodity risk.	Commodity risk		
				<u>.</u>

8. Operational Risk:

8.1 Qualitative Disclosures

(a) Views of BOD on system to reduce Operational Risk	Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk but excludes strategic and reputation risk. It is inherent in every business organization and covers a wide spectrum of issues. The Board of Directors (BOD) of the Bank and its Management firmly believe that an effective internal control systems has been established within the Bank to ensure adequacy of the risk management framework and compliance with a documented set of internal policies concerning the risk management system which mainly include;
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- Top-level reviews of the Bank's progress towards the stated objectives;
- Checking for compliance with management controls;
- Policies, processes and procedures concerning the review, treatment and resolution of non-compliance issues; and
- A system of documented approvals and authorizations to ensure accountability to the appropriate level of management.

Bank has ensured some other internal practices to be in place as appropriate to control operational risk. Examples of these include:

- Close monitoring of adherence to assigned risk limits or thresholds;
- Maintaining safeguards for access to, and use of, bank's assets and records;
- Ensuring that staffs have appropriate expertise and training;
- Regular verification and reconciliation of transactions and accounts.

The BOD has modified Bank's operational risk management process by issuing a high level standard like SOP, supplemented by more detailed formal guidance. This explains how the bank manages operational risk by identifying, assessing, monitoring, controlling and mitigating the risk, rectifying operational risk events, and implementing any additional procedures required for compliance with local regulatory requirements.

The Bank maintains and tests contingency facilities to support operations in the event of disasters. Additional reviews and tests are conducted in the event that any branch of the bank is affected by a business disruption event, to incorporate lessons learned in the operational recovery from those circumstances. Plans have been prepared for the continued operation of the bank's business, with reduced staffing levels.

BCBL has a policy to provide competitive package and better working environment to attract and retain the most talented people available in the industry. As the employee loyalty is high to the bank the employee turnover in the bank is minimum compared to the industry.

It is needless to say that there are certain risk factors which are external in nature and can affect the business of the Bank. The factors discussed below can significantly affect the business:

- General business and political condition
- Changes in credit quality of borrowers
- Changes in policies and practices of regulatory bodies to revise practices, pricing and responsibilities of the financial institutions

Performance gap of executives and staffs

Potential external events

• Implementation of Basel-III in Bangladesh

- Volatility in equity market
- Changes in market conditions
- The risk of litigation
- Success of strategies

Policies and processes for mitigating operational risk

Operational risk, defined as any risk that is not categorized as market or credit risk, is the risk of loss arising from inadequate or failed internal processes, people and systems or from external events. It is inherent in every business organization and covers a wide spectrum of issues. In order to mitigate this, internal control and internal audit systems are used as the primary means. Bangladesh Commerce Bank Limited manages this risk through a control based environment in which processes are documented, authorization is independent and transactions are reconciled and monitored. This is supported by an independent program of periodic reviews undertaken by internal audit, and by monitoring external operational risk events, which ensure that the bank stays in line with industry best practice and takes account of lessons learned from publicized operational failures within the financial services industry.

BCBL has operational risk management process which explains how the bank manages its operational risk by identifying, assessing, monitoring, controlling and mitigating the risk, rectifying operational risk events, and implementing any additional procedures required for compliance with central bank requirements. Operational risk management responsibility is assigned to different level of management within the business operation. Information systems are used to record the identification and assessment of operational risks and to generate appropriate regular management reporting. Risk assessment incorporates a regular review of identified risks to monitor significant changes.

Banks performance is monthly monitored by Board of Directors as well as Bangladesh Bank through improvement of Directives of Bangladesh Bank (DOBB) which include monthly reporting of improvement of DOBB and Major Performance Indicators to Honorable of Board of Directors and concerned authority of Bangladesh Bank.

Approach for calculating capital charge for operational risk

Basic Indicator Approach was used for calculating capital charge for operational risk as of the reporting date.

8.2 Quantitative Disclosures

(b)	The capital requirements			BDT in Crore
` ′	for operational risk	Particulars	Solo	Conso.
		Capit al requirements for operational risk	27.94	27.94

9. Liquidity Ratio:

9.1 Qualitative Disclosures

(a) Views of BOD on system to reduce liquidity Risk

Liquidity risk is the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss (or make the required profit) or when a bank is unable to fulfill its commitments in time when payment falls due. Thus, liquidity risk can be of two types:

Funding liquidity risk: The risk that a firm will be unable to meet its current and future cash flow and collateral needs without affecting its daily operations or its financial condition

Market liquidity risk: The risk that a firm cannot easily offset or sell a position without incurring a loss because of inadequate depth in the market

Banking organization, where off-balance sheet exposure is significant or has strong dependency on corporate deposit or experiencing step asset (i.e. primarily credit portfolio or investment book) growth is exposed to high level of Liquidity risk. Liquidity risk should not be seen in isolation, because financial risks are not mutually exclusive and liquidity risk is often triggered by consequence of other financial risks such as credit risk, interest rate risk, foreign exchange risk etc.

Methods used to measure Liquidity risk

In context of Pillar 3 (Supervisory Review Process) of RBCA, the necessity of proper assessment and management of liquidity risk carries pivotal role in ICAAP of banks. In the perspective of Bangladesh, identifying and monitoring the driving factors of liquidity risk is viewed from the following aspects:

Regulatory Liquidity Indicators (RLIs):

- Cash Reserve Requirement (CRR)
- Statutory Liquidity Ratio (SLR)
- Medium Term Funding Ratio (MTFR)
- Maximum Cumulative Outflow (MCO)
- Advance Deposit Ratio (ADR)/Investment Deposit Ratio (IDR)
- Liquidity Coverage Ratio (LCR)
- Net Stable Funding Raito (NSFR)

Bank's own liquidity monitoring tools:

- Wholesale Borrowing and Funding Guidelines
- Liquidity Contingency Plan
- Management Action Trigger (MAT)

Computation of Capital Charge against Liquidity Risk: If annual average of any RLIs of any bank falls bellow Bangladesh Bank's requirement the bank will be required to maintain additional capital for that RLI (or those RLIs).

As per Bangladesh Bank guideline management maintain sufficient CRR and SLR.

Liquidity risk management system

In December 2014, the Bangladesh Bank started to two new liquidity metrics as part of the implementation of Basel III. These are a short term liquidity stress metric, the Liquidity Coverage Ratio (LCR) a longer term funding metric and the Net Stable Funding Ratio (NSFR). Banks have to maintain LCR and NSFR are at a minimum of 100%.

Policies and processes for mitigating liquidity risk

Bangladesh Commerce Bank Limited Asset-Liability Management Committee (ALCO) has responsibility for monitoring liquidity measures and limits. Liquidity is maintained in excess of the maximum cumulative outflows calculated within these stress tests. Board Risk Management Committee set policies and process to mitigate all risks including Liquidity risk.

9.1 Quantitative Disclosures

(b)	Liquidity Coverage Ratio			
	Net Stable Funding Ratio			
	(NSFR)			
	Stock of High quality			
	liquid assets Total net cash			
	outflows over the next 30			
	calendar days			
	Available amount of stable			
	funding			

Required amount of stable

Particulars	BDT in Crore
Liquidity Coverage Ratio	118.68%
Net Stable Funding Ratio (NSFR)	143.58%
Stock of High quality liquid assets	154.05
Total net cash outflows over the next 30 calendar days	544.96
Available amount of stable funding	2886.50
Required amount of stable funding	2158.49

10. Leverage Ratio:

10.1 Qualitative Disclosures

funding

(a) Views of BOD on system to reduce excessive leverage

In order to avoid building-up excessive on- and off-balance sheet leverage in the banking system, a simple, transparent, non-risk based leverage ratio has been introduced by Bangladesh Bank. The leverage ratio is calibrated to act as a credible supplementary measure to the risk based capital requirements. The leverage ratio is intended to achieve the following objectives:

- constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy
- b) reinforce the risk based requirements with an easy to understand and a non-risk based measure

Policies and processes for managing excessive on and off-balance sheet leverage

The policy for Leverage Ratio including off and on balance sheet exposure and capital related policy. The Bank has a well structured delegation and sub-delegation of credit approval authority for ensuring good governance and better control in credit approval system. The Board of Directors and its Executive Committee hold the supreme authority for any credit approval in line with the credit committee consisting of the senior management of the bank.

Approach for calculating exposure

There are approved limits for instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against such risk.

Calculation of Leverage Ratio:

A minimum Tier 1 leverage ratio of 3% is being prescribed both at solo and consolidated level.

Leverage Ratio = Tier 1 Capital (after related deductions)
Total Exposure (after related deductions)

The exposure measure for the leverage ratio will generally follow the accounting measure of exposure. In order to measure the exposure consistently with financial accounts, the following will be applied by the bank:

- On balance sheet, non-derivative exposures will be net of specific provisions and valuation adjustments (e.g. surplus/ deficit on Available for sale (AFS)/ Held-for-trading (HFT) positions).
- Physical or financial collateral, guarantee or credit risk mitigation purchased is not allowed to reduce on- balance sheet exposure.
- Netting of loans and deposits is not allowed.

10.2 Quantitative Disclosures

(b) Leverage Ratio
On balance sheet exposure
Off balance sheet exposure
Total exposure

	Е	BDT in Crore
Particulars	Solo	Conso.
Tier-1 Capital (A)	-605.23	-602.87
Exposure measure :		
On balance sheet exposure	3706.40	3749.16
Off balance sheet exposure	356.61	356.61
Less: Regulatory adjustment made to Tier I capital	584.88	584.88
Total exposure (B)	3478.12	3520.89
Leverage Ratio (A/B)	-17.40%	-17.12%

11. Remuneration

11.1 Qualitative Disclosures

(a) Information relating to the bodies that oversee remuneration. Disclosures should include:

The Human Resource Division of the Bank is sole responsible for formulation and up-gradation of the bank under the supervision of Managing Director. Though the formulation is done by the management and approved by the Board of Directors at their meeting but before implementation the remuneration package needs to be approved by Bangladesh Bank as per condition implies in Directive of Bangladesh Bank (DOBB).

Name, composition and mandate of the main body overseeing remuneration. External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process.

A description of the scope of the bank's remuneration policy (eg by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches.

A description of the types of employees considered as material risk takers and as senior managers, including the number of employees in each group. Bank's remuneration policy is designed for permanent, contractual, consultant and advisory service/employees. Bank's subsidiary develops their own remuneration package approved by the Board of Directors.

For the purposes of the accompanying remuneration disclosures, the "senior managers" of the bank comprise of Managing Director, Deputy Managing Director and the heads of appropriate big branches, the heads of operation, corporate, and credit risk functions and the company secretary. List of executives who considered as material risk takers are given below:

Designation of the employees	Number of Employees
Managing Director	1
Additional Managing Director	1
Deputy Managing Director	1
Senior Executive Vice President	2
Executive Vice President	2
Senior Vice President	8
Vice Prescient	7

(b) Information relating to the design and structure of remuneration processes.

Disclosures should include:

An overview of the key features and objectives of remuneration policy.

Whether the remuneration committee the reviewed firm's remuneration policy during the past year, and if so, an overview of any changes that were made. A discussion of how the bank ensures that risk and compliance employees remunerated independently of businesses they oversee.

The bank has developed a remuneration package which is competitive compared to the market but at the same time cost effective considering the bank's business volume and financial strength. The underlying objective of the remuneration package is

- To offer a satisfactory and motivational compensation package to it's employee
- To attract better human resource
- Retain the trained and skilled manpower

The remuneration package was last upgraded in last part of year 2017 as a result in last year the package doesn't rise the necessity to be reviewed.

To motivate contribution in risk management, compliance and business bank has the policy of additional increment in addition of regular increment, special promotion, honorarium as well as special training financed by bank.

(c) Description of the ways in which current and future risks are taken into account in the remuneration

While designing a remuneration package bank have to consider the future risk arises. Risk might be came through the employee turnover or through the cost effectiveness. As the remuneration is the highest part of the total administrative expenditure of the banking business bank have to carefully

processes. Disclosures should include:

An overview of the key risks that the bank takes into account when implementing remuneration measures.

An overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure (values need not be disclosed).

A discussion of the ways in which these measures affect remuneration.

A discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration.

design the remuneration package to maintain the growing profitability. At the same time bank have to consider the competitive forces to sustain its valuable human resources as well as attract skilled human resources.

Bank takes following measures to take account the risk associated from the remuneration package:

- Employee turnover rate
- Rate of administrative expenditure
- Per employee contribution in profit, deposit, advance
- Achievement of business as well as performance target

If the employee turnover grows beyond tolerable limit management review the remuneration package and change or update upon approval from the board. Considering the administrative expenditure and per employee contribution in business and earnings banks bonus and business expansion with existing manpower is considered. Achievement of individual business target and performance target is reflected in yearly increment, promotion and bonus etc. No changes occurred in remuneration measuring criteria in past year.

(d) Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration. Disclosures should include:

An overview of main performance metrics for bank, top-level business lines and individuals.

A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance.

A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak.

Bank has a Key Performance Indicator (KPI) set to evaluate every individual employee's performance and some key indicators for measuring the performance overall human resources of the bank.

Amounts of individual remuneration like yearly increment, bonus, house building loan, promotion is directly linked with their set performance standard and achievement there against.

At the event of weak performance metrics individual will lose the benefit as set in the policy and recommended and provided supporting to improve from the weak performance status. (e) Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance. Disclosures should include: A discussion of the bank's policy on deferral and vesting of variable remuneration and, if the of variable fraction that remuneration differs deferred across employees or groups of employees, a description of the factors that determine the fraction and their relative importance.

Banks remuneration contains two parts one is fixed and another is variable. Variable part depends on the performance of the individual employees. Variable benefit includes increment, bonus, house building loan, promotion etc. These doesn't varies from employees to employees or group to group but performance measuring criteria is different for each group, division or branch level employees.

A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through clawback arrangements.

(f)

Description of the different forms of variable remuneration that the bank utilises and the rationale for using these different forms. Disclosures should include: An overview of the forms of variable remuneration offered (ie cash, shares and share-linked instruments and other forms

A discussion of the use of

A discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or groups of employees), a description the factors that determine the mix and their relative importance. Bangladesh Commerce Bank Limited has no variable remuneration like cash, shares and share linked instruments and other forms.

11.2 Quantitative Disclosures

(g)	Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member.	Several meetings of the special committee formed for increasing remuneration held in 2018 to finalize the increase of salary package for the bank.			
(h)	Number of employees	Particulars	BDT in Crore		
	having received a variable remuneration award during the financial year. Number and total amount	Number of employees having received a variable remuneration award during the financial year	Nill		
	of guaranteed bonuses awarded during the financial year. Number and total amount of sign-on awards made during the financial year. Number and total amount	Number and total amount of guaranteed bonuses awarded during the financial year.	Two festival bonus paid to employees worth BDT 6.49 Crore. In addition to that 1 month's basic salary equivalent ex-gratia paid to every employees.		
	of severance payments made during the financial year.	Number and total amount of sign-on awards made during the financial year.	Nill		
		Number and total amount of severance payments made during the financial year.	Nill		
(i)	Total amount of	Particulars	BDT in Crore		
	outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms. Total amount of deferred remuneration paid out in the financial year.	Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms a variable remuneration award during the financial year	Nill		
	the imancial year.	Total amount of deferred remuneration paid out in the financial year.	Nill		
(j)	Breakdown of amount of remuneration awards for the financial year to show: - Fixed and variableDeferred and non - deferred Different forms used (cash,	Fixed remuneration of BDT 96.43 Croand no variable remuneration was pa	-		

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(k) Quantitative information about employees' exposure to implicit (eg fluctuations in the value of shares or performance units) and explicit adjustments (eg clawbacks or similar reversals or downward revaluations of awards) of deferred remuneration and retained

remuneration:

Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.

Total amount of reductions during the financial year due to ex post explicit adjustments.

Total amount of reductions during the financial year due to ex post implicit adjustments. Not applicable for Bangladesh Commerce Bank Limited.

Basel III

Pillar I

Enhanced Minimum Capital & Liquidity Requirements

Pillar II

Enhanced
Supervisory Review
Process for
Firm-wide Risk
Management and
Capital Planning

Pillar III

Enhanced Risk Disclosure & Market Discipline

CEO's and CFO's declaration to the Board of Directors

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

- 1. We have reviewed financial statement for the year 2019 and that to the best of our knowledge and brief:
 - a. These statements do not certain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable law;
- 2. There are, to the best of knowledge and brief, no transitions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

Kamal Hossain, ACA

Assistant Vice President & CFO (CC)

Zafar Alam

Managing Director (CC).

BCB Savings sank Account.

Product's of BCBL

- > Any matured citizen of Bangladesh can open the account at any branch of BCB.
- Account can be opened at a minimum amount of Tk. 500/-
- The applicant has to provide 2 Passport sized Photograph, Photograph of National Identity card/Birth registration Certificate/Passport/Driving License or other relevant document exemplifying his/her identity and 1 Passport sized Photograph of Nominee.
- Withdrawal of any amount at any date is allowed.
- Current Rate on Interest is 3.25%
- Opening of any Individual or Joint account is possible.

BCB NIRVAR (A Monthly Savings Scheme):

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 Passport sized Photograph, Photograph of National Identity card/Birth registration Certificate/Passport/Driving License or other relevant document exemplifying his/her identity and 1 Passport sized Photograph of Nominee.
- Minimum monthly installments are Taka. 500/-, 1000/- 2000/-, 5000/-, 10000/- & 20000/-.
- > Duration of the Scheme is 03 (three), 05 (five), 07 (seven) & 10 (ten) years.
- A Loan Privilege of up to 90% is possible against the entire deposited amount.
- Rate of Interest: 8.00%

BCB Srijoni (A Savings account for Working Women)

- Special Product designed for the Working Women.
- Any working woman of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee.
- Account can be opened at a minimum amount of Tk. 100/- only.
- ➤ Rate of interest is 3.50%
- Interest paid half yearly & on daily balance.
- > There is no obligation of minimum balance for interest.

BCB Nondita (A Savings Account only for Housewives)

- Any housewife of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee.
- A minimum deposition of Taka. 500.00 is required for opening the Account.
- Withdrawal or deposition of any amount at any date is allowed round the month. But no interest will be paid should more than two withdrawal is made in a week or the minimum balance of any particular month reaches less than Taka. 5000.00/-
- Rate of interest is 3.50%
- Interest will be paid half yearly & on daily balance.
- Free Credit Card facility may be availed against the account balance. (Conditions apply)

BBCB Students' Savings Account:

- > Student's bellow 6 years up to 18 years of age is applicable for opening the account.
- > This is a joint account which cannot be opened with anyone else other than parents or legal Guardian.
- For the verification of age, as a means of evidence, Birth Registration Certificate / Passport / School Certificate will have to be presented before opening the account.
- ➤ Rate of interest is 7.25%
- Interest will be paid half yearly & on daily balance.

BCB Bibaho Suridh Scheme Account:

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 Passport sized Photograph, Photograph of National Identity card/Birth registration Certificate/Passport/Driving License or other relevant document exemplifying his/her identity and 1 Passport sized Photograph of Nominee.
- Minimum monthly installments are Taka. 1000/-, 2000/-, 3,000/- 4000/- 5000/-, 10,000/-, 15,000/-, 20,000/- & 25,000/-.
- > Duration of the Scheme is 05 (five), 10 (ten) years & 15 (Fifteen) years & 20 (Twenty) years.
- A Loan Privilege of up to tk. 10.00 Lakh is possible (Conditions Apply).
- > Annual Rate of Interest: 09.00%
- Premature Encashment is possible (Conditions Apply).

BCB Shikkha Suridh Scheme Account

> Any matured citizen of Bangladesh can open the account at any branch of BCB.

- The applicant has to provide 2 Passport sized Photograph, Photograph of National Identity card/Birth registration Certificate/Passport/Driving License or other relevant document exemplifying his/her identity and 1 Passport sized Photograph of Nominee.
- Minimum monthly installments are Taka. 1000/-, 2000/-, 3,000/- 4000/- 5000/-, 10,000/-, 15,000/-, 20,000/- & 25,000/-.
- Duration of the Scheme is 05 (five), 10 (ten) years & 15 (Fifteen) years & 20 (Twenty) years.
- A Loan Privilege of up to tk 10.00 Lakh is possible (Conditions Apply).
- Annual Rate of Interest: 09.00%
- Premature Encashment is possible (Conditions Apply).

BCB Chikitsha Suridh Scheme Account

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 Passport sized Photograph, Photograph of National Identity card/Birth registration Certificate/Passport/Driving License or other relevant document exemplifying his/her identity and 1 Passport sized Photograph of Nominee.
- Minimum monthly installments are Taka. 1000/-, 2000/-, 3,000/- 4000/- 5000/-, 10,000/-, 15,000/-, 20,000/- & 25,000/-.
- > Duration of the Scheme is 05 (five), 10 (ten) years & 15 (Fifteen) years & 20 (Twenty) years.
- A Loan Privilege of up to tk 10.00 Lakh is possible (Conditions Apply).
- Annual Rate of Interest: 09.00%
- Premature Encashment is possible (Conditions Apply).

BCB Current Deposit

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee.
- A minimum deposition of Taka. 1000.00 is required for opening the Account.
- Withdrawal of any amount at any date is allowed.
- ➤ Rate of interest is 0%
- Opening of any Individual, Joint or Institutional account is possible.

BCB Special Notice Deposit Account (SND)

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee.
- A minimum deposition of Taka. 1000.00 is required for opening the Account.
- Withdrawal of any amount at any date is allowed.
- ➤ Rate of interest is 2.5% 3.00%
- Opening of any Individual, Joint or Institutional account is possible.

BCB Double Benefit Scheme

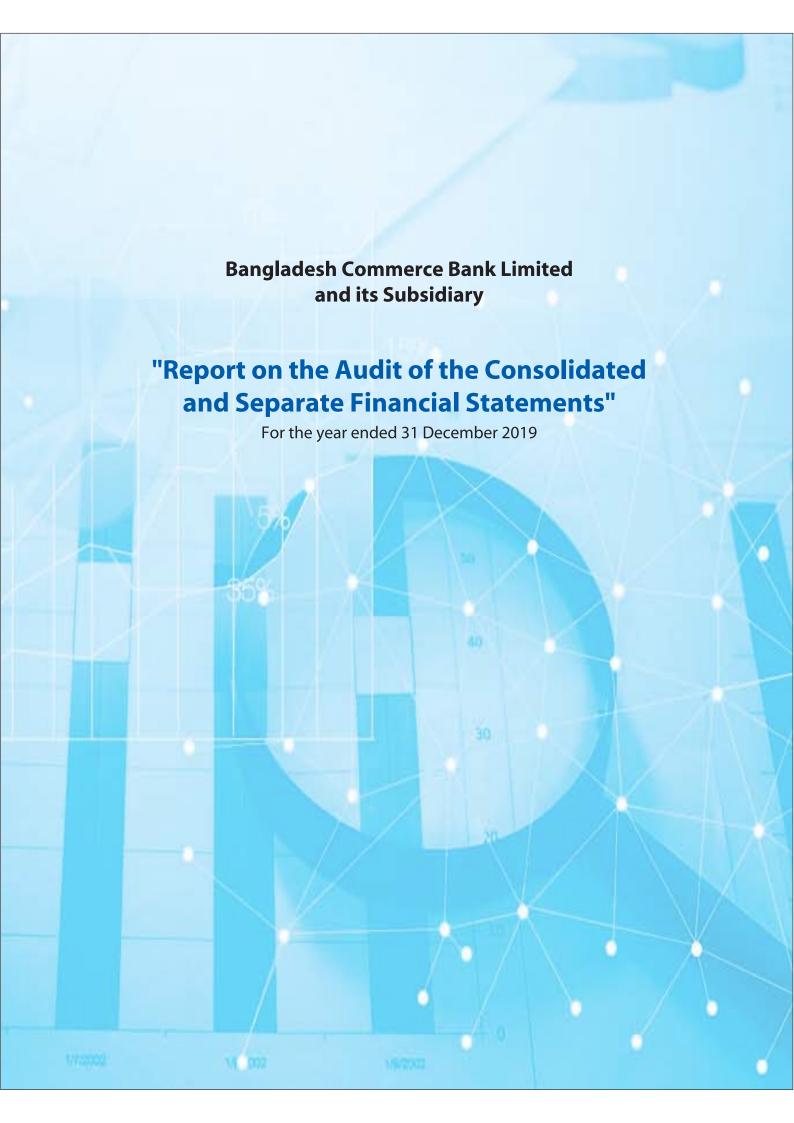
- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee.
- A minimum deposition of Taka. 25,000.00 or multiple is possible.
- Deposited amount would be doubled in 08 (Eight) years.
- A loan.

BCB Monthly Income Scheme

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee.
- A minimum deposition of Taka. 1, 00,000.00 or multiple is possible for a period of 03 (three) years.
- Maximum amount of profit withdrawal is Taka. 900.00 tk. per Lakh (monthly).
- A loan privilege of up to 90 % is possible against the entire deposited amount.

BCB Fixed Deposit

- A term deposit account that can be opened by any matured citizen of Bangladesh at any branch of BCB.
- Current Rate of Interest is 6.00%



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 subsidiary (the "Group") as well as the separate financial statements of Bangladesh Commerce Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at December 31, 2019 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flows—statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section of our report, the accompanying consolidated financial statements of the group and separate financial statements of the Bank presents fairly, in all material respects, the consolidated financial position of the group and the separate financial position of the Bank as at December 31, 2019, and of its consolidated and separate financial performance and its consolidated and separate statement of cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

Basis for Qualified Opinion

- 1. As per BRPD circular No. 11 dated August 14, 2008 and minimum capital requirement in BASEL III, required capital including reserve fund are Tk. 400 crore and paid up capital not less than Tk. 200 crore. The same is also required by the bank section 13 (2) of Bank Company Act (Amendment) 2013. In this regard the bank has paid up capital 198.87 crore and capital including reserve fund Tk. (592.57) crore [Tk. (255.95) crore in 2018] resulting shortfall Tk. (992.57) [Tk. (655.95) crore in 2018];
- 2. The bank paid VAT penalty of Tk. 21,707,888 adjusted with tax provision instead of charging the same as expenses.

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

Key Audit Matters

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

Description of key audit matters

Our response to key audit matters

Measurement of provision for loans

The process for estimating the provision for customer loans associated with credit risk is significant and complex.

For the individual analysis for large exposure, provisions calculation considers the estimates of future business performance and the market value of collateral provided for availing loan facilities.

For the collective analysis of exposure on portfolio basis, provision calculation and reporting are manually processed that deals with voluminous databases, assumptions and estimates.

At year end the Group and the Bank reported total gross loans and advances of BDT 22,475 million (2018: BDT 22,133 million) and BDT 22,133 million (2018: BDT 22,475 million) respectively and the Bank reported provision for loans of BDT 3087 million (2018: BDT 2587 million).

We tested the design and operating effectiveness of key controls focusing on the following:

- Loan appraisal, disbursement and monitoring procedures, and provisioning process;
- Identification of loss events, including early warning and default warning indicators;
- Reviewed quarterly Classification of Investments (Loans-CL) submitted to Bangladesh Bank;

Our substantive procedures in relation to the provision for investment portfolio comprised the following::

- Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank quidelines and;
- Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information;
- Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
- Finally, compared the amount of provision requirement as determined by Bangladesh Bank Department of Banking Inspection (DBI) team to the actual amount of provision maintained.

Valuation of treasury bill and treasury bond

Refer note no 6.1 to the financial statements

TThe classification and measurement of T-Bill and T-Bond require judgment and complex estimates.

In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.

We assessed the processes and controls put in place by the Group to identify and confirm the existence of treasury bills and bonds.

We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over financial instruments valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments.

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.

Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

Impairment assessment of unquoted investments

In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques which may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.

We have assessed the processes and controls put in place by the Bank to ensure all major investment decisions are undertaken through a proper due diligence process

We tested a sample of investments valuation as at December 31, 2019 and compared our results to the recorded value.

Finally we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank quidelines.

IT systems and controls

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.

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

We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting.

We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.

We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.

We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.

Legal and regulatory matters

We focused on this area because the Bank and its subsidiaries (the "Group") 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.

These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities. 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.

We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.

We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.

Overall, the legal provision represents the Group's and the Bank's best estimate for existing legal matters that have a probable and estimable impact on the Group'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.

Carrying value of investments in subsidiary by the Bank

The Bank has invested in equity shares of one subsidiaries, namely Commerce Bank Securities and Investment Limited as at December 31, 2019 the carrying value of this investment is BDT 649 million.

At the time of conducting our audit of the separate financial statements of the Bank we have considered the recoverable value of the Bank's investments in all the above subsidiaries stated at cost.

Management has conducted impairment assessment and calculated recoverable value of its individual subsidiaries in accordance with IAS 36.

We have reviewed Management's analysis of impairment assessment and recoverable value calculation of subsidiaries in accordance with IAS 36.

In particular, our discussions with the Management were focused on the continued appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation.

We also checked mathematical accuracy of the model, recalculated discount rate used within the model, inputs used in the determination of assumptions within the model were challenged and corroborating information was obtained with reference to external market information, third-party sources.

Emphasis of Matter

We draw attention to followings:

- 1. Note 2.1.2 of the financial statements which describes management's assessment regarding the bank's ability to continue as going concern;
- 2. Note 2.6.3.1 of the financial statements, which describe matter related to implementation of "Right share issue on Paid up share capital" for the non-compliance with Parliamentary Act No.12,1997;
- 3. Note 2.6.1.5 of the financial statements, which describes matter related to implementation of 'IFRS16 Leases' including preliminary assessment of its impact as assessed by management; and
- 4. note 2.11 of the financial statements regarding retrospective effect for staff car facilities as per IAS-8. Our opinion is not modified in respect of matters described above.

Reporting on other information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the 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 the 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the 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 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.

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

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

- Identify and assess the risks of material misstatement of the 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 auditor's 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 auditor's 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 group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other Legal and Regulatory Requirements

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

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) To the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - (a) Internal audit, internal control and risk management arrangements of the Group 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;
- (iii) Financial statements of all subsidiaries of the Bank which have been audited by other auditors 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 the 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 have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (ix) Adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- (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 of the Bank and spent over 3,500 person hours; and
- (xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has not been maintained adequately during the year.

Dated: Dhaka June 23, 2020

Rahman Mostafa Alam & Co. Chartered Accountants

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Bangladesh Commerce Bank Limited & its Subsidiary Consolidated Balance Sheet

As at December 31, 2019

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
PROPERTY AND ASSETS			7 00000
Cash	3(a)	2,228,869,959	2,380,206,219
Cash in hand (including foreign currencies) Balance with Bangladesh Bank and its agent bank(s)	3.1(a)	455,087,672	401,312,499
(including foreign currencies)	3.2(a)	1,773,782,287	1,978,893,720
Balance with other banks and financial institutions	4(a)	7,437,646,794	7,116,620,293
Inside Bangladesh		7,296,161,632	7,062,356,689
Outside Bangladesh	4.2	141,485,162	54,263,604
Money at call on short notice	5(a)	29,300,000	29,300,000
Investments	6(a)	4,992,517,303	4,377,642,955
Government		3,589,011,618	3,154,746,348
Others		1,403,505,685	1,222,896,608
Loans and Advances	7(a)	22,475,699,119	22,148,122,999
Loans, Cash Credit, Overdrafts etc.		22,475,501,823	22,133,482,005
Bills purchased and discounted		197,296	14,640,994
Fixed assets including premises, furniture and fixtures	8(a)	318,450,685	226,304,182
Other assets	9(a)	2,507,848,701	2,202,852,655
Non-banking assets	10	-	-
Total Property and Assets		39,990,332,561	38,481,049,303
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and age	nts 11(a)	174,407,792	334,230,708
Deposits and other accounts	12(a)	34,038,702,544	31,632,895,296
Current Account and Other Accounts etc.		3,824,907,830	5,913,588,232
Bills Payable		294,368,934	568,348,337
Savings Bank Deposits		3,703,981,784	3,293,679,365
Fixed Deposits		16,450,267,500	17,236,395,613
Other Deposits and Schemes	12.5(a)	9,765,176,496	4,620,883,749
Other liabilities	13(a)	5,715,536,451	5,163,181,150
Total Liabilities		39,928,646,787	37,130,307,154
Capital/Shareholders' Equity			
Paid-up-Capital	14.2	1,988,742,800	1,988,742,800
Share Capital BCI Ltd.		15,300,000	15,300,000
Right Share Application Money		917,259,650	917,259,650
Statutory Reserve	15(a)	275,060,371	275,060,371
Other Reserve	16(a)	8,920,366	8,920,366
Revaluation Reserve for HTM Securities	17(a)	163,704,467	186,327,551
Exchange Equalization Account		-	-
Retained Earnings/(Loss on profit & loss A/C)	18(a)	(3,307,301,971)	(2,040,868,691)
Total Shareholders' Equity		61,685,683	1,350,742,048
Non-Controlling Interest		91	101
Total Equity Total Liabilities and Shareholders' Equity		61,685,774	1,350,742,149
		39,990,332,561	38,481,049,303

Bangladesh Commerce Bank Limited & its Subsidiary Consolidated Balance Sheet

As at December 31, 2019

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities			
Acceptances and Endorsements		335,197,566	771,008,799
Letter of Guarantees	19.1	4,489,600	620,926,132
Irrevocable Letter of Credit		1,025,805,388	1,028,651,913
Bills for Collection		2,933,190,377	2,972,696,790
Other contingent liability	19.2	113,791,800	113,791,800
TOTAL CONTINGENT LIABILITIES		4,412,474,731	5,507,075,435
Other commitments			
Documentary Credits and short term trade related transaction	าร	-	-
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		4,412,474,731	5,507,075,435

The annexed notes 1 to 37 and Annexure A,B,C,D and E form an integral part of these consolidated financial statements.

Managing Director

Director

Hulu Director

Signed in term of our separate report of even date.

Dated, Dhaka, June 23, 2020 Rahman Mostafa Alam & Co. Chartered Accountants

Bangladesh Commerce Bank Limited & its Subsidiary Consolidated Profit and Loss Account

For the year ended December 31, 2019

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
Interest Income	20 (a)	2,353,154,280	2,535,624,265
Interest Paid on Deposits and Borrowings etc	21(a)	2,086,735,951	1,772,316,060
Net Interest Income		266,418,329	763,308,205
Income from Investments in Shares and Securities	22(a)	348,441,952	347,945,035
Commission, Exchange Earnings & Brokerage	23(a)	219,166,760	290,945,267
Other Operating Income	24(a)	50,517,639	70,603,424
		618,126,352	709,493,727
Total operating income (A)		884,544,681	1,472,801,932
Salaries and Allowances	25(a)	1,016,150,316	1,191,379,340
Rent, Taxes, Insurance, Electricity, etc.	26(a)	183,476,152	158,828,932
Legal Expenses	(- , ,	1,060,875	1,083,478
Postage, Stamp, Telecommunication etc.	27(a)	27,444,407	29,847,819
Stationery, Printing, Advertisement etc.	28(a)	14,745,496	18,555,558
Managing Director's salary and fees	29	7,199,999	7,534,667
Directors' Fee and expenses	30(a)	2,133,600	2,429,500
Auditors' Fee		230,000	333,500
Depreciation & Repairs of Bank Assets	31(a)	96,581,486	43,402,369
Other Expenses	32(a)	120,680,316	183,840,552
Total operating expenses (B)		1,469,702,645	1,637,235,715
Total Profit/ (Loss) before Provision & Taxes (C)=A-B		(585,157,965)	(164,433,783)
Provision for Loans & Advances	13.1.2	500,000,000	1,801,349,141
Provision for deminition in value of Investment	13.6	90,350,625	59,737,123
Provision for Off Balance Sheet Items	13.10	-	28,877,501
Other provisions	13.11	74,420,000	10,249,516
Total provision (D)		664,770,625	1,900,213,281
Profit/(loss) before taxes (C-D)		(1,249,928,590)	(2,064,647,064)
Provision for Taxation		16,504,691	144,586,027
Current tax expense		16,516,071	29,179,286
Prior year tax expense			133,436,294
Deferred tax expense/ (Income)		(11,380)	(18,029,553)
Net profit/ (loss) after taxation		(1,266,433,281)	(2,209,233,091)
Appropriations			
Statutory Reserve		-	-
General Reserve		-	-
Dividends etc.		-	-
Retained surplus		(1,266,433,281)	(2,209,233,091)
Earning Per Share (EPS)	34(a)	(63.68)	(111.09)

 $The \ annexed \ notes \ 1 \ to \ 37 \ and \ Annexure \ A,B,C,D \ and \ E \ form \ an \ integral \ part \ of \ these \ consolidated \ financial \ statements.$

Managing Director

Director

Julu Director

Chairman

As per report of same date.

Dated, Dhaka, June 23, 2020 Rahman Mostafa Alam & Co.

Bangladesh Commerce Bank Limited & its Subsidiary

Consolidated Cash Flow Statement

For the year ended December 31, 2019

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
A. Cash flow from operating activities			
Interest receipts		2,507,293,263	2,610,619,066
Interest payments		(1,860,662,961)	(1,593,816,527)
Dividend receipts		8,248,993	27,716,247
Fees and commission receipts in cash		124,703,014	157,538,567
Cash payment to employees		(971,539,083)	(769,030,373)
Cash payment to suppliers		(215,178,584)	(2,946,442)
Income Taxes paid		(63,431,066)	(149,364,026)
Receipts from other operating activities		127,081,984	273,801,410
Payments for other operating activities		(171,763,366)	(43,097,530)
Operating profit before changes in operating assets and lia	bilities	(515,247,807)	511,420,392
Increase/(Decrease) in operating assets & liabilities		1,450,626,667	(1,936,024,749)
Statutory Deposits		-	(20,214,149)
Loan & advance		(327,576,119)	(2,863,682,591)
Other assets		(175,633,209)	(164,421,486)
Deposits from other banks/ borrowings		(159,822,916)	1,396,883,211
Deposits from customers		2,179,964,258	142,919,450
Other liabilities		(66,305,347)	(427,509,184)
Net cash flows from/ (used in) operating activities (CBSIL)		(27,937,435)	127,293,987
Net cash flow from operating activities (A)		907,441,424	(1,297,310,370)
B. Cash flow from investing activities		(235,277,359)	(203,626,967)
Purchase/ sale of government securities & bond		(142,113,057)	(109,661,361)
Purchase of property, plant & equipment		(93,164,301)	(93,965,606)
Purchase/sale of subsidiary		-	-
Net Cash flow from investing activities(CBSIL)		(68,208,554)	25,839,334
Net cash flow from/ (used in) investing activities (B) C. Cash flow from financing activities		(303,485,913)	(177,787,633)
Proceeds from issue of debt instruments		-	-
Long Term loan payment to BCBL		-	-
Payment for redemption of debt instruments		-	-
Receipts from issuing ordinary share/ rights share		-	-
Cash Dividend		-	-
Net cash flow from /(used in) financing activities (C)	. (1)	602.055.512	(1, 475,000,003)
Net increase/(decrease) in Cash and Cash Equivalents (A+B- Effects of exchange rate changes on cash and cash equivalents	FC)	603,955,512	(1,475,098,002)
Cash and Cash Equivalents at the beginning of the year		12,680,872,860	14,155,970,862
Cash and cash equivalents at end of year		13,284,828,371	12,680,872,860
Closing Cash & Cash Equivalent			
		455 005 456	404 545 455
Cash in Hand (including foreign currency)		455,087,672	401,312,499
Balance with Bangladesh Bank and its Agent Banks		1,773,782,287	1,978,893,720
Balance with Other Bank's and Financial Institutions		7,437,646,794	7,116,620,293
Money at Call on Short Notice		29,300,000	29,300,000
Prize Bond		864,400	1,297,400
Government Securities & FDR		3,588,147,218 13,284,828,371	3,153,448,948 12,680,872,860
		13,204,020,3/1	12,000,072,000

Managing Director

Directo

Hila Director

Chairman /

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

For the year ended December 31, 2019

(Amount in Taka)

Particulars	Paid up Capital	Share Premium	Non-Controlling Interest	Statutory Reserve	Revaluation Reserve	Other Reserve	Profit/(Loss)	Total
Balance as on 01 January 2019	2,921,302,450	•	101	275,060,371	186,327,551	8,920,366	(2,040,868,690)	1,350,742,149
Changes in Accounting Policy	•	-	•	•		•		•
Restated Balance	1,988,742,800	•	101	275,060,371	186,327,551	8,920,366	(2,040,868,690)	418,182,499
Share Capital BCI Ltd.	15,300,000	1						15,300,000
Prior Year's Adjustment		i						•
Right Share Application Money	917,259,650	1						917,259,650
Increase in Statutory Reserve		1						•
Revaluation Reserve for HTM Securities		1			(22,623,084)			(22,623,084)
Net Profit/(Loss) for the year		ı	(10)				(1,266,433,281)	(1,266,433,291)
Balance as on 31 December 2019	2,921,302,450		91	275,060,371	163,704,467	8,920,366	(3,307,301,971)	61,685,774
Balance as on 01 January 2018	2,942,502,450		06	275,060,371	156,205,739	8,920,366	168,324,954	3,551,013,970
Changes in Accounting Policy	•	•	•	•			•	
Restated Balance	1,988,742,800	,	06	275,060,371	156,205,739	8,920,366	168,324,954	2,597,254,320
Share Capital BCI Ltd.	15,300,000	1	ı	1	1	1	1	15,300,000
Prior Year's Adjustment		i	1	1	ı	1	1	•
Right Share Application Money	917,259,650	1	1	1	1	1	1	917,259,650
Increase in Statutory Reserve		1	1		ı	1	•	(0)
Revaluation Reserve for HTM Securities		-	1	•	30,121,812	-	-	30,121,812
Issuance of Share Capital	-	•	•	•	•	•	-	•
Redemption of Share Capital		-	1	-	ī	-	-	
Net Profit/(Loss) for the year	-	•	11	1	1	-	(2,209,193,644)	(2,209,193,633)
Balance as on 31 December 2018	2,921,302,450	•	101	275,060,371	186,327,551	8,920,366	(2,040,868,690)	1,350,742,149



Bangladesh Commerce Bank Limited Balance Sheet

As at December 31, 2019

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
PROPERTY AND ASSETS			
Cash	3	2,228,437,802	2,379,517,730
Cash in hand (including foreign currencies) Balance with Bangladesh Bank and its agent bank (s)	3.1	454,655,515	400,624,010
(including foreign currencies)	3.2	1,773,782,287	1,978,893,720
Balance with other banks and financial institutions	4	7,097,019,774	6,680,103,615
Inside Bangladesh Outside Bangladesh		6,955,534,612 141,485,162	6,625,840,010 54,263,605
-	5	29,300,000	29,300,000
Money at call on short notice			
Investments	6	5,526,518,659	4,972,049,903
Government Others	6.1 6.2	3,589,011,618 1,937,507,041	3,154,746,348 1,817,303,555
Loans and Advances Loans, Cash Credit, Overdrafts etc.	7	22,475,699,119 22,475,501,823	22,148,122,999 22,133,482,005
Bills purchased and discounted		197,296	14,640,994
Fixed assets including premises, furniture and fixtures	8	310,989,021	217,658,401
Other assets	9	1,882,407,245	1,601,558,237
Non-banking assets	10	-	-
Total Property and Assets		39,550,371,620	38,028,310,885
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	174,407,792	334,230,708
Deposits and other accounts	12	34,038,702,544	31,632,895,296
Current Account and Other Accounts etc. Bills Payable		3,824,907,830 294,368,934	5,913,588,232 568,348,337
Savings Bank Deposits		3,703,981,784	3,293,679,365
Fixed Deposits		16,450,267,500	17,236,395,613
Other Deposits and Schemes		9,765,176,496	4,620,883,749
Other Liabilities	13	5,377,021,223	4,788,344,811
Total Liabilities		39,590,131,559	36,755,470,815
Capital/Shareholders' Equity			
Paid-up-Capital	14.2	1,988,742,800	1,988,742,800
Share Capital BCI Ltd.		15,300,000	15,300,000
Right Share Application Money		917,259,650	917,259,650
Statutory Reserve	15	275,060,371	275,060,371
Other Reserve	16	8,920,366	8,920,366
Revaluation Reserve for HTM Securities Exchange Equalization Account	17	163,704,467 -	186,327,551
Retained Earnings/(Loss on profit & loss A/C)	18	(3,408,747,594)	(2,118,770,669)
Total Shareholders' Equity		(39,759,939)	1,272,840,070
Total Liabilities and Shareholders' Equity		39,550,371,620	38,028,310,885

Bangladesh Commerce Bank Limited Balance Sheet

As at December 31, 2019

335,197,566	771,008,799
	771,008,799
	771,008,799
1,025,805,388 2,933,190,377 113,791,800	620,926,132 1,028,651,913 2,972,696,790 113,791,800
4,412,474,731	5,507,075,435
4 412 474 731	5,507,075,435
	2,933,190,377 113,791,800 4,412,474,731

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

Signed in term of our separate report of even date.

Dated, Dhaka, June 23, 2020

Managing Director

Rahman Mostafa Alam & Co Chartered Accountants

Bangladesh Commerce Bank Limited Profit and Loss Account

For the year ended December 31, 2019

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
Interest Income	20	2,329,880,260	2,509,263,277
Interest on Deposits and Borrowings etc	21	2,086,735,951	1,772,316,060
Net Interest Income		243,144,309	736,947,217
Income from Investments	22	340,686,814	302,173,107
Commission, Exchange Earnings & Brokerage	23	124,703,014	157,538,567
Other Operating Income	24	50,233,779	70,603,424
		515,623,607	530,315,099
Total operating income (A)		758,767,916	1,267,262,315
Salary and Allowances	25	964,339,084	1,146,353,944
Rent, Taxes, Insurance, Electricity, etc.	26	173,272,277	149,351,431
Legal Expenses		1,010,875	823,478
Postage, Stamp, Telecommunication etc.	27	26,808,114	29,192,114
Stationery, Printing, Advertisement etc.	28	13,552,193	17,321,790
Managing Director's salary and allowances	29	7,199,999	7,534,667
Directors' Fee	30	1,546,000	1,546,300
Audit Fees		230,000	230,000
Depreciation & Repair of Fixed Assets	31	94,607,762	40,471,302
Other Expenses	32	101,407,914	158,085,406
Total operating expenses (B)		1,383,974,218	1,550,910,431
Profit before Provision (C)=A-B		(625,206,302)	(283,648,115)
Provision for Loans & Advances	13.01	500,000,000	1,733,333,181
Provision for deminition in value of Investment	13.06	90,350,625	59,737,123
Provision for Off Balance Sheet Items	13.10	-	28,877,501
Other provisions	13.11	74,420,000	10,249,516
Total provision (D)		664,770,625	1,832,197,321
Profit/(loss) before taxes (C-D)		(1,289,976,926)	(2,115,845,436)
Provision for Taxation		-	115,417,807
Current tax expense		-	
Prior year tax expense		-	133,436,294
Deferred tax expense / (income)		-	(18,018,487)
Net profit/ (loss) after taxation		(1,289,976,926)	(2,231,263,243)
Appropriations			
Statutory Reserve	15	-	-
General Reserve		-	-
Dividends etc.		-	-
Retained surplus		(1,289,976,926)	(2,231,263,243)
Earning Per Share (EPS)	34	(64.86)	(112.19)
Tarining . C. Silare (El S)	5.7	(01.00)	(112.12)

The annexed notes 1 to 37 and Annexure A,B,C,D and E form an integral part of these consolidated financial statements.

Director

Managing Director Director
Signed in term of our separate report of even date

Dated, Dhaka, June 23, 2020 Chairman

Rahman Mostafa Alam & Co. Chartered Accountants

Bangladesh Commerce Bank Limited Cash Flows Statement

For the year ended 31 December 2019

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
A. Cash flow from operating activities			
Interest receipts		2,507,293,263	2,610,619,066
Interest payments		(1,860,662,961)	(1,593,816,527)
Dividend receipts		8,248,993	27,716,247
Fees and commission receipts in cash		124,703,014	157,538,567
Cash payment to employees		(971,539,083)	(769,030,373)
Cash payment to suppliers		(215,178,584)	(2,946,442)
Taxes paid		(63,431,066)	(149,364,026)
Receipts from other operating activities		127,081,984	273,801,410
Payments for other operating activities		(171,763,366)	(43,097,530)
Operating cash flow before changes in operating			
Assets and Liabilities		(515,247,807)	511,420,392
Increase/(Decrease) in operating assets & liabilities		1,450,626,667	(1,936,024,751)
Statutory Deposits		-	(20,214,150)
Loan & advance to customers		(327,576,119)	(2,863,682,591)
Other assets (item-wise)		(175,633,209)	(164,421,486)
Deposits from other banks		(159,822,916)	1,396,883,211
Deposits from customers		2,179,964,258	142,919,450
Other liabilities account of customers		(66,305,347)	(427,509,185)
Net cash flow from/ (used in) operating activities (A)		935,378,860	(1,424,604,358)
B. Cash flow from investing activities			
Purchase of property, plant & equipment		(142,113,057)	(109,661,361)
Purchase/sale of Securities & bond		(93,164,301)	(93,965,606)
Net cash used in investing activities (B)		(235,277,359)	(203,626,967)
C. Cash flow from financing activities			
Receipts from issue of debt instruments		-	-
Payment for redemption of debt instruments		-	-
Receipts from issuing ordinary share/rights share		-	-
Cash Dividend paid		-	-
Net cash flow from/ (used in) financing activities (C)		-	
Net increase in Cash and Cash Equivalents (A+B+C)		700,101,501	(1,628,231,326)
Effects of exchange rate changes on cash and cash equivalents		- -	-
Opening Cash and Cash Equivalents		12,243,667,693	13,871,899,017
Cash and cash equivalents at end of year	_	12,943,769,194	12,243,667,693
Closing Cash & Cash Equivalents			
Cash in Hand (including foreign currency)		454,655,515	400,624,010
Balance with Bangladesh Bank and its Agent Banks (including foreign cu	rrencies)	1,773,782,287	1,978,893,720
Balance with Other Bank's and Financial Institutions		7,097,019,774	6,680,103,615
Money at Call on Short Notice		29,300,000	29,300,000
Government Securities		3,589,011,618	3,154,746,348
		12,943,769,194	12,243,667,693

Managing Director

Director

Hila Director Chairman

Bangladesh Commerce Bank Limited **Statement of changes in Equity**For the year ended December 31,2019

(Amount in Taka)

Particulars	Paid up Capital	Share Premium	Statutory Reserve	Revaluation Reserve	Other Reserve	Profit/(Loss)	Total
Balance as on 01 January 2019	2,004,042,800		275,060,371	186,327,551	8,920,366	(2,118,770,668)	355,580,421
Changes in Accounting Policy		•					
Restated Balance	1,988,742,800	1	275,060,371	186,327,551	8,920,366	(2,118,770,668)	340,280,421
Share Capital BCI Ltd.	15,300,000	1					15,300,000
Right Share Application Money	917,259,650	1					917,259,650
Prior Year's Adjustment							1
Increase in Statutory Reserve		ı					ı
Revaluation Reserve for HTM Securities		1		(22,623,084)			(22,623,084)
Net Profit/(Loss) for the year		1				(1,289,976,926)	(1,289,976,926)
Balance as on 31 December 2019	2,921,302,450	-	275,060,371	163,704,467	8,920,366	(3,408,747,594)	(39,759,939)
Balance as on 01 January 2018	1,988,742,800		275,060,371	156,205,740	8,920,366	112,492,576	2,541,421,853
Changes in Accounting Policy		•		1		ı	1
Restated Balance	1,988,742,800	•	275,060,371	156,205,740	8,920,366.00	112,492,576.00	2,541,421,853
Share Capital BCI Ltd.	15,300,000	1					15,300,000
Right Share Application Money	917,259,650	1					917,259,650
Prior Year's Adjustment	ı						I
Increase in Statutory Reserve		1					ı
Revaluation Reserve for HTM Securities		1		30,121,812			30,121,812
Net Profit/(Loss) for the year		1				(2,231,263,244)	(2,231,263,244)
Balance as on 31 December 2018	2,921,302,450	1	275,060,371	186,327,552	8,920,366	(2,118,770,668)	1,272,840,071

Bangladesh Commerce Bank Limited **Liquidity Statement**

(Asset and Liability Maturity Analysis)

As at December 31, 2019

(Amount in Taka)

Particulars	Up to 01	1-3	3-12	1-5	More than	Total
	Month	Months	Months	Years	5 Years	
Assets:						
;	Up to 01	1-3	3-12	1-5	More than	
Particulars	Month	Months	Months	Years	5 Years	l otal
Assets:						
Cash in hand & with Bangladesh Bank	2,228,437,802					2,228,437,802
Balance with other banks & financial institutions	2,838,807,910	3,974,331,073	283,880,791	1	1	7,097,019,774
Money at call and short notice	29,300,000	ı		1	1	29,300,000
Investment	350,004,878	295,813,191	2,296,265,001	2,264,102,851	320,332,730	5,526,518,650
Loans and Advances	2,921,845,982	3,989,358,621	9,720,864,619	4,063,730,354	1,779,899,543	22,475,699,119
Fixed Assets including premises, furniture and fixtures		ı		-	310,989,021	310,989,021
Other Assets	88,248,955	132,325,500	661,741,050	1,012,389,875	1	1,894,705,380
Non-banking assets	1	1		1	1	1
Total Assets	8,456,645,526	8,391,828,385	12,962,751,461	7,340,223,080	2,411,221,294	39,562,669,746
<u>Liabilities</u> :						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	174,407,792	ı	ı	ı	ı	174,407,792
Deposits	4,587,594,450	4,292,346,954	14,441,064,061	5,949,784,125	4,768,143,055	34,038,932,645
Other Liabilities	4,607,379,896				1	4,607,379,896
Total Liabilities	9,369,382,138	4,292,346,954	14,441,064,061	5,949,784,125	4,768,143,055	38,820,720,333
Net Liquidity	(912,736,611)	4,099,481,431	(1,478,312,600)	1,390,438,955	(2,356,921,761)	741,949,413

Bangladesh Commerce Bank Limited Notes to the Financial Statements

For the year ended December 31, 2019

1.0 Legal Status and Nature of the Company

The Bangladesh Commerce Bank Limited was incorporated in Bangladesh as a Public Limited Company as on the 01 June 1998 under Companies Act 1994 and commenced commercial operation on the 16 September 1999. It has 67 branches all over Bangladesh.

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

1.1 Subsidiary of the Bank

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

2 Basis of preparation of financial statements

2.1 Consolidated and Separate Financial Statements

The separate financial statements of the Bank for the year ended 31 December 2019 main operation referred to as "the Bank." The consolidated financial statement comprise those of the Bank (parent) and its subsidiary (note 1.1), together referred to as "the Group" or individually referred to as "Group Entities/Subsidiaries" as the case may be. There were no significant changes in the operations of the Bank/Group Entities. A summary of accounting principle and policies which have been applied consistently (unless otherwise stated) are set out below:

2.1.1 Statement of compliance and basis of preparation

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

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

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

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

i) Investment in equity instruments

FRS: As per requirements of IFRS 9: Classification and measurement of investment in equity instruments will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit and loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.

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

ii) Subsequent measurement of Government securities

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

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

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

iii) Provision on loans and advances

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

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

iv) Other comprehensive income

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

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

v) Financial Instruments – presentations and disclosure

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

vi) Repo and reverse repo transactions

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

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

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

vii) Financial guarantees

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

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

viii) Cash and cash equivalents

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

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

ix) Non banking assets

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

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

x) Cash flow statement

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

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

xi) Balance with Bangladesh Bank

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

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

xii) Presentation of intangible asset

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

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

xiii) Off balance sheet items

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

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

xiv) Disclosure of appropriation of profit

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

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

xv) Loans and advances/Investments net of provision

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

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

xvi) Recognition of interest in suspense

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

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

xvii) Provision on undrawn loan commitments

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

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

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

2.1.2 Going Concern

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 Paidup capital by issuing Right share and the process alrady reach in final stage. The bank management have already taken to introduce 7 (Seven) new product to expand the business and vaious strategy to regularise the default loan so that provision shrtfall reduced which will ultimately increase the eligible capital of the Bank. Aside under BRPD circuler of Bangladesh Bank, Bangladesh Commerce Bank Ltd. already have acheived significant improvement to regularised bank quality product.

2.1.3 Use of estimates and judgments

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The key item which involve these judgments, estimates and assumptions are discussed below:

Impairment losses on loans and advances

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

COVID-19 disclosure in the financial statements

"On 30 January 2020, the World Health Organization declared the outbreak of a novel corona virus (COVID-19) as a pandemic, which continues to spread worldwide. In response to the outbreak, the Government of Bangladesh and stock exchanges of Bangladesh declared general holiday from 26 March 2020. Since then the Company temporarily closed its office and branches stopping all of its operations due to health concerns associated with COVID-19. While the disruption is currently expected to be temporary, there is uncertainty around the duration as well as the recovery timeline. Therefore, while the Company expects this matter to negatively impact its business. The Company has considered key accounting considerations related to conditions that may result from the COVID 19."

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 31 December 2019.

Subsidiaries

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

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

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

2.3 Accounting for Provisions, Contingent Liabilities and Contingent Assets

The Bank recognizes provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. No provision is recognized for-

- a) Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or
- b) Any present obligation that arises from past events but is not recognized because-
- * It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- * A reliable estimate of the amount of obligation cannot be made.

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

Contingent assets are not recognized in the financial statement since these may result in the recognition of income that may never be realized. However due to regulations of Bangladesh Bank (Central Bank of Bangladesh) and Bank Company Act 1991 as amended, all items of such contingent assets/liabilites 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 2019 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 1 January 2019 to 31 December 2019.

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.

2.6.1.1 Cash and cash equivalents

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

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

2.6.1.2 Investments (categorized and reported as per Bangladesh Bank)

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

Held to Maturity

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

Held for Trading

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

Revaluation

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

Investment in quoted securities

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

Investment in unquoted securities

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

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

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

Investment in subsidiary

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

Investment in associate

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

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

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

2.6.1.2.1 Impairment of investment in subsidiaries and associates

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

2.6.1.3 Loans and Advances

- a) Interest on loans and advances is calculated daily on product basis but charged and accounted monthly and quarterly on accrual basis.
- b) Classification and provisioning for loans and advances are created based on the period of arrears by following Bangladesh Bank BRPD Circular no. 14 dated 23 September 2012, BRPD circular no. 15 of 23 September 2012, BRPD Circular no. 19 dated 27 December 2012, BRPD Circular no. 05 dated 29 May 2013, BRPD Circular no. 16 dated 18 November 2014, BRPD Circular no. 12 dated 20 August 2017, BRPD Circular no. 01 dated 20 February 2018, BRPD Circular no. 07 dated 21 June 2018 and BRPD Circular no 13 dated 18 October 2018.

The classification rates are given below:

	Rates of Provision						
Consumer/ Business Unit	Un-classified (UC)						
	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%		
Off Balance Sheet exposure	1%	N/A		N/A			

- c) Interest on classified loans and advances is calculated as per BRPD circular no. 27, dated 31 August 2010 and recognized as income on realization as per BRPD circular no. 14 and 15, dated 23 September 2012.
- d) Loans and advances are written off to the extent that (i) there is no realistic prospect of recovery and (ii) against which legal cases are filed and classified as bad and loss as per BRPD circular no. 02 dated 13 January 2003 and 13 dated 07 November 2013. These write off however, will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such write off accounts are meticulously maintained and followed up.

2.6.1.4 Impairment of financial assets

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

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

2.6.1.5 Leases

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

2.6.1.6 Property, plant and equipment

a) Recognition and Measurement

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

The cost of an item of property, plant and equipment is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the entity; and the cost of the item can be measured reliably.

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

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

Subsequent costs

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

b) Depreciation

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

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

c) Gain or Loss on disposal of Fixed Assets

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

d) Revaluation

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

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

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

e) Impairment of Property, Plant and Equipment

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

f) Capital work in progress (CWIP)

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

2.6.1.7 Intangible assets

a) Goodwill

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

b) Software

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

c) Licence

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

d) Impairment of intangible assets

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

2.6.1.8 Other assets

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

2.6.1.9 Inventories

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

2.6.2 Liabilities

2.6.2.1 Borrowings from other banks, financial institutions and agents

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

2.6.2.2 Deposits

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

2.6.2.3 Other Liabilities

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

2.6.3 Capital and Shareholders' Equity

Capital Management

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

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

2.6.3.1 Capital / Shareholders Equity

a. Authorized Capital

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

b. Paid up share capital

"Paid up share capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Bank, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation. Appellate Division of Honorable Supreme Court of Bnagladesh 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 in applicable on such revaluation reserve then the same is deducted from revaluation reserve directly as a component of OCI (Other Comprehensive Income).

Actuarial Reserve

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

2.6.3.6 Non-controlling interest (NCI)

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

2.7 Employee Benefits

2.7.1 Provident Fund (Defined Contribution Plan)

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

2.7.2 Gratuity Fund (Defined Benefit Plan)

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

2.8 Revenue Recognition

Interest Income

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

Investment Income

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

Income on Bills purchased and discounted

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

Interest and fees receivable on credit cards

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

Fees and Commission Income

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

Dividend Income on Shares

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

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

Gain or loss on sale of property, plant and equipment

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

Interest paid and other expenses

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

2.9 Earnings Per Share

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

Basic earnings

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

Weighted average number of ordinary shares outstanding during the year

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

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

Diluted earnings per share

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

2.10 Basis of preparation of liquidity statement

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

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

2.11 Compliance of International Financial Reporting Standard (IFRS)

Ref.	Name of the standards	Status
IFRS-1	First-time adoption of International	Not applicable
	Financial Reporting Standards	
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	Not applicable
	Discounted Operations	
IFRS-6	Exploration for and Evaluation of Mineral	Not applicable
	Resources	
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	Not Complied
IAS-1	Presentation of Financial Statements	Complied
IAS-2	Inventories	Not applicable
IAS-7	Statement of Cash Flows	Complied
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors	Paritally Complied**
IAS-10	Events after the Reporting Period	Complied
IAS-12	Income taxes	Complied
IAS-16	Property, Plant and Equipment	Complied
IAS-19	Employee Benefits	Complied
IAS-20	Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
IAS-21	The Effect of Changes in Foreign Exchanges Rates	Complied
IAS-23	Borrowing Cost	Complied
IAS-24	Related Party Disclosures	Complied
IAS-26	Accounting and Reporting by Retirement Benefit Plans	Not applicable
IAS-27	Separate Financial Statements	Complied
IAS-28	Investment in Associates	Complied
IAS-29	Financial Reporting in Hyperinflationary Economies	Not applicable
IAS-32	Financial Instruments: Presentation	Complied *
IAS-33	Earnings Per Share	Complied
IAS-34	Interim Financial Reporting **	Complied
IAS-36	Impairment of Assets	Complied
IAS-37	Provisions, Contingent Liabilities and Contingent Assets	Complied
IAS-38	Intangible Assets	Complied
IAS-39	Financial Instruments: Recognition and Measurement	Complied *
IAS-40	Investment Property	Not applicable
IAS-41	Agriculture	Not applicable

^{*} Complied to the extent possible subject to compliance to Bangladesh Bank guidelines in this respect.

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

^{**} 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.

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

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

B. IFRS 17 Insurance Contracts

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

2.12 Risk Management

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

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

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

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

2.12.1 Credit Risk Management

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

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

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

2.12.2 Foreign Exchange Risk Management

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

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

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

2.13.3 Asset Liability Management

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

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

2.13.4 Prevention of Money Laundering

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

2.13.5 Internal Control and Compliance

Internal Control is the mechanism to provide reasonable assurance to Bank on an ongoing basis regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations and internal policies. The primary objective of Internal Control and Compliance is to help the Bank perform better and add value through use of its resources. Through internal control system, Bank identifies its weaknesses associated with the process and adopts appropriate measures to overcome that.

The main objectives of internal control are as follows:

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

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

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

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

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

2.13.5.1 Internal Audit

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

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

2.13.5.2 Compliance

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

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

2.13.5.3 Monitoring

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

2.13.5.4 Concurrent Audit

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

2.13.5.5 Fraud and Forgery

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

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

2.14 Implementation of BASEL-III

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

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

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

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

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

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

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

2.15 Off Balance Sheet items

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

2.15.1 Derivative financial instruments

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

2.15.2 Provision on off balance sheet exposures

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

2.16 Accounting for Changes in Policy, Accounting Estimates and Errors

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

2.17 Events after reporting period

"As per IAS - 10 ""Events after the Reporting Period"" events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of event can be identified:(a) Adjusting events after the reporting period which provide evidence of conditions which existed at the end of the reporting period; and(b) Non adjusting events after the reporting period, are those that are indicative of conditions that arose after the reporting period."

2.18 Related party disclosures

Related Party is a party related to an entity if:

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

2.19 Director's responsibilities on statement

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

2.20 Segment reporting

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

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

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

2.21 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.

	31.12.2019 Taka	31.12.2018 Taka
3 Cash		
Cash in hand (Note 3.1)	454,655,515	400,624,010
Balance with Bangladesh Bank and its agent bank(s) (Note 3.2)	1,773,782,287	1,978,893,720
	2,228,437,802	2,379,517,730
3(a) Consolidated Cash		
Bangladesh Commerce Bank Limited	2,228,437,802	2,379,517,730
CBSIL	432,157	688,489
	2,228,869,959	2,380,206,219
3.1 Cash in Hand		
In local currency	454,655,515	400,624,010
In foreign currencies		-
	454,655,515	400,624,010
3.1(a) Consolidated Cash in Hand		
Bangladesh Commerce Bank Limited (Note 3.1)	454,655,515	400,624,010
CBSIL	432,157	688,489
	455,087,672	401,312,499
3.2 Balance with Bangladesh Bank and its agent bank(s) Balance with Bangladesh Bank		
In local currency	1,548,517,671	1,714,392,958
In foreign currencies	201,518,623	251,410,343
	1,750,036,294	1,965,803,301
Balance with Sonali Bank in local currency (as agent of Bangladesh Bank)	23,745,993	13,090,419
	1,773,782,287	1,978,893,720
3.2(a) Consolidated Balance with Bangladesh Bank and its agent bank(s)		
Bangladesh Commerce Bank Limited (Note 3.2)	1,773,782,287	1,978,893,720
CBSIL	-	
	1,773,782,287	1,978,893,720

3.3 Statutory Deposit

As per MPD circular No- 01 dated 03 April 2018 of Bangladesh Bank (effective from 15 April 2018), all scheduled banks have to maintain a CRR of minimum 5% on daily basis and 5.50% 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 2019 was based on weekly average balance of October2019). BCBL has been maintaing it bi-weekly basis.

		31.12.2019 Taka	31.12.2018 Taka
3.4	Cash Reserve Ratio (CRR): 5.50% of Average Demand & Time Liabilities		
	Required Reserve	1,608,119,000	1,461,955,529
	Actual Reserve held with Bangladesh Bank	1,670,982,250	1,714,392,958
	TT in Transit	-	-
		1,670,982,250	1,714,392,958
	Surplus/(Deficit)	62,863,250	252,437,429
	Maintained Ratio	5.71%	6.45%
3.5	Statutory Liquidity Ratio (SLR): 13%		
	of Average Demand & Time Liabilities		
	Required Reserve	3,801,009,622	3,455,531,251
	Actual Reserve held	4,130,275,921	3,820,817,604
	Surplus/(Deficit)	329,266,299	365,286,353
	Maintained Ratio	14.13%	14.37%
	Average Deposit (Demand & Time Liabilities)	29,238,535,555	26,581,009,627

4	BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	31.12.2019 Taka	31.12.2018 Taka
	In Bangladesh (Note 4.1)	6,955,534,612	6,625,840,010
	Outside Bangladesh (NOSTRO A/C) (Note 4.2)	141,485,162	54,263,605
		7,097,019,774	6,680,103,615
4(a)	BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
	In Bangladesh	7,296,161,632	7,062,356,688
	Outside Bangladesh (NOSTRO A/C)	141,485,162	54,263,605
		7,437,646,794	7,116,620,293
4(b)	CONSOLIDATED BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
	Bangladesh Commerce Bank Limited (Note 4)	7,097,019,774	6,680,103,615
	CBSIL	340,627,020	436,516,678
		7,437,646,794	7,116,620,293
4.1	In Bangladesh		
4.1.1	Current Deposits:	120,635,495	99,858,361
	Agrani Bank Ltd.	66,442,844	63,705,653
	Janata Bank Ltd.	13,062,178	2,090,509
	Others Schedule Bank	830,930	1 507 555
	Trust Bank Ltd.	296,075	1,587,555
	Sonali Bank. Dutch Bangla Bank Limited	23,239,310 569,249	17,204,264 2,072,899
	Pubali Bank Ltd.	2,535,578	2,078,588
	Al-Arafah Islami Bak Ltd.	10,008,990	9,082,946
	Commerce Bank Securities & Investment Ltd.	1,806,796	J,002,540
	BASIC Bank Limited	22,102	2,026,097
	Rupali Bank Limited	1,821,443	9,850
4.1.2	STD Accounts:	5,317,849	23,448,631
	Sonali Bank Ltd.	1,013,962	5,562,497
	First Securities Bank Limited		500,000
	Rajshahi Krishi Unnayan Bank	100,000	
	Uttara Bank Limited	141,254	134,078
	Janata Bank Ltd.	1,424,409	6,913,064
	Rupali Bank Limited		3,091,937
	Social Islami Bank Limited	2,608,065	2,082,842
	Agrani Bank Ltd.	30,159	5,164,213
4.1.3	FDR Accounts:	6,829,581,268	6,502,533,018
	Reliance Finane Ltd.	2,500,000,000	1,600,000,000
	People's Leasing and Financial Services Ltd.	1,542,548,250	1,398,700,000
	International Leasing & Financial Services Ltd.	1,474,900,000	1,330,000,000
	Union Bank Ltd.		1,000,000,000
	Bangladesh Industrial & Finance Company Limited(BIFC)	768,533,018	768,533,018
	Premier Leasing & Finance Ltd.	103,600,000	105,300,000
	FAS Finance & Investment Ltd.	200,000,000	200,000,000
	First Lease Finance & Investment Ltd.	90,000,000	100,000,000
	Term Deposit With Other Bank	150,000,000 6,955,534,612	6,625,840,010
		U,933,334,012	======================================

31.12.2019

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

Balance with other Bank & Financial Institutions (Current Deposits and STD Accounts)							Taka
Name of Banks & Financial Institutions	On Demand	Up to 1 month	1 to 3 months	6 months to 1 year	1 to 5 years	Over 5 years	Total
Agrani Bank Ltd.	66,473,003			-		-	66,473,003
Janata Bank Ltd.	14,486,587			-	-	-	14,486,587
Al-Arafah Islami Bak Ltd.	10,008,990			-	-	-	10,008,990
Trust Bank Ltd.	296,075			-	-	-	296,075
Sonali Bank Ltd.	24,253,272						24,253,272
Dutch Bangla Bank Ltd.	569,249						569,249
Pubali Bank Ltd.	2,535,578						2,535,578
Uttara Bank Ltd.	141,254						141,254
Rupali Bank Ltd.	1,821,443						1,821,443
Social Islami Bank Ltd.	2,608,065						2,608,065
Rajshahi Krishi Unnayan Bank	100000						100,000
Other Schedule Bank	830,930						830,930
BASIC Bank Ltd.	22,102						22,102
Commerce Bank Securities & Investment Ltd.							
Grand total	124,146,548	-	-	-	-	-	124,146,548

4.2 Outside Bangladesh

Non Interest- bearing Accounts Interest-bearing Accounts

4.2.1 Non Interest-bearing Accounts

Sonali Bank Ltd. Kolkata Mashreq Bank PSC, NY NIB Bank Karachi Standard Chartered Bank, Kolkata, India Standard Chartered Bank, Mumbai, India United Bank of India,Kolkata

Total

31.12.2019 Taka	31.12.2018 Taka
141,485,162	54,263,605
141,485,162	54,263,605
-	-
1,042,975	1,053,723
134,955,222	43,974,278
12,280	12,135
	4,491,720
4,545,257	
929,427	4,731,749
141,485,162	54,263,605
-	-
141,485,162	54,263,605

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

		31.12.2019		31.12.2018		8	
Particulars	Currency Name	Amount in	Conversion Rate per Unit FC	Amount in BDT	Amount in FC	Conversion Rate per Unit FC	Amount in BDT
Sonali Bank Ltd. Kolkata	USD\$	12,284.8	84.90	1,042,975	12,559	83.90	1,053,723
Mashreque Bank Psc, Ny	USD\$	1,589,578.6	84.90	134,955,222	524,127	83.90	43,974,278
NIB Bank Karachi	USD\$	144.6	84.90	12,280	145	83.90	12,135
Standard Charted Bank, Mumbai (Acud)	USD\$	53,536.6	84.90	4,545,257	53,537	83.90	4,491,720
United bank of India, Kolkata	USD\$	10,947.3	84.90	929,427	56,397	83.90	4,731,749
		1,666,492		141,485,162	646,765		54,263,605

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

			31.12.2019 Taka	31.12.2018 Taka
4.2.3	Maturity grouping of foreign currency balances		141,485,162	54,263,605
	On demands		141,485,162	54,263,605
	Upto 1 month		-	-
	1-3 month		-	-
	3-6 month		-	-
	6-9 month		-	-
	9 months to 1 year		-	-
	1 year and above		_	_
5	MONEY AT CALL ON SHORT NOTICE			
	Inside Bangladesh	(Note: 5.1)	29,300,000	29,300,000
	Outside Bangladesh	(Note: 5.2)	-	=
			29,300,000	29,300,000
5.1	In Bangladesh Banks			
	ICB Islamic Bank Ltd.		29,300,000	29,300,000
			29,300,000	29,300,000

Note: Money at Call and Short Notice includes Taka2,93,00,000, which was freezed by ICB Islami Bank (former Al-Baraka Bank) since 23-01-2007. The Bangladesh Bank vide circular # BRPD(R-1)651/(10)/2007-446 dated 02 August, 2007 has given directives for repayment of such balances which are yet to be implemented by the Bank.

5.2	Outside Bangladesh	-	-
5(a)	CONSOLIDATED MONEY AT CALL AND SHORT NOTICE		
	Bangladesh Commerce Bank Limited	29,300,000	29,300,000
	CBSIL	-	-
		29,300,000	29,300,000
6	INVESTMENTS	5,526,518,659	4,972,049,903
6.1	Government Securities Treasury Bond/ Bill		
	30-day Bangladesh Bank Bi ll	-	=
	91-day Treasury Bi ll	247,394,808	347,839,908
	182-day Treasury Bi ll	349,140,478	990,029,420
	364-day Treasury Bi ll	1,374,207,323	541,118,538
	2-year Treasury Bond	-	350,024,150
	5-year Treasury Bond	148,779,983	172,481,809
	10-year Treasury Bond	1,148,291,896	624,056,585
	15-year Treasury Bond	83,018,085	89,524,865
	20-year Treasury Bond	237,314,644	38,373,673
		3,588,147,218	3,153,448,948
	Prize Bond	864,400	1,297,400
		3,589,011,618	3,154,746,348
6.1.1	Government Securities (HFT)		
	91-day Treasury Bi ll	-	-
	182-day Treasury Bi ll	-	-
	364-day Treasury Bi ll	-	-
	2-year Treasury Bond	-	350,024,050
	5-year Treasury Bond	148,779,983	172,481,809
	10-year Treasury Bond	32,999,395	187,947,963
	15-year Treasury Bond	42,569,711	49,079,523
	20-year Treasury Bond	11,694,191	13,319,126
		236,043,282	772,852,471

			31.12.2019 Taka	31.12.2018 Taka
6.1.2	Government Securities (HTM)			
	30-day Bangladesh Bank Bill		-	-
	91-day Treasury Bi ll		247,394,808	347,839,908
	182-day Treasury Bi ll		349,140,478	990,029,420
	364-day Treasury Bill		1,374,207,323	541,118,538
	2-year Treasury Bond		-	-
	5-year Treasury Bond		-	-
	10-year Treasury Bond		1,115,292,501	436,108,622
	15-year Treasury Bond		40,448,374	40,445,342
	20-year Treasury Bond		225,620,453	25,054,547
			3,352,103,937	2,380,596,377
6.2	Other Investments			
	Shares in quoted companies	(Annexure-E)	688,007,131	679,403,645
	Shares in un-quoted companies	(Note: 6.2.1)	522,000,000	364,000,000
	Corporate Bond	(Note: 6.2.2)	70,000,000	116,400,000
	Investment in Sonali Polaris FTL		7,500,000	7,500,000
	Investment in Subsidiary		649,999,910	649,999,910
			1,937,507,041	1,817,303,555
	Details of Investment in qouted shares are shown in	n Annexure-E		
6.2.1	Shares in un-quoted companies			
	Summit Narayangonj Power Unit-II Ltd.		60,000,000	72,000,000
	Summit Barisal Power Ltd.		162,000,000	192,000,000
	Ace Alliance Power Ltd		100,000,000	100,000,000
	Confidence Power Rangpur Ltd		50,000,000	
	Confidence Power Bogura Unit-2 Ltd		50,000,000	
	Zodaic Power Chittagong Ltd		100,000,000	
			522,000,000	364,000,000
6.2.2	Corporate Bond		50,000,000	50,000,000
	Non Convertible Bond-Golden Harvest		50,000,000	50,000,000
	ONE Bank Subordinated Bond		20,000,000	40,000,000
	BSRM Convertible Bond		70,000,000	26,400,000
6.3	Maturity Grouping of Investments		70,000,000	116,400,000
0.3	Repayable on demand		864,400	105,942,901
	With a residual maturity upto 1 month		349,140,478	1,175,376,463
	With a residual maturity of more than 1 month but less	than 3 months	295,813,191	246,849,066
	With a residual maturity of more than 3 months but less		2,296,265,001	1,184,854,457
	With a residual maturity of more than 1 year but less th	•	1,698,077,138	877,135,612
	With a residual maturity of more than 2 years	idii 2 yedis	886,358,442	1,381,891,404
	With a residual maturity of more than 2 years		5,526,518,650	4,972,049,903
c(-)	Consultated Investment			
6(a)	Consolidated Investment		4,992,517,303	4,377,642,955
	Government Securities	(Noto, 6.1)	2 500 011 610	2 154 746 240
	Bangladesh Commerce Bank Limited	(Note: 6.1)	3,589,011,618	3,154,746,348
	CBSIL		3,589,011,618	3,154,746,348
Other	Investments			
	Bangladesh Commerce Bank Limited	(Note: 6.2)	1,937,507,041	1,817,303,555
	CBSIL		115,998,554	55,592,963
			2,053,505,595	1,872,896,518
	Less: Inter Company Transaction		(649,999,910)	(649,999,910)
			1,403,505,685	1,222,896,608

		31.12.2019 Taka	31.12.2018 Taka
7	LOANS AND ADVANCES	22,475,699,119	22,148,122,999
7.1	As per classification into the following broad categories Inside Bangladesh Inside Bangladesh		
	Demand Loan	1,136,601,545	962,081,626
	Loan General	5,639,712,168	5,611,323,897
	Cash Credit (Hypo)	3,848,365,173	4,517,346,770
	Agritulture Loan Overdraft	819,776,409	322,594,817
	SME Loan	5,063,181,246 1,237,087,986	4,834,317,278 1,086,193,283
	Payment Against Document (PAD)	1,079,530,312	1,089,791,957
	Loan against Trust Receipt (LTR)	2,035,694,209	2,109,546,241
	House Building Loan	662,646,088	682,774,633
	Credit Card	23,950,334	24,556,655
	Consumer Credit	38,385,980	30,457,690
	Staff Loan	426,085,593	401,503,620
	Loans & Advances (BCI)	464,484,780	460,993,538
	Outside Bangladesh	22,475,501,823	22,133,482,005 -
	_	22,475,501,823	22,133,482,005
7.2	Bills Purchased and Discounted Payable in Bangladesh Inland Bills Purchased Payable outside Bangladesh	197,296 -	14,640,994 -
	Foreign Bills Purchased	197,296	14,640,994
		22,475,699,119	22,148,122,999
7 .3	As per the remaining maturity grouping of loans and advances in the following order		
	Re-payable on demand	2,921,845,982	8,464,308,730
	Not more than 3 months	3,989,358,621	4,750,204,933
	More than 3 Months but less than 1 year	9,720,864,619	5,882,406,108
	More than 1 year but less than 5 years	4,063,730,354	3,051,203,228
	More than 5 years	1,779,899,543 22,475,699,119	22,148,122,999
		22,473,099,119	22,140,122,999
7.4	Countrywise Classification of Loans and Advances Inside Bangladesh	22,475,699,119	22,148,122,999
	Outside Bangladesh	22,475,699,119	22,148,122,99 9
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	89,880,495	105,054,274
	more than 10% of bank's total capital	9,799,821,560	9,684,612,680
	d) Other customers	12,249,791,966	11,956,474,868
	e) Staff Loan	336,205,098 22,475,699,119	401,981,177 22,148,122,999
	Loans and advances allowed to each customer exceeding	22,473,099,119	22,140,122,999
	10% of Bank's total capital fund Number of the Clients (See Anexure-B)	20	20
7.6	Classification of Loan as per geographical concentration		
	Dhaka Division	15,457,547,150	15,320,032,044
	Chittagong Division	4,185,835,603	4,269,029,139
	Rajshahi Division	1,057,849,176	1,089,554,004
	Khulna Division Sylhet Division	1,062,207,281	818,774,120
	Sylnet Division Barisal	277,182,674 203,822,019	272,957,428 163,236,071
	Rangpur	231,255,216	214,540,193
	· Jir	22,475,699,119	22,148,122,999

		31.12.2019 Taka	31.12.2018 Taka
7.7	Industrial concentration of Loans & Advances (including Bill purchased and discounted)		
	Food & Beverage industries	789,132,680	349,524,657
	Furniture & Fixture	29,260,840	24,298,357
	Printing, publishing & allied industries	64,452,320	59,208,764
	Petroleum & coal Products	1,198,738,564	1,038,576,319
	RMG & Textile	2,384,726,460	2,131,637,253
	Non-metallic mineral products	481,842,562	727,716,589
	Basic metal products	336,056,354	408,781,328
	Cement industries	96,448,522	136,518,367
	Small Scale Industries	1,183,046,456	1,025,731,572
	Power Generation & Gas	445,024,575	327,303,657
	Other manufacturing industries	650,835,873	743,125,625
	Rural Credit & Agri Loan	819,776,409	620,249,093
	Import Credit	4,252,607,929	4,153,954,570
	Trade & Commerce	9,421,895,770	7,294,877,956
	Others	321,853,805	3,106,618,892
	Total	22,475,699,119	22,148,122,999
	Total	22,473,099,119	22,140,122,333
7.8	Sector wise concentration of Loans & Advances (including Bill purchase		22,140,122,999
7.8			
7.8	Sector wise concentration of Loans & Advances (including Bill purchase	ed and discounted)	620,249,093 2,263,528,750
7.8	Sector wise concentration of Loans & Advances (including Bill purchase Agricultural Loan	ed and discounted) 819,776,409	620,249,093
7.8	Sector wise concentration of Loans & Advances (including Bill purchase Agricultural Loan Industrial Loan (other than working capital)	ed and discounted) 819,776,409 2,309,178,550	620,249,093 2,263,528,750
7.8	Sector wise concentration of Loans & Advances (including Bill purchase Agricultural Loan Industrial Loan (other than working capital) Working capital Loan	819,776,409 2,309,178,550 2,965,708,564	620,249,093 2,263,528,750 2,977,155,543
7.8	Sector wise concentration of Loans & Advances (including Bill purchase Agricultural Loan Industrial Loan (other than working capital) Working capital Loan Import Credit	819,776,409 2,309,178,550 2,965,708,564 4,252,607,929	620,249,093 2,263,528,750 2,977,155,543 4,153,954,570
7.8	Sector wise concentration of Loans & Advances (including Bill purchase Agricultural Loan Industrial Loan (other than working capital) Working capital Loan Import Credit Commercial Loan RMG & Textile Construction Loan	819,776,409 2,309,178,550 2,965,708,564 4,252,607,929 8,052,590,551 2,384,726,460 662,629,795	620,249,093 2,263,528,750 2,977,155,543 4,153,954,570 8,369,200,228 2,131,637,253 682,693,432
7.8	Sector wise concentration of Loans & Advances (including Bill purchase Agricultural Loan Industrial Loan (other than working capital) Working capital Loan Import Credit Commercial Loan RMG & Textile Construction Loan Transport and Communication Loan	819,776,409 2,309,178,550 2,965,708,564 4,252,607,929 8,052,590,551 2,384,726,460	620,249,093 2,263,528,750 2,977,155,543 4,153,954,570 8,369,200,228 2,131,637,253
7.8	Sector wise concentration of Loans & Advances (including Bill purchase Agricultural Loan Industrial Loan (other than working capital) Working capital Loan Import Credit Commercial Loan RMG & Textile Construction Loan Transport and Communication Loan Consumer Credit	819,776,409 2,309,178,550 2,965,708,564 4,252,607,929 8,052,590,551 2,384,726,460 662,629,795 99,524,508 38,385,980	620,249,093 2,263,528,750 2,977,155,543 4,153,954,570 8,369,200,228 2,131,637,253 682,693,432 97,906,127 2,948,617
7.8	Sector wise concentration of Loans & Advances (including Bill purchase Agricultural Loan Industrial Loan (other than working capital) Working capital Loan Import Credit Commercial Loan RMG & Textile Construction Loan Transport and Communication Loan Consumer Credit All Others Loans	819,776,409 2,309,178,550 2,965,708,564 4,252,607,929 8,052,590,551 2,384,726,460 662,629,795 99,524,508 38,385,980 890,570,373	620,249,093 2,263,528,750 2,977,155,543 4,153,954,570 8,369,200,228 2,131,637,253 682,693,432 97,906,127 2,948,617 848,849,386
	Sector wise concentration of Loans & Advances (including Bill purchase Agricultural Loan Industrial Loan (other than working capital) Working capital Loan Import Credit Commercial Loan RMG & Textile Construction Loan Transport and Communication Loan Consumer Credit All Others Loans	819,776,409 2,309,178,550 2,965,708,564 4,252,607,929 8,052,590,551 2,384,726,460 662,629,795 99,524,508 38,385,980	620,249,093 2,263,528,750 2,977,155,543 4,153,954,570 8,369,200,228 2,131,637,253 682,693,432 97,906,127 2,948,617
7.8	Sector wise concentration of Loans & Advances (including Bill purchase Agricultural Loan Industrial Loan (other than working capital) Working capital Loan Import Credit Commercial Loan RMG & Textile Construction Loan Transport and Communication Loan Consumer Credit All Others Loans Total Loans & Advances to Executives & all other staffs	819,776,409 2,309,178,550 2,965,708,564 4,252,607,929 8,052,590,551 2,384,726,460 662,629,795 99,524,508 38,385,980 890,570,373 22,475,699,119	620,249,093 2,263,528,750 2,977,155,543 4,153,954,570 8,369,200,228 2,131,637,253 682,693,432 97,906,127 2,948,617 848,849,386 22,148,122,999
	Sector wise concentration of Loans & Advances (including Bill purchase Agricultural Loan Industrial Loan (other than working capital) Working capital Loan Import Credit Commercial Loan RMG & Textile Construction Loan Transport and Communication Loan Consumer Credit All Others Loans Total Loans & Advances to Executives & all other staffs Staff House Building Loan	819,776,409 2,309,178,550 2,965,708,564 4,252,607,929 8,052,590,551 2,384,726,460 662,629,795 99,524,508 38,385,980 890,570,373 22,475,699,119	620,249,093 2,263,528,750 2,977,155,543 4,153,954,570 8,369,200,228 2,131,637,253 682,693,432 97,906,127 2,948,617 848,849,386 22,148,122,999
	Sector wise concentration of Loans & Advances (including Bill purchase Agricultural Loan Industrial Loan (other than working capital) Working capital Loan Import Credit Commercial Loan RMG & Textile Construction Loan Transport and Communication Loan Consumer Credit All Others Loans Total Loans & Advances to Executives & all other staffs Staff House Building Loan Staff Car Loan	819,776,409 2,309,178,550 2,965,708,564 4,252,607,929 8,052,590,551 2,384,726,460 662,629,795 99,524,508 38,385,980 890,570,373 22,475,699,119	620,249,093 2,263,528,750 2,977,155,543 4,153,954,570 8,369,200,228 2,131,637,253 682,693,432 97,906,127 2,948,617 848,849,386 22,148,122,999 345,083,339 38,435,908
	Sector wise concentration of Loans & Advances (including Bill purchase Agricultural Loan Industrial Loan (other than working capital) Working capital Loan Import Credit Commercial Loan RMG & Textile Construction Loan Transport and Communication Loan Consumer Credit All Others Loans Total Loans & Advances to Executives & all other staffs Staff House Building Loan	819,776,409 2,309,178,550 2,965,708,564 4,252,607,929 8,052,590,551 2,384,726,460 662,629,795 99,524,508 38,385,980 890,570,373 22,475,699,119	620,249,093 2,263,528,750 2,977,155,543 4,153,954,570 8,369,200,228 2,131,637,253 682,693,432 97,906,127 2,948,617 848,849,386 22,148,122,999

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

7.9.1 Required Provision for Loans & Advances

		2019	9		2	2018
Particulars	Outstanding Loans	Base for provision	Rate	Required Provision	Base for provision	Provision
Un-classified	11,150,336,126	9,143,714,709		82,427,000	13,163,778,197	147,224,999
I) Standard	9,809,951,009				13,098,161,167	101,468,205
a) CCS	52,281,000	52,281,000	5%	2,614,050	17,985,077	899,254
b) HBL	361,281,715	361,281,715	2%	7,225,635	477,672,123	9,553,442
c) LP	3,767,108	3,767,108	2%	75,342	3,213,000	64,260
d) Small Enterprise Fin	3,837,616,211	3,837,616,211	0.25%	9,594,041	4,673,148,077	11,682,870
e) Loans against Share	2,543,226	2,543,226	2%	50,865	695,000	13,900
f) Agricultural Credit	129,893,128	129,893,128	1.00%	1,298,931	160,440,050	1,604,401
g) Others	3,874,083,562	3,874,083,562	1%	38,740,836	7,765,007,840	77,650,078
ii) Staff Loan	426,085,536	-	0%		401,503,622	
iii) SMA	914,299,581	882,248,759		7,494,745	65,617,030	539,150
iv) UC by Writ Pettition	1,548,485,059	1,180,736,000	100%	1,180,714,000		1,851,780,999
Sub-Standard	669,724,993	383,751,988	20%	76,750,398	37,288,060	7,457,612
Doubtful	177,425,999	60,243,989	50%	30,121,972	35,777,015	17,888,508
Bad or Loss	10,478,212,001	7,544,589,608	100%	7,544,589,608	6,266,022,105	6,266,022,105
Total	22,475,699,119	18,313,036,294		8,914,602,977	19,904,368,999	8,290,374,223

Total Required Provision for Loans and Advances Total Provision Maintained

Excess/ (Short) Provision

8,914,602,977 (Note: 13) 3,087,546,803

(5,827,056,174)

8,290,374,223 2,587,546,803 **(5,702,827,420)**

7.10 Classification of Loan & Advances	31.12.2019 Taka	31.12.2018 Taka
Un-classified	11,150,336,126	13,565,281,819
i) Standard	10,236,036,545	13,499,664,789
ii) SMA	914,299,581	65,617,030
Sub-Standard	669,724,993	72,853,074
Doubtful	177,425,999	101,282,032
Bad or Loss	10,478,212,001	8,408,706,074
Total	22,475,699,119	22,148,122,999
7.11 Particulars of Loans and Advances		
(1) Debts considered good in respect of which the Bank Company		
is fully secured;	1,078,753,752	1,076,157,111
(2) Debts considered good against which the Banking Company		
holds no security other than the debtor's personal guarantee;	3,074,864,854	2,968,347,671
(3) Debts considered good & secured by the personal undertaking of one		
or more parties in addition to the personal guarantee of the debtors;	1,818,327,016	1,743,315,299
(4) Loans adversely classified; provision not maintained there against;	6,872,361,351	5,904,011,171
(5) Debts due by directors or officers of the banking company of any of		
these separately or jointly with any other person;	426,442,935	401,503,622
(6) Loan due from companies or firms which the directors of the		
banking company directors, partners or managing agents or in the		
case have interest as of private companies as members;	-	-
(7) Maximum total amount of advances including temporary advance		
made at any time during the year to directors or managers or officers		
of the banking companies or any of them either separately or jointly		
with any other person;	-	-
(8) Maximum total amount of advances including temporary advance granted during the year to the companies or firm in which the directors of the		
banking or company have interest as directors, companies as members;	_	_
(09) Due from banking companies.	_	_
(10) Amount of classified loan on which interest has been charged		
a) Increase / (decrease) in provision	_	1,733,333,181
Amount of loan written off from provision	_	1,7 33,333,131
Amount realized against loan previously written off	17,000	
b) Amount of provision kept against loan classified as	ŕ	
"Bad/Loss" as at reporting date	2,498,684,851	2,498,684,851
c) Interest creditable to the interest Suspense Accounts;	862,639,492	762,627,056
(11) Details of loan written off		
a) Cumulative amount of written-off loan at the end of the year (b+c)	104,677,212	104,677,212
b) Cumulative amount of written-off loans (opening)	104,677,212	104,677,212
c) Amount of written-off loan during the year	-	-
d) Amount realized (including adjustment) against loan previously written-of		7,020,125
Previous year	8,266,826	7,020,125
Current year	-	-
e) Net oustanding amount of written-off loan at the end of the year (a-d)		97,657,087
f) Amount of written-off loan for which law suit has been filed	86,554,424	86,554,424
7.12 Bills Purchased and Discounted	197,296	14,640,994
7.12.1 As per classification into the following broad categories		
Payable in Bangladesh	197,296	14,640,994
Payable outside Bangladesh	197,296	14,640,994
7.12.2 As per the remaining maturity grouping in the following order	177,230	
Payable within 1 month	197,296	14,640,994
Over 1 month but less than 3 months	,	-
Over 3 months but less than 6 months	-	-
6 months or more	-	_
	197,296	14,640,994

			31.12.2019 Taka	31.12.2018 Taka
7(a)	CONSOLIDATED LOANS AND ADVANCES			1 4114
. ,	Bangladesh Commerce Bank Limited Less: Inter Company Transaction		22,475,501,823	22,133,482,005
	Less. Titter Company Transaction		22,475,501,823	22,133,482,005
	Add: Bill Purchased & Discount		197,296	14,640,994
			22,475,699,119	22,148,122,999
8	Fixed assets (Details are shown in annexed - A)			
	Motor Vehicles		53,599,427	25,182,107
	Furniture & Fixture		50,743,058	38,154,776
	Machinery & Equipment		39,836,979	45,470,214
	Computer & Accessories		49,898,950	8,689,117
	Interior Decoration		87,102,589	93,120,668
	Hardware & Software Automation		29,808,018	7,041,520
			310,989,021	217,658,401
8(a)	Consolidated fixed assets including premises, fu	rniture and fix	tures	
	Bangladesh Commerce Bank Limited	(Note: 8)	310,989,021	217,658,401
	CBSIL		7,461,664	8,645,781
			318,450,685	226,304,182
9	Other Assets			
	Advance Income Tax	(Note: 9.1)	993,525,591	930,121,269
	Stock of Stationery, Stamps & Security Stationary	(Note: 9.2)	15,052,428	9,376,541
	Advance Rent, Advertisement, etc.	(Note: 9.3)	74,481,093	87,550,570
	Accrued Interest & Commission Receivable	(Note: 9.4)	451,924,661	346,708,862
	Security Deposits	(Note: 9.5)	1,491,755	1,448,755
	Suspense Accounts	(Note: 9.6)	55,663,520	53,657,267
	Sundry Assets	(Note: 9.7)	184,391,622	160,396,838
	Deferred Tax Assets	(Note: 9.8)	-	12,298,135
	BCBL General Account	(Note: 9.9)	105,876,575	-
			1,882,407,245	1,601,558,237
9.1	Advance Income Tax			
	Opening Balance		930,121,269	862,299,243
	Prior Year's Adjustment		-	-
	Addition during the year		63,404,322	67,822,026
0.3			993,525,591	930,121,269
9.2	Stock of Stationery, Stamps & Security Stationer	У	5.01.4.775	5.626.002
	Stock of Stationery		5,814,775	5,626,903
	Stock of Stamp		1,200,810	838,600
	MICR Printing Security Stationery		6,386,501	1,205,346
	Stock of Security Stationery		1,650,342	1,705,692
9.3	Advance Pent Advertisement etc		15,052,428	9,376,541
9.3	Advance Rent, Advertisement, etc. Advance Rent		72 070 415	87,110,483
	Prepaid Insurance Premium		73,979,415	
	Prepaid Expenses for Hardware & Software		46,192	8,767
	Prepaid Advertisement		451,600 3,885	428,600 2,720
	Frepaid Advertisement		74,481,093	87,550,570
9.4	Accrued Interest & Commission Receivable		74,461,093	87,330,370
J. T	Interest Receivable		437,167,161	335,263,306
	Dividend Receivables from Share and Debenture		14,757,500	11,445,556
	Dividend necessables from Share and Depenture		451,924,661	346,708,862
9.5	Security Deposits		.5.,521,001	
	Security Deposits		1,491,755	1,448,755

		31.12.2019 Taka	31.12.2018 Taka
9.6	Suspense Accounts		
	Sundry Debtors	36,649,121	40,146,677
	Advance against TA/DA	29,000	105,514
	Legal Expense	31,800	
	Advance against Sanchay Patra	5,441,751	3,234,408
	Advance against Printing Stationary	-	20,668
	Advance Against Fixed Assets	13,511,848	10,150,000
		55,663,520	53,657,267
9.7	Sundry Assets		
	Cash Remittance	6,000,000	4,000,000
	Foreign Remittance Settlement A/C	29,447,892	8,715,254
	ATM cash settlement	3,494,500	2,447,940
	Protested Bill	81,378,924	81,378,924
	Excise Duty Adjustment (FDR)	8,370,306	8,154,720
	Sub-total (a) Blocked Assets:	128,691,622	104,696,838
	Sundry Deposits with National Bank Ltd.	3,500,000	3,500,000
	Advance against Building	52,200,000	
	Sub-total (b)	55,700,000	52,200,000 55,700,000
	Grand-total (a+b)	184,391,622	160,396,838
9.8	Deferred Tax Assets	104,371,022	
7.0	Opening Balance	12,298,135	-
	Add: Addition during the year	12,230,133	12,298,135
	Less: Adjustment during the year	12,298,135	-
	Closing Balance	-	12,298,135
9.9	BCBL General Account		
	BCBL General Account Cr.	25,201,040,075	
	BCBL General Account Dr.	25,306,916,650	
		105,876,575	_
9(a)	Consolidated Other Assets		
	Bangladesh Commerce Bank Limited (Note: 9)	1,882,407,245	1,601,558,237
	CBSIL	625,441,456	601,294,418
		2,507,848,701	2,202,852,655
10	Non Banking Assets		
11	Borrowings from Bangladesh Bank, other Banks, Financial Institution	s and Agents	
••	From Inside Bangladesh - Call Borrowings from Banks	50,000,000	200,000,000
	From Inside Bangladesh - Re-finance Scheme under SME	124,407,792	134,230,708
	From Outside Bangladesh	-	-
		174,407,792	334,230,708
11(a)	Consolidated Borrowings from Bangladesh Bank, other Banks, Financial Institutions and Agents		
	Bangladesh Commerce Bank Limited	174,407,792	334,230,708
	CBSIL	-	-
		174,407,792	334,230,708
11.2	Maturity-wise borrowings		
	Repayable on demand	174,407,792	334,230,708
	Not more than 3 months	-	-
	Over 3 Months but less than 1 year	-	-
	Over 1 year but not less 5 years	-	-
	Over 5 years	-	-
		174,407,792	334,230,708

	1.12.2018 Taka
Secured (by Bangladesh Bank deposits) - 174,407,792	334,230,708
174,407,792	334,230,708
12 Deposits and other Accounts Current Deposits and Other Accounts (Note: 12.1) 3,824,907,830 5	5,913,588,232
Bills Payable (Note: 12.2) 294,368,934	568,348,337
	3,293,679,365
	7,236,395,613 1,620,883,749
	632,895,296
12.1 Current Deposits and Other Accounts	
	2,029,689,542
	913,588,232
12.2 Bills Payable	
Pay Order Payable 293,002,855	566,982,258
D.D. Payable	1,366,079 568,348,337
12.3 Savings Bank Deposits	
Foreign Currencies	3,293,679,365
12.4 Fixed Deposits 3,703,981,784 3,	293,679,365
Deposits without Bank 16,450,267,500 12	2,739,512,402
	1,496,883,211 236,395,613
12.5 Other Deposits and Schemes	
	,505,560,434
	8,115,323,315 620,883,749
12.5.1 Other Deposits 4,	020,003,743
Margin on Letter of Credit 53,750,649	120,351,202
Margin on Letter of Guaranty 33,940,044	32,458,014
Margin on Letter of Shipping Guaranty 2,377,321 August 1,191,700	82,653,147
Beftn Return Account 938,685	
Export Fund Development 4,538,120	4,986,399
EBEK Grant Payable 3,068,478,264	52,660,591
Risk Fund 632,137	680,137
Risk Fund 632,137 Service charge / CIB Service Charge 862,485	680,137 716,289
Risk Fund 632,137 Service charge / CIB Service Charge 862,485 Buying House Commission 4,670,979 Revenue Stamp/ Stamp 180	680,137 716,289 3,417,138 160
Risk Fund 632,137 Service charge / CIB Service Charge 862,485 Buying House Commission 4,670,979 Revenue Stamp/ Stamp 180 Export Bill	680,137 716,289 3,417,138 160 267,438
Risk Fund Service charge / CIB Service Charge Buying House Commission Revenue Stamp/ Stamp Export Bill Margin on FBP / Acceptance on B/B LC / Margin on LTR 632,137 862,485 4,670,979 180 4,729,270	680,137 716,289 3,417,138 160 267,438 4,980,520
Risk Fund Service charge / CIB Service Charge Buying House Commission Revenue Stamp/ Stamp Export Bill Margin on FBP / Acceptance on B/B LC / Margin on LTR BEFTN & BACPS/ITCL/S-cash/Payza Wallet 632,137 862,485 4,670,979 180 4,729,270 11,596,320	680,137 716,289 3,417,138 160 267,438 4,980,520 10,175,418
Risk Fund Service charge / CIB Service Charge Buying House Commission Revenue Stamp/ Stamp Export Bill Margin on FBP / Acceptance on B/B LC / Margin on LTR BEFTN & BACPS/ITCL/S-cash/Payza Wallet Sundry Creditors Interest Payable on Deposit 632,137 862,485 862,485 4,670,979 180 4,729,270 11,596,320 11,596,320 59,208,674 1,383,852,932	680,137 716,289 3,417,138 160 267,438 4,980,520 10,175,418 34,434,039
Risk Fund 632,137 Service charge / CIB Service Charge 862,485 Buying House Commission 4,670,979 Revenue Stamp/ Stamp 180 Export Bill Margin on FBP / Acceptance on B/B LC / Margin on LTR 4,729,270 BEFTN & BACPS/ITCL/S-cash/Payza Wallet 11,596,320 Sundry Creditors 59,208,674 Interest Payable on Deposit 1,383,852,932 4,630,767,761 1,	680,137 716,289 3,417,138 160 267,438 4,980,520 10,175,418 34,434,039
Risk Fund Service charge / CIB Service Charge Buying House Commission Revenue Stamp/ Stamp Export Bill Margin on FBP / Acceptance on B/B LC / Margin on LTR BEFTN & BACPS/ITCL/S-cash/Payza Wallet Sundry Creditors Interest Payable on Deposit 12.5.2 Deposits under different schemes 632,137 862,485 862,485 4,670,979 180 4,729,270 11,596,320 59,208,674 11,383,852,932 4,630,767,761 11,	680,137 716,289 3,417,138 160 267,438 4,980,520 10,175,418 34,434,039 1,157,779,942 505,560,434
Risk Fund 632,137 Service charge / CIB Service Charge 862,485 Buying House Commission 4,670,979 Revenue Stamp/ Stamp 180 Export Bill Margin on FBP / Acceptance on B/B LC / Margin on LTR 4,729,270 BEFTN & BACPS/ITCL/S-cash/Payza Wallet 11,596,320 Sundry Creditors 59,208,674 Interest Payable on Deposit 1,383,852,932 4,630,767,761 12.5.2 Deposits under different schemes Monthly Income/Pension Scheme 867,050,000	680,137 716,289 3,417,138 160 267,438 4,980,520 10,175,418 34,434,039 1,157,779,942 505,560,434
Risk Fund 632,137 Service charge / CIB Service Charge 862,485 Buying House Commission 4,670,979 Revenue Stamp/ Stamp 180 Export Bill Margin on FBP / Acceptance on B/B LC / Margin on LTR 4,729,270 BEFTN & BACPS/ITCL/S-cash/Payza Wallet 11,596,320 Sundry Creditors 59,208,674 Interest Payable on Deposit 1,383,852,932 4,630,767,761 12.5.2 Deposits under different schemes Monthly Income/Pension Scheme 867,050,000 Life Pension Deposit Scheme 5,679,231 Marriage Deposit Scheme 64,262,193	680,137 716,289 3,417,138 160 267,438 4,980,520 10,175,418 34,434,039 1,157,779,942 505,560,434 29,700,000 7,340,370 56,846,726
Risk Fund Service charge / CIB Service Charge Buying House Commission Revenue Stamp/ Stamp Export Bill Margin on FBP / Acceptance on B/B LC / Margin on LTR BEFTN & BACPS/ITCL/S-cash/Payza Wallet Sundry Creditors Interest Payable on Deposit 12.5.2 Deposits under different schemes Monthly Income/Pension Scheme Life Pension Deposit Scheme Marriage Deposit Scheme Millionaire Deposit Scheme Millionaire Deposit Scheme 862,485 86,485 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,	680,137 716,289 3,417,138 160 267,438 4,980,520 10,175,418 34,434,039 1,157,779,942 505,560,434 29,700,000 7,340,370 56,846,726 142,722,949
Risk Fund Service charge / CIB Service Charge Buying House Commission Revenue Stamp/ Stamp Export Bill Margin on FBP / Acceptance on B/B LC / Margin on LTR BEFTN & BACPS/ITCL/S-cash/Payza Wallet Sundry Creditors Interest Payable on Deposit 12.5.2 Deposits under different schemes Monthly Income/Pension Scheme Life Pension Deposit Scheme Marriage Deposit Scheme Millionaire Deposit Scheme Monthly Savings Schemes	680,137 716,289 3,417,138 160 267,438 4,980,520 10,175,418 34,434,039 1,157,779,942 505,560,434 29,700,000 7,340,370 56,846,726 142,722,949 2,095,141,150
Risk Fund Service charge / CIB Service Charge Buying House Commission Revenue Stamp/ Stamp Export Bill Margin on FBP / Acceptance on B/B LC / Margin on LTR BEFTN & BACPS/ITCL/S-cash/Payza Wallet Sundry Creditors Interest Payable on Deposit 12.5.2 Deposits under different schemes Monthly Income/Pension Scheme Life Pension Deposit Scheme Marriage Deposit Scheme Millionaire Deposit Scheme Millionaire Deposit Scheme 862,485 86,485 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,895 86,	680,137 716,289 3,417,138 160 267,438 4,980,520 10,175,418 34,434,039 1,157,779,942 505,560,434 29,700,000 7,340,370 56,846,726 142,722,949 2,095,141,150 15,681,877
Risk Fund Service charge / CIB Service Charge Buying House Commission Revenue Stamp/ Stamp Export Bill Margin on FBP / Acceptance on B/B LC / Margin on LTR BEFTN & BACPS/ITCL/S-cash/Payza Wallet Sundry Creditors Interest Payable on Deposit 12.5.2 Deposits under different schemes Monthly Income/Pension Scheme Life Pension Deposit Scheme Monthly Savings Scheme Monthly Savings Schemes Education Deposit Scheme Education Deposit Scheme Education Deposit Scheme Lakhopoti Deposit Scheme Triple Deposit Scheme Triple Deposit Scheme Triple Deposit Scheme Tight Page 1862,485 862,480 86,482 86,480 86,480,480 86,	680,137 716,289 3,417,138 160 267,438 4,980,520 10,175,418 34,434,039 1,157,779,942 505,560,434 29,700,000 7,340,370 56,846,726 142,722,949 2,095,141,150 15,681,877 12,592,313 17,104,985
Risk Fund Service charge / CIB Service Charge Buying House Commission Revenue Stamp/ Stamp Export Bill Margin on FBP / Acceptance on B/B LC / Margin on LTR BEFTN & BACPS/ITCL/S-cash/Payza Wallet Sundry Creditors Interest Payable on Deposit 12.5.2 Deposits under different schemes Monthly Income/Pension Scheme Life Pension Deposit Scheme Marriage Deposit Scheme Monthly Savings Schemes Education Deposit Scheme Education Deposit Scheme Lakhopoti Deposit Scheme Triple Deposit Scheme Triple Deposit Scheme Kotipoti Deposit Scheme Triple Deposit Scheme Kotipoti Deposit Scheme Total Radiana	680,137 716,289 3,417,138 160 267,438 4,980,520 10,175,418 34,434,039 1,157,779,942 505,560,434 29,700,000 7,340,370 56,846,726 142,722,949 2,095,141,150 15,681,877 12,592,313 17,104,985 98,187,021
Risk Fund Service charge / CIB Service Charge Buying House Commission Revenue Stamp/ Stamp Export Bill Margin on FBP / Acceptance on B/B LC / Margin on LTR BEFTN & BACPS/ITCL/S-cash/Payza Wallet Sundry Creditors Interest Payable on Deposit 12.5.2 Deposits under different schemes Monthly Income/Pension Scheme Life Pension Deposit Scheme Marriage Deposit Scheme Monthly Savings Schemes Education Deposit Scheme Education Deposit Scheme Education Deposit Scheme Lakhopoti Deposit Scheme Triple Deposit Scheme Triple Deposit Scheme Triple Deposit Scheme Tigle	680,137 716,289 3,417,138 160 267,438 4,980,520 10,175,418 34,434,039 1,157,779,942 505,560,434 29,700,000 7,340,370 56,846,726 142,722,949 2,095,141,150 15,681,877 12,592,313 17,104,985

			31.12.2019 Taka	31.12.2018 Taka
12.5(a)	Consolidated Other Deposits			
	Bangladesh Commerce Bank Limited CBSIL	(Note: 12.5)	9,765,176,496	4,620,883,749
		!	9,765,176,496	4,620,883,749
12.6	Maturity wise Classification			
	Payable:			
	On Demand		1,297,718,355	1,205,997,461
	Within 1 Month		4,420,807,918	4,108,351,481
	More than 1 month but less than 6 months		7,117,917,999	6,614,833,644
	More than 6 month but less than 1 year		12,058,339,146	11,206,072,828
	More than 1 year but within 5 years		3,061,660,807	2,845,266,961
	More than 5 year but within 10 years		6,082,258,319	5,652,372,922
	Over 10 years and Unclaimed		-	-
			34,038,702,544	31,632,895,296
12(a)	Consolidated Deposits and other Accounts	5		
	Bangladesh Commerce Bank Limited		34,038,702,544	31,632,895,296
	CBSIL		-	-
			34,038,702,544	31,632,895,296
13	Other Liabilities	(1)		
13	Provision for Loans and Advances	(Note: 13.1)	3,087,546,803	2,587,546,803
13	Provision for Loans and Advances Interest Suspense Accounts	(Note: 13.2)	3,087,546,803 862,639,493	2,587,546,803 762,627,056
13	Provision for Loans and Advances Interest Suspense Accounts Provision for Current Income Tax	(Note: 13.2) (Note: 13.3)	3,087,546,803 862,639,493 647,266,508	2,587,546,803
13	Provision for Loans and Advances Interest Suspense Accounts Provision for Current Income Tax Provision for Deferred Tax	(Note: 13.2) (Note: 13.3) (Note: 13.4)	3,087,546,803 862,639,493 647,266,508 3,552,731	2,587,546,803 762,627,056
13	Provision for Loans and Advances Interest Suspense Accounts Provision for Current Income Tax Provision for Deferred Tax Provision for Gratuity	(Note: 13.2) (Note: 13.3) (Note: 13.4) (Note: 13.5)	3,087,546,803 862,639,493 647,266,508 3,552,731 116,979,736	2,587,546,803 762,627,056 692,780,873
13	Provision for Loans and Advances Interest Suspense Accounts Provision for Current Income Tax Provision for Deferred Tax Provision for Gratuity Provision for Share & Debenture Unrealized G	(Note: 13.2) (Note: 13.3) (Note: 13.4) (Note: 13.5) Gain / Loss (Note: 13.6)	3,087,546,803 862,639,493 647,266,508 3,552,731 116,979,736 308,710,110	2,587,546,803 762,627,056 692,780,873 - - 218,359,485
13	Provision for Loans and Advances Interest Suspense Accounts Provision for Current Income Tax Provision for Deferred Tax Provision for Gratuity Provision for Share & Debenture Unrealized G Provision for IT Assets	(Note: 13.2) (Note: 13.3) (Note: 13.4) (Note: 13.5) Gain / Loss (Note: 13.6) (Note: 13.7)	3,087,546,803 862,639,493 647,266,508 3,552,731 116,979,736 308,710,110 284,111	2,587,546,803 762,627,056 692,780,873 - - 218,359,485 284,111
13	Provision for Loans and Advances Interest Suspense Accounts Provision for Current Income Tax Provision for Deferred Tax Provision for Gratuity Provision for Share & Debenture Unrealized G Provision for IT Assets Accrued Expense Payable	(Note: 13.2) (Note: 13.3) (Note: 13.4) (Note: 13.5) Gain / Loss (Note: 13.6)	3,087,546,803 862,639,493 647,266,508 3,552,731 116,979,736 308,710,110 284,111 3,494,361	2,587,546,803 762,627,056 692,780,873 - - 218,359,485
13	Provision for Loans and Advances Interest Suspense Accounts Provision for Current Income Tax Provision for Deferred Tax Provision for Gratuity Provision for Share & Debenture Unrealized General Provision for IT Assets Accrued Expense Payable Impress Fund Payable	(Note: 13.2) (Note: 13.3) (Note: 13.4) (Note: 13.5) Gain / Loss (Note: 13.6) (Note: 13.7)	3,087,546,803 862,639,493 647,266,508 3,552,731 116,979,736 308,710,110 284,111 3,494,361 7,422,863	2,587,546,803 762,627,056 692,780,873 - - 218,359,485 284,111 2,405,332
13	Provision for Loans and Advances Interest Suspense Accounts Provision for Current Income Tax Provision for Deferred Tax Provision for Gratuity Provision for Share & Debenture Unrealized G Provision for IT Assets Accrued Expense Payable Impress Fund Payable Cash Incentive	(Note: 13.2) (Note: 13.3) (Note: 13.4) (Note: 13.5) Gain / Loss (Note: 13.6) (Note: 13.7) (Note: 13.8)	3,087,546,803 862,639,493 647,266,508 3,552,731 116,979,736 308,710,110 284,111 3,494,361	2,587,546,803 762,627,056 692,780,873 - 218,359,485 284,111 2,405,332 5,661,784
13	Provision for Loans and Advances Interest Suspense Accounts Provision for Current Income Tax Provision for Deferred Tax Provision for Gratuity Provision for Share & Debenture Unrealized G Provision for IT Assets Accrued Expense Payable Impress Fund Payable Cash Incentive Provision for (Incentive) Bonus	(Note: 13.2) (Note: 13.3) (Note: 13.4) (Note: 13.5) Gain / Loss (Note: 13.6) (Note: 13.7) (Note: 13.8)	3,087,546,803 862,639,493 647,266,508 3,552,731 116,979,736 308,710,110 284,111 3,494,361 7,422,863 2,344,675	2,587,546,803 762,627,056 692,780,873 - 218,359,485 284,111 2,405,332 5,661,784 1,485,083
13	Provision for Loans and Advances Interest Suspense Accounts Provision for Current Income Tax Provision for Deferred Tax Provision for Gratuity Provision for Share & Debenture Unrealized G Provision for IT Assets Accrued Expense Payable Impress Fund Payable Cash Incentive Provision for (Incentive) Bonus Provision for Off Balance Sheet Exposure	(Note: 13.2) (Note: 13.3) (Note: 13.4) (Note: 13.5) Gain / Loss (Note: 13.6) (Note: 13.7) (Note: 13.8)	3,087,546,803 862,639,493 647,266,508 3,552,731 116,979,736 308,710,110 284,111 3,494,361 7,422,863 2,344,675 - 55,070,787	2,587,546,803 762,627,056 692,780,873 - 218,359,485 284,111 2,405,332 5,661,784 1,485,083 55,070,787
13	Provision for Loans and Advances Interest Suspense Accounts Provision for Current Income Tax Provision for Deferred Tax Provision for Gratuity Provision for Share & Debenture Unrealized General Expense Payable Impress Fund Payable Cash Incentive Provision for (Incentive) Bonus Provision for Off Balance Sheet Exposure VAT/Tax Payable to NBR	(Note: 13.2) (Note: 13.3) (Note: 13.4) (Note: 13.5) Gain / Loss (Note: 13.6) (Note: 13.7) (Note: 13.8) (Note: 13.9) (Note: 13.10)	3,087,546,803 862,639,493 647,266,508 3,552,731 116,979,736 308,710,110 284,111 3,494,361 7,422,863 2,344,675 - 55,070,787 82,689,047	2,587,546,803 762,627,056 692,780,873 - - 218,359,485 284,111 2,405,332 5,661,784 1,485,083 55,070,787 78,291,788
13	Provision for Loans and Advances Interest Suspense Accounts Provision for Current Income Tax Provision for Deferred Tax Provision for Gratuity Provision for Share & Debenture Unrealized Grovision for IT Assets Accrued Expense Payable Impress Fund Payable Cash Incentive Provision for (Incentive) Bonus Provision for Off Balance Sheet Exposure VAT/Tax Payable to NBR Provision for Other Assets	(Note: 13.2) (Note: 13.3) (Note: 13.4) (Note: 13.5) Gain / Loss (Note: 13.6) (Note: 13.7) (Note: 13.8) (Note: 13.9) (Note: 13.10)	3,087,546,803 862,639,493 647,266,508 3,552,731 116,979,736 308,710,110 284,111 3,494,361 7,422,863 2,344,675 - 55,070,787	2,587,546,803 762,627,056 692,780,873 - - 218,359,485 284,111 2,405,332 5,661,784 1,485,083 55,070,787 78,291,788 124,600,000
13	Provision for Loans and Advances Interest Suspense Accounts Provision for Current Income Tax Provision for Deferred Tax Provision for Gratuity Provision for Share & Debenture Unrealized General Expense Payable Impress Fund Payable Cash Incentive Provision for (Incentive) Bonus Provision for Off Balance Sheet Exposure VAT/Tax Payable to NBR	(Note: 13.2) (Note: 13.3) (Note: 13.4) (Note: 13.5) Gain / Loss (Note: 13.6) (Note: 13.7) (Note: 13.8) (Note: 13.9) (Note: 13.10)	3,087,546,803 862,639,493 647,266,508 3,552,731 116,979,736 308,710,110 284,111 3,494,361 7,422,863 2,344,675 - 55,070,787 82,689,047	2,587,546,803 762,627,056 692,780,873 - - 218,359,485 284,111 2,405,332 5,661,784 1,485,083 55,070,787 78,291,788

Note: As per tripartite meeting held between Bangladesh Bank, Rahman Mostafa Alam & Co. (External Auditor) and Bank Management on 8th june 2020 all theparties to the meeting agreed on that bank has a provision requirement of BDT 953.93 Crore. After keeping BDT 78.17 crore, remaing amount BDT 582.70 crore Bangladesh Bank has given deferral permission for maintaining provision shortfall proportionately from 2020 to 2023 vide letter ref: DBI-1/116/2020-1571 dated: 18/06/2020.

dated: 18/06/2020.		
13.1 Provision for Loans and Advances		
General Provision (Note: 13	8.1.1) 88,861,952	88,861,952
Specific Provision (Note: 13	3.1.2) 2,998,684,851	2,498,684,851
	3,087,546,803	2,587,546,803
13.1.1 General Provision		
Opening Balance	88,861,952	88,861,952
Add: Transferred during the year	-	
Less: Adjustment during the year	-	_
	88,861,952	88,861,952
13.1.2 Specific Provision		
Opening Balance	2,498,684,851	765,351,670
Less: Fu ll y Provided Bad Loan Written off	-	-
Add: Received from Previous Written off Bad Loan	-	-
Add: Specific Provision Kept for the year	500,000,000	1,733,333,181
Less: Provision no more Required due to Recovery of Bad Lo	an -	-
Less: Interest Waiver During the Year	-	-
Add: Net Charge in the Profit and Loss Account	-	-
	2,998,684,851	2,498,684,851

13.1.2(a) Consolidated Specific Provision

Bangladesh Commerce Bank Limited CBSIL

13.2 Interest Suspense A/C

Opening Balance Add: Addition during the year Less: Interest Realized during the year

Less: Written off during the year

13.3 Provision for Current Income Tax

Opening Balance Add : Current year tax Add : Prior years tax

Less: Adjustment during the year

31.12.2019	31.12.2018
Taka	Taka
2,998,684,851	2,498,684,851
146,581,484	146,581,484
3,145,266,335	2,645,266,335
762,627,056	805,123,051
164,198,802	88,657,703
64,186,365	131,153,698
-	-
862,639,493	762,627,056
692,780,873	640,886,578
	133,436,294
(45,514,365)	(81,541,999)
647,266,508	692,780,873

(Note: 13.1.2)

13.3.1 Income Tax

"Accounting Year"	"Assessment Year"	Provision as per Accounts	Tax Payable as per Assessment Order	Cumulative Surplus/ (Shortfall)
31-12-2004	2005-2006	-	26,010,067.00	(26,010,067)
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)
31-12-2008	2009-2010	-	20,662,000.00	(131,495,615)
31-12-2009	2010-2011	110,635,242	110,635,242	(131,495,615)
31-12-2010	2011-2012	100,000,000	32,401,165.00	(63,896,780)
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)
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
31-12-2016	2017-2018	95,925,092	66,396,600.00	89,479,994
31-12-2017	2018-2019	117,000,000	74,329,843.00	132,150,151
31-12-2018	2019-2020	-	_	
31-12-2019	2020-2021			

Status
Appeal is pending at the
tribunal and honorable
high court.
Setteled
Appeal has been filed
under section
173 in LTU.
Settled
Appeal is pending at the
commissioner of taxes.
Assessment due at LTU
Appeal is pending at
the commissioner of taxes.
Assessment due at LTU
Return to be submitted.

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

31.12.2019 Taka	31.12.2018 Taka
-	5,720,352
3,552,731	-
-	(5,720,352)
3,552,731.00	-
-	-
116,979,736	384,858,238
	(384,858,238)
-	-
116,979,736	-

		31.12.2019 Taka	31.12.2018 Taka
13.6	Provision for Share & Debenture (Unrealized Gain/Loss)		
	Opening Balance	218,359,485	158,622,362
	Add : Addition during the year	90,350,625	59,737,123
	Less: Adjustment during the year	-	
		308,710,110	218,359,485
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	-	
	Others	3,164,361	2,075,332
	Audit Fee	230,000	230,000
		3,494,361	2,405,332
13.9	Provision Incentive Bonus		
	Opening Balance	1,485,083	27,695,878
	Add : Addition during the year	-	-
	Less: Adjustment during the year	(1,485,083)	(26,210,795)
		-	1,485,083
13.10	Provision for Off Balance Sheet Exposure		
	Opening Balance	55,070,787	26,193,286
	Add : Addition during the year		28,877,501
	Less: Adjustment during the year	-	-
		55,070,787	55,070,787
13.11	Provision for Other Assets		
	Opening Balance	124,600,000	114,350,484
	Add : Addition during the year	74,420,000	10,249,516
	Less: Adjustment during the year	-	_
		199,020,000	124,600,000
Note: A	mount of Provision for Other Assets includes RCRL General Account	Advance Rent Interior [Decoration Protected

Note: Amount of Provision for Other Assets includes BCBL General Account, Advance Rent, Interior Decoration, Protested Bill, Sundry Deposits NBL, Sundry Debtors & Interest Suspense for BDT6.3288 Crore, 1.683 Crore, 0.10 Crore, 3.3174 Crore, 0.35 Crore, 0.6808 Crore respectively.

13.12	BCBL General Account			
	BCBL General Account Cr.			23,084,787,130
	BCBL General Account Dr.			22,825,555,421
			-	259,231,709
13(a)	Consolidated Other Liabilities			
	Bangladesh Commerce Bank Limited	(Note: 13)	5,377,021,223	4,788,344,811
	CBSIL		338,515,228	374,836,339
			5,715,536,451	5,163,181,150
	Less: Inter Company Transaction		-	
			5,715,536,451	5,163,181,150
14.	Capital			
14.1	Authorized Capital			
	100000000 Ordinary share of Tk. 100 each		10,000,000,000	10,000,000,000
14.2	Issued, Subscribed and Paid up Capital			
	19,887,428 Ordinary share of Tk. 100 each		1,988,742,800	1,988,742,800

14.3

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

Particulars Particulars	No. of Shares		31.12.2019	31.12.2018
Particulars	as on 31 Dec- 2019	% of Total	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 bodies	1,024,613	5.15%	102,461,300	102,461,300
Depositors and other private shareholders	9,862,825	49.59%	986,282,500	986,282,500
Total	19,887,428	100.00%	1,988,742,800	1,988,742,800

	31.12.2019 Taka	31.12.2018 Taka
Capital to Risk weighted assets ratio (CRAR)	Taka	I aka
In terms of section 13	(202.464.407)	1 004 512 510
Tier – I (Core Capital) Paid up capital	(203,464,407) 1,988,742,800	1,086,512,519 1,988,742,800
Right Share Application Money	917,259,650	917,259,650
Share capital BCI	15,300,000	15,300,000
Non-Repayable share premium account	13,300,000	13,300,000
Statutory Reserve	275,060,371	275,060,371
General Reserve	8,920,366	8,920,366
Retained Earnings	(3,408,747,594)	(2,118,770,668)
Minority interest in subsidiaries	(5,400,747,554)	(2,110,770,000)
Non cumulative Irredeemable preference share	_	
Deductions from Tier-I (Core Capital):	5,848,823,683	3,793,918,284
Book value of Goodwill	3,040,023,003	3,7 33,3 10,204
Shortfall in provisions required against classified assets	5,848,823,683	3,792,683,374
Shortfall in provisions required against investment in shares	5,040,025,005	1,234,910
Remaining deficit on account of revaluation of investments in		1,234,510
securities after netting off from any other surplus on the securities.	_	_
Reciprocal crossholdings of bank capital/subordinated debt	_	_
Any investment exceeding the approved limit under section		
26(2) of Bank Company Act, 1991.	_	_
Investments in subsidiaries which are not consolidated	_	_
Other if any	_	_
Total Eligible Tier-I Capital	(6,052,288,090)	(2,707,405,765)
Tier –II (Supplementary Capital)	143,932,739	147,916,724
General Provision on Unclassified Loans	88,861,952.00	88,861,952
Revaluation Reserve for HTM Securities	, ,	3,983,985
Assets Revaluation Reserve	-	-
All Others Preference Share	-	_
General Provision (Off balance sheet items)	55,070,787	55,070,787
Exchange Equalization Fund	-	· -
Total Eligible Capital (Tier-I + Tier-II)	(5,908,355,351)	(2,559,489,041)
Total Risk Weighted Assets (As per BASEL-III guideline)	41,489,211,684	38,790,758,741
Required Capital	5,000,000,000	4,000,000,000
Details are shown in Annexure - D	, , ,	, , ,
Actual Capital Held:		
Core Capital	(6,052,288,090)	(2,707,405,765)
Supplementary Capital	143,932,739	147,916,724
	(5,908,355,351)	(2,559,489,041)
Capital to Risk weighted assets ratio (CRAR) (Required 10.625%	-14.24%	-6.60%
Core Capital to RWA	-14.59%	-6.98%
Supplementary Capital to RWA	0.35%	0.38%

Note: Raising capital to the required level through public issue may require amending the act no. 12 of 1997 which is now under process in Ministry of Bank and Financial Institutions. Although through letter ref: DOS(BSS-6)/1162/2(3)/2016-1082 dated: 29 February 2016 Bangladesh Bank permits Bangladesh Commerce Bank Limited to raise capital through issuance of right share within 3 months of changing the law by Honorable Parliament.

Opening Balance 275,060,371 275,060,37	4.5	Statutary Parameter	31.12.2019 Taka	31.12.2018 Taka
Less: Transferred during the year to provision for loans & advances Add: Transferred during the year	15	Statutory Reserve	275 060 371	275 060 371
Add : Transferred during the year 275,060,371 275,06			-	2/3,000,3/1
15(a) Consolidated Statutory Reserve Bangladesh Commerce Bank Limited Crisical Sil.			_	_
Bangladesh Commerce Bank Limited 275,060,371 275,060			275,060,371	275,060,371
CBSIL 275,060,371 275,060,371 1	15(a)			
16		· ·	275,060,371	275,060,371
16 Other Reserve Opening Balance Add: Transferred during the year Less: Adjustment during the year Less: Adjustment during the year Bangladesh Commerce Bank Limited CBSIL 8,920,366 1,028,006 8,920,366 1,028,006 1,028,006 1,028,006 1,028,006 1,028,006 1,028,006 1,028,007,006 1,028,007,006 1,028,007,006 1,028,007,006 1,028,007,006 1,028,007,006 1,028,007,006 1,028,00		CD3IL	275.060.371	275.060.371
Add: Transferred during the year	16	Other Reserve		
Less: Adjustment during the year 16(a) Consolidated Other Reserve Bangladesh Commerce Bank Limited CBSIL Revaluation Reserve for HTM Securities Opening Balance Add: Transferred during the year Less: Adjustment during the year CBSIL Consolidated Revaluation Reserve for HTM Securities 17 Revaluation Reserve for HTM Securities Opening Balance Add: Transferred during the year Less: Adjustment during the year Less: Adjustment during the year CBSIL Consolidated Revaluation Reserve for HTM Securities Bangladesh Commerce Bank Limited CBSIL COnsolidated Revaluation Reserve for HTM Securities Bangladesh Commerce Bank Limited CBSIL Profit and Loss Accounts / Retained Earnings Opening Balance Prior year's Adjustment Profit/ (Loss) for the year as per Profit and Loss accounts Profit/ (Loss) for the year as per Profit and Loss accounts CBSIL Consolidated Profit and Loss Accounts / Retained Earnings Bangladesh Commerce Bank Limited (Note: 18) CBSIL Consolidated Profit and Loss Accounts / Retained Earnings Bangladesh Commerce Bank Limited (Note: 18) CBSIL Contingent Liabilities and Other Commitments Acceptances and Endorsements Letter of Guarantees (Note: 19.01) Irrevocable Letter of Credit Bills for Collection Other contingent liability (Note: 19.02) Irrevocable Letter of Credit Bills for Collection Other contingent liability (Note: 19.02) Intervocable Letter of Guarantees Money for which the Bank is contingently liable in respect of guarantee issued favoring Directors Government Bank and Other Financial Institution Others Commitments Less than 1 Year East than 1 Year 4,489,600 620,926,132 Less than 1 Year East than 1 Year A4,889,600 620,926,132 Less than 1 Year East day 20,366 8,920,366 156,4107,162 163,704,47,731 186,327,51 186,327,51 186,327,51 186,327,51 186,327,51 186,327,51 186,327,51 186,327,51 186,327,5			8,920,366	8,920,366
16(a) Consolidated Other Reserve Bangladesh Commerce Bank Limited CBSIL S.920,366			-	-
16(a) Consolidated Other Reserve Bangladesh Commerce Bank Limited CBSIL 8,920,366 8,920,368 8,920,368 8,920,368		Less: Adjustment during the year		
Bangladesh Commerce Bank Limited CESIL 8,920,366 116,000 116,0	16(a)	Consolidated Other Reserve	8,920,366	8,920,366
CBSIL	TO(a)		8,920,366	8,920,366
176 Revaluation Reserve for HTM Securities 186,327,551 156,205,739 30,121,812 2 2 2 2 2 2 2 2 2		5	-	_
Opening Balance			8,920,366	8,920,366
Add : Transferred during the year Less: Adjustment during the year Less: Adjustment during the year 17(a) Consolidated Revaluation Reserve for HTM Securities Bangladesh Commerce Bank Limited CBSIL 163,704,467 186,327,551 18 Profit and Loss Accounts / Retained Earnings Opening Balance Profit/ (Loss) for the year as per Profit and Loss accounts Bangladesh Commerce Bank Limited Oconsolidated Profit and Loss Accounts / Retained Earnings Bangladesh Commerce Bank Limited (Note: 18) Bangladesh Commerce Bank Limited (Note: 19.01) Irrevocable Letter of Credit Bills for Collection Other contingent liability (Note: 19.02) Directors Government Bank and Other Financial Institution Others Commitments Commitments Less than 1 Year Equal to or more than 1 year Adays of A489,600 G20,926,132 Less than 1 Year Equal to or more than 1 year A1,489,600 B4,489,600 B4,489,600 B4,489,600 B4,489,600 B4,489,600 B6,20,926,132 B1,028,651,913 B1,028,6	17			
Less: Adjustment during the year 64,107,162 163,704,467 186,327,551 17(a) Consolidated Revaluation Reserve for HTM Securities Bangladesh Commerce Bank Limited CBSIL 163,704,467 186,327,551 112,492,576 12,4				1 1
17(a) Consolidated Revaluation Reserve for HTM Securities Bangladesh Commerce Bank Limited CBSIL 163,704,467 186,327,551 186,327,551 186,327,551 186,327,551 186,327,551 186,327,551 187,704,467 186,327,551 186,327,551 186,327,551 186,327,551 187,704,467 186,327,551 186,327,556 186,327,556 186,327,556 186,327,556 186,327,556 186,327,556 186,327,556 186,327,556 186,327,556 186,327,556 186,327,551 186,327,556 186,327,556 186,327,556 186,327,556 186,327,556 186,327,556 186,327,557 186,327,557 186,327,557 186,327,557 186,327,557 186,327,557 186,327,557 186,327		3 ,		30,121,812
17(a) Consolidated Revaluation Reserve for HTM Securities Bangladesh Commerce Bank Limited CBSIL		Less. Adjustment during the year		186,327,551
CBSIL 163,704,467 186,327,551 112,492,576 (2,231,263,244) (2,231	17(a)	Consolidated Revaluation Reserve for HTM Securities		
18		=	163,704,467 <u>-</u>	186,327,551
Opening Balance Prior year's Adjustment Profit/ (Loss) for the year as per Profit and Loss accounts Consolidated Profit and Loss Accounts / Retained Earnings Bangladesh Commerce Bank Limited (Note: 18) CBSIL (3,408,747,594) CBSIL (3,408,747,594) Etter of Guarantees Bills for Collection Other contingent liability (Note: 19.01) Other contingent liability (Note: 19.02) Directors Government Bank and Other Financial Institution Others Commitments Less than 1 Year Equal to or more than 1 year 112,492,576 (1,289,976,926) (1,289,976,926) (1,289,976,926) (1,289,976,926) (2,2118,770,669) (2,118,770,669) (2,118,770,669) (2,118,770,669) (2,118,770,669) (2,118,770,669) (2,118,770,669) (2,118,770,669) (2,118,770,669) (2,118,770,669) (2,118,770,669) (2,118,770,669) (2,118,770,669) (2,118,770,669) (2,118,770,669) (77,901,978 (2,040,868,691) (2,118,770,669) (2,118,770,669) (77,901,978 (2,040,868,691) (2,118,770,669) (2,118,770,669) (77,901,978 (2,040,868,691) (2,118,770,669) (2,118,770,669) (7,901,978 (2,040,868,691) (2,040,868,691)			163,704,467	186,327,551
Prior year's Adjustment Profit/ (Loss) for the year as per Profit and Loss accounts Consolidated Profit and Loss Accounts / Retained Earnings Bangladesh Commerce Bank Limited (Note: 18) CBSIL (3,408,747,594) CBSIL (3,408,747,594) COntingent Liabilities and Other Commitments Acceptances and Endorsements Letter of Guarantees (Note: 19.01) Irrevocable Letter of Credit 1,025,805,388 Bills for Collection Other contingent liability (Note: 19.02) Other contingent liability (Note: 19.02) Directors Government Bank and Other Financial Institution Others Commitments Less than 1 Year Equal to or more than 1 year Prior year's Adjustment (1,289,976,926) (2,231,263,244) (2,118,770,669) (2,2118,770,669) (2,18,770,669) (2,1	18			
Profit/ (Loss) for the year as per Profit and Loss accounts Consolidated Profit and Loss Accounts / Retained Earnings Bangladesh Commerce Bank Limited (Note: 18) CBSIL (3,408,747,594) (2,118,770,669) 19 Contingent Liabilities and Other Commitments Acceptances and Endorsements Letter of Guarantees (Note: 19.01) 4,489,600 Irrevocable Letter of Credit 1,025,805,388 Bills for Collection 2,933,190,377 Other contingent liability (Note: 19.02) 113,791,800 Directors Government Bank and Other Financial Institution Others Commitments Less than 1 Year Equal to or more than 1 year Profit/ (Loss) for the year as per Profit and Loss accounts (3,408,747,594) (2,118,770,669) (2,2118,770,669) (2,18,70,669) (2,18,70,69) (2,118,770,669) (2,118,770,669) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,70,69) (2,18,			(2,118,770,669)	112,492,576
18(a) Consolidated Profit and Loss Accounts / Retained Earnings Bangladesh Commerce Bank Limited (Note: 18) (3,408,747,594) (2,118,770,669) 77,901,978 (2,040,868,691) (2,040,			(1 289 976 926)	(2 231 263 244)
18(a) Consolidated Profit and Loss Accounts / Retained Earnings Bangladesh Commerce Bank Limited (Note: 18) (3,408,747,594) 101,445,623 77,901,978 (2,040,868,691) (2,040,86,691) (2,040,868,691) (2,040,868,691) (2,040,868,691) (2,040,868,691) (2,040,868,691) (2,040,868,691) (2,040,868,6		Tront, (2033) for the year as per Front and 2033 accounts		
CBSIL 101,445,623 (3,307,301,971) (2,040,868,691) 19	18(a)	Consolidated Profit and Loss Accounts / Retained Earnings		
19 Contingent Liabilities and Other Commitments Acceptances and Endorsements Acceptances and Endorsements Letter of Guarantees (Note: 19.01) 4,489,600 620,926,132 1,025,805,388 1,028,651,913 2,973,696,790 2,972,696,790 113,791,800 113,791,8		· ·		
Contingent Liabilities and Other Commitments Acceptances and Endorsements Acceptances and Endorsements Letter of Guarantees (Note: 19.01) 4,489,600 620,926,132 1,025,805,388 1,028,651,913 2,933,190,377 2,972,696,790 113,791,800 4,412,474,731 5,507,075,435		CBSIL		
Acceptances and Endorsements Letter of Guarantees (Note: 19.01) Irrevocable Letter of Credit Bills for Collection Other contingent liability (Note: 19.02) 19.1 Letter of Guarantees Money for which the Bank is contingently liable in respect of guarantee issued favoring Directors Government Bank and Other Financial Institution Others Commitments Less than 1 Year Equal to or more than 1 year A,489,600 135,197,566 4,489,600 1,025,805,388 2,933,190,377 2,972,696,790 113,791,800 4,412,474,731 5,507,075,435 771,008,799 620,926,132 1,028,651,913 2,972,696,790 113,791,800 113,791	10	Contingent Liabilities and Other Commitments	(3,307,301,971)	(2,040,868,691)
Letter of Guarantees (Note: 19.01) 4,489,600 1,025,805,388 1,028,651,913 1,028,651,913 2,972,696,790 2,973,190,377 2,972,696,790 113,791,800 2,933,190,377 2,972,696,790 113,791,800 2,933,190,377 2,972,696,790 113,791,800 2,933,190,377 2,972,696,790 113,791,800 2,933,190,377 2,972,696,790 113,791,800 2,933,190,377 2,972,696,790 113,791,800 2,933,190,377 2,972,696,790 113,791,800 2,933,190,377 2,972,696,790 113,791,800 2,972,696,790 2,972,6	19	=	335.197.566	771.008.799
Bills for Collection Other contingent liability (Note: 19.02) 113,791,800 4,412,474,731 19.1 Letter of Guarantees Money for which the Bank is contingently liable in respect of guarantee issued favoring Directors Government Bank and Other Financial Institution Others Commitments Less than 1 Year Equal to or more than 1 year 2,972,696,790 113,791,800 4,412,474,731 5,507,075,435 5,507,075,435 5,507,075,435 5,507,075,435 5,507,075,435 6,00,707 84,489,600 4,489,600 620,926,132 620,926,132		·		
Other contingent liability (Note: 19.02) 113,791,800 4,412,474,731 5,507,075,435 19.1 Letter of Guarantees Money for which the Bank is contingently liable in respect of guarantee issued favoring Directors Government Bank and Other Financial Institution Others Commitments Less than 1 Year Equal to or more than 1 year		Irrevocable Letter of Credit	1,025,805,388	1,028,651,913
19.1 Letter of Guarantees Money for which the Bank is contingently liable in respect of guarantee issued favoring Directors Government Bank and Other Financial Institution Others Commitments Less than 1 Year Equal to or more than 1 year 5,507,075,435 4,412,474,731 5,507,075,435 5,507,075,435 5,507,075,435 5,507,075,435				I I
19.1 Letter of Guarantees Money for which the Bank is contingently liable in respect of guarantee issued favoring Directors Government Bank and Other Financial Institution Others Commitments Less than 1 Year Equal to or more than 1 year		Other contingent liability (Note: 19.02)		
Money for which the Bank is contingently liable in respect of guarantee issued favoring Directors Government Bank and Other Financial Institution Others Commitments Less than 1 Year Equal to or more than 1 year	10.1	Letter of Guarantees	4,412,474,731	5,507,075,435
Government - 536,160,707 Bank and Other Financial Institution - 4,489,600 Others 4,489,600 Commitments Less than 1 Year Equal to or more than 1 year 536,160,707 84,765,426 4,489,600 620,926,132 620,926,132	13.1	Money for which the Bank is contingently liable in respect of guarantee issued favoring		
Bank and Other Financial Institution Others 4,489,600 4,489,600 4,489,600 620,926,132 Commitments Less than 1 Year Equal to or more than 1 year - - - - - - - - - - - - -			-	F26 160 707
Others 4,489,600 84,765,426 4,489,600 620,926,132 Less than 1 Year 4,489,600 620,926,132 Equal to or more than 1 year - -			_	330,100,707
Commitments 4,489,600 620,926,132 Less than 1 Year 4,489,600 620,926,132 Equal to or more than 1 year - -			4,489,600	84,765,426
Less than 1 Year 4,489,600 620,926,132 Equal to or more than 1 year -				
Equal to or more than 1 year				
			4,489,600	620,926,132
1,100,000		Equal to or more than Tyear	4,489,600	620,926,132

19.2	Other Contingent Liabilities	31.12.2019 Taka	31.12.2018 Taka
	Companies Liabilities for L/G	9,443,000	9,443,000
	Companies Liabilities for L/C	3,732,320	3,732,320
	Bills for Collection	6,000	6,000
	Tax liability	100,610,480	100,610,480
	,	113,791,800	113,791,800

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			
20	Interest received from Loans and Advances		1,653,695,249	1,839,549,340
	Interest received from Banks & Other financial I	nstitutions	676,185,011	669,713,937
	interest received from banks & other infancial i	Histitutions	2,329,880,260	2,509,263,277
20 (a)	Consolidated interest Income			
_ 0 (u)	Bangladesh Commerce Bank Limited	(Note: 20)	2,329,880,260	2,509,263,277
	CBSIL	(11010.20)	23,274,020	26,360,988
	CDSIL		2,353,154,280	2,535,624,265
	Less: Inter Company Transaction		_,	_,ccc,c_
			2,353,154,280	2,535,624,265
21	Interest Paid on Deposits		_,,	
	Interest Paid on Deposits		2,072,682,791	1,751,639,715
	Interest Paid on Borrowing		14,053,160	20,676,345
	Interest Paid on Foreign Bank Accounts		-	
	Discount Paid		-	_
			2,086,735,951	1,772,316,060
21(a)	Consolidated interest Paid on Deposits			
	Bangladesh Commerce Bank Limited	(Note: 21)	2,086,735,951	1,772,316,060
	CBSIL		-	-
			2,086,735,951	1,772,316,060
	Less: Inter Company Transaction		_	_
			2,086,735,951	1,772,316,060
22	Income from Investment		2,086,735,951	1,772,316,060
22			2,086,735,951 255,589,616	1,772,316,060 205,404,113
22	Income from Investment			
22	Income from Investment Treasury Bill/Bond		255,589,616	205,404,113
22	Income from Investment Treasury Bill/Bond Capital Gain		255,589,616 66,390,205	205,404,113 53,059,969
22	Income from Investment Treasury Bill/Bond Capital Gain Dividend on Share		255,589,616 66,390,205 8,248,993	205,404,113 53,059,969 27,716,247
22 22(a)	Income from Investment Treasury Bill/Bond Capital Gain Dividend on Share		255,589,616 66,390,205 8,248,993 10,458,000	205,404,113 53,059,969 27,716,247 15,992,778
	Income from Investment Treasury Bill/Bond Capital Gain Dividend on Share Corporate Bond	(Note: 22)	255,589,616 66,390,205 8,248,993 10,458,000	205,404,113 53,059,969 27,716,247 15,992,778
	Income from Investment Treasury Bill/Bond Capital Gain Dividend on Share Corporate Bond Consolidated Income from Investment	(Note: 22)	255,589,616 66,390,205 8,248,993 10,458,000 340,686,814	205,404,113 53,059,969 27,716,247 15,992,778 302,173,107
	Income from Investment Treasury Bill/Bond Capital Gain Dividend on Share Corporate Bond Consolidated Income from Investment Bangladesh Commerce Bank Limited CBSIL	(Note: 22)	255,589,616 66,390,205 8,248,993 10,458,000 340,686,814	205,404,113 53,059,969 27,716,247 15,992,778 302,173,107
	Income from Investment Treasury Bill/Bond Capital Gain Dividend on Share Corporate Bond Consolidated Income from Investment Bangladesh Commerce Bank Limited	(Note: 22)	255,589,616 66,390,205 8,248,993 10,458,000 340,686,814 340,686,814 7,755,138 348,441,952	205,404,113 53,059,969 27,716,247 15,992,778 302,173,107 302,173,107 45,771,928 347,945,035
22(a)	Income from Investment Treasury Bill/Bond Capital Gain Dividend on Share Corporate Bond Consolidated Income from Investment Bangladesh Commerce Bank Limited CBSIL	(Note: 22)	255,589,616 66,390,205 8,248,993 10,458,000 340,686,814 340,686,814 7,755,138	205,404,113 53,059,969 27,716,247 15,992,778 302,173,107 302,173,107 45,771,928
22(a)	Income from Investment Treasury Bill/Bond Capital Gain Dividend on Share Corporate Bond Consolidated Income from Investment Bangladesh Commerce Bank Limited CBSIL Exchange, Commission and Brokerage	(Note: 22)	255,589,616 66,390,205 8,248,993 10,458,000 340,686,814 340,686,814 7,755,138 348,441,952	205,404,113 53,059,969 27,716,247 15,992,778 302,173,107 302,173,107 45,771,928 347,945,035
22(a)	Income from Investment Treasury Bill/Bond Capital Gain Dividend on Share Corporate Bond Consolidated Income from Investment Bangladesh Commerce Bank Limited CBSIL Exchange, Commission and Brokerage Commission	(Note: 22)	255,589,616 66,390,205 8,248,993 10,458,000 340,686,814 340,686,814 7,755,138 348,441,952 85,635,331	205,404,113 53,059,969 27,716,247 15,992,778 302,173,107 302,173,107 45,771,928 347,945,035
22(a)	Income from Investment Treasury Bill/Bond Capital Gain Dividend on Share Corporate Bond Consolidated Income from Investment Bangladesh Commerce Bank Limited CBSIL Exchange, Commission and Brokerage Commission Exchange Earnings Brokerage		255,589,616 66,390,205 8,248,993 10,458,000 340,686,814 340,686,814 7,755,138 348,441,952 85,635,331	205,404,113 53,059,969 27,716,247 15,992,778 302,173,107 302,173,107 45,771,928 347,945,035
22(a)	Income from Investment Treasury Bill/Bond Capital Gain Dividend on Share Corporate Bond Consolidated Income from Investment Bangladesh Commerce Bank Limited CBSIL Exchange, Commission and Brokerage Commission Exchange Earnings Brokerage Consolidated Exchange, Commission and Br		255,589,616 66,390,205 8,248,993 10,458,000 340,686,814 7,755,138 348,441,952 85,635,331 39,067,684 - 124,703,014	205,404,113 53,059,969 27,716,247 15,992,778 302,173,107 45,771,928 347,945,035 110,720,252 46,818,315 - 157,538,567
22(a) 23	Income from Investment Treasury Bill/Bond Capital Gain Dividend on Share Corporate Bond Consolidated Income from Investment Bangladesh Commerce Bank Limited CBSIL Exchange, Commission and Brokerage Commission Exchange Earnings Brokerage Consolidated Exchange, Commission and Br Bangladesh Commerce Bank Limited		255,589,616 66,390,205 8,248,993 10,458,000 340,686,814 7,755,138 348,441,952 85,635,331 39,067,684 - 124,703,014	205,404,113 53,059,969 27,716,247 15,992,778 302,173,107 45,771,928 347,945,035 110,720,252 46,818,315 - 157,538,567
22(a) 23	Income from Investment Treasury Bill/Bond Capital Gain Dividend on Share Corporate Bond Consolidated Income from Investment Bangladesh Commerce Bank Limited CBSIL Exchange, Commission and Brokerage Commission Exchange Earnings Brokerage Consolidated Exchange, Commission and Br	okerage	255,589,616 66,390,205 8,248,993 10,458,000 340,686,814 7,755,138 348,441,952 85,635,331 39,067,684 - 124,703,014	205,404,113 53,059,969 27,716,247 15,992,778 302,173,107 45,771,928 347,945,035 110,720,252 46,818,315 - 157,538,567

24	Other Operating Income		31.12.2019 Taka	31.12.2018 Taka
27	Rent on Locker		189,500	161,000
	Other Receipts	(Note: 24.1)	50,044,279	70,442,424
		,	50,233,779	70,603,424
24.1	Other Receipts			
	Maintenance Charge		41,286,270	56,082,023
	Appraisal Fee		4,168,549	5,953,668
	Postage		1,248,498	1,917,247
	Telex, Telephone & Telegram Recoveries		3,340,963	6,489,487
()			50,044,279	70,442,424
24(a)	Consolidated Other Operating Income	(1)	50 000 770	70.602.42.4
	Bangladesh Commerce Bank Limited	(Note: 24)	50,233,779	70,603,424
	CBSIL		283,860	70.602.424
25	Calamy and Allowanese		50,517,639	70,603,424
25	Salary and Allowances Basic Salary		405,689,010	339,551,295
	Allowances		344,891,267	328,787,358
	Gratuity		116,979,736	384,858,238
	Provident Fund		31,897,292	30,291,414
	Bonus		64,881,779	62,865,639
	Donas		964,339,084	1,146,353,944
25(a)	Consolidated Salary and Allowances		701,7557,001	
(,	Bangladesh Commerce Bank Limited	(Note: 25)	964,339,084	1,146,353,944
	CBSIL	,	51,811,233	45,025,396
			1,016,150,316	1,191,379,340
26	Rent, Taxes, Insurance, Electricity, etc.			
	Rent		114,953,318	92,413,304
	Rates and Taxes		4,684,307	12,573,812
	Insurance		23,478,124	19,669,976
	Car Insurance, Tax		5,405,448	3,281,416
	Electricity/Gas/Water Bill		24,751,080	21,412,923
26()			173,272,277	149,351,431
26(a)	Consolidated Rent, Taxes, Insurance, Electricity		172 272 277	140 251 421
	Bangladesh Commerce Bank Limited CBSIL	(Note: 26)	173,272,277	149,351,431
	CBSIL		10,203,87	9,477,501
27	Postage, Telegram, Telephone		183,476,152	158,828,932
2,	Telephone		4,097,065	3,833,932
	Postage, Telegram & Connectivity		22,711,049	25,358,182
	· ostage, · cleg.am a connectivity		26,808,114	29,192,114
27(a)	Consolidated Postage, Telegram, Telephone			
	Bangladesh Commerce Bank Limited	(Note: 27)	26,808,114	29,192,114
	CBSIL		636,293	655,705
			27,444,407	29,847,819
28	Stationery, Printing & Advertisement			
	Printing Stationery		5,126,208	6,295,265
	Other Stationery		6,734,608	6,203,509
	Security Stationery		130,740	1,876,573
	Publicity and Advertisement		1,560,637	2,946,442
: :			13,552,193	17,321,790
28(a)	Consolidated Stationery, Printing & Advertisen		12.552.102	17.001.700
	Bangladesh Commerce Bank Limited	(Note: 28)	13,552,193	17,321,790
	CBSIL		1,193,303	1,233,768
			14,745,496	18,555,558

29	Managing Director's salary and allowances		31.12.2019 Taka	31.12.2018 Taka
23	Basic Salary		4,800,000	4,450,467
	House Maintenance / Furnishing		2,399,999	1,976,200
	Festival Bonus		-,,	1,108,000
	Other Allowances		-	_
			7,199,999	7,534,667
30	Directors' fees & honorium			
	Directors' fees & honorium Other financial benefits		1,546,000	1,546,300 -
			1,546,000	1,546,300
30(a)	Consolidated Directors' fees & honorium			
	Bangladesh Commerce Bank Limited	(Note: 30)	1,546,000	1,546,300
	CBSIL		587,600	883,200
31	Depreciation and Repair of Fixed Assets		2,133,600	2,429,500
31	Depreciation of Fixed Assets		72,428,977	34,988,492
	Repairs and Maintenance		22,178,785	5,482,810
	nepans and maintenance		94,607,762	40,471,302
31(a)	Consolidated Depreciation and Repair of Fixe	d Assets	. ,-	
	Bangladesh Commerce Bank Limited	(Note: 31)	94,607,762	40,471,302
	CBSIL		1,973,724	2,931,068
			96,581,486	43,402,370
32	Other Expenditure			
	Business Development		761,916	819,913.87
	Conveyance		5,631,494	3,044,297.68
	Maintenance Charge		5,529,047	6,101,911.94
	Computer Photocopy Paper		2,078,397	498,644.00
	BB Clearing Charge Evaluation Fee		667,972 4,881,518	285,381.00 1,950,073.00
	Vat on other Expense		388,093	1,930,073.00
	Tax on other Expense		72,120	504,934.93
	Photocopy & Photograph		707,485	1,515,298.87
	Entertainment		8,421,239	7,073,628
	Excise Duty		1,546,150	1,698,950
	Exchange Loss		7,714,398	4,764,150
	Fuel & Lubricants of Car		3,217,624	4,484,570
	Honorarium		1,197,135	496,750
	Laundry		803,025	621,238
	Internet Bill		199,258	180,684
	Loss on Revaluation on Investment		27,039,185	62,069,049
	Loss on Sale of Share		1,790,780	11,611,295
	Medical charge		745	9,895
	Mise Expense SWIFT Charges		697,965	502,086 3,039,095
	Training		2,131,774	1,117,589
	Donation/CSR		8,292,871	4,140,217
	Travelling & Daily Allowances		5,922,714	6,024,786
	Uniform		827,952	706,131
	Software & Harware Maintenance		9,581,759	396,820
	Bank Charge		1,305,299	1,548,211
	Service Charge On Elit Force		-	32,879,805
			101,407,914	158,085,406
32(a)	Consolidated Other Expenditure	(h	400 100 111	452.22
	Bangladesh Commerce Bank Limited	(Note: 31)	101,407,914	158,085,406
	CBSIL		19,272,402	25,755,146
			120,680,316	183,840,552

33 Closing Cash and Cash Equivalent

Cash in hand (including foreign currencies)
Balance with Bangladesh Bank & Sonali Bank (Including foreign currencies)
Balance with Other Bank & Financial Institutions
Money at Call and short notice
Investment Government

31.12.2019 Taka

454,655,515 1,773,782,287 7,097,019,774 29,300,000 3,589,011,618

31.12.2018 400,624,010 1,978,893,720 6,680,103,615 29,300,000 3,154,746,348

12,243,667,693

12,943,769,194

Note: On 30 January 2020, the World Health Organization declared the outbreak of a novel corona virus (COVID-19) as a pandemic, which continues to spread worldwide. In response to the outbreak, the Government of Bangladesh declared general holiday from 26 March 2020. Consideration of this matter and economic situation some of Balance with Other Bank & Financial Institutions (Fixed Deposit) is under consideration and consider active steps for improvement in the next financial year. On the other hand, amount shown in the Money at Call and short notice and some amount(nostro account) in Cash in hand will be regularised as soon as possible by active measurement.

34 Earnings Per Share (EPS)

	3		
	Net Profit after Tax	(1,289,976,926)	(2,231,263,244)
	Number of Ordinary Share	19,887,428	19,887,428
	Earnings Per Share	(64.86)	(112.19)
34(a)	Consolidated Faunings Day Shaya (FDS)		
34(a)	Consolidated Earnings Per Share (EPS)		
	Net Profit after Tax	(1,266,433,281)	(2,209,233,091)
	Number of Ordinary Share	19,887,428	19,887,428
	Consolidated Earnings Per Share (EPS)	(63.68)	(111.09)
35	Net Asset Value Per Share (NAV)		
	a) Capital / Share holders' Equity for the year	(39,759,939)	1,272,840,069
	b) Number of Outstanding Share	19,887,428	19,887,428
	Net Asset Value Per Share (NAV) (a÷b)	(2.00)	64.00

Note: Capital / Share holders' equity for the year including Right Share Application Money Taka. 917,259,650.00

36 Net Operating Cash Flow Per Share

a) Net Cash flows from Operating Activities
 b) Number of Outstanding Share
 Net Operating Cash Flow Per Share (NAV)(a÷b)

(25.91)	(71.63)
19,887,428	19,887,428
(515,247,807)	(1,424,604,358)

37 Related Party Transactions

While making any related party transactions the management always pays proper attention to economic effeciency and competitive pricing and necessary approval from Bangladesh Bank and and other authorities had been obtained whenever applicable. Significant related party transations of the Bank for the peroid January to December 2019 are not exist.

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.

Fixed Assets including premises, furniture & Fixtures Schedule Bangladesh Commerce Bank Limited

As on December 31,2019

Particulars

(Amount in Taka)

Annexure-A

7,041,520 38,154,776 Written down 45,470,214 93,120,668 8,689,117 217,658,401 217,658,401 25,182,107 value as on 31.12.2018 12 Written down 39,836,979 310,989,021 11 (5 - 10) 50,743,058 29,808,018 87,102,589 49,898,950 310,989,021 53,599,427 value as at 31.12.2019 70,155,871 10 (7+8-9) 24,384,530 119,736,280 427,106,550 427,106,550 61,151,208 32,429,066 119,249,596 Total as at 31.12.2019 Charged upto | Charged during | Adjustment during the 6 Depreciation 11,713,816 5,783,109 21,106,485 12,529,731 82,016,701 21,322,383 9,561,177 82,016,701 the year œ 57,626,140 18,601,420 108,022,464 39,828,825 22,867,889 345,089,849 345,089,849 98,143,111 01.01.2019 Rate of Dep. 20% 10% 20% 20% 20% 30% 76,005,867 154,547,993 116,273,223 62,453,145 208,117,842 119,223,578 736,621,648 736,621,648 5 (2 + 3 - 4) 31.12.2019 Total as at Adjustment Sale / 4 Balance as at Addition during Cost 142,720,698 18,051,142 15,931,534 53,848,779 142,720,698 5,599,660 17,032,360 32,257,224 the year က 01.01.2019 57,954,725 192,186,308 593,900,950 148,948,333 99,240,863 65,374,800 593,900,950 30,195,921 7 Computer & Accessories Mechanical Appliances Furniture and Fixtures

Interior Decoration

Motor Vehicles

Software

Total (A+B+ C)

Sub Total (C)

As on 31 December 2018

(Amount in Taka)

											(, au)
		Cost			Rate		Depreciation	tion		Written down	Written down
Particulars	Balance as at	Addition during	Sale /	Total as at	of	Charged upto	Charged	Adjustment	Total as at	value as at	value as on
	01.01.2018	the year	adjustment	31.12.2018	Dep.	0.065717593	during the year	during the	31.12.2018	31.12.2018	31.12.2017
_	2	3	4	5 (2 + 3 - 4)	9	7	8	6	10 (7+8-9)	11 (5 - 10)	12
Furniture and Fixtures	40,187,470	17,767,254		57,954,725	10%	16,730,282	3,069,667		19,799,949	38,154,776	22,730,336
Mechanical Appliances	117,350,887	31,597,446		148,948,333	20%	97,235,917	6,242,203		103,478,120	45,470,214	23,165,265
Motor Vehicles	56,822,639	218,224		57,040,863	20%	24,280,280	7,578,476		31,858,756	25,182,107	26,180,800
Software	26,219,727	3,976,194		30,195,921	20%	19,211,706	3,942,695		23,154,401	7,041,520	10,984,406
Interior Decoration	137,932,456	54,253,852		192,186,308	20%	89,256,637	6,809,003		99,065,641	93,120,668	53,247,704
Computer & Accessories	63,526,600	1,848,200		65,374,800	30%	52,339,235	4,346,447		56,685,682	8,689,117	6,677,212
Sub Total (C)	442,039,779	109,661,171	•	551,700,950		299,054,057	34,988,492	•	334,042,549	217,658,401	142,985,721
Total (A+B+ C)	442,039,779	109,661,171		551,700,950		299,054,057	34,988,492	•	334,042,549	217,658,401	142,985,721

Bangladesh Commerce Bank Limited Details of large loan

As at December 31, 2019

Annexure-B

SL	Craum/ Client Name	Outstanding (Taka in crore)		
SL	Group/ Client Name	Funded	Non-Funded	Total
1	SB Exim Bangladesh	198.51		198.51
2	Jamuna Agro chemical	114.95		114.95
3	Nur-un-nobi & Allied Concern	104.15		104.15
4	Marrine Vegetable Oils Ltd	63.61		63.61
5	Dhaka Trading House	46.79		46.79
6	M/S.F.R.JUTE TRADING CO LTD	46.79		46.79
7	Suruj Miah Spenning Mils	40.73		40.73
8	M/S Sharmin Jute Balers,	40.60		40.60
9	Pran RFL Group	39.21		39.21
10	Smile Appareals Ltd.	8.60	23.47	32.07
11	M/S Islam Brothers	31.55	-	31.55
12	Abdul Monem Sugar Refinery Ltd.	31.46	-	31.46
13	DHARMAPUR CERAMIC INDUSTRIES LTD.	30.36		30.36
14	Lithun Febrics Ltd	26.78	-	26.78
15	BRAND MAKER PROPERTY MANAGEMENT LTD	26.63		26.63
16	M. N. AKTER & CO	24.51		24.51
17	Saif powertec Ltd.	23.65		23.65
18	Toy Woods (BD) Co. Ltd	20.57	2.94	23.51
19	Bashundhara Group	23.16		23.16
20	Somerset Properties Ltd	22.40		22.40
21	Faith Group	14.97		14.97
	Total	979.98	26.41	1,006.39

Bangladesh Commerce Bank Limited Highlights of the Overall Activities of the Bank

Annexure-C

(Amount in Taka)

SI#	Particulars	2019	2018
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)	(5,908,355,351)	(2,559,489,041)
04	Surplus/(Deficit) Capital	(10,908,355,351)	(6,559,489,041)
05	Total Assets	39,550,371,620	38,028,310,885
06	Total Deposits	34,038,702,544	31,632,895,296
07	Total Loans and Advances	22,475,699,119	22,148,122,999
08	Total Contingent Liabilities and Commitments	4,412,474,731	5,507,075,435
09	Advances Deposits Ratio(%)	66.03	70.02
10	Classified Loans to Advance Ratio(%)	50.39	38.75
11	Profit After Tax and Provision	(1,289,976,926)	(2,231,263,244)
12	Classified Advance	11,325,362,993	8,582,841,180
13	Provision kept against Classified Advance	2,998,684,851	2,498,684,851
14	Surplus/(Deficit) Provision	(5,827,056,174)	(5,702,827,420)
15	Cost of Fund (%)	11.05	9.85
16	Interest Earning Assets	11,150,336,126	13,565,281,819
17	Non Interest Earning Assets	22,873,516,835	19,490,979,163
18	Return on Investment (ROI)%	6.16	6.08
19	Return on Assets (ROA)%	(3.26)	(5.87)
20	Income from Investment	340,686,814	302,173,107
21	Earnings Per Share (EPS)	(64.86)	(112.19)
22	Profit Per Share	(64.86)	(112.19)
23	Price - Earnings Ratio (Times)	(1.54)	(0.89)

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

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

Annexure-D

As on December 31, 2019

Particulars	Amount (Tk.)
A. Regulatory Capital:	
1. Common Equity Tier-1 Capital (CET-1)	(6,052,288,090)
2. Additional Tier-1 Capital (AT-1)	-
3. Tier-2 Capital	143,932,739.00
4. Total Regulatory Capital (1+2+3)	(5,908,355,351)
B. Total Risk Weighted Assets (RWA):	41,489,211,684
C. Capital to Risk weighted assets ratio (CRAR) (A4/B)*100	-14.24%
D. Core Capital to RWA (A1/B)*100	-14.59%
E. Supplementary Capital to RWA (A2/B)*100	0.35%
F. Minimum Capital Requirement (MCR)	5,000,000,000

Risk Weighted Assets (RWA) As on 31 December 2019

SI# Particulars	Amount (Tk.)
A. Credit Risk:	37,508,848,610
On-Balance sheet	31,993,255,197
Off- Balance sheet	5,515,593,413
B. Market Risk	1,186,176,578
C. Operational Risk	2,794,186,496
Total: Risk Weighted Assets (RWA) (A+B+C)	41,489,211,684

Bangladesh Commerce Bank Limited Investment In Shares

As at December 31,2019

Annexure-E

(Amount In Taka)

Particulars			_			(Allibuilt III Taka)
AIL* 294.250 Bel 4.31 A24.83,897 Bel 5050 Bel 1199,2695 CENTRALPH; Bel 5050 Bel 200 Bel 4.28 Bel 274.769 Bel 1.549,460 CENTRALPH; Bel 5050 Bel 200 Be	Particulars		_	Total Cost		
BARKAROWER						
CENTRALPHL* 1.198.6697 1.556.66						
CITYGENINS*						
COPPERTECH*						
DELTAILF: 21,900 199.38						
DESICO						
DSSL'						
ESQUIRENIT						
GENERLL* 392 8.70 3.409 26.421 23.011 GLOBALINS* 150,000 42.07 5.611,026 3.240,000 (371,026) IHTEK* 35,000 47.95 1.678,299 1.316,000 (362,290) IEMSINA* 4000 128.833 1.135,305 6.885,000 (245,705) IEMSINA* 4000 128.833 1.135,305 6.885,000 (245,705) IEMSINA* 509,444 23.91 1.35,305 6.885,000 (245,705) SMALTO* 509,444 23.91 1.35,305 6.885,000 (1.176,006) KDSALTO* 509,407 1.32 1.32 1.00 1.30,40136 1.873,300 (2.10,1375) MRASONSPIN* 231,863 50.48 11,703,583 1.020,197 500 (2.01,3375) MRASONSPIN* 48,072 54.15 2.603,214 1.124,885 (1.478,330) MRASONSPIN* 48,072 54.15 2.603,214 1.124,885 (1.478,330) MRETROLEIM 84,700 285,363 2.23,963,77 1.38,73,880 (3.432,714) METROLEIM 84,700 285,363 2.23,963,77 1.38,73,880 (3.432,714) NEVILNE* 4.282 9.95 4.472,7392 2.63,714 2.33,280 (3.432,714) NEVILNE* 4.282 9.95 4.40,23 6.33,74 2.33,14 (3.23,351) NEVILNE* 4.282 9.95 5.40,23 4.41,27 3.92 2.63,714 2.380,230 1.280,279 1.280,270 1.280,270			45.00			
GLOBALINS* 150,000	FORTUNE*	57,500	35.80	2,058,603	1,322,500	(736,103)
HRTEK' 35.000						
IBNSINA"						
IFIC*						
ILFSL*						
JAMUMAOIL*		,				
KDSALTO*						
MARSONSPIN"						
MRACLEIND*						
MONNOCERA*						
NBL* 196426 24.12 4.737.392 2.367.112 (2.360.280) NEWLINE* 4.282 9.35 40.023 63.374 23.351 NEWLINE* 4.282 9.35 40.023 63.374 23.351 NEWLINE* 4.282 9.35 40.023 63.374 23.351 NEWLINE* 8.0000 58.53 2.341.273 1.076.000 (1.265.273) PADMAOIL* 9.30.000 339.12 10.173.456 5.766.000 (4.407.456) PRIMELIFE* 6.24.324 33.39 21.221.027 12.174.318 (9.046.709) PRIMELIFE* 6.7.004 71.24 4.773.596 3.363.601 (1.409.995) PRIMELIFE* 6.7.004 71.24 4.773.596 3.363.601 (1.409.995) PRIMELIFE* 170.200 69.31 11.977.065 3.999.700 (7.797.365) REGENTTEX* 187.425 28.82 5.401.787 1.724.310 (3.677.477) RSYMSTEEL* 170.200 69.31 11.977.065 3.999.700 (7.797.365) RUNNERAUTO 18.066 84.83 1.532.612 1.074.927 (457.685) RUNNERAUTO 18.066 84.83 1.532.612 1.074.927 (457.685) RUPALIBANK* 753.968 45.65 34.417.222 2.295.719 (1.421.603) RUPALIBANK* 140.000 21.92 3.068.387 2.386.000 (170.387) RUPALIBANK* 140.000 66.3 3.375.754 2.386.000 (170.387) RUPALIBANC* 15.016 3.375.7544 10.546.98 (1.421.603) REPEARLY* 15.016 3.375.7544 10.546.98 (1.421.603) REPEARLY* 15.016 3.375.7544 10.546.98 (1.421.603) REPEARLY* 15.016 3.375.7544 10.546.98 (1.69.353) REPEARLY* 15.017 3.386.98 (1.69.353) REPEARLY* 15.018 3.386.98 (1.69.353) REPEARLY* 16.018 3.386.98 (1.69.353) REPEARLY* 17.018 3.386.98 (1.69.353) REPEARLY* 18.018 3.386.98 (1.69.353) REPEARLY* 19.018 3.386.98 (1.69.353)						
NCCEANK*	MPETROLEUM					
NEWLINE*						
ORIONPHARM*						
PADMAOIL*						
PENINSULA*						
PRIMELIFE*						
PROVATIINS'						
REGENTIEX* 187.425 28.82 5.401.787 1.724.310 (3.677.477) RSRMSTEL* 170.200 69.31 11.797.065 3.999.700 (7.797.365) RUNNERAUTO 18.066 84.83 1.532.612 1.074.927 (457.685) RUNNERAUTO 818.066 84.83 1.532.612 1.074.927 (457.685) RUPALIBANK* 753.958 45.65 34,417.222 2.995.719 (11.421.503) RUPALIBANK* 140.000 21.92 3.068.387 2.898.000 (170.3877) RUPALIBAR* 140.000 66.16 3.775.731 2.366.400 (809.331) SAMORITA* 164.837 73.59 11.298.094 10.549.668 (15.485.265) SEAPEARIL* 3.916 26.37 103.264 161.731 58.467 SEMILECMF* 50,000 8.62 430.860 295.000 (135.860) SILCOPHL* 4.376 20.30 88.851 132.593 43.742 SILVAPHL* 4.826 30.24 145.917 81.077 (64.841) SOUTHEASTB* 570.416 24.59 14.024.295 7.643.574 (63.80.721) STANDBANKL* 336.827 14.29 4.813.021 2.997.760 (18.15.631) TITASGAS* 10.000 87.99 878.921 309.000 (569.921) UCB* 14.3451 40.26 5.775.543 1.907.898 (3.867.644) UNIQUEHRL* 200.000 114.98 22.996.000 8.780.000 (14.216.000) ACIFORMULA 30.000 220.99 6.629.757 2.751.000 (3.878.757) DANTEL 18.968 30.00 180.95 1.447.627 987.200 (460.427) APEXTANDRY 20.000 144.69 2.973.762 2.336.000 (637.752) DEXILOR 374.370 24.99 9.316.890 5.989.920 (3.326.970) APEXTANDRY 20.000 14.869 2.973.762 2.336.000 (637.752) DEXILOR 374.370 24.99 9.316.890 5.989.920 (3.326.970) APEXTANDRY 20.000 14.869 2.973.762 2.336.000 (637.762) DEVILDING 374.370 24.99 9.316.890 5.989.920 (3.326.970) APEXTANDRY 20.000 14.869 2.973.762 2.336.000 (637.762) DEVILDING 374.370 24.99 9.316.890 5.989.920 (3.326.970) APEXTANDRY 20.000 14.869 2.973.762 2.336.000 (637.762) DEVILDING 374.370 24.99 9.316.890 5.989.920 (3.326.970) APEXTANDRY 20.000 14.869 2.973.762 2.336.000 (637.762) DEVILDING 374.370 24.99 9.316.890 5.989.920 (3.326.970) APEXTANDRY 20.000 14.869 2.973.762 2.336.000 (637.762) DEVILDING 374.370 24.99 9.316.890 5.989.920 (3.326.970) BEXIMCO 888.200 88.200 88.955 7.750.41 1.156.000 (49.621) FUWANGER 605.000 19.60 11.256.000 3.11.556.000 3.000.390.000 (75.661) APEXTANDRY 20.000 11.856 11.856.800 3.000.839 (1.226.340) APEXTOD 375.800 3.300.839 (1.226.340) APEXTOD 375.800 3.300						
RSRMSTEEL* 170.200 69.31 11.797.065 3.999.700 (7.797.365) RUNNERAUTO 18.066 84.83 1.532.612 1.074.927 (457.685) RUPALIBANK* 753.958 45.65 34.417.222 22.995.719 (11.421.503) RUPALIBIS* 140.000 21.92 3.068.367 2.898.000 (170.387) RUPALILIFE* 48.000 66.16 3.757.571 2.366.400 (609.331) SAMORITA* 164.837 73.39 12.098.094 10.649.668 (1.546.526) SAMORITA* 50.000 8.62 430.860 295.000 (135.860) SEAPEARL* 3.316 26.37 103.264 161.731 58.467 SEMILECMF* 50.000 8.62 430.860 295.000 (135.860) SILCOPHL* 4.376 20.30 88.851 132.593 43.742 SILVAPHL* 4.826 30.24 145.917 81.077 (64.841) SOUTHEASTB* 570.416 24.59 14.024.295 7,643.574 (6.380.721) STANDBANKL* 336.827 14.29 4.813.021 2.997.760 (1.815.261) STANDBANKL* 336.827 14.29 4.813.021 2.997.760 (1.815.261) UITITASGAS* 10,000 87.89 878.921 309,000 (569.921) UCB* 143.451 40.26 5.775.543 1.907.898 (3.867.644) UNIQUEHRL* 200.000 114.98 22.996.000 8.780.000 (8.37.762) ADINTEL 18.988 30.00 569.040 - (569.040) ACIFORMULA 30.000 220.99 6.629.757 2.751.000 (3.87.875) ADINTEL 18.988 30.00 569.040 - (569.040) APEXFOODS 8.800 180.95 1.447.627 997.200 (460.427) APEXTANRY 20.000 18.89 9.316.890 599.900 (3.326.970) APEXTANRY 20.000 18.69 9.91 1.488 22.996.000 (3.37.62) BOWELDING 374.370 24.89 9.316.890 599.900 (3.326.970) BEXIMCO 88.200 85.95 7.580.875 2.236.000 (6.37.762) BOWELDING 374.370 24.89 9.316.890 599.900 (3.326.970) BEXIMCO 88.200 85.95 7.580.876 2.236.000 (6.37.762) BOWELDING 374.370 24.89 9.316.890 599.900 (3.326.970) BEXIMCO 88.200 85.95 7.580.876 2.236.000 (6.37.762) BOWELDING 97.77 1.100.000 87.776 4.116.800 (7.742.771) BOWELDING 97.78 1.100.000 87.776 4.116.800 (7.742.771) BEXIMCO 88.200 85.95 7.580.876 2.2344 (99.531) FUNMANGER 605.000 19.60 11.858.671 4.416.500 (7.742.771) BOWELDING 97.77 1.120.000 75.500 (99.000) BEXIMCO 605.000 22.40 13.554.000 3.368.50 (99.000) (7.661) BEXIMCO 605.000 22.40 13.554.000 3.368.50 (99.000) (7.661) BUNIQUEHR* 90.000 13.554.116.800.000 3.000 0.000 (7.665.776) BUNIQUEHR 90.000 13.116.800 3.368.50 14.076.600 (99.000) (7.661) BUNIQUEHR 90.000 3.000					.,,	
RUNNERAUTO						
RUPALIBANK* 1753,958						
RUPALILIFE*						
SAMORITA* 164,837 73.39 12,098,094 10,549,568 (1,548,526) SEAPEARL* 3,916 26,37 103,264 161,731 59,467 SEMILLECMF* 50,000 8.62 430,860 295,000 (135,860) SILCOPHL* 4,376 20.50 88,851 132,593 43,742 35,000 36,861 30,241 36,917 361,077 (64,841) SOUTHEASTB* 570,416 24,59 14,024,295 7,643,574 (6,380,721) 57,0416 24,59 14,024,295 7,643,574 (6,380,721) 57,0416 24,59 14,024,295 7,643,574 (6,380,721) 57,0416 24,59 14,024,295 7,643,574 (6,380,721) 7,173,000 7,643,574 1,10,261 1,20,261 1,	RUPALIINS*	140,000	21.92	3,068,387	2,898,000	
SEAPEARL* 3,916 26,37 103,264 161,731 58,467 SEMILECMF* 50,000 8,62 430,860 295,000 (135,860) SILCOPHL* 4,376 20,30 88,851 132,593 43,742 SILVAPHL** 4,826 30,24 145,917 81,077 (64,841) SOUTHEASTB* 570,416 24,59 14,024,295 7,643,574 (6,380,721) STANDBANKL* 336,827 14,29 4,813,021 2,997,760 (1,815,261) TITASGAS* 10,000 87,89 878,921 309,000 (569,921) UCB* 143,451 40,26 5,775,543 1,907,898 (3,867,644) UNIQUEHRL* 200,000 114,98 22,996,000 8,780,000 (14,216,000) ACIFORMULA 30,000 220,99 6,629,757 2,751,000 (3,878,757) ADNTEL 18,968 30,00 569,040 - (569,040) APEXFOODS 8,000 180,955 1,476,27 987,200 (480,42						
SEMILECMF* 50,000 8.62 430,860 295,000 (135,860) SILCOPHL* 4,376 20,30 88,851 132,593 43,742 SILVAPHL* 4,826 30,24 145,917 81,077 (64,841) SOUTHEASTB* 570,416 24,59 14,024,295 7,643,574 (6,380,721) STANDBANKL* 336,827 14,29 4,813,021 2,997,760 (1,815,261) TITASGAS* 10,000 87,89 878,921 309,000 (569,921) UGB* 143,451 40,26 5,775,543 1,907,998 (3,867,644) UNIQUEHRL* 200,000 114,98 22,996,000 8,780,000 (14,216,000) ACIFORMULA 30,000 220,99 6,629,757 2,751,000 (3,878,757) ADINTEL 18,968 30,00 569,040 - (569,040) APEXFODDS 8,000 180,95 1,447,627 987,200 (460,427) APEXTANRY 20,000 148,98 2,936,000 5,989,920 (3,326,970) APEXTANRY 20,000 148,96 2,973,762 2,336,000 (637,762) BDWLDING 374,370 24,89 9,316,890 5,989,920 (3,326,970) BEXIMCO 88,200 85,95 7,580,878 1,217,160 (6,363,718) CVOPRL 69,000 215,74 14,886,282 6,230,700 (8,655,582) ECABLES 1,320 270,21 356,675 262,944 (93,731) FUNANGER 605,000 19,60 11,856,671 4,416,500 (7,442,711) FUWANGER 605,000 24,000 24,000 376,875 262,944 (93,731) FUWANGER 605,000 19,60 11,856,671 4,416,500 (7,442,711) FUWANGER 82,708 29,13 24,09,491 1,157,912 (1,251,579) GEMINISEA 4,400 277,27 1,220,005 755,640 (464,965) GOLDENSON 56,250 47,65 2,680,049 376,875 (2,303,174) AKKANIPUL 280,560 90,11 25,282,405 14,056,056 (11,226,349) INTECH 313,180 55,81 17,778,782 4,165,294 (13,313,489) LEGACYFOOT 10,000 69,87 698,661 623,000 (7,422,711) AKKANIPUL 280,560 90,11 25,282,405 14,056,056 (11,226,349) INTECH 313,180 55,81 17,778,782 4,165,294 (13,313,489) LEGACYFOOT 10,000 69,87 698,661 623,000 (75,661) AKKANIPUL 280,560 90,11 25,282,405 14,056,056 (11,226,349) INTECH 313,134,89 55,81 17,778,782 4,165,294 (13,313,489) LEGACYFOOT 10,0						
SILCOPHL*						
SILVAPHL*						
SOUTHEASTB* 570,416						
STANDBANKL* 336.827 14.29 4.813.021 2.997.760 (1.815.261) UCB* 14.34.51 40.26 5.775.543 1.907.898 (3.867.644) UNIQUEHRL* 200.000 114.98 22.996.000 8.780.000 (14.216.000) ACIFORMULA 30.000 220.99 6.629.757 2.751.000 (3.878.757) ADNTEL 18.968 30.00 569.040 - (569.040) APEXFOODS 8.000 180.95 1.447.627 987.200 (460.427) APEXTANRY 20.000 148.69 2.973.762 2.336.000 (637.762) APEXTANRY 20.000 448.69 9.373.762 2.336.000 (637.762) APEXTANRY 20.000 448.69 2.973.762 2.346.000 (637.762) APEXTANRY 20.000 448.69 3.66.76 2.69.404 (93.731) APEXTANRY 20.000 449.69.000 215.74 4.486.222 6.230.700 (8.655.582) APEXTANRY 20.000 449.621 APEXTANRY 449.62						
TITASGAS* 10,000 87.89 878,921 309,000 (569,921) UCB* 143,451 40.26 5,775,543 1,907,898 (3,867,644) UNIQUEHRL* 200,000 114,98 22,996,000 8,780,000 (14,216,000) ACIFORMULA 30,000 220,99 6,629,757 2,751,000 (3,878,757) ADNTEL 18,968 30.00 569,040 - (569,040) APEXFOODS 8,000 180,95 1,447,627 987,200 (460,427) APEXTANRY 20,000 148,69 2,973,762 2,336,000 (637,762) BEXIMCO 88,200 85,95 7,580,878 1,217,160 (6,363,718) CVOPRL 69,000 215,74 14,886,282 6,230,700 (8,655,582) ECABLES 1,320 270,21 356,675 262,944 (93,731) FIRSTFIN 5,000 19,60 11,858,671 4,416,500 (7,442,171) FUWANGCER 605,000 29,00 11,354,207 6,110,500						
UNIQUEHRL* 200,000						
UNIQUEHRL* 200,000						
ADNTEL	UNIQUEHRL*	200,000	114.98	22,996,000	8,780,000	(14,216,000)
APEXFOODS 8,000 180.95 1,447,627 987,200 (460,427) APEXTANRY 20,000 148.69 2,973,762 2,336,000 (637,762) BDWELDING 374,370 24.89 9,316,890 5,989,920 (3,326,970) BEXIMCO 88,200 85.95 7,580,878 1,217,160 (6,363,718) CVOPRL 69,000 215.74 14,886,282 6,230,700 (8,655,582) ECABLES 1,320 270.21 356,675 262,944 (93,731) FIRSTFIN 5,000 14.12 70,621 21,000 (49,621) FUWANGCER 605,000 19,60 11,858,671 4,416,500 (7,442,171) FUWANGFOO 605,000 22.40 13,554,207 6,110,500 (7,442,171) GEBPOWER 82,708 29,13 2,409,491 1,157,912 (1,251,579) GEMINISEA 4,400 277.27 1,220,005 755,040 (464,965) GOLDENSON 56,250 47.65 2,880,049 376,875	ACIFORMULA	30,000	220.99	6,629,757	2,751,000	(3,878,757)
APEXTANRY 20,000 148.69 2,973,762 2,336,000 (637,762) BDWELDING 374,370 24.89 9,316,890 5,989,920 (3,326,970) BEXIMCO 88,200 85.95 7,580,878 1,217,160 (6,363,718) CVOPRL 69,000 215.74 14,886,282 6,230,700 (8,655,582) ECABLES 1,320 270.21 356,675 262,944 (93,731) FIRSTFIN 5,000 14.12 70,621 21,000 (49,621) FUWANGCER 605,000 19,60 11,858,671 4,416,500 (7,442,717) FUWANGFOO 605,000 22,40 13,554,207 6,110,500 (7,443,707) GBBPOWER 82,708 29,13 2,409,491 1,157,912 (1,251,579) GEMINISEA 4,400 277.27 1,220,005 755,040 (464,965) GOLDENSON 56,250 47,65 2,680,049 376,875 (2,303,174) HAKKANIPUL 280,560 90.11 25,282,405 14,056,05						
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BEXIMCO 88,200 85.95 7,580,878 1,217,160 (6,363,718) CVOPRL 69,000 215.74 14,886,282 6,230,700 (8,655,582) ECABLES 1,320 270.21 356,675 262,944 (93,731) FIRSTFIN 5,000 14.12 70,621 21,000 (49,621) FUWANGCER 605,000 19.60 11,858,671 4,416,500 (7,442,171) FUWANGFOO 605,000 22.40 13,554,207 6,110,500 (7,443,707) GEMINISEA 4,400 277.27 1,220,005 755,040 (46,965) GOLDENSON 56,250 47.65 2,680,049 376,875 (2,303,174) HAKKANIPUL 280,560 90.11 25,282,405 14,056,056 (11,226,349) INTECH 313,180 55.81 17,478,782 4,165,294 (13,313,488) LEGACYFOOT 10,000 69.87 698,661 623,000 (75,661) LIBRAINFU 21,328 1124.63 23,986,203 14,027,426						
CVOPRL 69,000 215.74 14,886,282 6,230,700 (8,655,582) ECABLES 1,320 270.21 356,675 262,944 (93,731) FIRSTFIN 5,000 14.12 70,621 21,000 (49,621) FUWANGCER 605,000 19.60 11,858,671 4,416,500 (7,442,171) FUWANGFOO 605,000 22.40 13,554,207 6,110,500 (7,443,707) GBBPOWER 82,708 29.13 2,409,491 1,157,912 (1,251,579) GCIDENSON 56,250 47.65 2,680,049 376,875 (2,303,174) HAKKANIPUL 280,560 90.11 25,282,405 14,056,056 (11,226,349) INTECH 313,180 55.81 17,478,782 4,165,294 (13,313,488) LEGACYFOOT 10,000 69.87 698,661 623,000 (75,661) LIBRAINFU 21,328 1124.63 23,986,203 14,027,426 (9,958,778) MIDASFIN 209,715 74.21 15,563,963 3,						
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	Total	-	-	688,007,131	380,197,022	(307,810,109)



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

Opinion

We have audited the financial statements of Commerce Bank Securities and Investment Limited, which comprise the statement of financial position as at 31 December 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, and other applicable laws and regulations.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note 16 to the accompanying financial statement which describe the matter relating to provision for negative equities against margin loan and unrealized loss against investment in dealer account as at 31 December 2019. Our opinion is not qualified in respect of this matter.

Other Information

Management is responsible for other information. The other information comprise the information included 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 auditors' report.

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

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

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

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Report on Other Legal and Regulatory Requirements

We also report that:

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

Dated, Dhaka 24 March 2020 MABS & J Partners
Chartered Accountants

Commerce Bank Securities and Investment Limited Statement of Financial Position

As at 31 December, 2019

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
ASSETS			
Non - Current Assets:		124,046,804	64,813,949
Property, Plant and Equipment	3	7,461,664	8,645,781
DSE Membership	4	562,500	562,500
Investment	5	115,998,554	55,592,962
Deferred Tax	6	24,086	12,706
Current Assets:		965,914,047	1,037,924,379
Advance, Deposit and Prepayments	7	3,727,533	3,760,679
Accounts Receivable	8	25,756,047	27,939,828
Margin Loan to Investors	9	523,186,486	515,871,815
Cash and Cash Equivalents	10	341,059,177	437,205,167
Advance Taxes	11	72,184,804	53,146,890
Total Assets		1,089,960,851	1,102,738,328
EQUITY AND LIABILITIES			
Shareholders' Equity:		751,445,623	727,901,989
Share Capital	12	650,000,000	650,000,000
Retained Earnings	13	101,445,623	77,901,989
Current Liabilities		338,515,228	374,836,339
Accounts Payable	14	78,686,547	135,797,776
Provision for Expenses	15	42,805,671	35,531,623
Provision for Bad Loan and Erosion	16	146,581,484	146,581,484
Provision for Income Tax	17	70,441,526	56,925,456
Total Equity and Liabilities		1,089,960,851	1,102,738,328

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

Chief Executive Officer

Director

Director

This is the Statement of Financial Position referred to in our separate report of even date annexed.

Dated: 24 March 2019

Place : Dhaka

MABS & J Partners Chartered Accountants

Commerce Bank Securities and Investment Limited Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December, 2019

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
Operating Income:	18	113,277,081	144,253,019
Less: Operating Expenses	19	15,513,584	21,141,414
Gross Profit		97,763,497	123,111,605
Less: Administrative Expenses	20	70,214,845	65,183,869
Net Operating Income		27,548,652	57,927,736
Add: Other Income	21	12,499,672	61,286,595
Net Profit before Provision and Tax		40,048,325	119,214,331
Less: Provision for Bad Loan and Erosion	23	-	68,015,960
Less: Income Tax Expenses		13,504,690	29,168,220
Income Tax	24	13,516,071	29,179,286
Deferred Tax		(11,380)	(11,066)
Less: Prior Year's adjustments (VAT Payable)	25	3,000,000	
Net Profit after tax transferred to Retained Earnings		23,543,634	22,030,151
Earnings per share (EPS)	26	0.36	0.34

The annexed notes 01 to 30 and annexure A to E form an integral part of the Statement of Profit or Loss and Other Comprehensive Income .

Chief Executive Officer

Director

Director

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our separate report of even date annexed.

Dated: 24 March 2019

Place : Dhaka

MABS & J Partners Chartered Accountants

Commerce Bank Securities and Investment Limited Statement of Cash Flows

For the year ended 31 December, 2019

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
A. Cash Flow from Operating Activities:			
Cash Receipts from:		125,776,753	205,539,615
Brokerage commission		87,866,806	125,156,959
CDBL fees (Note -27)		5,330,856	6,812,746
Interest income		15,969,590	11,802,632
Other income		12,499,672	61,286,595
Service charge		327,000	269,000
Dealer account		3,782,829	211,683
Cash Payments:		153,714,188	78,245,628
Income tax (Note - 28)		19,037,914	24,977,351
Salary and Allowances		50,873,133	44,350,921
Other Operating and Administrative expense (Note-29)		83,803,141	8,917,355
Net Cash Flow from Operating Activities:		(27,937,435)	127,293,987
B. Cash Flow from Investing Activities:			
Purchase of Property, Plant and Equipment		(488,292)	(2,737,963)
Sell of DSE Shares		-	187,500
Investment in Margin Loan		(7,314,671)	(2,307,010)
Investments in Listed Shares		(60,405,591)	30,696,807
Net Cash used in Investing Activities		(68,208,554)	25,839,334
C. Cash Flow from Financing Activities:		-	-
D. Net Cash inflow from total Activities (A+B+C)		(96,145,989)	153,133,321
E. Opening Cash and Cash Equivalents		437,205,167	284,071,846
F. Closing Cash and Cash Equivalents (D+E)		341,059,177	437,205,167
Break up of Closing Cash and Cash Equivalents:		341,059,177	437,205,167
Cash in Hand		432,157	688,489
Cash at Bank		189,217,020	349,845,097
TREC Holder's Margin		60,000,000	-
Fixed Diposit (FDR)		91,410,000	86,671,581

Director

Chief Executive Officer

Dated: 24 March 2019

Place: Dhaka

Commerce Bank Securities and Investment Limited Statement of Changes in Equity

For the year ended 31 December, 2019

Particulars	Share Capital	Retained Earnings	Total
Balance as on 01 January, 2019 Profit during the year	650,000,000	77,901,989 23,543,634	727,901,989 23,543,634
Balance as on 31 December, 2019	650,000,000	101,445,623	751,445,623
Balance as on 01 January, 2018 Profit during the year	650,000,000	55,871,838 22,030,151	705,871,838 22,030,151
Balance as on 31 December, 2018	650,000,000	77,901,989	727,901,989

Chief Executive Officer

Dated: 24 March 2019 Place: Dhaka

Commerce Bank Securities and Investment Limited Notes to the Financial Statements

For the year ended 31 December, 2019

1. FUNDAMENTALS OF THE COMPANY POLICIES AND OTHER INFORMATION:

1.1 Legal Form of the Enterprise

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

1.2 Address of Registered Office and Principal Place of Business:

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

1.3 Nature of Business Activities:

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

2 Accounting concepts, policies adopted & other information for preparation of Financial Statements:

2.1 Statement of Compliance

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

2.2 Measurement bases used in preparing the Financial Statements

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

2.3 Going Concern

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

2.4 Components of Financial Statements:

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

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

2.5 Property, Plant and Equipment:

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

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

2.6 Cash Flow Statement

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

2.7 Margin loan

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

Interest on Margin Loan

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

2.8 Investment in listed securities:

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

2.9 Cash & Cash Equivalents:

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

2.10 Accrued Expenses and Other Payables:

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

2.11 Provision for Taxation:

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

2.12 Deferred Tax:

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

2.13 Reporting Currency and Level of Precision

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

2.14 Number Of Employees

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

2.15 General

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

Furniture and Fixture	Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
First Future and Fixture 1,389,250 1,392,224 2,725,994 2,725,994 2,725,994 2,605,932 2,722,377 2,605,932 2,746,1664 3,245,994 1,108,841 1,214,621	3.00 Property, Plant and Equipment:			
Security Deposits 1,2740,795 3,425,994 1,200,5932 1,108,841 1,214,621 1,214,			1,389,650	1,399,234
Electronic Equipments			2,740,795	3,425,994
Physically verified on the year end date and found no reasonable ground for impairment and therfore, no action warrants. For details, please refer to Annexure - A. Available Avail	Electronic Equipments			
Physically verified on the year end date and found no reasonable ground for impairment and terfore, no action warrants. For details, please refer to Annexure - A. 4.00 DSE Membership: The Company posseses Trading Right Entitlement Certificate (TREC) of DSE bearing TREC No. 180 and presently holds 54,11,329 (Note-22) ordinary shares of DSE against total entitlement of 72,15,106. 5.00 Investment: Investment in Shares:	Computer and Software		1,108,841	1,214,621
### ### ### ### ### ### ### ### ### ##			7,461,664	8,645,781
The Company posseses Trading Right Entitlement Certificate (TREC) of DSE bearing TREC NO. 180 and presently holds 54,11,329 (Note-22) ordinary shares of DSE against total entitlement of 72,15,106. For Property Plant and Equipment as per Financial Statements	· · · · · · · · · · · · · · · · · · ·	9	und for impairment and	therfore, no action
5.00 Investment: Investment in Shares: (i) Dealer account (Annexure-B) 90,481,659 47,788,695 (ii) Strategic account (Annexure-C) 25,516,895 7,804,268 (iii) Strategic account (Annexure-C) 25,516,895 7,804,268 Confirmation from CDBL upon the number of securities of 66 companies have been obtained. For details, please refer to Annexure- B & Annexure- C 6.00 Deferred Tax Tomate of the security of the security of the security of Property, Plant and Equipment as per Tax Base 7,461,664 8,645,781 WDV of Property, Plant and Equipment as per Tax Base 7,530,482 8,682,084 Temporary difference for Property, Plant and Equipment 68,818 36,303 Tax Rate 35% 35% Deferred Tax Asset/ (Liabilities) 24,086 12,706 Deferred Tax Expense (Income) for the year 12,706 1,640 Less: Deferred Tax Asset as at the opening of the year 24,086 12,706 Deferred Tax Expenses (Income) for the year 24,086 12,706 Deferred Tax Expenses (Income) for the year 2,785,533 3,750,679 Security deposit & Prepayments (Note - 7.01) 2,785,533 <t< td=""><td>4.00 DSE Membership:</td><td></td><td>562,500.00</td><td>562,500.00</td></t<>	4.00 DSE Membership:		562,500.00	562,500.00
Investment in Shares : (i) Dealer account (Annexure-B)). 180 and presently
(i) Dealer account (Annexure-B) (ii) Strategic account (Annexure-C) (iii) Strategic account (Annexure-C) (iii) Strategic account (Annexure-C) (115,998,554) Confirmation from CDBL upon the number of securities of 66 companies have been obtained. For details, please refer to Annexure-B & Annexure-C 6.00 Deferred Tax WDV of Property, Plant and Equipment as per Financial Statements WDV of Property, Plant and Equipment as per Tax Base Temporary difference for Property, Plant and Equipment as per Tax Base Temporary difference for Property, Plant and Equipment as per Tax Base Temporary difference for Property, Plant and Equipment as per Tax Base Temporary difference for Property, Plant and Equipment as per Tax Base Temporary difference for Property, Plant and Equipment Tax Rate Tax Rate Tax Rate Tax Rate Temporary difference for Property, Plant and Equipment Tax Rate Temporary difference for Property, Plant and Equipment Temporary difference for Property, Plant and Equipment Tax Rate Temporary difference for Property, Plant and Equipment Tax Rate Temporary difference for Property, Plant and Equipment Tax Rate Temporary difference for Property, Plant and Equipment Temporary difference for Property, Plant and Equipment Temporary difference for Property, Plant and Equipment Tax Rate Temporary difference for Property, Plant and Equipment as per Tax Base Temporary difference for Property, Plant and Equipment as per Tax Base Temporary difference for Property, Plant and Equipment as per Tax Base Temporary difference for Property, Plant and Equipment as per Tax Base Temporary difference for Property Temporary difference for Property Temporary	5.00 Investment:			
(ii) Strategic account (Annexure-C) 25,516,895 7,804,268 Confirmation from CDBL upon the number of securities of 66 companies have been obtained. For details, please refer to Annexure-B & Annexure-C 6.00 Deferred Tax	Investment in Shares:			
Confirmation from CDBL upon the number of securities of 66 companies have been obtained. For details, please refer to Annexure- B & Annexure- C	(i) Dealer account (Annexure-B)		90,481,659	47,788,695
Confirmation from CDBL upon the number of securities of 66 companies have been obtained. For details, please refer to Annexure- B & Annexure- C 6.00 Deferred Tax WDV of Property, Plant and Equipment as per Financial Statements WDV of Property, Plant and Equipment as per Tax Base Temporary difference for Property, Plant and Equipment Tax Rate Deferred Tax Asset/ (Liabilities) Deferred Tax Asset/ (Liabilities) Deferred Tax Asset (Liabilities) Deferred Tax Asset as at the opening of the year Deferred Tax Asset as at the closing of the year Deferred Tax Asset as at the closing of the year Deferred Tax Expenses (Income) for the year Deferred Tax Expenses (Income) for the year Deferred Tax Expenses (Income) for the year (11,380) Deferred Tax Expenses (Income) for the year Deferred Tax Expenses (Income) for the year (11,380) Deferred Tax Expenses (Income) for the year Deferred Tax Expenses (Income) for the year Advance against expenses (Note - 7.01) Advance against expenses Advance against expenses Advance against Office Rent Opening Balance Add: Paid during the Current Year Deferred Tax Expenses Advance against expenses: Opening Balance Add: Paid during the year Deferred Tax Expenses Advance against expenses: Opening Balance Add: Paid during the year Add: Paid during the year Deferred Tax Expenses Def	(ii) Strategic account (Annexure-C)			
refer to Annexure- B & Annexure- C 6.00 Deferred Tax WDV of Property, Plant and Equipment as per Financial Statements WDV of Property, Plant and Equipment as per Tax Base 7,530,482 8,682,084 Temporary difference for Property, Plant and Equipment 68,818 36,303 Tax Rate 35% 24,086 12,706 Deferred Tax Asset / (Liabilities) 24,086 12,706 Deferred Tax Asset / (Liabilities) 24,086 12,706 Less: Deferred Tax Asset as at the opening of the year 24,086 12,706 Deferred Tax Asset as at the closing of the year 24,086 12,706 Deferred Tax Expenses (Income) for the year 24,086 12,706 Deferred Tax Expenses (Income) for the year 24,086 12,706 Deferred Tax Expenses (Income) for the year 24,086 12,706 Deferred Tax Expenses (Income) for the year 24,086 12,706 Deferred Tax Expenses (Income) for the year 24,086 12,706 Deferred Tax Expenses (Income) for the year 24,086 12,706 Deferred Tax Expenses (Income) for the year 3,750,679 Security deposits & Prepayments: 3,750,679 Security Deposits: 3,750,679			115,998,554	55,592,962
WDV of Property, Plant and Equipment as per Financial Statements WDV of Property, Plant and Equipment as per Tax Base 7,530,482 8,682,084 8,682,084 Temporary difference for Property, Plant and Equipment 3,530,482 3,6303 Tax Rate 35% Deferred Tax Asset/ (Liabilities) 24,086 12,706 Deferred Tax Expense (Income) for the year Deferred Tax Asset as at the opening of the year 24,086 12,706 1,640 Less: Deferred Tax Asset as at the closing of the year 24,086 12,706 1,640 1,640 Less: Deferred Tax Expenses (Income) for the year 24,086 12,706 1,640	refer to Annexure- B & Annexure- C	of securities of 66 compar	nies have been obtained	d. For details, please
WDV of Property, Plant and Equipment as per Tax Base 7,530,482 8,682,084 Temporary difference for Property, Plant and Equipment 68,818 36,303 Tax Rate 35% 35% Deferred Tax Asset / (Liabilities) 24,086 12,706 Deferred Tax Expense (Income) for the year 12,706 1,640 Less: Deferred Tax Asset as at the opening of the year 24,086 12,706 Deferred Tax Expenses (Income) for the year 24,086 12,706 Deferred Tax Expenses (Income) for the year 24,086 12,706 Deferred Tax Expenses (Income) for the year 24,086 12,706 Deferred Tax Expenses (Income) for the year 24,086 12,706 Advance against expenses (Income) for the year 21,000 10,000 Car Loan to Employee(s) (Note - 7.01) 2,785,533 3,750,679 All considered good. 3,750,679 974,300 - 7.01 Advance against expenses 40 3,750,679 974,300 Add: Paid during the Current Year 3,512,880 3,750,679 Advances against expenses: 2,533,481 3,750,679 </td <td></td> <td> Eini-l Ct-t</td> <td>7 461 664</td> <td>0.645.701</td>		Eini-l Ct-t	7 461 664	0.645.701
Temporary difference for Property, Plant and Equipment 68,818 36,303 Tax Rate 35% 35% Deferred Tax Asset (Liabilities) 24,086 12,706 Deferred Tax Expense (Income) for the year 12,706 1,640 Less: Deferred Tax Asset as at the opening of the year 24,086 12,706 Deferred Tax Asset as at the closing of the year 24,086 12,706 Deferred Tax Expenses (Income) for the year (11,380) (11,066) 7.00 Advances, Deposits & Prepayments: 3,750,679 10,000 10,000 Advance against expenses (Note - 7.01) 2,785,533 3,750,679 Security deposit (Note - 7.02) 10,000 10,000 Car Loan to Employee(s) (Note - 7.03) 932,000 - All considered good. 3,727,533 3,760,679 Advance against expenses 3,750,679 974,300 Advance against expenses 3,750,679 974,300 Advance against expenses: 2,533,481 3,750,679 Advances against expenses: 2,533,481 3,750,679 Advances against				
Tax Rate 35% 35% Deferred Tax Asset / (Liabilities) 24,086 12,706 Deferred Tax Expense (Income) for the year 12,706 1,640 Less: Deferred Tax Asset as at the opening of the year 24,086 12,706 Less: Deferred Tax Expenses (Income) for the year (11,380) (11,066) 7.00 Advances, Deposits & Prepayments: Advance against expenses (Note - 7.01) 2,785,533 3,750,679 Security deposit (Note - 7.02) 10,000 10,000 Car Loan to Employee(s) (Note - 7.03) 932,000 - All considered good. 3,727,533 3,760,679 All considered good. 3,750,679 974,300 Add: Paid during the Current Year - 3,512,880 Less: Adjusted during the year 1,217,198 736,501 Advances against expenses: 2,533,481 3,750,679 Opening Balance 104,046 887,180 - Add: Paid during the year 887,180 - Less: Adjusted during the year 887,180 - Less: Adjusted during the year 2,785,533 3,750,679 <t< td=""><td></td><td></td><td></td><td></td></t<>				
Deferred Tax Asset/ (Liabilities) 24,086 12,706 Deferred Tax Expense (Income) for the year 12,706 1,640 Deferred Tax Asset as at the opening of the year 24,086 12,706 Less: Deferred Tax Asset as at the closing of the year 24,086 12,706 Deferred Tax Expenses (Income) for the year (11,380) (11,066) 7.00 Advances, Deposits & Prepayments: Advance against expenses (Note - 7.01) 2,785,533 3,750,679 Security deposit (Note - 7.02) 10,000 10,000 Car Loan to Employee(s) (Note - 7.03) 932,000 - All considered good. 3,727,533 3,760,679 Advance against expenses Advance against expenses 3,750,679 974,300 Add: Paid during the Current Year - 3,512,880 Less: Adjusted during the year 1,217,198 736,501 Advances against expenses: 2,533,481 3,750,679 Opening Balance 104,046 887,180 - Add: Paid during the year 887,180 - <td< td=""><td>remporary difference for Property, Plant</td><td>and Equipment</td><td>00,010</td><td>30,303</td></td<>	remporary difference for Property, Plant	and Equipment	00,010	30,303
Deferred Tax Expense (Income) for the year Deferred Tax Asset as at the opening of the year Deferred Tax Asset as at the opening of the year Deferred Tax Asset as at the closing of the year Deferred Tax Asset as at the closing of the year Deferred Tax Expenses (Income) for the year Deferred Tax Expenses Deferred Ta				
Deferred Tax Asset as at the opening of the year Less: Deferred Tax Asset as at the closing of the year Deferred Tax Expenses (Income) for the year (11,380) (11,066) 7.00 Advances, Deposits & Prepayments: Advance against expenses (Note - 7.01) 2,785,533 3,750,679 Security deposit (Note - 7.02) 10,000 10,000 Car Loan to Employee(s) (Note - 7.03) 932,000 3,727,533 3,760,679 All considered good. 3,727,533 3,760,679 7.01 Advance against expenses Advance against expenses Advance against Office Rent Opening Balance Add: Paid during the Current Year - 3,512,880 Less: Adjusted during the year 1,217,198 736,501 Advances against expenses: Opening Balance Advance against expenses: Opening Balance 104,046 Add: Paid during the year 887,180 - 252,052 - 252,052 2,785,533 3,750,679			24,086	12,706
Less: Deferred Tax Asset as at the closing of the year 24,086 12,706 Deferred Tax Expenses (Income) for the year (11,380) 12,706 7.00 Advances, Deposits & Prepayments: Advance against expenses (Note - 7.01) 2,785,533 3,750,679 Security deposit (Note - 7.02) 10,000 10,000 Car Loan to Employee(s) (Note - 7.03) 932,000 - All considered good. 3,727,533 3,760,679 7.01 Advance against expenses Advance against Office Rent 3,750,679 974,300 Opening Balance 3,512,880 - 3,512,880 Less: Adjusted during the year 1,217,198 736,501 Advances against expenses: 2,533,481 3,750,679 Opening Balance 104,046 887,180 - Add: Paid during the year 887,180 - Less: Adjusted during the year 887,180 - Less: Adjusted during the year (739,174) - Less: Adjusted during the year 2,785,533 3,750,679 7.02 Security Deposit: 2,785,533 3,750,679 Telephone De			12.706	1.640
Deferred Tax Expenses (Income) for the year (11,380) (11,066) 7.00 Advances, Deposits & Prepayments: Advance against expenses (Note - 7.01) 2,785,533 3,750,679 Security deposit (Note - 7.02) 10,000 10,000 Car Loan to Employee(s) (Note - 7.03) 932,000 - All considered good. 3,727,533 3,760,679 7.01 Advance against expenses Advance against expenses 3,750,679 974,300 Add: Paid during the Current Year - 3,512,880 Less: Adjusted during the year 1,217,198 736,501 Advances against expenses: 2,533,481 3,750,679 Opening Balance 104,046 887,180 - Add: Paid during the year 887,180 - Less: Adjusted during the year (739,174) - Less: Adjusted during the year 252,052 - 2,785,533 3,750,679 7.02 Security Deposit: Telephone Demand Note 10,000 10,000			·	
7.00 Advances, Deposits & Prepayments: Advance against expenses Security deposit (Note - 7.02) Car Loan to Employee(s) (Note - 7.03) All considered good. 7.01 Advance against expenses Advance against expenses Advance against expenses Advance against Office Rent Opening Balance Add: Paid during the Current Year Less: Adjusted during the year Advances against expenses: Opening Balance Add: Paid during the year 1,217,198 736,501 2,533,481 3,750,679 Advances against expenses: Opening Balance Add: Paid during the year 104,046 Add: Paid during the year 104,046 Add: Paid during the year 105,050 252,052 2785,533 3,750,679 7.02 Security Deposit: Telephone Demand Note	-	-		
Advance against expenses (Note - 7.01) 2,785,533 3,750,679 Security deposit (Note - 7.02) 10,000 10,000 Car Loan to Employee(s) (Note - 7.03) 932,000 - All considered good. 7.01 Advance against expenses Advance against Office Rent Opening Balance Add: Paid during the Current Year Less: Adjusted during the year 1,217,198 736,501 Advances against expenses: Opening Balance Add: Paid during the year 104,046 Add: Paid during the year 887,180 Less: Adjusted during the year 887,180 Less: Adjusted during the year 1,217,198 2,252,052 Zescurity Deposit: Telephone Demand Note 10,000 Advance against expenses: 2,785,533 3,750,679	belefied tax expenses (income, for the y	cai	(11,300)	(11,000)
Security deposit (Note - 7.02) 10,000 10,000 Car Loan to Employee(s) (Note - 7.03) 932,000 - 3,727,533 3,760,679 All considered good. 7.01 Advance against expenses Advance against Office Rent 3,750,679 974,300 Opening Balance 3,512,880 - 3,512,880 Less: Adjusted during the year 1,217,198 736,501 3,750,679 Advances against expenses: 2,533,481 3,750,679 Opening Balance 104,046 887,180 - Add: Paid during the year 887,180 - Less: Adjusted during the year (739,174) - Less: Adjusted during the year 2,785,533 3,750,679 7.02 Security Deposit: Telephone Demand Note 10,000 10,000				
Car Loan to Employee(s) (Note - 7.03) 932,000 - 3,727,533 3,760,679 All considered good. 7.01 Advance against expenses Advance against Office Rent 3,750,679 974,300 Opening Balance 3,512,880 3,512,880 Less: Adjusted during the year 1,217,198 736,501 Advances against expenses: 2,533,481 3,750,679 Opening Balance 104,046 887,180 - Add: Paid during the year 887,180 - Less: Adjusted during the year (739,174) - Less: Adjusted during the year 252,052 - 7.02 Security Deposit: 7,000 10,000 Telephone Demand Note 10,000 10,000				
All considered good. 7.01 Advance against expenses Advance against Office Rent Opening Balance Add: Paid during the Current Year Less: Adjusted during the year Advances against expenses: Opening Balance Advances against expenses: Opening Balance Advances against expenses: Opening Balance Add: Paid during the year Less: Adjusted during the year Security Deposit: Telephone Demand Note 3,750,679 974,300 3,750,679 974,300 3,512,880 1,217,198 736,501 2,7533,481 3,750,679 104,046 487,180 - 104,046 252,052 - 2785,533 3,750,679				10,000
All considered good. 7.01 Advance against expenses Advance against Office Rent Opening Balance Add: Paid during the Current Year Less: Adjusted during the year Advances against expenses: Opening Balance Add: Paid during the year Opening Balance Add: Paid during the year Advances against expenses: Opening Balance Add: Paid during the year Less: Adjusted during the year Add: Paid during the year Security Deposit: Telephone Demand Note 7.02 Security Deposit: Telephone Demand Note	Car Loan to Employee(s)	(Note - 7.03) _		2 760 670
7.01 Advance against expenses Advance against Office Rent Opening Balance Add: Paid during the Current Year Less: Adjusted during the year Advances against expenses: Opening Balance Advances against expenses: Opening Balance Add: Paid during the year Opening Balance Add: Paid during the year Less: Adjusted during the year Add: Paid during the year A	All considered good	=	3,/2/,533	3,760,679
Advance against Office Rent Opening Balance Add: Paid during the Current Year Less: Adjusted during the year Advances against expenses: Opening Balance Opening Balance Advances against expenses: Opening Balance Add: Paid during the year Less: Adjusted during the year Less: Adjusted during the year Telephone Demand Note 3,750,679 7,36,501 2,533,481 3,750,679 7,02 Security Deposit: Telephone Demand Note	-			
Opening Balance 3,750,679 974,300 Add: Paid during the Current Year - 3,512,880 Less: Adjusted during the year 1,217,198 736,501 Advances against expenses: Opening Balance 104,046 Add: Paid during the year 887,180 - Less: Adjusted during the year (739,174) - 252,052 - 2,785,533 3,750,679 7.02 Security Deposit: Telephone Demand Note				
Add: Paid during the Current Year Less: Adjusted during the year Advances against expenses: Opening Balance Add: Paid during the year Less: Adjusted during the year Copening Balance Add: Paid during the year Add: Paid during			2.750.670	074 200
Less: Adjusted during the year 1,217,198 736,501 2,533,481 3,750,679 Advances against expenses: 700,679 Opening Balance 104,046 887,180 - Add: Paid during the year (739,174) - Less: Adjusted during the year 252,052 - 2,785,533 3,750,679 7.02 Security Deposit: Telephone Demand Note 10,000 10,000			3,750,679	
2,533,481 3,750,679 Advances against expenses: 0pening Balance 104,046 Add: Paid during the year 887,180 - Less: Adjusted during the year (739,174) - 252,052 - 2,785,533 3,750,679 7.02 Security Deposit: Telephone Demand Note 10,000 10,000			1 217 108	
Advances against expenses: Opening Balance Add: Paid during the year Less: Adjusted during the year 7.02 Security Deposit: Telephone Demand Note Add: Paid during the year 104,046 887,180 - (739,174) - 252,052 - 2,785,533 3,750,679	Less. Adjusted during the year			
Opening Balance 104,046 Add: Paid during the year 887,180 - Less: Adjusted during the year (739,174) - 252,052 - 2,785,533 3,750,679 7.02 Security Deposit: 10,000 10,000	Advances against expenses:		_,	_,,,
Add: Paid during the year Less: Adjusted during the year (739,174) - 252,052 - 2,785,533 7.02 Security Deposit: Telephone Demand Note 10,000 10,000			104,046	
7.02 Security Deposit: 10,000 Telephone Demand Note 10,000	Add: Paid during the year			=
7.02 Security Deposit: 2,785,533 3,750,679 Telephone Demand Note 10,000 10,000	Less: Adjusted during the year			-
7.02 Security Deposit: Telephone Demand Note 10,000 10,000				-
Telephone Demand Note 10,000 10,000	7.02 Security Deposits		2,785,533	3,750,679
			10,000	10.000
	relephone Demand Note			

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
7.03 Car Loan to Emplyee (after adjustment):		932,000	
		932,000	
8.00 Accounts Receivables:			
Dhaka Stock Exchange (DSE)		23,981,317	25,372,068
Clients (Non-margin account holders)		886,830	1,681,227
FDR Interest		851,554	807,407
Other receivables		36,346	79,126
		25,756,047	27,939,828
Receivable from DSE is confirmed. The amo account holders). The amount of FDR Interamount of WASA bill paid in advance. All cor	rest receivable is subsequ		_
9.00 Margin Loan to Investors		523,186,486	515,871,815
		523,186,486	515,871,815
The amount of margin loan is lent to 293 no made good by provisioning as per BSEC circulates			se in future has been
10.00 Cash and Cash Equivalents: Cash in Hand	(Note 10.01)	432,157	600 400
Cash at Bank	(Note - 10.01) (Note - 10.02)	432,157 189,217,020	688,489
	(Note - 10.02)		349,845,097
Fixed Deposit Receipts TREC Holder's Margin to DSE	(Note - 10.03)	91,410,000 60,000,000	86,671,581
TRECTIONAL SIMAL SILL TO DE	(Note - 10.04)	341,059,177	437,205,167
10.01 Cash in Hand: Cash in Hand (Branches) Petty Cash		62,000 370,157 432,157	62,000 626,489 688,489
Cash in hand, both in head office and in bi correct.	ranches, has been physica	ally verified at the year	end date and found
10.02 Cash at Bank:			
1. BCBL, Principal Branch (CD: 2767)		6,275,765	38,886,825
2. BCBL, Principal Branch (STD: 49)		0.66	682
3. BCBL, Principal Branch (CD: 2307)		41,339	42,259
4. IFIC, Stock Ex. Br. (CD-Dealer: 291-001)		5,000	5,000
5. IFIC, Stock Ex. Br. (SND-Dealer: 291-041)		15,622,055	42,213,027
6. CBSIL Strategic Investment A/c No. (CD 33		194,544	20,981,864
7. Consolidated Customers A/C:	(Note - 10.2.1)	167,078,316	247,715,439
		189,217,020	349,845,097
All the above balances are confirmed and du	ly reconciled. Steps are ur	nder way to close the ST	D-49.
10.2.1 Consolidated Customers A/C:			
BCBL, Principal Branch (CD: 2306)		74,156,227	56,517,955
BCBL, Principal Branch (STD: 50)		-	619,413
IFIC, Stock Ex. Br. (CD-Broker: 290-001)		89,484,818	187,482,613
BCBL, Principal Branch, Public Issue Application	on A/c (STD: 78)	3,437,270	3,095,458
		167,078,316	247,715,439

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
10.03 Fixed Deposit Receipts:			
(i) BCBL Principal Branch, A/c No: 00233004102		42,771,802	40,549,860
(ii) BCBL Principal Branch, A/c No: 00233004103		13,625,108	12,925,369
(iii) BCBL Principal Branch, A/c No: 00233004632		35,013,089	33,196,351
		91,410,000	86,671,581
Receipt against serial (ii) above is in the possession of the cin order to avail maximum buy exposure limit.	ompany and othe	r two receipts have be	een kept as lien to DSE
10.04 TREC Holder's Margin to DSE:		60,000,000	_
3		60,000,000	-
The amount is deposited to DSE to avail maximum buy exp	osure limit. The Ba	alance is confirmed by	DSE.
11.00 Advance Taxes:			
Opening Balance		53,146,890	28,169,539
TAX deducted at source (TDS)	(Note - 11.01)	15,390,531	24,977,351
TAX paid during the period		3,647,383	
		72,184,804	53,146,890
The entire amount of advance tax of Tk. 72,184,804 is supadjustable against tax demand therefore, confirmed.	pported by certific	cates/statements from	n bank. The amount is
11.01 TAX deducted at source (TDS):			
TDS by DSE on Turnover		13,848,379	19,941,362
TDS on FDR Interest		530,491	598,167
TDS on Interest Income from other Bank Deposit		217,199	979,545
TDS on Income from Dividend. (Annexure -E)		794,462	1,573,686
TDS on Capital gain on Sale of DSE Shares		-	1,884,592
		15,390,531	24,977,351
12.00 Share Capital Authorized Capital:			
100,000,000 Ordinary Share of Tk 10/- each		1,000,000,000	1,000,000,000
12.01 leaved Subscribed and Baid up Carited			
12.01 Issued, Subscribed and Paid-up Capital 65,000,000 Ordinary Shares of Tk 10/- each		650,000,000	650,000,000
03,000,000 Ordinary Shares of TK TO/- each		050,000,000	030,000,000

Total Share Holding Position as on December 31, 2018

Name of the Shareholders	% of Shareholdings
Bangladesh Commerce Bank Limited	99.999986%
Mr. A. Q. Siddiqui	0.0000002%
Mr. Mahmudul Haq Bhuiyan	0.0000002%
Mr. Md. Emdadul Hoque	0.0000002%
Mr. Rana Kaisar	0.0000002%
Mr. Anis Ahmed	0.0000002%
Mr. Manwar Hossain	0.0000002%
Mr. Syed Abdul Hamid	0.0000002%
Mr. Nasir Uddin Ahmed, FCA	0.0000002%
Mr. Abbas Uddin Ahmed	0.0000002%
TOTAL	100%

Face Value
649,999,910
10
10
10
10
10
10
10
10
10
650,000,000

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
13.00 Retained Earnings:			
Opening Balance		77,901,989	55,871,839
Add: Net Profit during the year		23,543,634	22,030,151
		101,445,623	77,901,989
14.00 Accounts Payable:			
(i) Clients		78,367,701	128,915,555
(ii) Dhaka Stock Exchange (DSE)		318,846	6,882,221
		78,686,547	135,797,776

(i) The amount of Taka 78,367,701 is payable to 14,179 no. of BO account holders having credit balance in their respective accounts at the year end date. As a matter of policy, each account holder is supplied with portfolio statement along with account balance at the end of each working day. Thus, the balance is confirmed

(ii) The amount payable to DSE is confirmed.			
15.00 Provision for Expenses			
(i) Office Rent		24,444,360	22,340,396
(ii) Provision for CDBL charge		283,119	369,331
(iii) Interest Waiver		7,344,326	7,344,326
(iv) Employees' Provident Fund		2,812	2,812
(v) Payable to Supplier		118,257	1,257,231
(vi) Commission Rebate		-	262,739
(vii) Electricity, Gas and Water		1,068,484	815,573
(viii) Arrear salary		203,359	10,172
(ix) Provision for Salary Fixation Arrear		2,089,727	1,327,094
(x) Networking Line Charge		103,612	43,788
(xi) Audit Fees		115,000	103,500
(xii) Tax Consultancy Fees		82,800	276,000
(xiii) Security Service		396,504	535,079
(xiv) Stamp		24,540	15,840
(xv) Dividend Payable (Clients)		1,261,060	2,987
(xvi) Provision for Other Expenses		2,204,392	154,586
(xvii) Withholding VAT	(Note - 15.01)	3,047,622	516,612
(xviii) Withholding Tax	(Note - 15.02)	15,697	152,771
(xix) Supplimentary Duty		-	785.64
		42,805,671	35,531,623

The entire amount, except (i) and (iii), either has subsequently been paid or is under the process of payment.

15.01 Withholding VAT		
Opening Balance	516,612	39,289
Add: VAT deducted at Source	679,245	1,218,556
Add: Prior Year's adjustments-Provision for VAT	3,000,000	=
Less: VAT Paid	(1,148,235)	(741,233)
	3,047,622	516,612
The Liability has subsequently been paid		
15.02 Withholding Tax		
Opening Balance	152,771	13,096
Add: Tax Deducted at Source (TDS)	2,100,679	1,471,308
Less: Paid During the period	(2,237,752)	(1,331,633)
	15,697	152,771
The Liability has subsequently been paid		

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
16.00 Provision for Bad Loan & Erosion:			
Opening Balance		146,581,484	80,624,878
Less: Adjustment During the Year		-	(2,059,354)
Add: Current Year Provision (N	lote - 23)	-	68,015,960
Total Provision		146,581,484	146,581,484

Total negative equity against margin loan and unrealized loss in company's own portfolios (Dealer account and Strategic Investment account) for the year 2019 is Tk. 31,15,27,020 and Tk. 3,07,08,863 respectively. Total required provision is Tk. 8,55,58,971 up to 31/12/2019 according to the Bangladesh Securities and Exchange Commission (BSEC) Directive no. BSEC/CMRRCD/2009-193/196 dated December 28, 2016, Directive no. BSEC/CMRRCD/2009-193/203 dated December 28, 2017 and Directive no. BSEC/SRI/2018/Policy/3/2018/931, dated December 24, 2018 and Directive no. BSEC/SRI/2018/Policy/3/2020/68, dated January 12, 2020. Against the amount of Tk. 8,55,58,971, an amount of Tk. 14,65,81,484 has already been provided up to 31 December, 2018 resulting an excess provision of Tk. 6,10,22,513 hence, no further provision has been made for the year 2019.

17.00 Provision for Income Tax			
Opening Balance		56,925,456	27,746,170
Current Year Income Tax	(Note - 24)	13,516,071	29,179,286
		70,441,526	56,925,456
18.00 Operating Income:			
(i) Brokerage commission (represents con	nmission income from BO		
Account holders against buy and sale	of securities)	87,866,806	125,156,959
(ii)Interest Income from Margin Loan		15,969,590	11,802,632
(iii) BO Accounts Maintenance Charge		5,170,090	6,269,540
(iv) Closing, Transfer, Transmission & Dem	nat Fee from BO Account ho <mark>l</mark> d	ers 160,766	543,206
(v) Margin Documentation & Renewal Charge from Margin Account holde		lders 327,000	269,000
(Vi) Income/(Loss) from Dealer Account (A	Annexure -D)	3,782,829	211,683
		113,277,081	144,253,019

TDS from no. (i) & (vi) has been shown as advance in note no. 11 and all the above amounts are stated in gross

19.00 Operating Expenses:		
Hawla Charge	50	250
Laga Charge	6,914,232	9,861,344
Networking Line Charge	1,115,082	1,132,697
CDBL Charges	7,381,292	9,953,464
DSE Charges	102,927	193,660
	15,513,584	21,141,414
20.00 Administrative Expenses:		
Salary and Allowances	50,873,133	44,350,921
Security Service	938,100	674,475
Office Rent	6,893,948	6,301,903
Electricity, Gas and Water	3,309,927	3,175,598
Telephone, Mobile and Fax	636,293	655,705
Repair and Maintenance	301,315	963,960
SMS Service Charges	97,939	145,487
Directors Meeting Attendance Fees	587,600	883,200
Depreciation of Fixed Assets	1,672,409	1,967,107
Audit Fees	115,000	103,500
Tax Consultancy Fees	165,600	138,000
Office Maintenance	524,909	791,501
Computer and Software Maintenance	204,722	473,654
Office Beautification and Utensil	56,850	57,923
Printing	73,419	267,181

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
Office Stationary		411,804	190,557
Postage & Courier Expense		8,546	5,620
Information Technology Enable Services (ITES)		79,567	60,000
Photocopy		291	3,658
Entertainment		1,181,232	1,193,218
Traveling and Conveyance		244,479	178,724
Business Development		112,343	498,341
Advertisement		86,900	215,800
Training and Development		48,250	53,000
Newspaper and Periodicals		54,794	52,611
Insurance Expense		14,500	55,688
AGM Expenses		325,354	225,909
Board Meeting Expenses		91,536	158,355
Annual Sports and Picnic		500,000	275,000
Legal Fees		50,000	260,000
License Renewal Fee		364,329	604,862
Bank Charge		160,701	183,020
Stamp		29,055	19,390
		70,214,845	65,183,869

TAX and VAT on appropriate heads have been deducted and paid either within the year or subsequently.

21	.00	Other	Income:
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(***)	12.499.672	61.286.595
(Vii) Miscellaneous income	283,860	_
(vi) IPO Charges Income	510,075	660,925
(v) Capital Gain from sale of DSE shares	-	37,691,817
(iv) Charge For Dishonor Cheque	428,998	507,070
(iii) Dividend Income (Annexure - E)	3,972,309	7,868,428
(ii) Interest Income from other Bank Deposit	1,955,374	8,590,270
(i) Interest Income from FDR	5,349,057	5,968,086

The amount of TDS from no. i, ii and iii have been shown in advance in note no. 11 and all the above amount are stated in gross.

22.00 Total no. of DSE Shares at the beginning of the year	5,411,329	7,215,106
Less: Sold During the year	-	1,803,777
No. of DSE Shares at the closing of the year	5,411,329	5,411,329
Cost price of DSE Share (per share) (7,50,000/Total DSE Share)	-	0.10
Total cost of DSE share	-	187,500
Sell price per share	-	21
Total sell price lying with BCBL Pr. Br. A/c No CD-3377 Shown in note no 10.2	-	37,879,317
Amount of Capital gain	-	37,691,817
Source tax deducted	-	1,884,591
23.00 Provision for Bad Loan & Erosion (Current Year):		
Negative Equity against Margin Loan	311,527,020	282,177,481
Portfolio Erosion	30,708,863	10,985,487
Total	342,235,883	293,162,968
Total Provision made	146,581,484	146,581,484
Less: Opening Balance	(146,581,484)	(80,624,878)
Add: Adjustment during the year	-	2,059,354
Current Year Provision	-	68,015,960

Particulars Not	31.12.2019 Taka		31.12.2018 Taka
24.00 Income Tax Exp. (please read the note no. 24 in conjunction with note no. 24	J.01):		
Profit before Tax	40,048,325	;	119,214,331
Less: Income from Capital gain	-		(37,691,817)
Less: Income from Dealer Account (Annexure- D)	-		(211,683)
Less: Income from Dividend (Annexure -E)	-		(7,868,428)
	40,048,325	i	73,442,403
Less: Income U/S 82C	27,977,495	;	56,975,319
Income other than U/S 82C	12,070,830)	16,467,085
35% Tax on Income U/S 82C: Tk. 27,977,495	9,792,123	;	19,941,362
35% Tax other than Capital Gain and Dividend Income: Tk. 9,601,	533 3,360,536	j	5,763,480
10% Tax on gain on Dealer Account : Tk. 1,204,483	120,448	;	21,168
" 20% Tax on gain on Dividend Income (Net off exemptions): Tk. 1,264,815-Tk. 5	0,000 " 242,963	;	1,568,686
5% Tax on capital gain from sale of DSE Shares	-		1,884,590.85
	13,516,071		29,179,286

24.01 Calculation of apportioned profit and TAX thereon:

Heads of Income	Gross Income	Section	Net Profit Apportioned	TAX
Brokerage Commission	87,866,806	82 (c)	27,977,495	9,792,123
Dividend Income	3,972,309	83 (2)	1,264,815	242,963
Dealer Gain	3,782,829	83 (2)	1,204,483	120,448
Other	30,154,809		9,601,533	3,360,536
Total	125,776,753		40,048,325	13,516,071

Current year's Income Tax Expenses have been calculated u/s 82 (C) and 83 (2) on the apportioned profit of respective heads to the total revenue earned as opposed to that of the last year which were calculated on the basis of TDS in respect of u/s 82 (C).

25.00 Prior Year's adjustments

Short Provision of VAT during the years from 2013 to 2018 **3,000,000**

The amount of Tk 3,000,000 has been kept as 'VAT payable' against demand of VAT authority of Tk 11,938,666 for the year 2013 to 2018 (Six years). After obtaining the notice from VAT authority, CBSIL analyzed and assessed the figure of 'VAT payable' to be Tk. 6,657,097. Thus, the said amount has been kept for Prior year adjustment under the head of 'VAT payable'.

nead of VAT payable.			
26.00 Earnings per share (EPS):			
Net Profit/Loss after tax		23,543,634	22,030,151
Total Number of outstanding Shares		65,000,000	65,000,000
		0.36	0.34
27.00 CDBL Fees			
BO Acc. Opening, Closing, Demat Fee		160,766	543,206
Annual Accounts Maintenance Charge		5,170,090	6,269,540
		5,330,856	6,812,746
28.00 Income Tax Paid			
Tax paid at source	(Note - 11.01)	15,390,531	24,977,351
Tax paid during the period		3,647,383	=
		19,037,914	24,977,351

Particulars	Notes	31.12.2019 Taka	31.12.2018 Taka
29.00 Cash payments as Other Operating & Administrativ	e expenses		
Operating Expenses	•	15,513,584	21,141,415
Less: Interest on Borrowing		-	-
		15,513,584	21,141,415
Administrative Expenses		70,214,845	65,183,869
Less: Salary and Allowances paid		(50,873,133)	(44,350,921)
		19,341,712	20,832,948
		34,855,295	41,974,362
Adjusted for non cash flow items			
Depreciation		(1,672,409)	(1,967,108)
Increase/(decrease) in Advance, Deposit & Prepayment	S	(33,146)	2,776,379
Increase/(decrease) in Accounts Receivable		(2,183,781)	767,439
(Increase)/Decrease in Accounts Payable		57,111,230	(35,540,694)
(Increase)/Decrease in Provision for Expenses		(7,274,048)	(1,152,377)
Provision for Bad Loan & Erosion		-	2,059,354
Prior Year's adjustments-Provision for VAT		3,000,000	-
		48,947,845	(33,057,007)
		83,803,141	8,917,355

30.00 Events after 31/12/2019:

No material events occurred after 31/12/2019 which could affect the values reported in the financial statements.

31.00 Related Party Disclosure:

During the year 2019, Commerce Bank Securities and Investment Ltd. carried out a number of transactions with related parties resulted in the balance as at the year end date. The related parties are as follows

31.01 Bangladesh Commerce Bank Ltd.:

1. BCBL, Principal Branch (CD: 2767)	6,275,765	38,886,825
2. BCBL, Principal Branch (STD: 49)	0.66	682
3. BCBL, Principal Branch (CD: 2307)	41,339	42,259
4. BCBL, Principal Branch (CD: 2306)	74,156,227	56,517,955
5. BCBL, Principal Branch (STD: 50)	-	619,413
6. CBSIL Strategic Investment A/c No. (CD 3377, BCBL Pr, Br.)	194,544	20,981,864
7. BCBL, Principal Branch, Public Issue Application A/c (STD: 78)	3,437,270	3,095,458
	84,105,146	120,144,457
31.02 Fixed Deposit Receipts:		
1. BCBL Principal Branch, A/c No: 00233004102	42,771,802	40,549,860
2. BCBL Principal Branch, A/c No: 00233004103	13,625,108	12,925,369
3. BCBL Principal Branch, A/c No: 00233004632	35,013,089	33,196,351
	91,410,000	86,671,581

31.03 Bangladesh Commerce Bank Limited (BCBL Portfolio In Investment with CBSIL): As on 31st December 2019;

BO Account Name	Cost Price	Market Value	Ledger balace
Bangladesh Commerce Bank Ltd. (CC 5740)	569,482,228.78	260,806,619.00	1,806,785.76

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

As at December 31, 2019

Annexure - A

		COST				Depreciation		
Particulars	Balance as on 01.01.2019	Addition during the year	Balance as on 31.12.2019	Dep.Rate	Balance as on 01.01.2019	Charged for the year	Balance as on 31.12.2019	W.D.V
	Taka	Taka	Taka		Taka	Taka	Taka	Taka
Furniture and Fixture	2,378,503	144,822	2,523,325	10%	979,269	154,406	1,133,674	1,389,650
Office Renovation	11,260,434	1	11,260,434	20%	7,834,440	682,199	8,519,638	2,740,795
Electronic Equipments	7,982,789	172,040	8,154,828	20%	5,376,857	555,594	5,932,451	2,222,377
Computer and Software	3,115,031	171,430	3,286,461	20%	1,900,410	277,210	2,177,620	1,108,841
Total as on 31 December, 2019	24,736,757	488,292	25,225,048		16,090,974	1,672,409	17,763,383	7,461,664

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001	00.7,42	00.1,42

Annexure - B

Commerce Bank Securities and Investment Limited Investment Schedule - Dealer Account

As at December 31, 2019

			Quantity				A	Amount in Taka	e	
Name of the Company	Opening Balance	Acquired during the year	Right Share received	Bonus Share received	Sold During the Year	Total Quantity as on 31.12.19	Total Cost	Average Cost Per Share	Total Market Value as on 31.12.19	Unrealised Gain/Loss
_	2	3	4	5	9	7=(2+3+4+5-6)	∞	6	10	11=(10-9)
ACI	3,208	1		481	689	3,000	1,088,619	362.87	544,500	(544,119)
ACTIVEFINE		76,000			31,000	45,000	1,089,607	24.21	661,500	(428,107)
ADNTEL		18,968			1	18,968	569,040	30.00	1	(569,040)
ADVENT		45,000		4,500	1	49,500	1,320,171	26.67	1,108,800	(211,371)
AL-HAJTEX		51,000			000′9	45,000	3,829,368	85.10	1,395,000	(2,434,368)
BARKAPOWER	101,200	4,800			000′9	100,000	3,511,579	35.12	2,270,000	(1,241,579)
BATBC		3,675		4,000	2,675	2,000	7,562,554	1,512.51	4,849,500	(2,713,054)
BENGALWTL		51,000			1,000	50,000	1,418,555	28.37	845,000	(573,555)
BRACBANK	10,000	72,731		1,650	74,381	10,000	571,402	57.14	571,000	(402)
BSCCL		104,285			47,785	26,500	7,273,835	128.74	5,299,700	(1,974,135)
CENTRALPHL	75,600	4,400			=	80,000	1,863,989	23.30	720,000	(1,143,989)
COPPERTECH		35,741		237	31,000	4,978	123,751	24.86	116,983	(6,768)
DSEBD	2,886,042	1			ı	2,886,042	0	00:00	1	1
DSSL		100,000		10,000	1	110,000	2,268,649	20.62	1,221,000	(1,047,649)
ESQUIRENIT		41,719			50'826	20,860	938,700	45.00	590,338	(348,362)
EXIMBANK	000'09	0			0	000'09	1,062,779	17.71	000′909	(456,779)
FORTUNE		284,500			274,500	10,000	230,769	23.08	230,000	(692)
FUWANGFOOD	41,000	29,000			41,000	29,000	782,537	13.26	295,900	(186,637)
GENEXIL		10,466		392	10,466	392	3,409	8.70	26,421	23,011
GP	2,000	13,500			12,500	8,000	3,096,356	387.04	2,286,400	(956'608)
GPHISPAT	33,000	25,000		1,750	23,000	36,750	1,297,898	35.32	951,825	(346,073)
IBP	294	172,000		5,400	167,294	10,400	194,746	18.73	190,320	(4,426)

ICB	15,750	2,250	1,800	0	19,800	2,586,562	130.63	1,520,640	(1,065,922)
ICBAGRANI1		20,000		0	20,000	116,087	5.80	108,000	(8,087)
ICBAMCL2ND		383,519		50,000	333,519	2,812,959	8.43	2,568,096	(244,863)
IFADAUTOS		19,500		9,500	10,000	855,966	98	462,000	(393,966)
IFIC	56,000	2,000	6,100	0	67,100	1,016,743	15	664,290	(352,453)
KAY&QUE		2,387		0	2,387	517,067	216.62	500,315	(16,752)
KTL	11,070	10,000		11,070	10,000	113,081	11.31	113,000	(81)
LANKABAFIN	81,000	0		32,000	49,000	2,175,229	44.39	882,000	(1,293,229)
LHBL	150,000	15,000		35,000	130,000	8,307,119	63.90	4,368,000	(3,939,119)
MAKSONSPIN	46,000	10,000		0	56,000	584,751	10.44	246,400	(338,351)
MIRACLEIND		20,000		0	20,000	464,138	23.21	468,000	3,862
NEWLINE		15,025	525	11,268	4,282	40,023	9.35	63,374	23,351
NPOLYMAR		49,860	1,430	21,290	30,000	2,441,184	81.37	1,857,000	(584,184)
NTLTUBES		71,600	2,710	44,500	29,810	4,708,008	157.93	3,589,124	(1,118,884)
NURANI		140,000	6,500	75,000	71,500	840,316	11.75	009'009	(239,716)
OLYMPIC	2,328	31,500		21,328	12,500	2,667,826	213.43	2,062,500	(605,326)
PLFSL	34,000	0		0	34,000	454,484	13.37	102,000	(352,484)
RENWICKJA		200		0	200	315,743	1,578.71	188,080	(127,663)
RINGSHINE		201,060	15,079	100,530	115,609	1,136,421	9.83	1,190,773	54,351
RUNNERAUTO		42,411	860	7,205	36,066	2,370,172	65.72	2,145,927	(224,245)
SAIFPOWER	7,680	42,320	3,000	50,000	3,000	62,226	20.74	40,200	(22,026)
SAIHAMTEX		10,380		6,880	3,500	115,193	32.91	112,700	(2,493)
SALVOCHEM	57,300	22,700		0	80,000	1,568,618	19.61	824,000	(744,618)
SEAPEARL		7,459	186	3,729	3,916	37,300	9.53	161,731	124,431
SEMLIBBLSF		63,000		0	63,000	521,522	8.28	403,200	(118,322)
SILCOPHL		54,170	729	45,522	9,377	266,210	28.39	284,123	17,913
SONARBAINS		23,000		8,000	15,000	572,625	38.18	538,500	(34,125)
SQURPHARMA	14,445	8,555	1,610	0	24,610	6,554,709	266.34	4,675,900	(1,878,809)
SSSTEEL	13,492	5,000		13,492	5,000	111,584	22.32	112,500	916
UCB	000'09	0	9000'9	0	000'99	1,431,802	21.69	877,800	(554,002)
UNIONCAP	35,000	70,000		35,000	70,000	559,405	7.99	441,000	(118,405)
WMSHIPYARD	26,000	74,620	12,093	20,000	92,713	1,432,810	15.45	1,038,386	(394,425)
ZAHEENSPIN	3,500	413,823		133,500	283,823	2,625,459	9.25	2,582,789	(42,670)
TOTAL	3,830,909	3,008,124	- 87,032	1,484,963	5,441,102	90,481,659	6,165.97	60,873,134	(29,608,524)

Annexure - C

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

As at December 31, 2019

				Quantity				A	Amount in Taka		
SL No	Name of the Company	Opening Balance	Acquired during the year	Right Share received	Bonus Share received	Sold During the Year	Total Quantity as on 31.12.19	Total Cost	Average Cost Per Share	Total Market Value as on 31.12.19	Unrealised Gain/Loss
	1	2	3	4	5	9	7=(2+3+4+5-6)	8	6	10	11=(10-9)
П	BATBC		3,000		4,000	6,000	1,000	1,470,491	1,470.49	006'696	(500,591)
2	DBH		82,890		2,000	75,972	8,918	1,184,128	132.78	1,019,327	(164,801)
3	FORTUNE		386,200		37,800	392,500	31,500	795,795	25.26	724,500	(71,295)
4	HAKKANIPUL		65,500			0	65,500	3,525,906	53.83	3,281,550	(244,356)
2	ICBAMCL2ND		811,071			139,851	671,220	5,458,093	8.13	5,168,394	(289,699)
9	INTRACO		75,000		7,500	75,000	7,500	139,550	18.61	102,000	(37,550)
7	KAY&QUE		24,390			8,500	15,890	3,275,297	206.12	3,330,544	55,247
∞	NTLTUBES		228,795		3,000	228,795	3,000	423,981	141.33	361,200	(62,781)
6	PRAGATILIF		40,920			38,220	2,700	334,688	123.96	341,010	6,322
10	SINOBANGLA		160,988			112,622	48,366	3,758,657	77.71	4,043,398	284,741
11	ZAHEENSPIN		557,663			0	557,663	5,150,310	9.24	5,074,733	(75,576)
	TOTAL	•	2,436,417	•	54,300	1,077,460	1,413,257	25,516,895	2,267.46	24,416,556	(1,100,339)

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

As at December 31, 2019

Annexure - D

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No	Tk.	Tk.	Tk.
1	1JANATAMF	30,622	166,366	165,239	(1,127)
2	ACFL	7,846	313,840	312,787	(1,053)
3	ACI	689	250,019	125,029	(124,991)
4	ACMELAB	2,000	148,212	144,298	(3,914)
5	ACTIVEFINE	31,000	824,133	828,178	4,045
6	AIL	74,000	5,267,949	5,233,273	(34,676)
7	AL-HAJTEX	6,000	586,484	591,017	4,533
8	ALIF	45,000	487,390	489,123	1,733
9	AMBEEPHA	2,273	1,554,515	1,573,486	18,971
10	ANLIMAYARN	3,000	120,686	124,073	3,386
11	ANWARGALV	12,300	975,387	999,266	23,879
12	APOLOISPAT	20,000	353,736	81,927	(271,809)
13	ASIAINS	5,000	128,094	137,400	9,306
14	BANGAS	2,500	664,213	674,738	10,525
15	BARKAPOWER	6,000	210,695	132,347	(78,348)
16	BATBC	2,675	4,232,567	4,357,021	124,455
17	BBSCABLES	32,000	3,100,425	3,104,824	4,399
18	BEACONPHAR	15,000	410,222	417,988	7,766
19	BENGALWTL	1,000	26,825	27,079	254
20	BNICL	1,500	34,082	35,823	1,741
21	BPML	10,645	789,361	887,135	97,774
22	BRACBANK	74,381	4,861,624	4,873,817	12,194
23	BSC	63,500	3,270,198	3,310,771	40,574
24	BSCCL	47,785	7,752,949	7,746,374	(6,575)
25	BSRMLTD	13,500	995,899	994,682	(1,217)
26	BXPHARMA	7,000	574,209	580,963	6,754
27	CAPMIBBLMF	20,000	201,159	197,849	(3,309)
28	CITYGENINS	5,000	101,573	108,316	6,743
29	COPPERTECH	31,000	732,841	958,274	225,434
30	DBH	18,500	2,374,605	2,301,349	(73,255)
31	DSHGARME	2,500	479,071	486,481	7,410
32	EASTERNINS	47,500	2,222,220	2,262,963	40,743
33	ESQUIRENIT	20,859	938,655	990,697	52,042
34	FARCHEM	20,000	320,132	322,268	2,136
35	FEDERALINS	5,000	72,557	77,941	5,385
36	FINEFOODS	108,564	4,186,730	4,236,946	50,216
37	FORTUNE	274,500	8,809,134	8,897,826	88,691
38	FUWANGFOOD	41,000	652,495	700,693	48,199
39	GENEXIL	10,466	101,251	467,333	366,082
40	GLOBALINS	24,000	566,838	596,760	29,922

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No	Tk.	Tk.	Tk.
41	GP	12,500	5,141,666	5,135,423	(6,244)
42	GPHISPAT	23,000	911,318	913,752	2,434
43	IBNSINA	14,509	3,730,778	3,755,535	24,757
44	IBP	167,294	3,833,356	3,943,584	110,228
45	ICBAMCL2ND	50,000	426,385	434,682	8,297
46	ICBEPMF1S1	19,100	119,360	120,234	874
47	IFADAUTOS	9,500	832,831	524,802	(308,029)
48	INTECH	11,000	335,803	339,336	3,534
49	INTRACO	266	2,534	7,707	5,173
50	ITC	6,000	259,607	263,401	3,794
51	JAMUNAOIL	5,000	836,711	839,272	2,562
52	KPCL	87,714	4,622,944	4,702,355	79,411
53	KTL	11,070	100,640	235,839	135,200
54	LANKABAFIN	32,000	1,420,560	569,195	(851,365)
55	LEGACYFOOT	6,441	627,954	472,585	(155,369)
56	LHBL	35,000	2,236,532	1,198,634	(1,037,897)
57	LIBRAINFU	4,500	4,539,754	3,837,057	(702,697)
58	MLDYEING	4,229	35,242	143,115	107,874
59	MONNOCERA	42,498	11,484,417	11,382,245	(102,172)
60	MONNOSTAF	1,460	2,160,536	2,154,717	(5,819)
61	MPETROLEUM	1,000	225,666	240,623	14,958
62	NAHEEACP	37,015	2,053,682	2,099,474	45,793
63	NEWLINE	11,268	110,227	205,348	95,121
64	NHFIL	10,000	426,813	364,428	(62,385)
65	NPOLYMAR	21,290	2,099,986	2,138,803	38,817
66	NTLTUBES	44,500	6,783,369	7,215,996	432,628
67	NURANI	75,000	1,194,885	1,254,581	59,696
68	OLYMPIC	21,328	4,825,254	4,912,609	87,355
69	ORIONINFU	2,000	130,495	132,579	2,084
70	PADMAOIL	5,000	1,145,832	1,183,042	37,211
71	PHARMAID	10,237	5,778,987	5,866,619	87,632
72	PREMIERBAN	30,000	454,830	490,027	35,197
73	REGENTTEX	15,000	260,888	261,557	669
74	RINGSHINE	100,530	874,179	1,758,127	883,948
75	RNSPIN	32,500	595,010	168,094	(426,916)
76	RUNNERAUTO	7,205	540,375	691,901	151,526
77	RUPALIBANK	30,000	930,690	941,031	10,341
78	RUPALIINS	10,000	227,163	223,725	(3,438)
79	SAFKOSPINN	5,000	96,572	97,428	856
80	SAIFPOWER	50,000	1,037,150	669,785	(367,365)
81	SAIHAMTEX	6,880	229,967	232,369	2,402
82	SEAPEARL	3,729	37,290	104,713	67,423
83	SEMLFBSLGF	32,000	412,909	432,140	19,231
84	SEMLLECMF	4,957	38,198	39,418	1,221
85	SHASHADNIM	27,260	1,765,818	1,752,303	(13,516)

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No	Tk.	Tk.	Tk.
86	SHEPHERD	4,000	157,922	160,685	2,763
87	SHURWID	6,000	176,830	184,061	7,231
88	SILCOPHL	45,522	1,004,969	1,274,198	269,229
89	SILVAPHL	9,194	91,940	263,749	171,809
90	SIMTEX	4,000	126,997	132,703	5,706
91	SINGERBD	41,800	8,370,268	8,523,139	152,871
92	SINOBANGLA	98,800	7,325,946	7,608,232	282,286
93	SKTRIMS	5,546	50,420	239,594	189,174
94	SONARBAINS	8,000	246,782	258,505	11,723
95	SSSTEEL	13,492	134,920	531,515	396,595
96	STYLECRAFT	8,605	6,336,676	6,480,074	143,397
97	UNIONCAP	35,000	558,401	587,580	29,180
98	UPGDCL	69,500	27,338,252	27,535,465	197,213
99	USMANIAGL	2,520	284,412	299,664	15,252
100	VFSTDL	7,222	206,516	407,148	200,632
101	WATACHEM	34,534	17,815,001	18,056,456	241,456
102	WMSHIPYARD	20,000	406,756	410,706	3,950
103	YPL	25,000	389,825	391,720	1,895
104	ZAHEENSPIN	133,500	1,353,566	1,336,806	(16,760)
105	1STPRIMFMF	20,000	312,624	301,430	(11,194)
106	AMBEEPHA	7,000	5,170,300	3,657,747	(1,512,553)
107	ANWARGALV	5,000	422,844	452,729	29,885
108	APEXTANRY	13,205	1,839,556	1,708,511	(131,045)
109	ASIAINS	20,000	714,426	554,432	(159,994)
110	ATCSLGF	25,000	240,480	217,056	(23,424)
111	BATBC	6,000	8,935,540	7,286,891	(1,648,649)
112	BEACONPHAR	20,000	577,152	552,892	(24,260)
113	BNICL	56,650	1,193,157	1,256,878	63,721
114	BRACBANK	10,000	727,861	759,476	31,615
115	CAPMIBBLMF	350,000	3,433,613	3,638,695	205,082
116	CENTRALPHL	2,500	21,293	19,212	(2,081)
117	CITYGENINS	50,000	1,069,635	1,067,860	(1,775)
118	DAFODILCOM	34,417	1,845,351	1,816,516	(28,835)
119	DBH	75,972	10,334,320	9,919,235	(415,085)
120	EASTERNINS	230,600	12,178,075	12,461,073	282,998
121	ECABLES	10,000	3,192,029	3,387,993	195,965
122	EHL	40,000	2,307,513	2,236,713	(70,800)
123	FEDERALINS	50,000	608,720	663,651	54,931
124	FINEFOODS	22,650	926,038	882,140	(43,898)
125	FORTUNE	392,500	11,903,439	12,217,446	314,007
126	GENEXIL	46,500	1,990,312	2,208,413	218,101
127	GLOBALINS	117,500	1,745,664	1,953,821	208,156
128	GP	5,000	1,956,806	1,970,351	13,545
129	GQBALLPEN	10,000	916,830	921,882	5,052
130	ICBAMCL2ND	139,851	1,155,175	1,103,637	(51,538)

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No	Tk.	Tk.	Tk.
131	INTRACO	75,000	1,395,540	991,129	(404,411)
132	JAMUNAOIL	2,000	356,712	349,150	(7,562)
133	KAY&QUE	8,500	1,899,901	1,865,478	(34,424)
134	KPCL	15,000	811,620	826,331	14,711
135	LHBL	10,000	366,732	337,478	(29,254)
136	LINDEBD	1,000	1,302,607	1,324,346	21,739
137	LRGLOBMF1	100,000	681,370	638,187	(43,183)
138	MEGHNALIFE	7,900	603,269	605,507	2,237
139	MONNOCERA	29,771	9,756,260	9,809,595	53,335
140	NAVANACNG	39,300	1,880,169	1,915,916	35,747
141	NORTHRNINS	25,000	598,695	651,190	52,495
142	NTC	1,000	726,098	711,975	(14,123)
143	NTLTUBES	228,795	31,308,793	34,460,062	3,151,269
144	OLYMPIC	33,500	7,471,892	7,899,936	428,045
145	PADMAOIL	500	112,775	122,355	9,580
146	PRAGATILIF	38,220	4,713,361	4,972,053	258,692
147	PREMIERBAN	50,000	641,280	653,690	12,410
148	PRIMEINSUR	184,000	4,249,118	4,724,012	474,895
149	PURABIGEN	100,000	1,781,070	1,893,176	112,106
150	RENWICKJA	800	1,195,365	1,228,242	32,877
151	REPUBLIC	18,000	518,234	511,480	(6,754)
152	RUPALIINS	32,000	743,885	760,420	16,536
153	SEMLFBSLGF	45,000	765,539	781,106	15,568
154	SEMLLECMF	52,500	447,143	448,182	1,040
155	SHURWID	5,000	137,274	140,718	3,444
156	SILCOPHL	70,000	1,938,902	2,231,528	292,626
157	SILVAPHL	2,047	65,639	63,943	(1,696)
158	SIMTEX	30,700	1,006,076	1,040,604	34,528
159	SINGERBD	17,000	3,585,140	3,684,799	99,659
160	SINOBANGLA	112,622	8,728,524	8,863,870	135,347
161	SONARBAINS	8,500	479,575	470,583	(8,992)
162	UPGDCL	14,000	5,509,904	5,570,672	60,769
TOTAL					3,782,829

Commerce Bank Securities and Investment Limited **Dividend Income on Shares**For the year ended 31 December, 2019

Annexure - E

	Instruments	Quantity	Face Value	Rate	Dividend	TDS	Net Dividend
JI. 140.		No.	Tk.		Tk.	Tk.	Tk.
-	OLYMPIC	10,000	10	45%	45,000.00	00.000,6	36,000.00
2	ACI	3,100	10	115%	35,849.15	7,169.83	28,679.32
3	SQUARPHAR	5,912	10	35%	48,600.00	9,720.00	38,880.00
4	SHASHADENIM	18,000	10	15%	27,000.00	5,400.00	21,600.00
5	PREMIERCEM	3,000	10	10%	3,000.00	00:009	2,400.00
9	SKTRIMS	5,042	10	7%	1,019.30	203.86	815.44
7	BPL	8,645	10	70%	17,290.00	3,458.00	13,832.00
8	INTRACO	5,334	10	2%	2,692.28	538.46	2,153.82
6	SQUARPHAR	13,500	10	36%	48,000.00	00.009,6	38,400.00
10	ACFL	7,846	10	10%	7,846.00	1,569.20	6,276.80
11	FRACTION				12.54	2.51	10.03
12	FRACTION				13.49	2.70	10.79
13	MAKSONSPIN	46,000	10	2%	23,000.00	4,600.00	18,400.00
14	FRACTION				21.35	4.27	17.08
15	AMBEEPHAR	20	10	30%	150.00	30.00	120.00
16	GP	10,000	10	155%	155,000.00	31,000.00	124,000.00
17	LANGKABAFIN	8,100	10	15%	121,500.00	24,300.00	97,200.00
18	BATBC	2,000	10	200%	100,000.00	20,000.00	80,000.00
19	LHBL	150,000	10	10%	150,000.00	30,000.00	120,000.00
20	BEXIMCO	115,000	10	2%	60,000.00	12,000.00	48,000.00
21	GP	8,000	10	%06	72,000.00	14,400.00	57,600.00
22	BSCCL	26,500	10	16%	90,400.00	18,080.00	72,320.00
23	TRUSTBANK	000'09	10	13%	77,500.00	15,500.00	62,000.00
24	SAIFPOWER	75,000	10	2%	50,000.00	10,000.00	40,000.00
25	BATBC	2,000	10	200%	100,000.00	20,000.00	80,000.00
26	NHFIL	54,000	10	19%	6,250.00	1,250.00	5,000.00
27	IBP	000'09	10	7%	24,500.00	4,900.00	19,600.00
28	DSE	5,411,329	10	2%	2,705,664.50	541,132.90	2,164,531.60
	Total				3,972,309	794,462	3,177,847

OUR BRANCHES

SL	Name of Division	Address	Contacts
		Call Center	16270
		Dhaka	
01	Principal	19, Rajuk Avenue, Taranga Complex (Ground Floor), Motijheel C/A, Dhaka-1000.	09613222001,7112069, 9561551,09613222002 Fax: 9585023 E-mail: principal@bcbl.com.bd
02	Dilkusha	Boliadi Mansion (1st Floor), 16, Dilkusha C/A, Dhaka-1000	09613225001-6,9578578, 9570105,9571375 Fax: 9571375 E-mail: dilkusha@bcbl.com.bd
03	Bangshal	141,LutforRahman Lane, North South Road, Bangshal, Dhaka-1100.	09613221501-4, 9580624,9566140 Fax: 9566140 E-mail: bangshal@bcbl.com.bd
04	Moulvibazar	40, Imamgonj, Moulvibazar, Dhaka-1100	09613222096, 7343769 Fax: 7311051 E-mail: moulvibazar@bcbl.com.bd
05	Dholaikhal	23, Goal Ghat Lane (1st Floor), Wari, Dholaikhal, Dhaka-1100.	09613221196, 9590344 Fax:7118665 E-mail: dholaikhal@bcbl.com.bd
06	Banglabazar	52, North Brook Hall Road, Banglabazar, Dhaka-1100.	09613221301-3, 47115256, 47119034, Fax: 7121878 E-mail: banglabazar@bcbl.com.bd
07	Zigatola	25/1, Zigatola, Dhaka-1209	09613221601,9668558, 58614119 ,Fax: 9622154 E-mail: zigatola@bcbl.com.bd
08	Green Road	75, Greenroad (1st foor), Hossain Tower, Farmgate, Dhaka.	09613221401-5,58154664, Fax: 58126886 E-mail: greenroad@bcbl.com.bd
09	Mouchak	238/1, Maruf Market (1st Floor), Outer Circular Road, Malibagh, Dhaka.	09613223001, 8312061, 8321072 Fax: 8321072 E-mail: mouchak@bcbl.com.bd
10	Mirpur	Plot#2, Avenue-6, Section-1, Mirpur, Dhaka-1216	09613222101-4, 55075192-3 Fax: 8051722 E-mail: mirpur@bcbl.com.bd
11	Gulshan	Landview Commercial Complex, 28 Gulshan North C/A, Gulshan Circle-2, Dhaka-1212.	09613227001-7,8881045, 9854019, 8881044 Fax: 8882044 E-mail: gulshan@bcbl.com.bd
12	Khilgaon	290/3, Block-A, Nahar Tower (1st Floor), Railgate, Khilgaon, Dhaka-1219.	09613222501,7213779 Fax: 7215803 E-mail: khilgaon@bcbl.com.bd

SL	Branch Name	Address	Contacts
13	Uttara	House-60, Sector-13, Gorib-E-Neous Avenue Uttara, Dhaka-1230	09613222801, 8921555 E-mail: uttara@bcbl.com.bd
14	Bijoynagar	Al-Raji Complex House# 166/167, Woard# 36 Shahid Syed Nazrul Islam Sarani Bijoynagar, Dhaka.	09613223101, 7115625 Fax-02-7115957 E-mail: bijoynagar@bcbl.com.bd
15	Foreign Exchange	Monir Tower (Level-2) 167/1Fakirapool, DIT Extension Road, Motijheel,Dhaka-1000.	09613223601,9573467, 9573468 Fax: 02-9573469 E-mail: fex@bcbl.com.bd
16	Savar	63/14 Bazar Road, Islam Plaza, Savar, Dhaka.	09613223801,7742151 Fax: 02-7742150 E-mail: savar@bcbl.com.bd
17	Pragati Sarani	KA/218, Kuril Chourasta, Zakir Complex (1st Floor), Dhaka.	09613224096,09613224097, 8417359 Fax: 02-8417506 E-mail: pragati@bcbl.com.bd
18	Merajnagar	Merajnagar Supper Market (2nd Floor), Shaympur, Kadomtoli, Dhaka-1362.	09613224401,09613224403 09613224402, E-mail: merajnagar@bcbl.com.bd
19	Bandura	Puraton Bandura, Nawabgonj, Dhaka.	09613223301, E-mail: bandura@bcbl.com.bd
20	Dhamrai	Keyetpara, Dhamrai Bazar, Dhamrai, Dhaka.	09613222401,7730237 Fax: 7730237 E-mail: dhamrai@bcbl.com.bd
21	Narayanganj	69, Bangabundu Road, Tokeyo Plaza 1 (2nd Floor) , Ward no-15, Narayanganj City Corporation, DIT, Narayanganj-1400.	09613229001-5, 645054, 7640321, 7644750 Fax:7645054 E-mail: narayanganj@bcbl.com.bd
22	Kathgora Bazar	Hazi Nujomuddin Super Market, Kathgora Bazar, Post: Jirabo, Union: Ashulia, Ward no-1. P/S- Ashulia, Dhaka.	09613224301,7792634 Fax: 02-7792632 E-mail: kathgora@bcbl.com.bd
23	Shibchar	47, Shadar Road, Shibchar, Madaripur	0662456101, 09613224601-3 E-mail: shibchar@bcbl.com.bd
24	Kaliakoir	Rajob Ali Super Market (2nd Floor), Kaliakoir Bazar, Gazipur.	0982251848-9 096132224701-3 E-mail: kaliakoir@bcbl.com.bd
25	Sonargaon	Salina Plaza(1st Floor), Mograpara Sonargaon, Narayangonj.	7656033, 09613224802 09613224801, E-mail: sonargaon@bcbl.com.bd

SL	Branch Name	Address	Contacts
26	Balla	Balla Bazar, Battola (Kaporpatti), Kalihati, Tangail.	09613224902,09613224907 09613224901 E-mail: balla@bcbl.com.bd
27	Gazipur Chowrasta	Mubarak Complex, Ward No-16, Gazipur City Corporation, Joydebpur, Gazipur.	09613225051, 09613225052 E-mail: gazipur@bcbl.com.bd
28	Banani	Antorip (1stFloor), House#2, Road No:11, Block No:F, Banani, Dhaka	09613225701,09613225702 E-mail: banani@bcbl.com.bd
29	Aganagar	Shawon Plaza (1st floor), Aganagar , South Keranigonj, Dhaka.	01711587835 E-mail: aganagar@bcbl.com.bd
30	Rokeya Sarani	Golorious Mollah Tower, Holding No-745, West Shewrapara, Mirpur, Dhaka North City Corporation, Dhaka.	09613226301-3 E-mail: rokeyasarani@bcbl.com.bd
31	Panchdona	Haji ShamsulHaque Plaza(1st Floor), Meherpara, Panchdona, Narsingdi	09613225601,09613225602 E-mail: panchdona@bcbl.com.bd
32	Banglamotor	Padma Life Tower, Holding No-115,Kazi Nazrul Islam Avenue,Hatirjheel,Dhaka.	09613226401,09613226402 E@mail-banglamotor@bcbl.com.bd
		Chattogram	
33	Agrabad	56, Jibon Bima Bhaban, Agrabad C/A, Chattogram.	9613226001-4, 031-717974, 031-717973, 2522781, Fax: 031-724879 E-mail: agrabad@bcbl.com.bd
34	Jubilee Road	30, Imam Gazzali Market (1st Floor), Jublee Road, Chattogram.	09613221901,031-627837, Fax: 031-2850065 E-mail: jubileeroad@bcbl.com.bd
35	Khatungonj	304, SW Tower, (1st Floor), Lama Bazar, Kotwali, Khatungonj, Chattogram.	09613222301,031-618821, 2864559 Fax: 031-728145 E-mail: khatungonj@bcbl.com.bd
36	Chaktai	68, Rajakhali Road, New Chaktai, Chattogram-400	09613222201,031-2867575, 031-634612, Fax: 031-636412 E-mail: chaktai@bcbl.com.bd
37	Dewanhat	1128, Sheikh Mujib Road, Ahmed Mansion, Chattogram.	09613221201,031-2513622 Fax: 031-728145 E-mail: dewanhat@bcbl.com.bd
38	Muradpur	Karim's Icon (2nd Floor), 73/74, CDA Avenue, Muradpur,Chittagong.	09613223096, 031-655982, 656154 E@mail- muradpur@bcbl.com.bd
39	Comilla	35/32 Zilla School Road Kandirpar, Cumilla	09613222601,081-69951 Fax: 081-69902 E-mail: comilla@bcbl.com.bd
40	Feni	Idris Plaza, Holding No-612 (1st& 2nd Floor), Islampur Road, Feni Bazar, Feni	09613222901,0331-69011 Fax-0331-69012 E@mail-feni@bcbl.com.bd

SL	Branch Name	Address	Contacts
41	Mandari Bazar	Babosayee Samitee Market (1st Floor) Lakshmipur Sadar, Lakshmipur.	0381-55634, Fax: 0381-55633 E-mail: mbazar@bcbl.com.bd
42	Kangshanagar Bazar	Kangshanagar Bazar, Burichang, Cumilla-3520	09613224501-2 E-mail: kangshanagar@bcbl.com.bd
43	A K Khan Moor	H#825, Jakir Hossain Road, Ward No#9, Chittagong City Corporation, Pahartoli, Chittagong.	09613225301,09613225302 E-mail: akkhanmoor@bcbl.com.bd
44	Lohagara	Sayed Plaza, Lohagara, Chattogram	09613225401,09613225402 E-mail: lohagara@bcbl.com.bd
45	Kumira	Boro Kumira, Shitakundo, Chattogram	01818395954 E-mail: kumira@bcbl.com.bd
46	Dhamairhat	Uttar Rangunia Uchha Biddaloy Shopping Complex, Lalanagar, Rangunia, Chattogram.	09613226601,09613226602 E@mail-dhamairhat@bcbl.com.bd
		Khulna	
47	Khulna	141, Sir Iqbal Road, Khulna-9100	09613224001-4, 041-732595, 041-2830144, 810911, Fax: 041-810911 E-mail: khulna@bcbl.com.bd
48	Daulatpur	727, Jessore Road, Daulatpur, Khulna-9202	09613221701, 041-761604 Fax: 041-762589 E-mail: daulatpur@bcbl.com.bd
49	Jessore	Mohsin Super Market, 10 R. N. Road Jashore.	09613223501, Fax:042171180 E-mail: jessore@bcbl.com.bd
50	Kopil Muni	Sorojini Banijjo Beponi Market (Ist floor), Kopilmuni Sohachori Vidda Mondir, P/O-Kopilmuni. P/S- Paikgacha, Dist. Khulna	09613224101, E-mail: kopilmuni@bcbl.com.bd
51	Lohagara	Nawab Plaza(1st Floor), Ward no-04 , Lohagara, Narail	09613226201-3 E-mail: lohagaranarail@bcbl.com.bd
52	Rupdia	Hiron Super Market, Rupdia, Narendrapur, Katwali, Jessore.	09613226501, 09613226502 E@mail: rupdia@bcbl.com.bd
		Rajshahi	
53	Bogra	676, Chamber Bhaban, Jhawtola, Bogura-5800	09613228001-4,051-65441 Fax: 051-65710 E-mail: bogra@bcbl.com.bd
54	Naogaon	Kader Manson (1st Floor) Naogaon Main Road, Naogaon	09613221801,0741-81118 Fax: 0741-63222 E-mail: naogaon@bcbl.com.bd

SL	Branch Name	Address	Contacts
55	Rajshahi	341, Station Road, Metropolitan Market (1st Floor), Rajshahi.	09613225201,09613225202 E-mail: rajshahi@bcbl.com.bd
56	Sujanagar	Haji Abdul Kuddus Shopping Mol, Pabna- Sujangar-Kashinathpur Road	09613226801,09613226802 E@mail-sujanagar@bcbl.com.bd
57	Ahmedpur	Nahar Plaza (2nd Floor), Baraigram, Ahmedpur, Nator.	09613225501, 09613225502 E-mail: ahmedpur@bcbl.com.bd
		Barishal	
58	Barisal	Elahi Tower, Holding no-523, Ward no-8, Bazar Road, Barisal Sadar, Barishal.	09613224201,0431-2176433 Fax: 0431-61616 E-mail: barisal@bcbl.com.bd
59	Batajore	Batajor Bazar Batajor, Gournadi Barishal.	09613223901 E-mail: batajore@bcbl.com.bd
		Sylhet	
60	Sylhet	Gellariya Shopping & Apartment Complex (2nd Floor), West Zinda Bazar, Jallarpar Road, Sylhet	09613221096,0821-723210 Fax: 0821-728487 E-mail: sylhet@bcbl.com.bd
61	Juri	Hazilmzad Ali Market Vobanigonj Bazar, Juri Moulvibazar.	09613223701,086275719 Fax: 08627-57192 E-mail: juri@bcbl.com.bd
62	Shamshernagar	Rahim Manson, Shamshernagar, Upazilla:- Kamolganj, Zillla: Moulvibazar	09613225101,09613225102 E-mail: shamshernagar@bcbl.com.bd
63	Chunarughat	Niranjan City, Holding No-0095-00, Balla Road, Chunarughat, Habigonj.	09613226701,09613226702 E@mail-chunarughat@bcbl.com.bd
		Rangpur	
64	Dinajpur	SM Tower (2nd Floor) Bahadur Bazar Dinajpur.	09613223401,053166556 Fax: 0531-66555 E-mail: dinajpur@bcbl.com.bd
65	Rangpur	Moin Plaza (1st Floor), 12 Station Road, Rangpur City Corporation, Rangpur.	0128877726 E-mail: rangpur@bcbl.com.bd
		Mymensingh	
66	Seedstore Bazar	Hobir Bari, Seedstore Bazar, Valuka, Mymensingh	09613222701, E-mail: seedstore@bcbl.com.bd
67	Mymensingh	Moin Plaza (1st Floor), 12 Station Road, Rangpur City Corporation, Rangpur.	0128877726 E-mail: rangpur@bcbl.com.bd





Bangladesh Commerce Bank Limited

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

PROXY FORM

of	
•	rce Bank Limited do hereby appoint
•	pehalf at the 22 nd Annual General 020 at 11.00 a.m. at through Digital
day of	2020.
Affix Revenue Stamp of Tk. 20.00	(Signature of the proxy)
	of Bangladesh Comment of of me/us and on my/our becurday, 19 September 20 day of Affix Revenue Stamp of

Note: The proxy form should reach the Registered Office of the Company not less than 72 hours before the time fixed for the meeting. Date:

Signature Verified

Authorized Signatory **Bangladesh Commerce Bank Limited**















BANGLADESH COMMERCE BANK LTD.

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



Corporate Office: Eunoos Trade Center, Level-22, 52-53, Dilkusha C/A, Dhaka-1000. PABX: 9559831, 9571581, 9585703, 9587823 Fax: 88-02-9568218, web: bcblbd.com Email: info@bcbl.com, SWIFT: BCBLBDDH, G.P.O. Box No.: 475

Call Center No.: 16270