

# Annual Report 2017



**Bangladesh Commerce Bank Limited**  
বাংলাদেশ কমার্স ব্যাংক লিমিটেড





# ANNAUL REPORT 2017



**Bangladesh Commerce Bank Limited**  
বাংলাদেশ কমাৰ্স ব্যাংক লিমিটেড

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## LETTER OF TRANSMITTAL

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

Annual Report of Bangladesh Commerce Bank Limited For the year ended 31st December 2017.

Dear Sir,

On behalf of the Board of Directors of Bangladesh Commerce Bank Limited, it is our pleasure to transmit the Annual Report for the year ended 31st December, 2017 along with the Audited Financial Statement (Statements of Financial Position as at December 31, 2017, Statement of Comprehensive Income), Cash Flow Statement, Statement of Changes in Equity and Notes thereon of Bangladesh Commerce Bank Limited for your kind information and record. Analysis in this report, unless explicitly mentioned otherwise are based on the financials of "Bank" not the consolidated financials.

I would like to convey my cordial heartiest gratitude to all concerned. This is for your kind information and record please.

Yours Sincerely



**Md. Salim Hasan**  
Company Secretary



# বাংলাদেশ কমার্স ব্যাংক লিমিটেড

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

## ২০তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এতদ্বারা বাংলাদেশ কমার্স ব্যাংক লিমিটেড এর সম্মানিত শেয়ারহোল্ডারগণের জ্ঞাতার্থে জানানো যাচ্ছে যে, বাংলাদেশ কমার্স ব্যাংক লিমিটেড এর ২০তম বার্ষিক সাধারণ সভা আগামী ১১-০৮-২০১৮ইং তারিখ রোজ শনিবার সকাল ১১ঃ০০ টায় নিম্নোক্ত কার্যাবলী সম্পাদনের নিমিত্তে কুর্মিটোলা গলফ ক্লাব, কুর্মিটোলা, ঢাকা সেনানিবাস, ঢাকা-১২০৬-এ অনুষ্ঠিত হবেঃ-

### আলোচ্যসূচী :

- ১। ৩১ ডিসেম্বর-২০১৭ইং সমাপ্ত বছরের ব্যাংকের নিরীক্ষিত হিসাবাবলী, ঐ তারিখে স্থিতিপত্রসহ তদবিষয়ে পরিচালক ও নিরীক্ষকদের প্রতিবেদন গ্রহণ ও অনুমোদন।
- ২। ২০১৮ইং সালের জন্য অডিটর নিয়োগ ও পারিশ্রমিক নির্ধারণ।
- ৩। ব্যাংকের মেমোরেন্ডাম এন্ড আর্টিকেলস অব এসোসিয়েশন এবং কোম্পানী আইনের বিধান মোতাবেক 'গ' শ্রেণীর ০২ (দুই) জন পরিচালকের অবসর গ্রহণ ও তদস্থলে পরিচালক নির্বাচন/পুনঃনির্বাচন।
- ৪। সভাপতির অনুমতিক্রমে অন্য যেকোন বিষয়ে আলোচনা।

তারিখঃ জুলাই ০৮, ২০১৮  
ঢাকা।

পর্যদের আদেশক্রমে

স্বা/-  
(মোঃ সেলিম হাসান)  
কোম্পানী সচিব

### বিশেষ দ্রষ্টব্যঃ

- ১। কোম্পানীর ২০তম বার্ষিক সাধারণ সভা উপলক্ষে শেয়ার হস্তান্তর বহিঃ আগামী ১৭-০৭-২০১৮ইং থেকে ১৯-০৭-২০১৮ তারিখ (উভয় দিনসহ) বন্ধ থাকবে।
- ২। ২০তম বার্ষিক সাধারণ সভায় অংশগ্রহণ ও ভোট প্রদানের যোগ্য কোম্পানীর যে কোন সদস্য/সদস্যা তার পক্ষে সাধারণ সভায় অংশগ্রহণ ও ভোট প্রদানের জন্য প্রক্সি নিয়োগ করতে পারবেন।
- ৩। প্রক্সি ফরম অথবা পাওয়ার অব এটর্নী বা ক্ষমতাপত্র বা নোটারী পাবলিক কর্তৃক সত্যায়িত ক্ষমতাপত্র এজিএম-এর কার্যক্রম শুরু হওয়ার কমপক্ষে ৭২ ঘণ্টা পূর্বে কোম্পানীর রেজিষ্টার অফিসে জমা দিতে হবে। যদি প্রক্সি ফরম যথাযথভাবে পূরণ ও ২০/- টাকা মূল্যের রেভিনিউ স্ট্যাম্প সংযোগপূর্বক নির্ধারিত সময়ে জমা দেয়া না হয় তাহলে প্রক্সি ফরম বৈধ বলে বিবেচিত হবেনা।
- ৪। অত্র ব্যাংকের সংঘবিধি'র ১১২ থেকে ১১৪ ধারা অনুযায়ী বার্ষিক সাধারণ সভায় 'গ' শ্রেণীর সম্মানিত পরিচালকগণের মধ্যে থেকে জ্যেষ্ঠতার ভিত্তিতে ০২ (দুই) জন পরিচালক অবসর গ্রহণ করবেন এবং উক্ত শূন্য পদে ০২ (দুই) জন পরিচালক নির্বাচিত হবেন। উক্ত ০২ (দুই) জন পরিচালক পদে নির্বাচনের জন্য আগ্রহী প্রার্থীগণ নিজে অথবা প্রতিনিধির মাধ্যমে ব্যাংকের রেজিষ্টার কার্যালয়ে নির্বাচন কমিশনের নিকট থেকে আগামী ০১-০৮-২০১৮ইং থেকে ০২-০৮-২০১৮ইং তারিখ পর্যন্ত অফিস চলাকালীন সময়ে মনোনয়ন পত্র সংগ্রহ করতে পারবেন। মনোনয়নপত্র জমা দেয়ার সর্বশেষ তারিখ ০৫-০৮-২০১৮ইং বিকাল ৪ঃ০০ ঘটিকা পর্যন্ত। ০৬-০৮-২০১৮ইং তারিখে মনোনয়ন পত্র বাছাই ও প্রার্থীদের তালিকা প্রস্তুত করা হবে। ০৭-০৮-২০১৮ইং তারিখ বিকাল ৪ঃ০০ ঘটিকা পর্যন্ত মনোনয়ন পত্র প্রত্যাহার করা যাবে। চূড়ান্ত ও যোগ্য প্রার্থীদের নামের তালিকা আগামী ০৮-০৮-২০১৮ইং তারিখে কোম্পানীর রেজিষ্টার কার্যালয়ের নোটিশ বোর্ডে টানিয়ে দেয়া হবে এবং ১১-০৮-২০১৮ইং তারিখে বার্ষিক সাধারণ সভা অনুষ্ঠিত হবে। বার্ষিক সাধারণ সভায় অন্যান্য আলোচ্যসূত্রের পর ০২ (দুই) জন পরিচালক নির্বাচনের জন্য ভোট গ্রহণের কার্যক্রম শুরু হবে এবং ভোট গণনার পর নির্বাচন কমিশন কর্তৃক ফলাফল ঘোষণা করা হবে।
- ৫। সাধারণ সভা অনুষ্ঠানের দিন রেজিস্ট্রেশন কাউন্টার সকাল ০৯:০০ ঘটিকা থেকে ১১:০০ ঘটিকা পর্যন্ত খোলা থাকবে। রেজিস্ট্রেশনের জন্য ব্যাংক কর্তৃক মূদ্রিত এটেন্ডেন্স স্লিপ উপস্থাপন আবশ্যিক।
- ৬। বার্ষিক প্রতিবেদন-২০১৭ ও ২০তম বার্ষিক সাধারণ সভার সূচীসহ নোটিশ ডাকযোগে যথাসময়ে সম্মানিত শেয়ারহোল্ডারবৃন্দের নিবন্ধিত ঠিকানায় প্রেরণ করা হবে। সভা অনুষ্ঠানের পূর্বে কেউ বার্ষিক প্রতিবেদন, নোটিশ/প্রক্সি ফরম না পেয়ে থাকলে ব্যাংকের [website: www.bclbld.com](http://www.bclbld.com) বা রেজিষ্টার অফিসের সচিব বিভাগে যোগাযোগ করার জন্য অনুরোধ করা হলো (টেলিফোন- ০৯৬১-৩২২-১০৭০)।
- ৭। ঠিকানার কোন পরিবর্তন হলে আগামী ১৬-০৭-২০১৮ইং তারিখের পূর্বে বাংলাদেশ কমার্স ব্যাংক লিমিটেড-এর রেজিষ্টার অফিসের সচিব বিভাগে লিখিতভাবে অবহিত করার জন্য সম্মানিত শেয়ারহোল্ডারগণকে অনুরোধ করা হলো।
- ৮। সুষ্ঠুভাবে সাধারণ সভা অনুষ্ঠানের সুবিধার্থে শিশু বা শেয়ারহোল্ডার নন এমন কাউকে সাথে না আনার জন্য সম্মানিত শেয়ারহোল্ডারগণকে অনুরোধ করা হলো।
- ৯। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নির্দেশনা অনুযায়ী কোন গিফট বা খাবার প্রদান করা হবে না।



# Bangladesh Commerce Bank Limited

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

## Notice of the 20th Annual General Meeting

Notice is hereby given to all the Honorable shareholders of Bangladesh Commerce Bank Limited that the 20th Annual General Meeting will be held on Saturday **11th August, 2018** at 11:00 a.m. at the Kurmitola Golf Club, Kurmitola, Dhaka Cantonment, Dhaka-1206 to transact the following business:

### **Agenda:**

- 1) To receive, consider and adopt the Audited Financial Statements for the year ended on 31st December, 2017 along with the Report of the Directors and Auditors' thereon.
- 2) To appoint Auditor(s) & fix up their remuneration for the year 2018.
- 3) To retire and elect/re-elect two Directors from 'Ga' Group as per Memorandum and Articles of Association of the Bank and Company Law.
- 4) Any other Business with the Permission of the Chair.

Dated: July 08, 2018  
Dhaka.

By order of the Board of Directors

Sd/-  
**(Md. Salim Hasan)**  
Company Secretary

### **Notes:**

- 1) The Register Book of shareholders of the Company shall remain closed from **17-07-2018** to **19-07-2018** (inclusive both days) and **no shares will transfer during this period.**
- 2) Any shareholder of the Company entitled to attend and vote at the Annual General Meeting may appoint any person as his/her proxy to attend and vote on his/her behalf.
- 3) 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.20.00 is not submitted within the stipulated time, the Proxy will not be treated as valid.
- 4) 02 (two) Directors will go on retirement on the basis of seniority and 02 (two) Director will be elected from the shareholders of 'Ga' Group as per Article 112 to 114 of the Articles of Association of the Bank. Interested candidate him/her self or by Authorized person can collect Nomination Papers for election of 02 (two) Directors from shareholders of 'Ga' group which will be available and collectable from Election Commission at Bank's Registered Office from **01-08-2018** to **02-08-2018** during office hours and Nomination Papers will be received up to 4:00 p.m. on **05-08-2018**. Nomination Papers will be scrutinized on **06-08-2018** and withdrawal of nomination will be allowed till 4:00 p.m. on **07-08-2018**. List of valid candidates will be hung on the Notice Board of the Registered Office of the Bank on **08-08-2018**. Annual General Meeting will be held on **11-08-2018**. After completion of all other agenda, election activities will start at the meeting place to elect 02 (two) Directors and the result will be declared by the Election Commission after counting the Votes on the same day.
- 5) Registration Counter on the day of Annual General Meeting will remain open from **09:00 a.m.** to **11:00 a.m.** Presentation of **Attendance Slip** provided by the Bank is a must for registration.
- 6) Annual Report 2017 and Notice of 20th Annual General Meeting will be sent to the registered address of all respective Shareholders. Anybody who has not received the Annual Report, Notice/Proxy Form is requested to visit the **website: [www.bcblbd.com](http://www.bcblbd.com)** of the Bank or contact with Board Division of the Registered Office (Contact No. **0961-322-1070**).
- 7) Respected Shareholders are requested to inform regarding change of address (if any) to the Board Division of the Registered Office on or before **16th July, 2018**.
- 8) To hold properly the Annual General Meeting the respected Shareholders are requested not to bring children or any person who is not a Shareholder of the Bank.
- 9) **No gift/Gift Coupon/ Food Box will be served in the 20th AGM as per instruction of BSEC.**



## Vision

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

## Mission

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



## OUR STRATEGIC PRIORITIES

1

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

2

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

3

To strengthen the risk management technique and compliance culture.

4

To expand the customer base and maintain an incremental deposit & reduce the non-performing assets.

5

To develop appropriate corporate governance system and culture with best practice.

6

To establish relationship banking & continuously improve service quality.

7

To extend banking services to all classes of people.

8

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

9

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

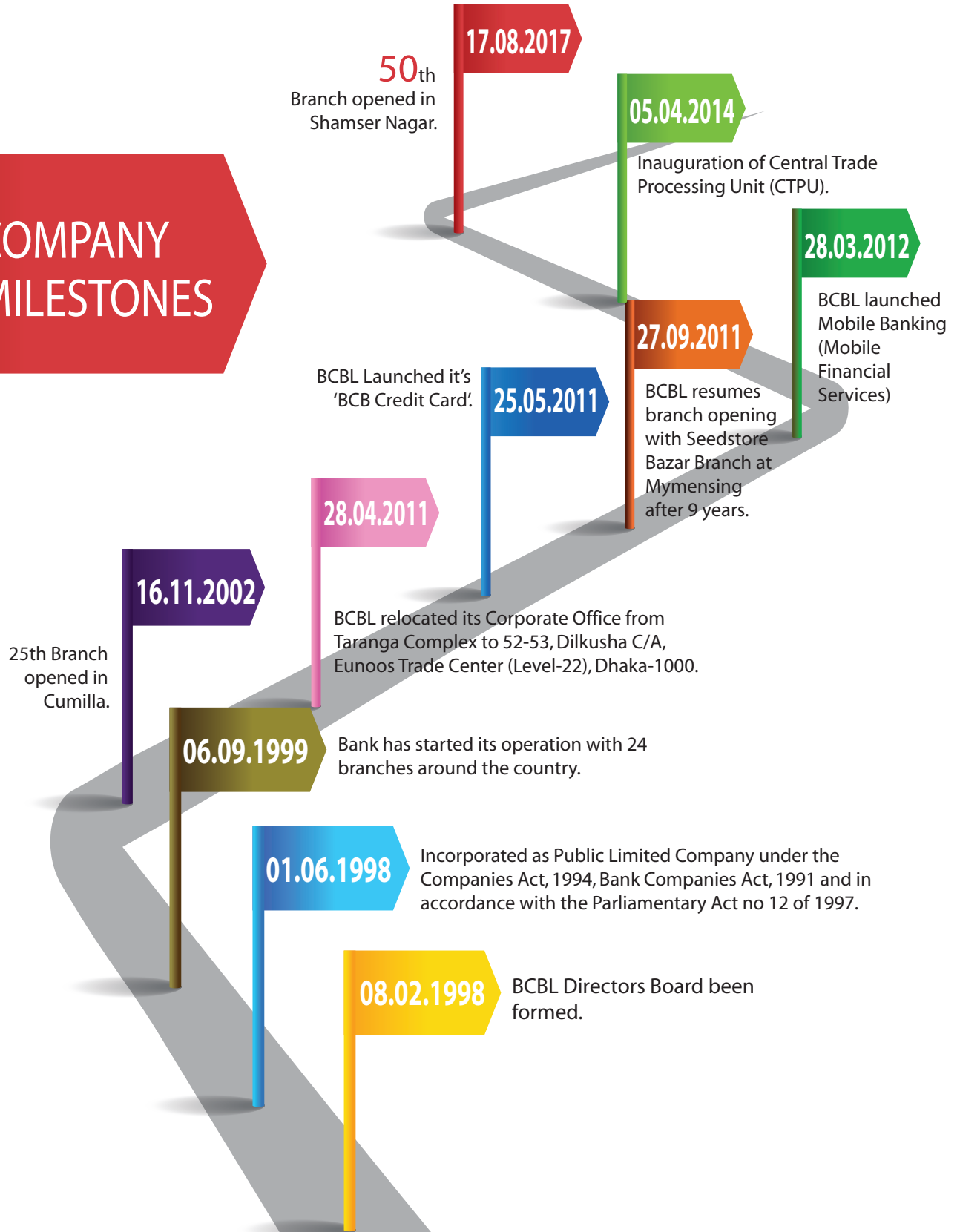
10

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

11

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

# COMPANY MILESTONES

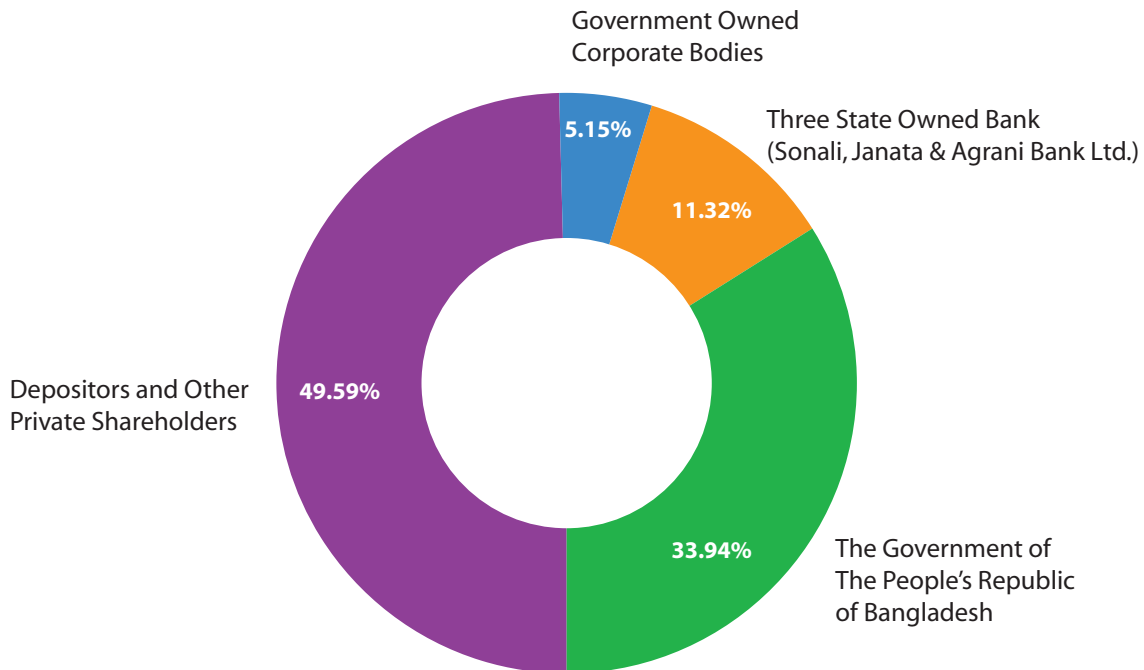


## CORPORATE DIRECTORY

<b>Name</b>	Bangladesh Commerce Bank Limited. (BCBL)
<b>Date of Incorporation</b>	1st June, 1998.
<b>Core Business</b>	<p>A public limited company incorporated in Bangladesh on June 01, 1998 under the Companies Act, 1994, the Bank Companies Act, 1991 and Parliamentary Act 12 of 1997.</p> <p>Bangladesh Commerce Bank Limited is known as a commercial bank. Like all commercial banks BCBL's core business is also obtaining deposits and providing loans. It is a financial institution providing services for businesses, organizations and individuals. Service include 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.</p> <p>BCBL make its profit by taking small, short-term, relatively liquid deposits and transforming these into small, medium, larger loans for short, medium and long term maturity loans. These processes of asset transformation generate net income for BCBL. BCBL also earned short term profit by investing through treasury functions as well as non funded business.</p> <p>However, BCBL is primarily engaged in deposit and lending activities to private and corporate clients in wholesale and retail banking. Other services typically include credit card, mobile banking, custodial service and guarantees, cash management and settlement as well as trade finance.</p>
<b>Authorized Capital</b>	BDT 10,000 Million.
<b>Paid Up Capital</b>	BDT 1,989 Million.
<b>Face Value Per Share</b>	BDT 100 per share.
<b>Auditor</b>	MABS & J Partners Chartered Accountants.
<b>Tax Consultant</b>	K. M. Hasan & Co. Chartered Accountants.
<b>Registration Number</b>	C-35510(2286)/98
<b>Bangladesh Bank License Number</b>	BRPD(P)744(KHA)/99-2842
<b>Registered Head Office</b>	Eunoos Trade Center (Level-22) 52-53, Dilkusha C/A, Dhaka-1000.

## Ownership Composition

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



## Composition of Board & Its Committees

### HONORABLE CHAIRMAN OF THE BOARD

Dr. Engr. Rashid Ahmed Chowdhury

### BOARD MEETING HELD & ATTENDANCE OF THE HONORABLE DIRECTOR'S:

SL.	NAME	TOTAL MEETING HELD	NO. OF MEETING ATTENDED	NO. OF MEETING ABSENT
1.	Dr. Engr. Rashid Ahmed Chowdhury	14	14	-
2.	Mr. Md. Farhad Uddin	14	14	-
3.	Dr. Md. Jafar Uddin	10	9	Leave Granted
4.	Mr. Md. Wahiduzzaman Khandaker	3	3	-
5.	Mr. Md. Moshir Ali	10	9	Leave Granted
6.	Mr. Mohammed Arshed	14	13	Leave Granted
7.	Mr. Mohammad Hanif Chowdhury	14	12	Leave Granted
8.	Mr. Md. Shafiqul Islam, FCA	14	13	Leave Granted
9.	Mr. A A M Zakaria	14	10	Leave Granted
10.	Mr. Humayun Bokhteyar, FCA	14	14	-

### COMPOSITION OF EXECUTIVE COMMITTEE:

SL.	NAME OF DIRECTORS	DESIGNATION
1.	Mr. Humayun Bokhteyar, FCA	Chairman
2.	Dr. Md. Jafar Uddin	Member
3.	Mr. Mohammed Arshed	Member
4.	Mr. Mohammad Hanif Chowdhury	Member

### COMPOSITION OF AUDIT COMMITTEE:

SL.	NAME OF DIRECTORS	DESIGNATION
1.	Mr. Md. Shafiqul Islam, FCA	Chairman
2.	Mr. Md. Farhad Uddin	Member
3.	Mr. Md. Wahiduzzaman Khandaker	Member
4.	Mr. Md. Moshir Ali	Member

### COMPOSITION OF RISK MANAGEMENT COMMITTEE:

SL.	NAME OF DIRECTORS	DESIGNATION
1.	Mr. A A M Zakaria	Chairman
2.	Mr. Md. Farhad Uddin	Member
3.	Mr. Mohammad Hanif Chowdhury	Member

# Director's Profile



**Dr. Engr. Rashid Ahmed Chowdhury**

Chairman

Dr. Engr. Rashid Ahmed Chowdhury, was born in a reputed Muslim family from Agrabad, Chittagong. He completed his SSC from Collegiate High School and HSC from Chittagong College. Dr. Chowdhury obtained Associate in Science (Applied Science) & 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 Department of General Management & Management Information System (MIS) in Chittagong Independent University (CIU), where he has been working since 2001. He teaches courses both at the Undergraduate and Graduate levels at CIU and additionally is serving as the Proctor. 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 Training Program on Training Fundamentals organized by the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) in association with Bangladesh Freight Forwarders Association (BAFFA) Dhaka. He has also attended numerous seminars on various topics such as Storm Water Management Strategies, Design, Modeling and Best Management Practices, Green Wireless Communication Technologies, Disaster, Climate and Coastal Vulnerabilities in Bangladesh, Container Terminal Operations and Management, Business Research Methodology and Stock Exchange: How the Trading Takes Place in Chittagong and 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.



### **Mr. Md. Farhad Uddin**

Director

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Mr. Mohammad 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 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.

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### **Dr. Md. Jafar Uddin**

Director

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Dr. Md. Jafar Uddin, son of Mr. Md. Fazal Sarder was born in 1962 in a respectable Muslim family of the Jamalpur. He is a Government nominated Director of Bangladesh Commerce Bank Ltd. Dr. Jafar is a senior servant in the Government sector. He achieved Doctor of Business Administration (DBA) in 2008 from the University of the East, Manila, Philippines (Dissertation on "THE EFFECTS OF MICRO-CREDIT FINANCING ON POVERTY ALLEVIATION VARIABLES"), Master of Arts in Government Financial Management in 2000 from the University of Ulster, United Kingdom and Master of Commerce in Finance in 1983 from the University of Dhaka, Bangladesh.

At present he is the Additional Secretary, Macroeconomic Wing of Finance Division, Ministry of Finance, Government of the People's Republic of Bangladesh. He has about 29 years of professional experience. He started his professional career by joining in Financial Management Academy under office of the Comptroller and Auditor General of Bangladesh in 1988 as Assistant Accountant General and since then he successfully performed his duties with salient reputation in a number of Ministry/department/Organizations like Ministry of Finance, Ministry of Housing & works, Financial Management Academy, Ministry of Information, Directorate of Commercial Audit and Ministry of Foreign Affairs. He also worked as Counsellor and Head of Chancery of the Embassy of Manila, the Philippines and as Associate Director of BRAC. In addition, he worked in Bangladesh Krishi Bank, Janata Bank and Bangladesh Bank prior to joining Civil service.

Dr. Jafar had received many professional training from local & foreign different institutions and attended International Conference and Seminars also working experience and Countries visited UK, Italy, Spain, India, Korea, Singapore, Malaysia, Belgium, Ireland, Uzbekistan, Thailand, China, Myanmar, Philippines, Sri Lanka, Nepal, Cambodia, Indonesia, France, Vietnam, Switzerland & Japan.

Among financial engagements Dr. Jafar sat on the Member to Board of Directors of Bangladesh Institute of Management & Islami Arabi University. He also brings with him the experience of so many Subjects taught in different Institutes/Academy/University.

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### **Mr. Md. Wahiduzzaman Khandaker**

Director

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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 Deptt. from University of Dhaka. He is also a member of DAIBB.

Mr. Khandaker started his banking carrier in 1983 as a Senior Officer (Financial Analyst) of Investment Corporation of Bangladesh (ICB). Before he was the Managing Director of Probashi Kallyan Bank (PKB), he 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 also served as a CEO and DGM 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.

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### **Mr. Md. Moshir Ali**

Director

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Mr. Md. Moshir Ali is the Deputy Managing Director of Agrani Bank Limited from 19th September, 2016.

He was born on 21st December, 1958 in a respectable family of Late Abdus Sattar & Late Salema Khatoon. Mr. Md. Moshir Ali obtained his B.Com. (Hon's) and M.Com. in Finance from the University of Dhaka. As a prudent banker he has 33 years of banking experience. He started his banking career with Agrani Bank in 1984 as a Senior Officer (Financial Analyst).

Before joining here, he was the Director of Agrani SME Financing Company Limited and at present he is Director of Agrani Equity and Investment Limited. He attended a number of seminars, workshops and received different training in home and abroad conducted by prestigious and world famous Institutions.

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### **Mr. Mohammed Arshed**

Director

Mr. Mohammed Arshed is representing Karnaphuli Praktik 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 Graduation, 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.



### **Mr. Mohammad Hanif Chowdhury**

Director

Mr. Mohammad Hanif Chowdhury is representing Sun Flower Life Insurance Company 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.



### **Mr. Md. Shafiqul Islam FCA**

Director

Mr. Md. Shafiqul Islam is representing City General Insurance Company 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.



### **Mr. A A M Zakaria**

Director

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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 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.

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### **Mr. Humayun Bokhteyar FCA**

Director

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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 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.

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## MESSAGE FROM THE HONORABLE CHAIRMAN



**Dr. Engr. Rashid Ahmed Chowdhury**  
Chairman

### **Bismillahir Rahmanir Rahim**

Dear Shareholders, in attendance the Board of Directors and my dear fellow the management team of the Bank.

### **Assalamuwaalaikum.**

It is my privilege to welcome you all to the 20th Annual General Meeting of Bangladesh Commerce Bank Limited. My sincere gratitude belongs to your continued trust which encourages us from the beginning of the year in each step onward. It's being an honor to present the Annual Report before you of Bangladesh Commerce Bank Limited for the year 2017.

**HONORABLE SHAREHOLDERS,****BANGLADESH ECONOMY**

Bangladesh economy remains steady throughout the socio-political and macro-economic background like previous years trend. The banking sector had to pass through a stressed instance in 2017. The period could be characterized as pressure of classified loans, downward trend of interest rate on loans and advances, increase of liquidity and lower yield of treasury bills/bonds. However, even growth in export-import and stimulating municipal region investment played an important role for 7.28% GDP growth. Inflation came down to 5.4% in average in 2017 despite the import-export remains positive. The capital market has bounce back during the year to help restore investors' confidence. Fortunately, our economy has the persistence and flexibility to oppose such in a challenging.

**RESPECTED SHAREHOLDERS,**

Throughout the core business area, Bank's operating profit for the year 2017 was Tk. 302 million. Provisions for loans and advances, tax and other required provisions, BCBL attained net profit of Tk. 29 million. The Bank's classified loans (CL) stood at 29.03% against industry position of 9.3%. We believe that this will come down to below 10% within short time.

The bank listed a moderate performance and in all respects efficiency in banking operations has improved. Cost to Income ratio decreased to 75.6% in 2017 which was 80.5% in the previous year. Operating profit grew by 39.97% and Profit after tax increased by 17.17% to reach BDT 29 million. ROA and ROE, two key profitability ratio, have also improved to 0.08 % and 0.84% respectively while the basic earnings per share increased to BDT 1.48 from BDT 1.26.

**HUMAN CAPITAL**

We hearten in employing right position, developed skill, look after the incumbents through spirited enclose and sustainable remuneration curriculum. In developing well organized human resources, we always acknowledged the individual prerequisite; sharpen the ability through learning and development programs to ensure better efficiency. To deal with variable HR needs, the human resource policy of the bank is reviewed time to time. To maintain a professional and consistent team, we took several encouraging steps.

**IN GRATITUDE**

Finally, I would like to thank all of my colleagues in the Board of Directors, Management and the entire workforce of the BCBL Family for their inflexible works and achievements.

May Almighty ALLAH lend his hands with His eternal blessings.



**Dr. Engr. Rashid Ahmed Chowdhury**  
Chairman

## MESSAGE FROM THE MANAGING DIRECTOR & CEO



**R Q M FORKAN**  
Managing Director & CEO



BCBL's aim is to deliver the very best and also to ensure that the supports we extend to all end-users are utilized for attaining a self sustained economic growth. Our Bank is committed to play a pivotal role in the Banking industry and also manage risks associated with the business activities.



**Dear Shareholders,****Assalamu Alaikum**

We give below our results of 2017 for your information.

**Mission with trust**

Becoming a profitable bank is numeric. But this result comes out through a quality manpower motivated by visionary management with their ability, willingness, devotion, sacrifice on whom people keep trust. We believe manpower as Human Capital. Being the leader of Management, I always prefer to set Vision; a vision where my shareholders, employees, well-wishers, stakeholders want the bank to see. Our Mission statement "Service with Trust" inspires me a lot to attract quality manpower for the bank who can uphold trust with quality service. Our effort is to set Trust as brand image.

**Look over the border**

In 2016, world witnessed brexit, a shake in world economy; the economic giants were recasting its global policies as it was shambles. Intense refugee crisis; unstable political unrest in the gulf and middle-east region. All these factors combined to contribute a volatile economic situation. As a result 2017 was assumed to be somewhat critical for world economy. The global economic growth was projected to rise to 3.6 percent in 2017 and 3.7 percent in 2018. World economic trend certainly has an impact on our economy as we are also in international economic net through foreign trade.

**Business scenario & challenges for banks**

Challenges in the business sector are common phenomena. Banks as one of the main channel of this sector face the challenges both internal and external. Yet, Bangladesh economy continued to show its flexibility with invincible enterprising spirit of its people with a great support of banking sector. It has been a mixed year of achievements. One of the

major achievements of the economy has been a 7.3 percent economic growth in FY 2016-17 breaking the six percent cycle that continued for a decade or so. Political stability played a great role in such achievement. Rising public expenditure in certain mega infrastructure projects, single digit lending rate, increased access to finance and improvement in working conditions at garment factories have made businesses confident to take up new challenges in foreign trade earnings. As a developing country, Bangladesh has improved to a remarkable position in terms of financial inclusion and regulatory supervision. Yet, recovery of NPL has become a burning issue as bad loans kept spiraling up unexpectedly for the last few years. Good governance and effective risk management in line with the regulatory authority can address these risks. Concentration to modern technology based banking and step up with current demand is another challenge that the banks should address properly.

**BCBL at a glance in 2017**

With a vision to uphold the position of BCBL, we have tried to turn our workforce to human capital through new recruitment, training and regulatory awareness. This year's Annual Report presents a new format to reflect our ongoing efforts to provide readers with a more succinct yet comprehensive document that concisely sets out our values, corporate strategy, achievements and plans for the future.

In 2017, we experienced a strong result. Deposit of the Bank stood at BDT 30,009 million in 2017 against BDT 25,223 million in 2016, representing a growth of 19%. Loans and Advances increased to BDT 19,284 million in 2017 from BDT 16,634 million in 2016, posting a growth of 15.9%. Import of the Bank was BDT 4,720 million in 2017 having 22.7% growth. Total Remittance was BDT 1,188 million in 2017 having a growth of 1.3%. However, overall Foreign Exchange Business grew by 7.1% from BDT 7,648 million in 2016 to BDT 8,192 million in 2017. Net

Interest Income increased by 19% to BDT 728 million in 2017 from BDT 611 million in 2016 as well as Net Profit after Tax increased to BDT 29.4 million in 2017 from BDT 25 million in 2016 representing a growth of 17.6%. Asset size of the Bank stood at BDT 36 billion in 2017 against BDT 31 billion in 2016. The Bank's capital ratios exceed all regulatory requirements.

With the expansion of diversified business, BCBL has expanded its business network at potential places of the country. During the year 2017, we have expanded our banking business by opening 8 new branches at different places both city and rural.

**As the Managing Director & CEO,** I have spent the last almost two years making BCBL more stable and reducing the risks to which it is exposed, putting us in a much better position today. We have scaled back our risks in non-strategic business areas and increased our capital ratio. Yet we have to recognize our position that we could not achieve the profit target that we had set ourselves to achieve by 2017. The situation deteriorated significantly as fluctuation of interest rate cut our earnings. If we could book more loans for the clients, we could have added more earnings to our profit target. Increase of non-funded business could be a good source of income to reach profit target. Business in alternative channels might be a source of additional income.

#### **Our commitment**

We are committed to take very good care of our people through our inclusive workplace culture, very competitive compensation, attractive benefits and continual professional development programs. Our diverse workforce consists a standard proportion female, male and minority class that shows not only our concentration to earn money but also commitment to society and nation. We are committed to clients for best service and committed to our shareholders for best use of their investments.

#### **Thanks to**

In conclusion, I express my deep gratitude and honor to the members of the Board of Directors of the Bank for their invariable support and guidance for which I am indebted to them. I am grateful to my regulatory authorities, particularly Bangladesh Bank for their helpful extend hand and timely advice. Special thanks to our customers for submitting their Trust in us and for being with us in all situations. My heartfelt thanks to my team members and colleagues whose devotion, honesty and thirst for performance provided growth and banking excellence. We are committed to realizing the Bank's full potential to work for the valuable shareholders and I am optimistic with positive view of future growth with sustainability of the Bank.

Allah Hafez



**R Q M Forkan**  
Managing Director & CEO



## Shareholder's Information

### Five Years at a Glance

Fig. in Million

<b>BALANCE SHEET</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Authorized capital	10,000	10,000	10,000	10,000	10,000
Paid up capital	1,989	1,989	1,989	1,989	1,989
Shareholders' equity	3,495	3,466	3,404	3,329	3,273
Deposits	30,009	25,223	24,208	23,020	19,736
Borrowings	180	7	203	25	51
Loans and advances	19,284	16,634	16,059	15,742	13,064
Credit to deposit ratio (Gross)	64.26%	65.95%	66.34%	68.38%	66.19%
Credit to deposit ratio - Gross (excluding OBU loans)	64.26%	65.95%	66.34%	68.38%	66.19%
Investments	4,731	4,223	4,106	3,728	4,735
Fixed Assets	143	143	157	180	183
Interest bearing assets	26,725	21,404	15,273	10,856	11,145
Total assets	36,395	31,167	30,050	28,248	24,504

<b>INCOME STATEMENT</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Net interest income	728	611	453	630	334
Non-interest income	59	61	62	115	85
Investment Income	328	331	280	303	274
Non Investment Income	138	106	88	173	95
Operating Revenue	1,253	1,109	883	1,221	788
Operating Profit	302	216	8	342	129
Provision for loans, investment and other assets	156	91	-	221	47
Profit before tax	146	100	8	121	81
Profit after tax (PAT)	29	25	2	29	17

<b>TRADE BUSINESS METRIC</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Export	2,284	2,629	2,302	3,340	3,225
Import (LC)	4,719	3,846	2,843	4,503	5,095
Remittance	1,187	1,173	978	714	521

<b>CAPITAL MEASURE</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Risk weighted assets (RWA) under Basel II	30,204	26,719	26,197	24,284	18,843
Core capital (Tier 1)	797	338	1,047	1,236	2,540
Supplementary capital (Tier 2)	127	122	136	176	151
Total Capital / Regulatory capital (Tier 1 and 2)	924	460	1,183	1,411	2,691
Statutory capital (Paid up capital and statutory reserve)	2,264	2,234	2,210	2,208	2,182
Capital adequacy ratio (Regulatory capital/RWA)	3.06%	1.72%	4.52%	5.81%	14.28%
Core capital (Tier 1) to RWA	2.64%	1.27%	4.00%	5.09%	13.48%
RWA to total assets [Basel II from 2009 & Basel I for 2008]	82.99%	85.73%	87.18%	85.97%	76.90%

## Shareholder's Information

Fig.in Million

<b>CREDIT QUALITY</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Non performing/classified loans (NPLs)	5,598	6,255	5,037	4,886	1,918
Specific Provision	765	741	683	649	459
General Provision	89	89	103	131	120
<b>Total Provision</b>	<b>854</b>	<b>830</b>	<b>786</b>	<b>780</b>	<b>579</b>
NPL to total loans and advance	29.03%	37.60%	31.37%	31.68%	14.68%

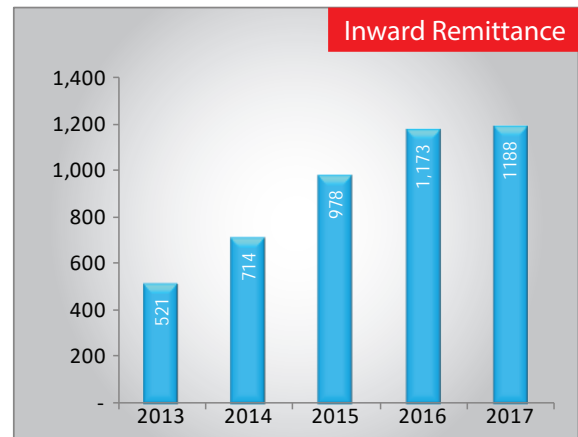
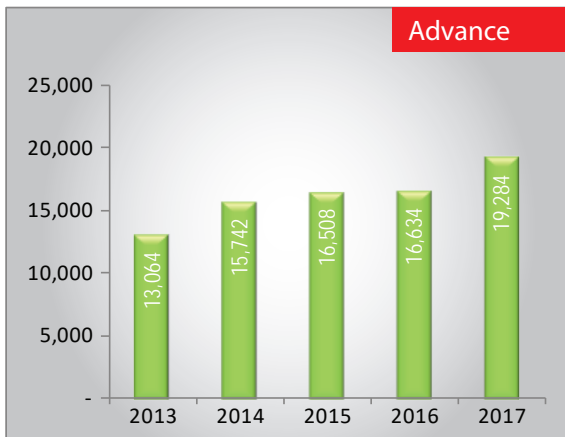
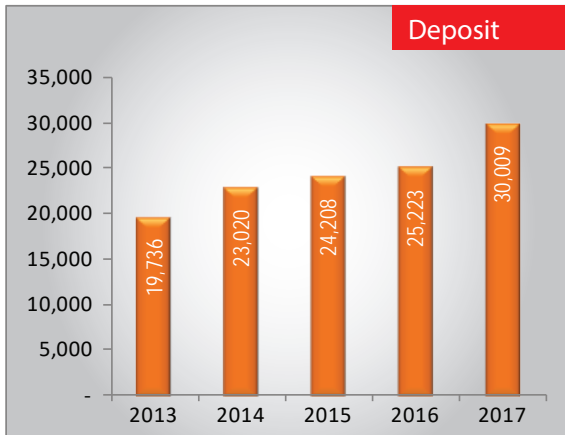
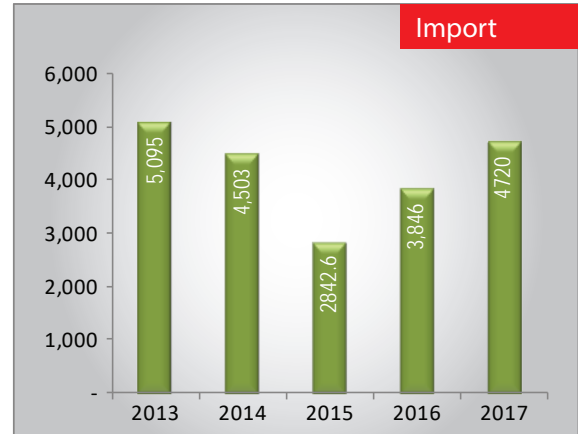
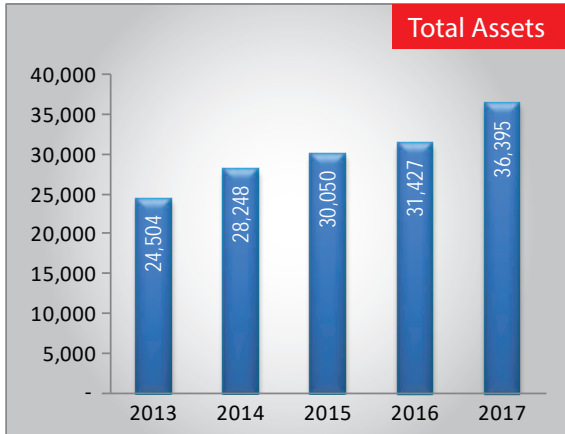
<b>EFFICIENCY/PRODUCTIVITY RATIOS</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Return on average equity (ROE)	0.83%	0.72%	0.06%	0.87%	0.52%
Return on average assets (ROA) (PAT/average assets)	0.08%	0.08%	0.55%	0.10%	0.07%
Cost to income ratio (Operating expense/Total Revenue)	75.87%	80.52%	99.06%	71.98%	83.73%
Yield on advance (average)	7.01%	7.64%	9.23%	13.23%	14.47%
Cost of deposits (average)	4.25%	5.04%	9.60%	7.76%	9.75%
Net interest margin ratio (NII/Average interest bearing assets)	3.95%	2.90%	2.8%	5.80%	3.00%
Cash reserve ratio (daily basis)	6.44%	7.41%	6.53%	7.50%	6.31%
Statutory liquidity reserve ratio	19.99%	15.17%	14.04%	15.61%	29.80%
Operating profit per employee	0.32	0.26	0.01	0.41	0.22
Operating profit per branch	5.39	4.50	0.17	7.13	3.73

<b>SHARE-DISTRIBUTION</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Earnings per share (EPS) in BDT	1.48	1.26	0.08	1.46	0.88
Operating profit per share in BDT	15.2	10.86	0.40	17.20	6.46
Price earning ratio (times)	67.57	79.37	1,202.39	68.49	114.00

<b>OTHER INFORMATION)</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
No of branches	56	48	48	48	42
No of employees	952	820	851	828	721

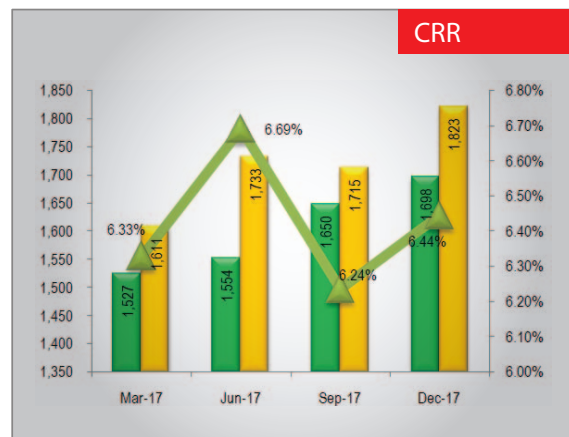
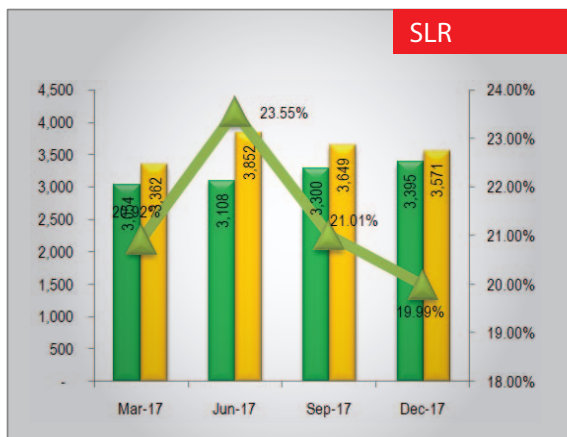
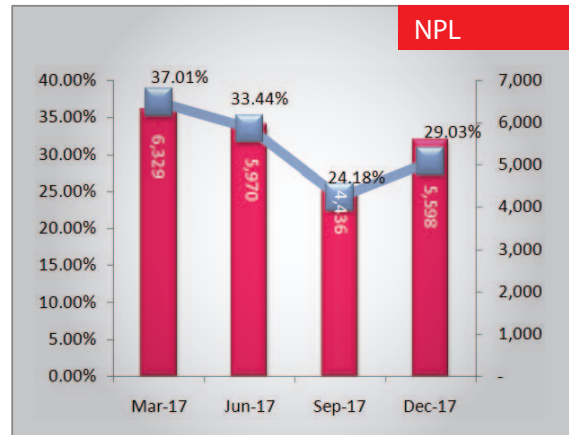
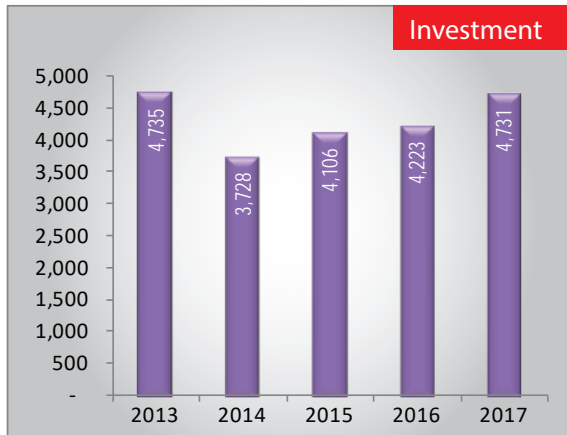
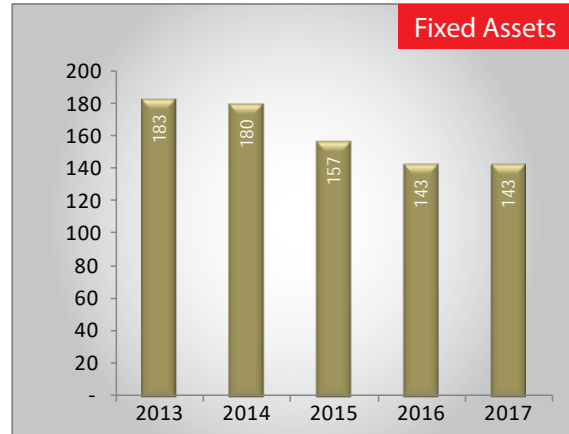
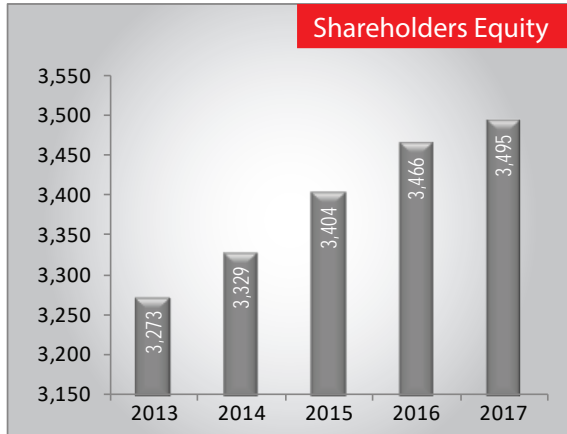
# Graphical Presentation

## Balance Sheet



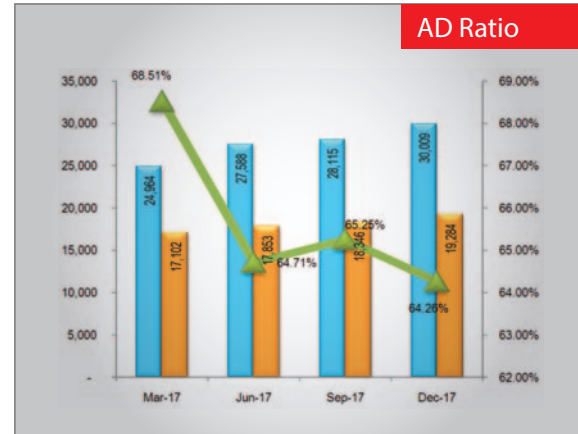
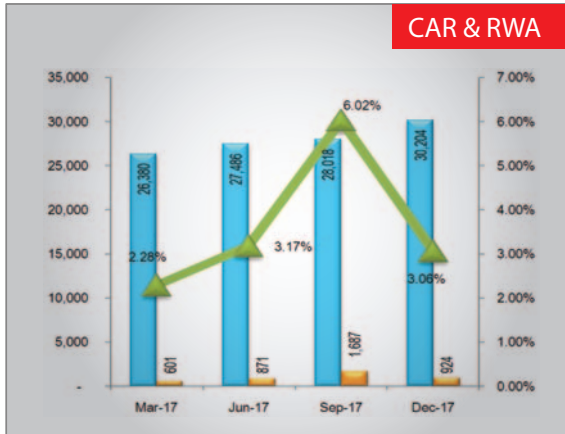
# Graphical Presentation

## Balance Sheet

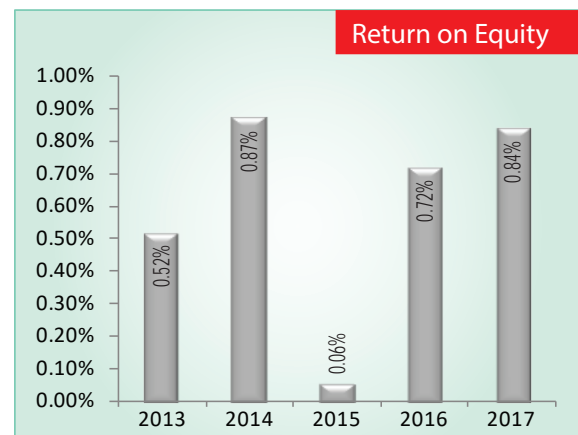
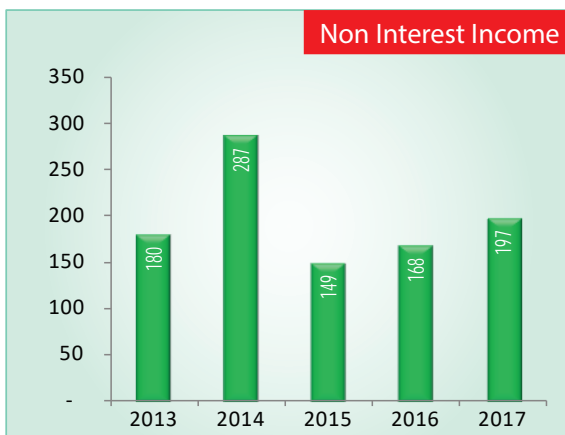
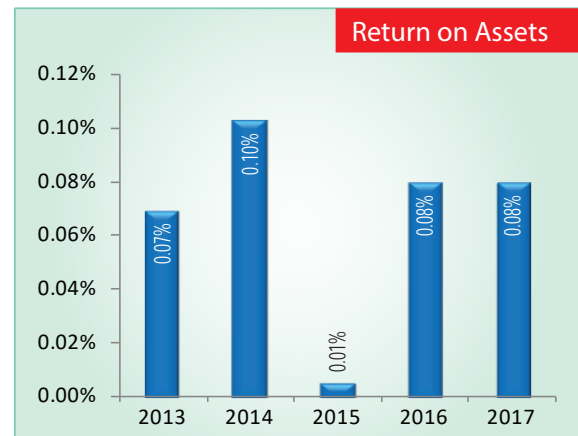
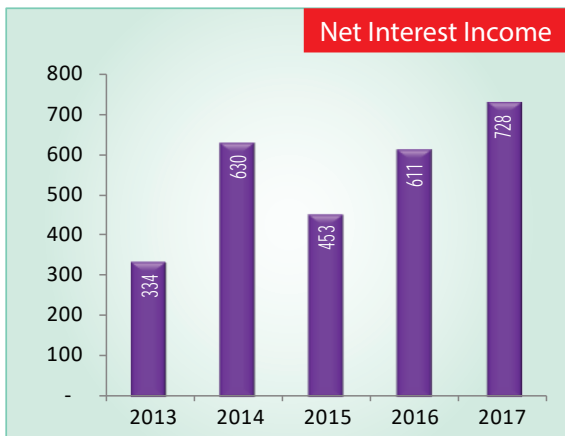


# Graphical Presentation

## Balance Sheet

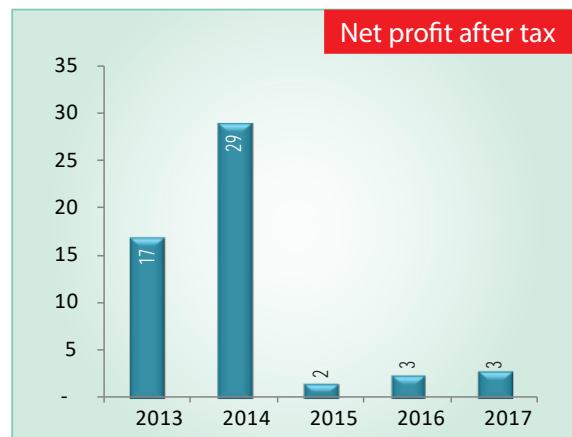
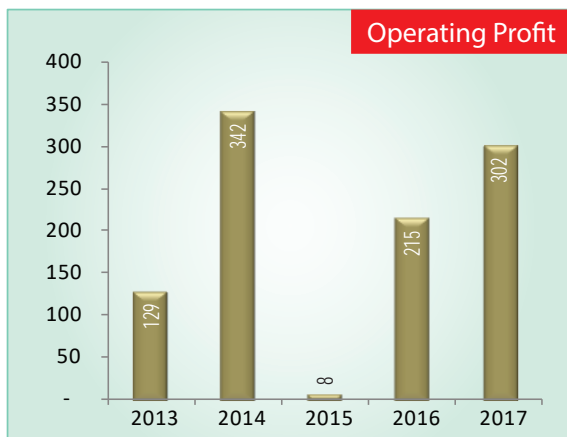
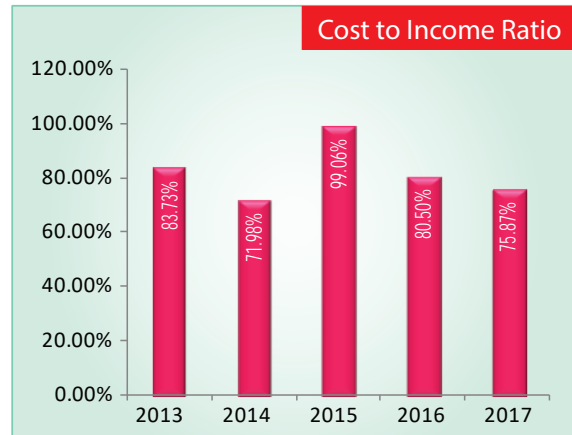
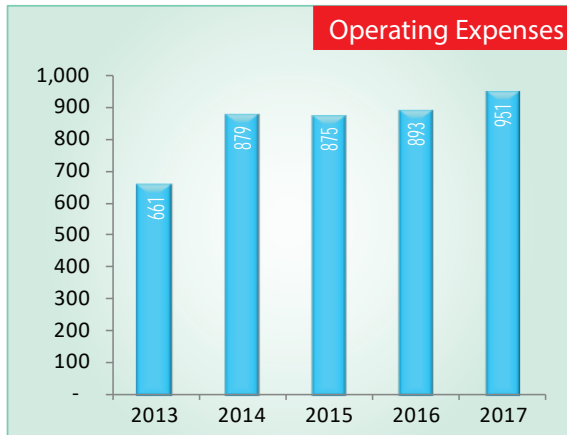
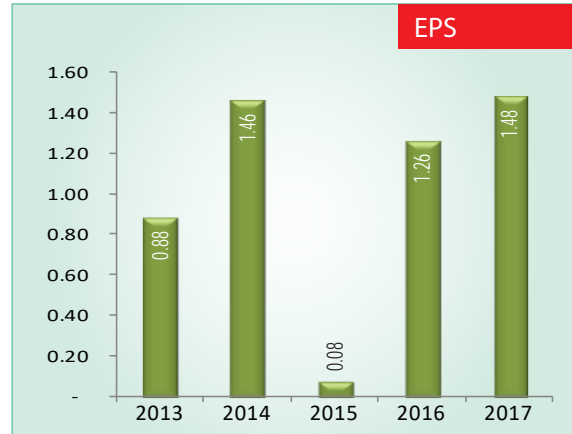
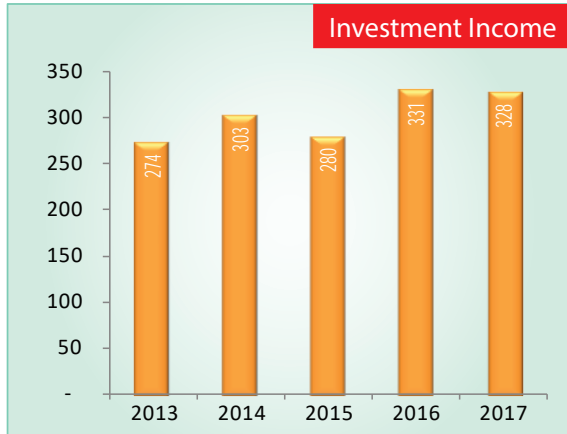


## Income Statement



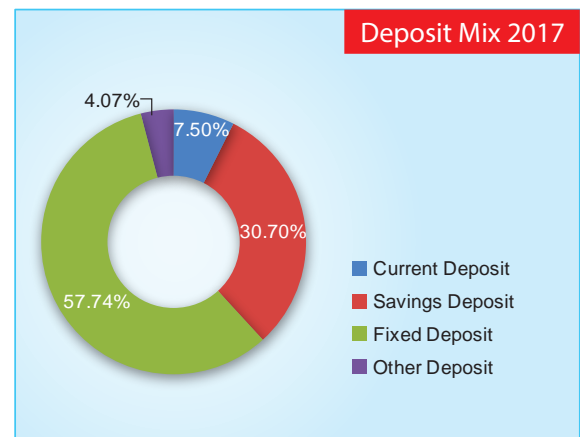
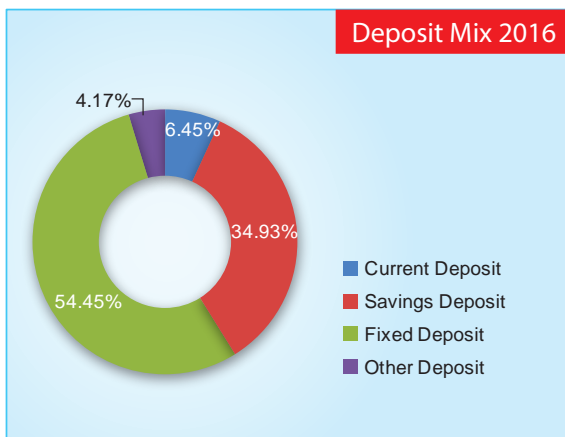
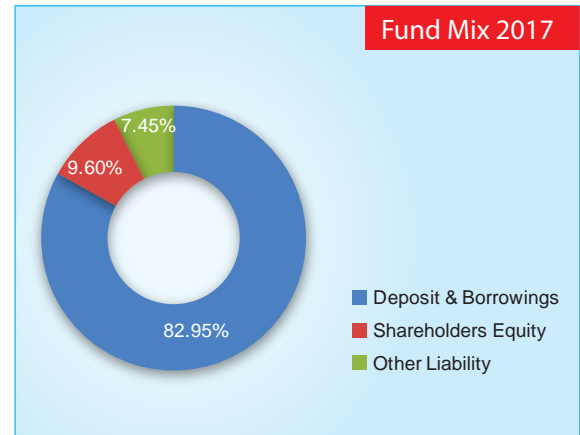
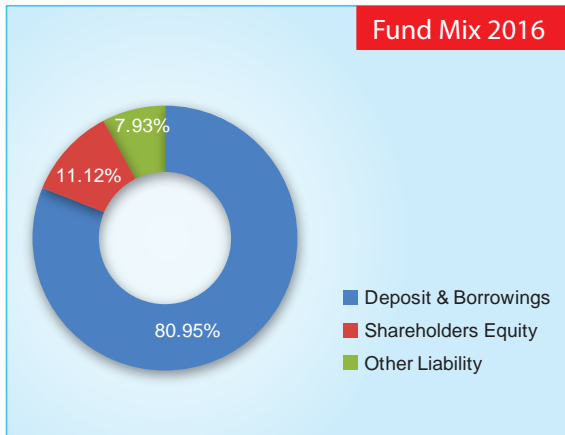
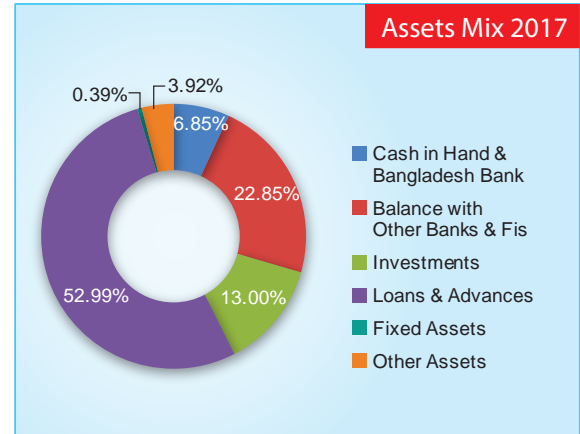
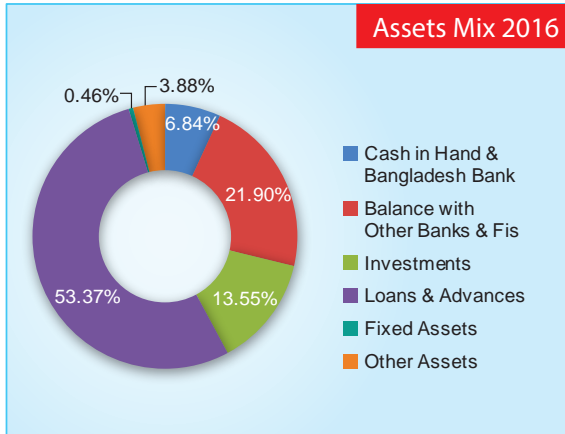
# Graphical Presentation

## Income Statement



# Graphical Presentation

## Mix



# Credit Ratings 2017

Long Term  
Tripple B Minus  
Adequate Capacity

# BBB-

Short Term  
ST-4  
Inadequate Capacity

# ST-4

Rated by : Alpha Credit Rating Limited

Date of declaration : 28 May, 2018

Valid till : 27 May, 2019



## Value addition & distributions

Fig. in Million

Particulars	2017		2016	
	Consolidate	Bank	Consolidate	Bank
Income from banking services	2,650	2,506	2,453	2,354
Less: Cost of services & supplies	1,664	1,617	1,558	1,590
<b>Value Added by Banking Services</b>	<b>986</b>	<b>889</b>	<b>895</b>	<b>764</b>
Non-banking income	-	-	-	-
Provision for loans & other assets	181	156	94	91
<b>Wealth creation</b>	<b>805</b>	<b>733</b>	<b>801</b>	<b>673</b>
<b>Wealth distribution</b>				
Employees as salaries & allowances	618	586	580	548
Government as Income Tax	136	117	75	65
Statutory Reserve	29	29	25	25
Retained Earnings	22	0.01	20	0.01

## Economic Value Added (EVA) Statement

Fig. in Million

Particulars	2017		2016	
	Consolidate	Bank	Consolidate	Bank
Shareholders' equity	3,55	3,495	3,500	3,466
Add: Accumulated provision for loans & advances and other assets	1,208	1,127	1,633	1,575
<b>Total:</b>	<b>4,759</b>	<b>4,622</b>	<b>5,133</b>	<b>5,041</b>
Capital Employed (Average Shareholders' equity)	3,526	3,481	3,459	3,435
<b>Earnings</b>				
Profit after tax	51	29	45	25
Add: Provision for loans & advances and other assets during the year	181	156	94	91
Less: Written off loans during the year	-	-	-	-
<b>Total Earnings</b>	<b>232</b>	<b>185</b>	<b>139</b>	<b>116</b>
Average cost of equity (Based on weighted average rate of years treasury bond issued by the Bangladesh Government) Plus 2% risk premium	8.15%	8.15%	9.27%	9.27%
<b>Capital charge (Cost of average equity)</b>	<b>287</b>	<b>284</b>	<b>321</b>	<b>318</b>
<b>Economic Value Added</b>	<b>(55)</b>	<b>(99)</b>	<b>(182)</b>	<b>(202)</b>

## Report of the Board Audit Committee

An Audit Committee (AC) of the Board was formed and its roles and responsibilities were defined in line with Corporate Governance Notification issued by Bangladesh Securities and Exchange Commission (BSEC) on 07 August 2012 and BRPD Circular No. 11 issued by Bangladesh Bank (BB) on 27 October 2013. Main objectives of Audit Committee are:

To assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plan set by the Board for effective functioning of the Bank.

To review the financial reporting process, the system and effectiveness of internal control process, compliance status of inspection report of Bangladesh Bank and assessment of the overall processes and procedures for monitoring compliance with laws and regulations and its own code of business conduct.

### COMPOSITION OF THE AUDIT COMMITTEE

The AC was last re-constituted on 30th March, 2017 with the following Board Members:

SL.	Name of Directors	Position in the Committee
1.	Mr. Md. Shafiqul Islam, FCA	Chairman
2.	Mr. Md. Farhad Uddin	Member
3.	Mr. Md. Wahiduzzaman Khandaker	Member
4.	Mr. Md. Moshir Ali	Member

The Company Secretary acts as Secretary of the Committee.

### COMPLIANCE WITH EXISTING LAWS AND REGULATIONS

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

### MISCELLANEOUS

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

### MEETINGS OF THE AUDIT COMMITTEE

Bangladesh Bank suggested banks to hold at least 4 meetings in a year. The Audit Committee of BCBL held 4 meetings in 2017 and had detailed discussions and review sessions with the Head of Audit, Head of Internal Control & Compliance, External Auditors regarding their findings and remedial suggestions on various issues that need improvements. The AC instructed management to follow those remedial suggestions and monitored accordingly. Meeting dates are as follows:

SL.	MEETINGS	DATE OF MEETING
1.	54th Meeting of Audit Committee	27th March 2017
2.	55th Meeting of Audit Committee	12th July 2017
3.	56th Meeting of Audit Committee	11th October 2017
4.	57th Meeting of the Audit Committee	21st December 2017

In the year 2017, four meetings of the Audit Committee were held in which, the following issues, amongst others, were viewed and discussed:

- a) Reviewed and approved the 'Annual Audit Plan 2018'
- b) Evaluated performance of External Auditors.
- c) Evaluated External Audit Report of the Bank and the recommendations made there under.
- d) Reviewed performance budget for the year 2017, before submission to the Board for approval.
- e) Evaluated Bangladesh Bank comprehensive inspection report and the recommendations made there under.
- f) Reviewed the effectiveness of Internal Control System of the Bank.
- g) Implementation of Core Risk Management Guidelines including Internal Control and Compliance Risk along with compliance thereof.
- h) Reviewed BCBL Mobile Banking policy, Internal Control & Compliance (ICC) Manual and TA/DA policy of the Bank.
- i) Reviewed integrated health report for the year 2016.
- j) Audit and Inspection reports on the branches, divisions and departments of the Corporate Office for the year 2015 and 2016 prepared by the Internal Control and Compliance Division (ICCD) of the Bank.
- k) 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.
- l) The corrective measures taken by the management in regard to the lapses pointed out on the internal control and other issues as are raised by internal and external auditors and inspectors of the regulatory authority.
- m) Reviewed the revised 'Guidelines on Internal Control & Compliance' of the Bank in accordance with BRPD Circular No.3 dated 8 March 2016 and BRPD Circular No.6 dated 4 September 2016.
- n) Management Report on Accounts of the Bank for the year ended 31 December 2016.
- o) Reviewed improvement of the Bank for the year 2017 as per directives of Bangladesh Bank, DOBB and Department of Off Site Supervision (DOS) Bangladesh Bank.

#### **THE AUDIT COMMITTEE HAS FURTHER SATISFIED THAT**

- The rules and regulations of the Bangladesh Bank and all other regulatory authorities and Bank's own policy guidelines approved by the Board of Directors are duly complied with.
- Internal control and security measures have been adequately undertaken by the Bank towards facilitating Information Technology (IT) based banking including generation of proper Management Information System (MIS).
- The system of internal control and the business processes have been strengthened including development of human resources towards creation of a compliance culture in the Bank.
- The efforts have been made to keep assets of the Bank safe along with liabilities and commitments are made transparent.
- The Financial Statements of the Bank have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and contained full disclosure.

#### **REPORTING**

The Committee as well 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 established for avoidance of errors and omissions and repetition of lapses as are detected by the internal and external auditors.

The Minutes of the Audit Committee meetings containing various suggestions and recommendations to the Management and the Board are placed subsequently to the Board for ratification on regular basis.

On behalf of the Audit Committee,



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

# DIRECTORS' REPORT 2017



All of you are warmly welcomed to the 20th Annual General Meeting (AGM) of the Bank and the Annual Report along with the Audited Financial Statements for the year 2017 will be presented before you by the Board of Directors. And a review of business and financial performance and the forces (global as well as local business, economic and financial condition) affecting these have been briefly pointed out.

### **A brief review on Global Economy**

The recovery in global growth continue to strengthening as expected, with global output projected to grow by 3.6 percent in 2017 and 3.7% in 2018 from the lowest 3.2% growth in 2016 since the global financial crisis. Advanced economics are expected to grow by 2.2% in 2017, 0.5% points higher than in 2016 and moderate to 2.0% in 2018. Emerging markets and developing economics are projected to grow by 4.6% in 2017, 0.3% points higher than in 2016, and rising to 4.9% in 2018. The growth forecast are 0.1% point higher in both 2017 & 2018 than the forecasts of World Economic Outlook (WEO), April 2017. The revisions reflect primarily the upward revisions in the euro area, Japan, emerging Asia, emerging Europe & Russia which more than offset downward revisions in the United States, the United Kingdom and India (World Economic Outlook, October 2017).

### **Bangladesh Economy**

Bangladesh achieve its highest GDP growth which is 7.28% in recent years in the year 2017. This was the highest growth achieved in South Asia in 2017. And one of the highest GDP growth among the world. The Government has set a GDP growth target of 7.40% for the 2018 FY, which is achievable with investments in power and transport infrastructure and the high private sector credit growth rate and the stable political climate. With the given current trend of GDP growth, GDP growth is likely to cross 8% in a few years.

### **Agriculture**

Agriculture accounts for 14.7 percent of GDP and grew by 3.0 percent in FY17, up from 2.8 percent in FY16, mainly supported by the strong growth of all sub-sectors.

### **Industry**

Industry accounts for 32.4 percent of GDP and grew by 10.2 percent in FY17, down from 11.1 percent in FY16. This growth was supported by strong growth of construction sub-sector and manufacturing sector especially small scale industry.

### **Service Sector**

The services sector accounts for the largest share (52.9 percent) of GDP and grew by 6.7 percent in FY17, compared to 6.3 percent in FY16. The growth of two major components of services sector - wholesale and retail trade repair of motor vehicles, motorcycles, and personal and household goods and transport, storage and communication largely contributed (1.95 and 1.5 percentage points respectively)

### **Inflation**

Inflation decreased to 5.44% in FY 2016-2017 relative to 5.92% in FY 2015-2016. The downward trend in inflation is largely driven by non food-inflation. Non food inflation declined in FY 2016-2017, while food inflation rose during the same period. Inflation is likely to be continued below the 6% level.

### **Savings and Investments**

Investment relative to GDP increased marginally over the last few years. It increased to 30.51 percent in FY17 from 29.65 percent in FY16. Private investment increased slightly to 23.10 percent in FY17, from 22.99 percent in FY16, but public investment to GDP increased to 7.41 from 6.66 percent over the same period. Gross national savings as percentage of GDP declined marginally to 29.64 percent in FY17 from 30.77 percent in FY16. In contrast, domestic savings as percentage of GDP improved from 24.98 percent to 25.33 percent over the same period. Gross domestic investments at current market prices grew faster than gross domestic savings. As a result, domestic saving-investment gap as percent of GDP widened up from 4.67 in FY16 to 5.18 FY17.

### **External Sectors**

Exports growth fell down to 1.7 Percent in FY17, while import growth increased to 9.0 percent. Exports stood at USD 34,019 million in FY17 from USD 33,441 million in FY16. During the same period the total import

payments increased to USD 43,491 million from USD 39,901 million in FY16. As import grew faster than export, trade deficit widened to USD 9,472 million over the same period from USD 6,460 million in FY16 (Chart 1.7). The services and income account along with primary and secondary income registered a surplus of USD 7,992 million. Current account balance turned negative USD 1,480 million in FY17 from a surplus of USD 4,262 million in FY16. The capital and financial account surplus widened to USD 4,493 million in FY17 from USD 1,408 million in FY16. The overall balance of payments surplus shrank to USD 3,169 million in FY17, which was USD 5,036 million in FY16. Gross international foreign exchange reserves stood at USD 33.4 billion at the end of FY17 representing around 8 months of prospective import coverage.

### **Near and Medium-Term Outlook for Bangladesh Economy**

The near and medium-term outlook for Bangladesh economy remains broadly positive, driven by favorable domestic and external factors. Overall Balance of Payments remain in surplus despite weaker export performances and remittance inflows. To reach the next phase of growth, Bangladesh needs to increase the level of private investment to create jobs and support growth. Public investment can crowd in private investments by easing infrastructure bottlenecks. Looking ahead, global growth is expected to accelerate in 2017 and 2018. The improved outlook reflects faster growth both in advanced economies, and emerging and developing economies. Growth is projected to be stronger in developing Asia also.

Based on the prospects and the potential risks in the context of global and domestic economic perspectives, in the Proposed Budget Framework for FY18, GDP growth rate set at 7.4 percent and inflation to 5.5 percent. Bangladesh Bank has been pursuing a monetary policy stance to maintain macroeconomic stability and to keep inflation at the programmed level. The CPI inflation stood at 5.4 percent in FY17, while Bangladesh Bank's projection shows average annual inflation for H1 FY18 to be around 5.5-5.9. The risks to the growth outlook from the modest global growth and weaker remittance flows and the inflation risks from any rise in food price and its spillover into non-food inflation need to be closely monitored.

### **Banking Industry in 2017**

Banking sector indicators reflect a mixed performance in Q1FY18. At the end of September 2017, liquidity condition of the banking system remains adequate, accompanied by stable capital to risk-weighted-asset ratio (CRAR). Non-performing loan (NPL) has increased slightly and provision shortfall position against classified loan has softened, mostly driven by state owned commercial banks (SCBs).

Gross NPL ratio for private commercial banks (PCBs) is the lowest among different bank groups in Q1FY18 (rising modestly from 5.8 percent to 6.0 percent) and provision remains adequate. NPLs in SCBs increased to 29.3% in September 2017, reflecting a weaker provisioning. The overall net NPL went up by 0.3 percentage points during this quarter.

CRAR for private commercial banks remains well capitalized and stable in Q1FY18. Capital position of SCBs has declined modestly due to higher NPLs. The overall capital position of banking system has remained stable at end-September 2017.

Private sector credit growth has continued its upward trend since Q1FY15. But deposit growth has moderated reflecting the large subscription of national saving certificates. At the end of September, credit growth has exceeded deposit growth, led by private commercial banks. Nevertheless, overall advance deposit ratio has remained below the maximum regulatory ceiling.

### **Economy and Business Outlook 2017**

Strong growth in industry and political calm helped service sector activities in line with the GDP growth target for FY18, as reflected in the significant growth in cargo volume, and credit to trade and commerce, and transport. The volume of cargo through the Chittagong port increased by 15.2% in Q12018 compared to the same period in the previous fiscal year. Bank credit to trade and commerce, and transport grew by 18.7 and 27.1%.

Economic activities continued at a robust pace in Q1FY18, supported by buoyant domestic and external demand. Rapid private sector credit growth, higher import demand for investment, and a rebound in remittance inflows point to a strong domestic demand. At the same time, pick up in export growth, aided by the stronger than expected recovery in the advanced economies, implies strong external demand. On the

supply side, activities were robust in the industry and service sectors, while agriculture was adversely affected by the weather shocks.

According to the recent revisions to the FY17 national accounts data, output grew by 7.28%, 8 basis points higher than the preliminary estimate. In the final estimates, the services sector grew more robustly than initially estimated. The downward revision to agriculture sector's growth was due to the floods in FY17.

Activities in the industry sector seemed to be robust in Q1FY18, as reflected in manufacturing output, cement production, and credit to industry and construction. Large and medium scale manufacturing output data available through July 2017 showed a strong growth of 31 percent, helped by domestic demand, increasing exports and improving electricity supply. This growth was driven largely by food products (31.5%), textile (38.9%) apparel (20.4%), leather product (97.3%) and pharmaceuticals (76.7%). On the back of government's mega projects implementation, buoyant construction activities were supported by strong growth in cement production (47.9% in July 2017). Credit to industry and construction grew by 21.4% and 21.6% respectively.

The principal activities of the Bank are banking and related businesses under the Bank Company Act 1991 (amended up to 2013). The core banking business includes accepting deposits and granting loans and advances out of those deposits and earning profit through creating value from gap between interest paid on deposits and interest earned on loans and advances. The depositors supply funds for loans and advances. The bank collects deposits through deposit mobilization strategy comprising various deposit products under conventional banking. The Bank's central revenue producing activities include all kinds of commercial banking products and services to the customers including project finance, working capital finance and trade finance for corporate customers, SME loans to small traders and business; house building loan, car loan as well as wide range of life style and need based loans for customers. The Bank has been able to develop state-of-the-art IT platform and online banking systems facilitating any branch banking, phone banking, SMS banking, internet banking, any time banking for 24 hours a day and 7 days a week through ATM.

### **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 modern, online and 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.

### **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/ Managers monitor and supervise the overall activities of a cluster. The performance of the branches is linked to the professional expertise and capabilities of cluster members. Currently there are 14 clusters in BCBL which are run by efficient and expert Cluster Managers 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 staff is driven by high ethical standards. The Bank, furthermore, places great emphasis on safeguarding the confidentiality of client information. Internal Auditors are entrusted with responsibility to ensure that rules and policies relating to above mentioned issues are in place. Above all, the Bank is committed to prompt and spontaneous compliance of all rules, regulations and guidelines issued by regulators from time to time.

### Financial Position Review Summary

Bank's overall business grew gradually in 2017 over that of 2016, within various external challenges. Deposits of the Bank increased by 19.17% and stood at BDT 30,009 million at the end year 2017. Consolidated Loans and Advances increased by 15.93% and stood at BDT 19,284 million at the end of year 2017 compared to year 2016. Portfolio Investment increased by BDT 473.07 Million showing growth of 110.73% compared to year 2016.

### Status of asset quality

As on 31st June 2017, NPL ratio of the banking industry stood at 10.1%, which was 9.2% one year back. The NPL ratio of BCBL was 29.03% at the end of year 2017 which was 37.6% at the end of year 2016. The status of unclassified and classified loan of the Bank is as follows:

Classification Type	31st December 2017	31st December 2016
Unclassified	13,686,673,998	10,379,260,074
1) Standard	13,623,483,314	10,227,859,013
2) SMA	63,190,684	151,401,061
Non Performing Loan	5,597,766,470	6,254,836,000
Sub-Standard	100,876,019	143,184,437
Doubtful	173,209,659	246,196,439
Bad or loss	5,323,680,792	5,865,455,124
Total	19,284,440,468	16,634,096,074
NPL Ratio	29.03%	37.6%

### Subsidiaries Businesses

In pursuance of an inorganic growth route and to open up diversified earnings stream, BCBL established or acquired four subsidiaries, all of them fully owned, till the reporting date i.e. 31st December 2017. A brief review of subsidiaries business during 2017 has been presented in a separate section titled 'Review of BCBL Subsidiaries'.

### 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 BB.

### 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 2017 have been presented in "Report of the Risk Management Committee of the Board" section of this annual report.

### Financial Reporting

- Proper books of account as required by law have been maintained by BCBL.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements.
- Accounting estimates and underlying assumptions are made on reasonable ground and prudent judgment and are reviewed on an ongoing basis.
- The Financial Statements (FS) of the Bank are prepared in accordance with applicable Bangladesh Financial Reporting Standards (BFRSs) and relevant circulars/instructions issued by Bangladesh Bank and any departure there from has been adequately disclosed.
- Being responsible for preparation and fair presentation of the FS, the management of the Bank asserts that the FS prepared by the management at and for the year ended 31st December 2017 present fairly, in all material respects, its state of affairs, the results of its operations, cash flows and changes in equity.
- There is no significant doubt upon the Bank's ability to continue as a going concern. BCBL has neither intention nor the need to liquidate or curtail materially the scale of its operations. Hence, the financial statements of the Bank have been prepared on the assumption that BCBL is a going concern and will continue in operation for the foreseeable future.

### Corporate Social Responsibility

Being a socially responsible corporate, BCBL continued to be engaged in a number of CSR activities throughout the year, including a number of donations towards charitable causes.

SL.	Area	BDT in Million
1.	Education	0.09
2.	Others	0.15
	Total	0.24



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

## Corporate Events 2017



Agreement signing ceremony with Bangladesh Shrimp and Fish Foundation



Agreement signing ceremony with Bangladesh SME Corporation Limited



Blood donation by officers of the bank on 15th August remembering Father of the Nation

## Corporate Events 2017



Honorable Shareholders at 19th AGM of the Bank



Distribution of Bicycles among the poor meritorious female students in Dinajpur



Agreement signing ceremony of "BCBICL Growth Fund"

## Report On Corporate Governance

Corporate Governance in “Accountability to the providers of capital” and BCBL always emphasize on accountability toward all stockholders through proper practicing good governance. The management of BCBL is committed to protect 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 Board of Directors, different management committees and key management officials including Managing Director. 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 2017 including Managing Director as an ex-officio member and The Chairman. Directors were elected by the shareholders of the Bank. All the Board members are highly competent in terms of academic and professional qualification and experiences 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 Board of Directors. Directors meet at least once in a month to discuss and decide on different agendas of the Bank. To manage the day to day banking activity board members delegated certain powers to Managing Director.

### Board Meetings and Attendance

The Board meeting of BCBL is held on regular basis, usually once in every month. However, emergency meeting are called as and when needed. Meeting agendas are fixed and all relevant information, references and detailed working papers are communicated with the Board members well before the date of 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 2017, total fourteen Board Meetings were held; the attendance records of those meetings are as follows:

SL.	NAME	TOTAL MEETING HELD	NO. OF MEETING ATTENDED	NO. OF MEETING ABSENT
1.	Dr. Engr. Rashid Ahmed Chowdhury	14	14	-
2.	Mr. Md. Farhad Uddin	14	14	-
3.	Dr. Md. Jafar Uddin	10	9	Leave Granted
4.	Mr. Md. Wahiduzzaman Khandaker	3	3	-
5.	Mr. Md. Moshir Ali	10	9	Leave Granted
6.	Mr. Mohammed Arshed	14	13	Leave Granted
7.	Mr. Mohammad Hanif Chowdhury	14	12	Leave Granted
8.	Mr. Md. Shafiqul Islam, FCA	14	13	Leave Granted
9.	Mr. A A M Zakaria	14	10	Leave Granted
10.	Mr. Humayun Bokhteyar, FCA	14	14	-

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

### Ownership Composition

As on 31st December 2017 the shareholding composition among different category is given below:

SL.	Category	Name of Holders	No. of Shares	% of Holdings
01	KA	The Government of The People's Republic of Bangladesh	6,750,000	33.94
		Sponsors as per MoA & AoA	8	0.00
02	KHA	Three State Owned Bank (Sonali, Janata & Agrani bank Ltd.)	2,249,982	11.32
03	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 2017 is as follows:

SL.	NAME	DESIGNATION	SHARE HELD AS ON 31.12.2017	REMARKS
1.	<b>Dr. Engr. Rashid Ahmed Chowdhury</b> Representative of Padma Export Import & Trading Co. Ltd.	Chairman	20,875	
2.	<b>Mr. Md. Farhad Uddin</b> Government Nominated	Director	-	
3.	<b>Dr. Md. Jafar Uddin</b> Government Nominated	Director	-	
4.	<b>Mr. Md. Wahiduzzaman Khandaker</b> Government Nominated	Director	-	
5.	<b>Mr. Md. Moshir Ali</b> Government Nominated (Representative of Financial Institutions)	Director	-	
6.	<b>Mr. Mohammed Arshed</b> Representative of Karnaphuli Prakritik Gas Limited	Director	13,015	
7.	<b>Mr. Mohammad Hanif Chowdhury</b> Representative of Sunflower Life Insurance Co. Ltd.	Director	13,000	
8.	<b>Mr. Md. Shafiqul Islam, FCA</b> Representative of City General Insurance Co. Ltd.	Director	13,400	
9.	<b>Mr. A A M Zakaria</b> Representative of Brilliant Business Co. Ltd.	Director	13,050	
10.	<b>Mr. Humayun Bokhteyar, FCA</b> Representative of Pusti Vegetable Ghee Limited	Director	19,550	

### Appointment of External Auditors

As recommended by Board of Directors, shareholders of BCBL in its' 19th AGM held on 16th September 2017 appointed MABS & J Partners Chartered Accountants as the statutory auditors for the year 2017. Fee of the statutory auditors decided BDT 2,00,000.00 (Two lac) only where tax will be deducted from the fee amount and VAT will be borne by the Bank.

### Services not provided by External Auditors

We hereby declare that MABS & J Partners Chartered Accountants involved in statutory audit, was not engaged in any of the following services for BCBL during 2017:

- 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 MABS & J Partners 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 regulatory body for conducting comprehensive as well as special audit which surfaced notable findings for BCBL. During the year 2017, Bangladesh Bank carried out comprehensive inspection on BCBL banking operations of Tanbazar Branch, Chaktai Branch, Bangshal Branch, Khulna Branch, Jubleeroad Branch, Agrabad Branch, Sylhet Branch, Dilkusha Branch, Bogra Branch, Muradpur Branch, Daulatpur Branch, Dewanhut Branch, Dholaikhal Branch, Gulshan Branch, Comilla Branch, Jessore Branch, Khilgaon Branch, Dinajpur Branch, Kapilmuni Branch, Khatungonj Branch, Bijoy nagar Branch, Naogaon Branch, Greenroad Branch, Mouchak Branch, Zigatola Branch, Panchdona Branch, Ahmedpur Branch, Lohagora Branch, Rajshahi Branch and Principal 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.

### 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 vide circular # 11 dated 27 October 2013. The Committee is constituted with three 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, Board clearly defined the roles and responsibilities of the committee to carry out its overseeing function in an effective manner.

SL.	NAME OF DIRECTORS	DESIGNATION
1.	Mr. Md. Shafiqul Islam, FCA	Chairman
2.	Mr. Md. Farhad Uddin	Member
3.	Mr. Md. Wahiduzzaman Khandaker	Member
4.	Mr. Md. Moshir Ali	Member

In 2017, Audit Committee held four (4) 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 are shown below

SL.	NAME	TOTAL MEETING HELD	NO. OF MEETING ATTENDED	NO. OF MEETING ABSENT
1.	Mr. Md. Shafiqul Islam, FCA	4	4	-
2.	Mr. Md. Farhad Uddin	4	4	-
3.	Mr. Md. Wahiduzzaman Khandaker	2	2	-
4.	Mr. Md. Moshir Ali	3	3	-

### 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 Bank's regular operation and it's 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 aware 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 everyday.
- \* Ensure adequate resources, infrastructure and systems are in place so that risk management functions can be carried in an effective manner.

SL.	NAME OF DIRECTORS	DESIGNATION
1.	Mr. A A M Zakaria	Chairman
2.	Mr. Md. Farhad Uddin	Member
3.	Mr. Mohammad Hanif Chowdhury	Member

### **Separation of Chairman and Chief Executive Officer Roles**

Roles and responsibilities of Honorable Chairman of the Board and Managing Director is clearly distinguished vide Bangladesh Bank BRPD Circular no. 11 dated 27 October 2013.

The Chairman of the Board is not engaged in any execution and as per Bangladesh Banks' guideline he ensures no participation in or interference to 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 07 August 2012 has been taken into consideration. The overall responsibilities of the Chairman is to:

- \* To ensure that the Board members meets regularly to specify bank's direction and strategy effectively.
- \* To represent bank to shareholders to explain bank's mission vision and future goals.
- \* To ensure no participation in 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**

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 and Guidelines as well as directives of the Board.



## EXECUTIVES OF BCBL

Designation	NAME
Managing Director	Mr. R Q M Forkan
Additional Managing Director	Mr. Md. Saifur Rahman Patwary
Deputy Managing Director	Mr. Kazi Md. Rezaul Karim
Senior Executive Vice President	Mr. S. M. Jahangir Akhter
Executive Vice President	Mr. Mohammad Khairul Alam, FCA
Executive Vice President	Mr. Md. Abdur Rahim Miah
Senior Vice President	Mr. Md. Salim Hasan
Senior Vice President	Mr. Nazmul Karim Siddique
Senior Vice President	Mr. Afzal Hossain Khan
Senior Vice President	Mr. T. M. Afzal Hossain
Senior Vice President	Mr. Kazi Saifuddin Ahmed
Vice President	Mr. Anis Uddin Ahmed
Vice President	Mr. S.M. Reazur Rahman
Vice President	Mr. H.M. Abul Kamal Azad
Vice President	Mr. Md. Kamruzzaman Akhand
Vice President	Mr. Md. Abdul Halim
Vice President	Mr. Dewan Mohd. Moniruzzaman
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. Swapan Kumar Ghosh
Vice President	Mr. S.M. Showkat Hossain
Vice President	Mr. Sayed Md. Estencher Billah
Vice President	Mr. Sarwar Md. Shahidullah
Senior Assistant Vice President	Mr. Md. Abul Hossain
Senior Assistant Vice President	Mr. Mohammad Nasir Uddin
Senior Assistant Vice President	Mr. Shah Md. Junaed Ibne Amin
Senior Assistant Vice President	Mr. Mahabubal Alam
Senior Assistant Vice President	Mr. Kazi Fakhrul Alam
Senior Assistant Vice President	Mr. Mohammad Jahangir Alam
Senior Assistant Vice President	Mr. Md. Mobararak Hossain
Senior Assistant Vice President	Mr. Abul Basher Mohammad Ahsan
Senior Assistant Vice President	Mr. Fakir Nazmul Alam
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. Qazi Md. Abul Kashem
Assistant Vice President	Mr. Md. Farid Hasan
Assistant Vice President	Mr. Md. Zillur Rahman
Assistant Vice President	Mr. Mohammad Rezaul Haque
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

## 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 Team. 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 Team

- 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.

SL.	NAME OF THE MEMBERS	DESIGNATION
01.	Mr. R Q M Forkan	Managing Director.
02.	Mr. Saifur Rahman Patwary	Additional Managing Director
03.	Mr. Kazi Md. Rezaul Karim	Deputy Managing Director
04.	Mr. S. M. Jahangir Akhter	SEVP & Head of IT, Card & BACH Division
05.	Mr. Md. Salim Hasan	SVP - Company Secretary & Head of Legal Affairs Division
06.	Mr. Nazmul Karim Siddique	SVP & Head of Marketing Division
07.	Mr. Afzal Hossain Khan	SVP & Head of Trade Division
08.	Mr. Kazi Saifuddin Ahmed	SVP & Head of Establishment Division
09.	Mr. T. M. Afzal Hossain	SVP & Head of HRD
10.	Mr. Sudatta Sebak Barua	VP & Head of Recovery Division
11.	Mr. Mohammad Saiful Islam, FCMA	VP & CFO - Head of FAD
12.	Mr. Swapan Kumar Ghosh	VP & Head of Credit Management Division
13.	Mr. Sayed Md. Estencher Billah	VP & Head of CAD
14.	Mr. Shah Md. Junaed Ibne Amin	SAVP & Head of SME

Eleven meetings of SMT held during the year 2017 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.

### Asset Liability Management Committee (ALCO)



As per Asset Liability Management Guideline of the Bangladesh Bank BCBL formed formulated its own Asset Liability Management Policy Guideline which underlines the constitution of ALCO and its area of responsibility.

#### Scope of ALCO

The scope of the ALM function to a larger extent covers the following processes:

**Liquidity Risk:** The current and prospective risk arising when the Bank is unable to meet its obligations as they come due without adversely affecting the Bank's financial conditions. From an ALM perspective, the focus is on the finding liquidity risk of the bank, meaning its ability to meet current and future cash-flow obligations collateral needs both expected and unexpected. This mission thus includes the bank liquidity's benchmark price in the market.

**Interest Rate Risk:** The risk of losses resulting from movements in interest rates and their impact on future cash-flows. Generally because a bank may have a disproportionate amount of fixed or variable rates instruments on either side of the balance-sheet. One of the primary causes are mismatches in terms of bank deposits and loans.

**Currency Risk Management:** The risk of losses resulting from movements in exchange rates. To the extent that cash-flow assets and liabilities are denominated in different currencies.

**Funding and Capital Management:** As all the mechanism to ensure the maintenance of adequate capital on a continuous basis. It is a dynamic and ongoing process considering both short-and longer-term capital needs and is coordinated with a bank's overall strategy and planning cycles (usually a prospective time-horizon of 2 years).

**Profit Planning and Growth:** In addition, ALM deals with excepts related to credit risk as this function is also to manage the impact of the entire credit portfolio (including cash, investment and loans) on the balance sheet. The credit risk specially in the loan portfolio, is handle by a separate risk management function and represent one of the main data contributors to the ALM team.

The ALM function scope covers both the prudential component (management of all possible risk and rules and regulation) and an optimization role (management of funding cost, generating results of balance sheet position), within the limits of compliance (implementation and monitoring with internal rules and regulatory set of rules). ALM intervenes in these issues of current business activities but is also consulted to organic development and external acquisition to analyze and validate the funding terms options, condition of the project and any risk (i.e funding issues in local currencies).

SL.	Committee Member(s)	Rank
1.	<b>Mr. R Q M Forkan</b> Managing Director	Chairman
2.	<b>Mr. Md. Saifur Rahman Patwary</b> Additional Managing Director	Member
3.	<b>Mr. Kazi Md. Rezaul Karim</b> Deputy Managing Director	Member Secretary
4.	<b>Mr. S. M. Jahangir Akhter</b> SEVP, IT Division	Member
5.	<b>Mr. Mohammad Khairul Alam, FCA</b> EVP, ICCD	Member
6.	<b>Mr. Nazmul Karim Siddique</b> SVP, Marketing Division	Member
7.	<b>Mr. Afzal Hossain Khan</b> SVP, Trade Division	Member
8.	<b>Mr. Abdul Halim</b> VP, Risk Management & Investment Division	Member
9.	<b>Mr. Mohammad Saiful Islam, FCMA</b> VP & CFO, FAD	Member
10.	<b>Mr. Sudatta Sebak Barua</b> VP, Recovery Division	Member
11.	<b>Mr. Swapan Kumar Ghosh</b> VP, Credit Management Division	Member
12.	<b>Mr. Shah Md. Junaed Ibne Amin</b> SAVP, SME Division	Member

**Investment Committee:**

Investment committee was formed for portfolio analysis and management through joint discussion and meeting undertaking of daily stock trading through Commerce Bank Securities and Investments Limited. Record keeping of stock transaction and keep the management of the Bank informed of the overall position of the portfolio time to time. Investment committee consists of the following members:

SL.	Name	Designation	Rank
1.	Mr. Kazi Md. Rezaul Karim	Deputy Managing Director	Chairman
2.	Mr. M. A. Motalib Chowdhury	CEO, CBSIL	Member
3.	Mr. Md. Abdul Halim	Vice President	Member Secretary
4.	Mr. Mohammad Saiful Islam, FCMA	Vice President & CFO	Member
5.	Mrs. Syeda Rokeya Begum	SEO	Member
6.	Mr. Md. Masudur Rahman	EO, CBSIL	Member

During this year 12 meetings held where decisions regarding portfolio investment has been taken. Investment amount has been increased by Taka 47.3 Crore from compared to 2016.

**Purchase Committee (PC):**

The main object of this committee is to ensure optimum value for money through carrying out the Board approval procurement in compliance with the policy and guidelines. The scope of the committee activities are as follows:

Recommends the lowest bidder/vendor as per requirements of tender documents/Schedule, then observing all necessary formalities the issue is placed before the management for approval.

To open the submitted bids/quotations, evaluation and recommendation for awarding work order in favor of the vendors considering price and quality of the goods and service.

Ensure governance in the area of procurement through carrying out the procurement in compliance with the policies and regulatory requirements.

## Composition of Purchase Committee

Committee Member(s)	Designation	Rank
Mr. Md. Saifur Rahman Patwary	Additional Managing Director	Chairman
Mr. Kazi Md. Rezaul Karim	Deputy Managing Director	Member
Mr. S.M. Jahangir Akhter	SEVP, IT Division	Member
Mr. Md. Salim Hasan	SVP, Board Secretary	Member
Mr. Kazi Saifuddin Ahmed	SVP, Establishment & General Service Division	Member
Mr. Mohammad Saiful Islam, FCMA	VP & CFO, Financial Administration Division	Member
Engr. Utpal Kumar Das	SEO, Establishment & General Service Division	Member Secretary

## Corporate Social Responsibility (CSR)



As a socio economic component it is the responsibility of the corporate citizen to add value and contribute to the society. Though Bank indirectly contributes in society by offering different banking service and generating Tax revenue for the Government in addition to that, as a corporate body Bank contributed in some crucial which demand immediate attention. In the inner of 2017 Bank has spend BDT 0.24 Million for the betterment of the society in addition of indirect contribution the corporate body make through providing service and tax.

SL.	Area Amount	(Figure in Million BDT)
1.	Education	0.09
2.	Others	0.15
	Total	0.24

In our country Education sector is considerate to be the most neglected sector though the Government put so much emphasize on the sector. Lack of implementation of Government and lack of the proper distribution of resource turned this sector an unorganized mass specially for poor and rural people. As a corporate body Bank has limitation to contribute in this sector but in this limited area Bank has contributed to some beneficiary who had deficit in availing educational benefit. As a third world country Government attention mostly goes to basic needs and infrastructure development and cultural initiative attract lesser attention then it deserve. As a corporate body bank expanded its contribution to the cultural sector of the country. Bank spends a mentionable amount from its CSR budget in the recovery of natural and social disaster. Bangladesh is over populated country but that population can be converted into assets from liability by developing skill and knowledge. Bank spends a major portion of its CSR fund for the development of Human Resources.

## Report of the CRO

Risk is defined as a possibility of loss due to uncertainty. In simple, risk is uncertainty about the outcome or expected return. Again, risk is the probability that an actual return on an investment will be lower than the expected return. Its cannot be mitigated entirely but it's can be mitigated partially through diversification. Risk is inescapable, that's why risk must be assessed, addressed, managed and mitigated.

"Financial Risk" are uncertainties resulting in adverse/unfavorable variation of profitability or outright losses. There is deviation in what we achieve from what we had planned or what we had expected. This unpredictability of future is due to uncertainties associated with the steps that we 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 risk is integral 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 risk implicit in the bank's business strategy. The identification, measurement, monitoring and management of risk accordingly remain a key focus area for the bank.

The risk management policy of the bank operates under the following principles;

- \* Oversight by the Board/Board Executive Committee/Board 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 reviews the internal audit reports of the bank and risk management reports.
- \* Dedicated independent Risk Management Division viz Credit Management Division, Credit Recovery Division, Internal Control & Audit Division, International Division, Treasury Division, Information & Communication. 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 viz. credit risk through Credit Review Committee, operational risk through Management Committee and Internal Control & 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. Risk Management process is consists of:

- a) Identification.
- b) Measurement,
- c) Aggregation,
- d) Planning and controlling,
- e) Monitoring.

**A) Identification:** A bank's risks have to be identified before they can be measured and managed. Typically major risks are categorized as under:

- \* Credit Risk
- \* Market Risk
- \* Operational Risk
- \* Liquidity Risk and
- \* Reputation risk.

**B) Measurement:** The consistent assessment of the above mentioned types of risks is an essential prerequisite for successful risk management. To measure risks there are various types of tools and techniques.

**C) Aggregation:** When aggregating risks, it is important to take into account correlation effects which cause a bank's overall risk differing from the sum of the individual risks. This applies to risks both within a risk category as well as across different risk categories.

**D) Planning and Controlling:** Furthermore, risk management is the function of planning the bank's overall risk position and actively managing the risks based on these plans.

**E) Monitoring:** Risk monitoring is used to check whether the risks 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:-

SL.	Name of Directors	Position in the Committee
1.	Mr. A A M Zakaria	Chairman
2.	Mr. Md. Farhad Uddin	Member
3.	Mr. Mohammad Hanif Chowdhury	Member

### Risk Management Team



Risk Management Team comprises the following executives of BCBL:-

SL.	Committee Member(s)	Designation	Rank
01.	Mr. Kazi Md. Rezaul Karim	Deputy Managing Director	Chief Risk Officer
02.	Mr. S.M Jahangir Akhter	SEVP & Head of IT Division	Member
03.	Mr. Mohammad Khairul Alam, FCA	EVP & Head of ICCD	Member
04.	Mr. Nazmul Karim Siddique	SVP & Head of Marketing Division	Member
05.	Mr. Afzal Hossain Khan	SVP & Head of Trade Division	Member
06.	Mr. Dewan Mohd. Moniruzzaman	VP & Head of Prevention of ML and TFP Division	Member
07.	Mr. Md. Abdul Halim	Head of Risk Management Division	Member Secretary
08.	Mr. Sudatta Sebak Barua	VP & Head of Recovery Division	Member
09.	Mr. Md. Saiful Islam, FCMA	VP & CFO	Member
10.	Mr. Swapon Kumar Ghosh	VP & Head of CAD	Member
11.	Mr. Shah Junayed Ibne Amin	SAVP & Head of SME Division	Member



**Scope of the Board Risk Management Committee**

- Risk identification and control policy;
- Construction 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 in the implementation of Internal Capital Adequacy Assessment Process (ICAAP) under Pillar-II and Basel-III.

**Overview of Risk Management During the Year 2017**

In 2017 Board Risk Management Committee held 2 (two) meetings where committee reviewed different issues related to Bank risk management, internal control system and approved the "ICAAP (Internal Capital Adequacy Assessment Process) Manual for BCBL", "Strengthening and updating Risk management System in our Bank" and periodic "Risk Management Paper (CRMR)", "Stress Testing Result" and "Internal Capital Adequacy Assessment Process (ICAAP)".

It is to be noted here that Risk Management Division works strictly in the line with "Risk Management Guidelines for BCBL", which was approved by the Board of Directors in its meeting held on 18-12-2014. Risk Management Division Collects all relevant data from all the branches /Head Office for analyzing risks in preparing "Stress Testing Result", "Risk Management Paper (CRMR)".

Risk Management Division prepares Risk Management Paper (RMP) every month & places it in the monthly "Internal Risk Management Committee" meetings, and submits 12 Risk Management Papers (hard copy) to "Department of Off-site Supervision of Bangladesh Bank on monthly, quarterly and half-yearly basis.

Risk Management Division conducted "Stress Testing" in each quarter during 2017 and submitted 4 quarterly Stress Test results (hard and soft copy) to "Financial Stability Department" of Bangladesh Bank during 2017.

Risk Management Division assessed Capital Adequacy as per "Internal Capital Adequacy Assessment Process (ICAAP)" of the Bank as part of BASEL-III and got ICAAP report approved by "Board Risk Management Committee" and "Board of Directors" and submitted the same to "Banking Regulatory and Policy Department" of Bangladesh Bank.

## 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)	An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (a) that are fully consolidated; (b) that are given a deduction treatment; and (c) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).	<p>The consolidated financial statements of the Bank include the financial statements of Bangladesh Commerce Bank Limited and Commerce Bank Securities and Investment Limited. Bangladesh Commerce Bank holds 100% shares of Commerce Bank Securities and Investment Limited. A brief description of the Bank and its subsidiary are given below:</p> <p><b>Bangladesh Commerce Bank Limited (BCBL):</b> 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 include offering different types of deposit account such as current, saving and other scheme as well as giving loans to organizations and individuals to accelerate economic development.</p> <p>BCBL make 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 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.</p> <p>However, BCBL is primarily engaged in deposit and lending activities to private and corporate clients in wholesale and retail banking. Other services typically include credit card, mobile banking, custodial service guarantees, cash management and settlement as well as trade finance.</p> <p><b>Commerce Bank Securities and Investment limited (CBSIL)</b> Commerce Bank Securities &amp; 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 &amp; 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.</p>
(c)	Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.	Not Applicable for Bangladesh Commerce Bank Limited.

## 1.2 Quantitative Disclosure

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

## 2.1 Qualitative Disclosures

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

(b)	The amount of Regulatory capital, with separate disclosure of: CET1 Capital Additional Tier 1 Capital Total Tier 1 Capital Tier 2 Capital	<b>BDT in Crore</b>		
		<b>Particulars</b>	<b>Solo</b>	<b>Conso.</b>
		Fully Paid up Capital	198.87	198.87
		Share Capital BCI	3.65	3.65
		Statutory Reserve	27.51	27.51
		General Reserve	0.89	0.89
		Retained Earnings	11.29	17.87
		Right Share Application Money	91.73	91.73
		<b>CET1 Capital</b>	<b>333.94</b>	<b>340.52</b>
		<b>Additional Tier 1 Capital</b>	<b>0.00</b>	<b>0.00</b>
		<b>Total Tier 1 Capital</b>	<b>333.94</b>	<b>340.52</b>
		General Provision	11.50	11.50
Revaluation Reserve	1.20	1.20		
<b>Tier 2 Capital</b>	<b>12.70</b>	<b>12.70</b>		
(c)	Regulatory Adjustments/Deductions from capital	<b>BDT in Crore</b>		
		<b>Particulars</b>	<b>Solo</b>	<b>Conso.</b>
		Provision Shortfall in NPL	254.25	254.25
		Provision Shortfall in Share	----	----
		<b>Total Adjustment</b>	<b>254.25</b>	<b>254.25</b>
(d)	Total eligible capital	<b>BDT in Crore</b>		
		<b>Particulars</b>	<b>Solo</b>	<b>Conso.</b>
		<b>Total eligible capital</b>	<b>92.39</b>	<b>98.97</b>

### 3. Capital Adequacy:

#### 3.1 Qualitative Disclosures

(a)	A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities.	The Bank has adopted Standardized Approach (SA) for computation of capital charge for credit risk and market risk, and Basic Indicator Approach (BIA) for operational risk. Assessment of capital adequacy is carried out in conjunction with the capital adequacy reporting to the Bangladesh Bank. The Bank has maintained capital adequacy ratio on the basis of "Consolidated" and "Solo" are 3.16% & 3.06% respectively as against the minimum regulatory requirement of 11.25%. Tier-I capital adequacy ratio for "Consolidated" is 2.76% as well as "Solo" is 2.64% against the minimum regulatory requirement of 5%. The Bank's policy is to manage and maintain its capital with the objective of maintaining strong capital ratio and high rating.
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#### 3.1 Qualitative Disclosures

(b)	Capital requirement for Credit Risk	<b>BDT in Crore</b>		
		<b>Particulars</b>	<b>Solo</b>	<b>Conso.</b>
		Capital requirement for Credit Risk	303.71	304.48
(c)	Capital requirement for Market Risk	<b>BDT in Crore</b>		
		<b>Particulars</b>	<b>Solo</b>	<b>Conso.</b>
		Capital requirement for Market Risk	15.92	27.49
(d)	Capital requirement for Operational Risk	<b>BDT in Crore</b>		
		<b>Particulars</b>	<b>Solo</b>	<b>Conso.</b>
		Capital requirement for Operational Risk	20.17	20.17
(e)	Total capital, CET1 capital, Total Tier 1 capital and Tier 2 capital ratio: • For the consolidated group; and • For stand alone	<b>Particulars</b>	<b>Solo</b>	<b>Conso.</b>
		CRAR	3.06%	3.16%
		CET1 Capital Ratio	2.64%	2.76%
		Total Tier 1 Capital Ratio	2.64%	2.76%
		Total Tier 2 Capital Ratio	0.42%	0.41%
(f)	Capital Conservation Buffer	As the bank could not maintain the required capital of 10% so the bank could not able to maintain buffer capital @ of 1.25%.		
(g)	Available Capital under Pillar 2 Requirement			

### 4. Credit Risk:

#### 4.1 Qualitative Disclosures

(a)	The general qualitative disclosure requirement with respect to credit risk, including:  • 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
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		<p>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:</p> <p><b>Continuous &amp; Demand Loan will be classified as:</b></p> <ul style="list-style-type: none"> <li>• Sub-standard- if it is past due/overdue for 03(three) months or beyond but less than 06 (six) months;</li> <li>• Doubtful- if it is past due/overdue for 06 (six) months or beyond but less than 09 (nine) months;</li> <li>• Bad/Loss- if it is past due/overdue for 09 (nine) months or beyond.</li> </ul> <p><b>Fixed term loan will be classified as:</b></p> <p>In case of any installment(s) or part of installment(s) of a Fixed Term Loan amounting up to Taka 1 million is not repaid within the due date, the amount of unpaid installment(s) are treated as "past due or overdue installment". Such types of Fixed Term Loans are classified as under:</p> <ul style="list-style-type: none"> <li>• 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".</li> <li>• 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".</li> <li>• 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".</li> </ul> <p><b>Fixed term loan will (amounting more than BDT 10 lac) be classified as:</b></p> <p>In case of any installment(s) or part of installment(s) of a Fixed Term Loan amounting more than Taka 1 million is not repaid within the due date, the amount of unpaid installment(s) are treated as "past due or overdue installment". Such types of Fixed Term Loans are classified as under:</p> <ul style="list-style-type: none"> <li>• 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".</li> <li>• 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".</li> <li>• 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".</li> </ul> <p><b>Short term agricultural and micro credit will be classified as:</b></p> <p>Short-term Agricultural and Micro Credit will be considered irregular if it is not repaid within the due date as stipulated in the loans agreement and will be classified as under:</p> <ul style="list-style-type: none"> <li>• Sub-standard- if the irregular status continues after a period of 12 (twelve) months, the credits are classified as "Sub-standard".</li> <li>• Doubtful- if the irregular status continue after a period of 36 (thirty six) months, the credits are classified as "Doubtful".</li> <li>• Bad/Loss- if the irregular status continue after a period of 60 (sixty) months, the credits are classified as "Bad/Loss".</li> </ul>
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	<ul style="list-style-type: none"> <li>Description of approaches followed for specific and general allowances and statistical methods;</li> </ul>	<p>A Continuous loan, Demand loan or a Term loan which remained overdue for a period of 02 (two) months or more, is treated as “Special Mention Account (SMA)”.</p> <p>The Bank is required to maintain the following general and specific provision in respect of classified and unclassified loans and advances / investments on the basis of Bangladesh Bank guidelines issued from time to time:</p> <table border="1" data-bbox="582 527 1369 1507"> <thead> <tr> <th>Particulars</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>General provision on unclassified Small and Medium Enterprise (SME) financing.</td> <td>0.25%</td> </tr> <tr> <td>General provision on unclassified loans and advances/ investments other than Consumer Financing, Loans to Brokerage House, Merchant Banks, Stock Dealers etc., SMA as well as SME Financing).</td> <td>1%</td> </tr> <tr> <td>General provision on interest receivable on loans / investments.</td> <td>1%</td> </tr> <tr> <td>General provision on off-balance sheet exposures (Provision has been made on the total exposure and amount of cash margin &amp; value of eligible collateral were not deducted while computing off-balance sheet exposure).</td> <td>1%</td> </tr> <tr> <td>General provision on unclassified loans and advances/ investments for housing finance, loans for professionals to set-up business under consumer financing scheme.</td> <td>2%</td> </tr> <tr> <td>General provision on the unclassified loans to Brokerage House, Merchant Banks, Stock Dealers, etc.</td> <td>2%</td> </tr> <tr> <td>General provision on unclassified amount for Consumer Financing.</td> <td>2%</td> </tr> <tr> <td colspan="2">General provision on outstanding amount of loans kept in Special Mention Account (SMA) will be at the same respective rate as stated above (0.25% to 5%) as per BRPD Circular No. 05 dated 29.05.2013.</td> </tr> <tr> <td>Specific provision on Sub-Standard loans and advances / investments.</td> <td>20%</td> </tr> <tr> <td>Specific provision on Doubtful loans and advances / investments.</td> <td>50%</td> </tr> <tr> <td>Specific provision on bad / loss loans and advances / invests.</td> <td>100%</td> </tr> </tbody> </table> <p>The Bank has a well structured delegation and sub-delegation of credit approval authority for ensuring good governance and better control in credit approval system. The Board of Directors and its Executive Committee hold the supreme authority for any credit approval in line with the credit committee consisting of the senior management of the bank. Credit proposal processing, assessment of risks and mitigates there against, placing before credit committee, seeking approval from the competent authority, assisting in completion of documentation formalities and above all maintaining relationship with the branches and customers have so long been done by Credit Management Division (CMD). The function of CMD department has redefined by (i). Credit Assessment, (ii). Credit Monitoring, (iii) Credit Information &amp; Policy Development for smoothly execution of the credit risk management through segregating</p>	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.	2%	General provision on outstanding amount of loans kept in Special Mention Account (SMA) will be at the same respective rate as stated above (0.25% to 5%) as per BRPD Circular No. 05 dated 29.05.2013.		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%
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		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.
	<ul style="list-style-type: none"> <li>Discussion of the bank's credit risk management policy;</li> </ul>	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 exposures broken down by major types of credit exposure.	<b>Loan Type</b>	<b>BDT in Crore</b>
		Demand Loan	81.12
		Loan General	521.37
		Cash Credit (Hypo)	452.21
		Agritulture Loan	35.23
		Overdraft	264.63
		SME Loan	101.49
		Payment Against Document (PAD)	110.50
		Loan against Trust Receipt (LTR)	205.45
		House Building Loan	58.43
		Credit Card	2.29
		Consumer Credit	2.62
		Staff Loan	37.23
		Bill Purchase / Discounted	5.71
Loans & Advances (BCI)	50.17		
<b>Total</b>	<b>1,928.44</b>		
(c)	Geographical distribution of exposures, broken down in significant areas by major types of credit exposure.	<b>Segment</b>	<b>BDT in Crore</b>
		Dhaka Division	1,280.76
		Chittagong Division	410.78
		Rajshahi Division	62.06
		Khulna Division	104.47
		Sylhet Division	29.09
		Barisal	19.07
		Rangpur	22.22
		<b>Total</b>	<b>1,928.44</b>

(d)	Industry or counterparty type distribution of exposures, broken down by major types of credit exposure.	<b>Industry</b>	<b>BDT in Crore</b>
		Agricultural Loan	58.01
		Industrial Loan (other than working capital)	219.35
		Working capital Loan	278.44
		Import Credit	402.70
		Commercial Loan	628.33
		RMG & Textile	188.67
		Construction Loan	58.43
		Transport and Communication Loan	9.05
		Consumer Credit	4.91
		All Others Loans	80.54
<b>Total</b>	<b>1,928.44</b>		
(e)	Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure.	<b>Residual Maturity</b>	<b>BDT in Crore</b>
		Re-payable on demand	715.13
		Not more than 3 months	402.00
		More than 3 Months but less than 1 year	450.35
		More than 1 year but less than 5 years	360.97
		More than 5 years	
<b>Total</b>	<b>1,928.44</b>		
(f)	By major industry or counterparty type:  <ul style="list-style-type: none"> <li>• Amount of impaired loans and if available, past due loans, provided separately;</li> <li>• Specific and general provisions; and</li> <li>• Charges for specific allowances and charge-offs during the period.</li> </ul>	<b>Industry</b>	<b>BDT in Crore</b>
		Agricultural Loan	3.21
		Industrial Loan (other than working capital)	9.58
		Working capital Loan	75.66
		Import Credit	104.97
		Commercial Loan	215.91
		RMG & Textile	90.37
		Construction Loan	2.68
		Transport and Communication Loan	8.35
		Consumer Credit	0.3
		All Others Loans	48.75
<b>Total</b>	<b>559.78</b>		
(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	<b>Particulars</b>	<b>BDT in Crore</b>
		Gross Non Performing Assets ( NPAs)	559.78
		NPAs to Outstanding Loans & advances	29.03%
		<b>Movement of Non Performing Assets ( NPAs)</b>	
		Opening balance	625.48
		Additions/(Reductions)	(65.70)
		<b>Closing balance</b>	<b>559.78</b>
		<b>Movement of specific provisions for NPAs</b>	
		Opening balance	<b>74.08</b>
		Provisions made during the period	2.45
		Write-off	---
		Write-back of excess provisions	---
		Closing balance	<b>76.53</b>



## 5. Equities: Disclosure for Banking Books position:

### 5.1 Qualitative Disclosures

(a)	<p>The general qualitative disclosure requirement with respect to equity risk; including</p> <ul style="list-style-type: none"> <li>differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and</li> <li>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</li> </ul>	<p>Investment in equity securities are broadly categorized into two parts:</p> <ul style="list-style-type: none"> <li>Quoted Securities (Common or Preference Shares &amp; Mutual Fund) that are traded in the secondary market (Trading Book Assets).</li> <li>Unquoted securities include shares of Central Depository Bangladesh Limited (CDBL), investment in SWIFT and Market Stabilization Fund (MSF).</li> </ul> <p>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.</p>																		
(b)	<p>Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.</p>	<p style="text-align: right;"><b>BDT in Crore</b></p> <table border="1" data-bbox="616 1115 1412 1213"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">Solo</th> <th colspan="2">Conso.</th> </tr> <tr> <th>Cost</th> <th>Mkt Value</th> <th>Cost</th> <th>Mkt Value</th> </tr> </thead> <tbody> <tr> <td>Share Portfolio</td> <td>52.62</td> <td>36.76</td> <td>104.07</td> <td>88.21</td> </tr> </tbody> </table>	Particulars	Solo		Conso.		Cost	Mkt Value	Cost	Mkt Value	Share Portfolio	52.62	36.76	104.07	88.21				
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(c)	<p>The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.</p>	<p style="text-align: right;"><b>BDT in Crore</b></p> <table border="1" data-bbox="616 1413 1412 1482"> <thead> <tr> <th>Particulars</th> <th>Solo</th> <th>Conso.</th> </tr> </thead> <tbody> <tr> <td>Realized gains/(losses)</td> <td>5.54</td> <td>6.38</td> </tr> </tbody> </table>	Particulars	Solo	Conso.	Realized gains/(losses)	5.54	6.38												
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(d)	<ul style="list-style-type: none"> <li>Total unrealized gains (losses)</li> <li>Total latent revaluation gains (losses)</li> <li>Any amounts of the above included in Tier 2 capital.</li> </ul>	<p style="text-align: right;"><b>BDT in Crore</b></p> <table border="1" data-bbox="616 1541 1412 1610"> <thead> <tr> <th>Particulars</th> <th>Solo</th> <th>Conso.</th> </tr> </thead> <tbody> <tr> <td>Un-realized gains/(losses)</td> <td>(15.86)</td> <td>(15.86)</td> </tr> </tbody> </table> <table border="1" data-bbox="616 1621 1412 1690"> <thead> <tr> <th>Particulars</th> <th>Solo</th> <th>Conso.</th> </tr> </thead> <tbody> <tr> <td>Latent revaluation gains/(losses)</td> <td>----</td> <td>----</td> </tr> </tbody> </table> <table border="1" data-bbox="616 1701 1412 1770"> <thead> <tr> <th>Particulars</th> <th>Solo</th> <th>Conso.</th> </tr> </thead> <tbody> <tr> <td>Amount of above include in capital</td> <td>----</td> <td>----</td> </tr> </tbody> </table>	Particulars	Solo	Conso.	Un-realized gains/(losses)	(15.86)	(15.86)	Particulars	Solo	Conso.	Latent revaluation gains/(losses)	----	----	Particulars	Solo	Conso.	Amount of above include in capital	----	----
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Particulars	Solo	Conso.																		
Amount of above include in capital	----	----																		

(e)	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.	<b>BDT in Crore</b>		
		<b>Particulars</b>	<b>Solo</b>	<b>Conso.</b>
		Specific market risk	5.26	10.41
		General market risk	5.26	10.41

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

### 6.1 Qualitative Disclosures

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

(b)	The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring IRRBB, broken down by currency (as relevant).	<b>Particulars</b>			<b>BDT in Crore</b>		
		Market value of assets			3,639.34		
		Market value of liabilities			3,289.92		
		Weighted Average of Duration of Liabilities (DL)			3.00		
		Weighted Average of Duration of Assets (DA)			3.01		
		Duration GAP (DA-DL)			0.30		
		Yield to Maturity (YTM -Assets)			9.93%		
		Yield to Maturity (YTM -Liability)			7.53%		
		<b>Particulars</b>			<b>Magnitude of interest rate change</b>		
					<b>1%      2%      3%</b>		
		Fall in market value of equity			(10.05)      (20.01)      (30.15)		
		<b>Particulars</b>			<b>Magnitude of Shock (BDT in Crore)</b>		
					<b>1%      2%      3%</b>		
		Regulatory Capital			82.34      72.29      62.24		
RWA			2,930.61      2,930.61      2,930.61				
CRAR			2.81%      2.47%      2.12%				

## 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 capital requirements for: interest rate risk; equity position risk; foreign exchange risk; and Commodity risk.	<b>BDT in Crore</b>		
		<b>Particulars</b>	<b>Solo</b>	<b>Conso.</b>
		Interest rate risk	3.09	3.09
		Equity position risk	10.53	20.81
		Foreign exchange risk	0.53	0.53
	Commodity risk	---	---	

## 8. Operational Risk:

### 7.1 Qualitative Disclosures

(a)	Views of BOD on system to reduce Operational Risk	<p>Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk but excludes strategic and reputation risk. It is inherent in every business organization and covers a wide spectrum of issues. The Board of Directors (BOD) of the Bank and its Management firmly believe that an effective internal control systems has been established within the Bank to ensure adequacy of the risk management framework and compliance with a documented set of internal policies concerning the risk management system which mainly include;</p> <ul style="list-style-type: none"> <li>• Top-level reviews of the Bank's progress towards the stated objectives;</li> <li>• Checking for compliance with management controls;</li> <li>• Policies, processes and procedures concerning the review, treatment and resolution of non-compliance issues; and</li> <li>• A system of documented approvals and authorizations to ensure accountability to the appropriate level of management.</li> </ul>
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(a)	<p>Performance gap of executives and staffs</p> <p>Potential external events</p> <p>Policies and processes for mitigating operational risk</p>	<p>Bank has ensured some other internal practices to be in place as appropriate to control operational risk. Examples of these include:</p> <ul style="list-style-type: none"> <li>• Close monitoring of adherence to assigned risk limits or thresholds;</li> <li>• Maintaining safeguards for access to, and use of, bank's assets and records;</li> <li>• Ensuring that staffs have appropriate expertise and training;</li> <li>• Regular verification and reconciliation of transactions and accounts.</li> </ul> <p>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.</p> <p>BCBL has a policy to provide competitive package and better working environment to attract and retain the most talented people available in the industry. As the employee loyalty is high to the bank the employee turnover in the bank is minimum compared to the industry.</p> <p>It is needless to say that there are certain risk factors which are external in nature and can affect the business of the Bank. The factors discussed below can significantly affect the business:</p> <ul style="list-style-type: none"> <li>• General business and political condition</li> <li>• Changes in credit quality of borrowers</li> <li>• Changes in policies and practices of regulatory bodies to revise practices, pricing and responsibilities of the financial institutions</li> <li>• Implementation of Basel-III in Bangladesh</li> <li>• Volatility in equity market</li> <li>• Changes in market conditions</li> <li>• The risk of litigation</li> <li>• Success of strategies</li> </ul> <p>Operational risk, defined as any risk that is not categorized as market or credit risk, is the risk of loss arising from inadequate or failed internal processes, people and systems or from external events. It is inherent in every business organization and covers a wide spectrum of issues. In order to mitigate this, internal control and internal audit systems are used as the primary means. Bangladesh Commerce Bank Limited manages this risk through a control based environment in which processes are documented, authorization is independent and transactions are reconciled and monitored. This is supported by an independent program of periodic reviews undertaken by internal audit, and by monitoring external operational risk events, which ensure that the bank stays in line with industry best practice and takes account of lessons learned from publicized operational failures within the financial services industry.</p>
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	<p>Liquidity risk management system</p> <p>Policies and processes for mitigating liquidity risk</p>	<p>Regulatory Liquidity Indicators (RLIs):</p> <ul style="list-style-type: none"> <li>• Cash Reserve Requirement (CRR)</li> <li>• Statutory Liquidity Ratio (SLR)</li> <li>• Medium Term Funding Ratio (MTFR)</li> <li>• Maximum Cumulative Outflow (MCO)</li> <li>• Advance Deposit Ratio (ADR)/Investment Deposit Ratio (IDR)</li> <li>• Liquidity Coverage Ratio (LCR)</li> <li>• Net Stable Funding Ratio (NSFR)</li> </ul> <p>Bank's own liquidity monitoring tools:</p> <ul style="list-style-type: none"> <li>• Wholesale Borrowing and Funding Guidelines</li> <li>• Liquidity Contingency Plan</li> <li>• Management Action Trigger (MAT)</li> </ul> <p>Computation of Capital Charge against Liquidity Risk: If annual average of any RLIs of any bank falls below Bangladesh Bank's requirement the bank will be required to maintain additional capital for that RLI (or those RLIs).</p> <p>As per Bangladesh Bank guideline management maintain sufficient CRR and SLR.</p> <p>In December 2014, the Bangladesh Bank started to two new liquidity metrics as part of the implementation of Basel III. These are a short term liquidity stress metric, the Liquidity Coverage Ratio (LCR) a longer term funding metric and the Net Stable Funding Ratio (NSFR). Banks have to maintain LCR and NSFR are at a minimum of 100%.</p> <p>Bangladesh Commerce Bank Limited Asset-Liability Management Committee (ALCO) has responsibility for monitoring liquidity measures and limits. Liquidity is maintained in excess of the maximum cumulative outflows calculated within these stress tests. Board Risk Management Committee set policies and process to mitigate all risks including Liquidity risk.</p>
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### 9.1 Quantitative Disclosures

(b)	<p>Liquidity Coverage Ratio</p> <p>Net Stable Funding Ratio (NSFR)</p> <p>Stock of High quality liquid assets</p> <p>Total net cash outflows over the next 30 calendar days</p> <p>Available amount of stable funding</p> <p>Required amount of stable funding</p>	<table border="1"> <thead> <tr> <th data-bbox="579 1350 1187 1381">Particulars</th> <th data-bbox="1187 1350 1370 1381">BDT in Crore</th> </tr> </thead> <tbody> <tr> <td data-bbox="579 1381 1187 1413">Liquidity Coverage Ratio</td> <td data-bbox="1187 1381 1370 1413">118.68%</td> </tr> <tr> <td data-bbox="579 1413 1187 1444">Net Stable Funding Ratio (NSFR)</td> <td data-bbox="1187 1413 1370 1444">143.58%</td> </tr> <tr> <td data-bbox="579 1444 1187 1476">Stock of High quality liquid assets</td> <td data-bbox="1187 1444 1370 1476">863.42</td> </tr> <tr> <td data-bbox="579 1476 1187 1507">Total net cash outflows over the next 30 calendar days</td> <td data-bbox="1187 1476 1370 1507">519.47</td> </tr> <tr> <td data-bbox="579 1507 1187 1539">Available amount of stable funding</td> <td data-bbox="1187 1507 1370 1539">2902.54</td> </tr> <tr> <td data-bbox="579 1539 1187 1570">Required amount of stable funding</td> <td data-bbox="1187 1539 1370 1570">2021.60</td> </tr> </tbody> </table>	Particulars	BDT in Crore	Liquidity Coverage Ratio	118.68%	Net Stable Funding Ratio (NSFR)	143.58%	Stock of High quality liquid assets	863.42	Total net cash outflows over the next 30 calendar days	519.47	Available amount of stable funding	2902.54	Required amount of stable funding	2021.60
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Total net cash outflows over the next 30 calendar days	519.47															
Available amount of stable funding	2902.54															
Required amount of stable funding	2021.60															

**10. Leverage Ratio:****10.1 Qualitative Disclosures**

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

(b)	<p>Leverage Ratio</p> <p>On balance sheet exposure</p> <p>Off balance sheet exposure</p> <p>Total exposure</p>	<b>BDT in Crore</b>		
		<b>Particulars</b>	<b>Solo</b>	<b>Conso.</b>
		Tier-1 Capital (A)	79.68	86.27
		Exposure measure :		
		On balance sheet exposure	3563.07	3592.66
		Off balance sheet exposure	129.29	129.29
		Less: Regulatory adjustment made to Tier I capital	254.25	254.25
		Total exposure (B)	3438.11	3467.70
		Leverage Ratio (A/B)	2.32%	2.49%

## 11. Remuneration

### 11.1 Qualitative Disclosures

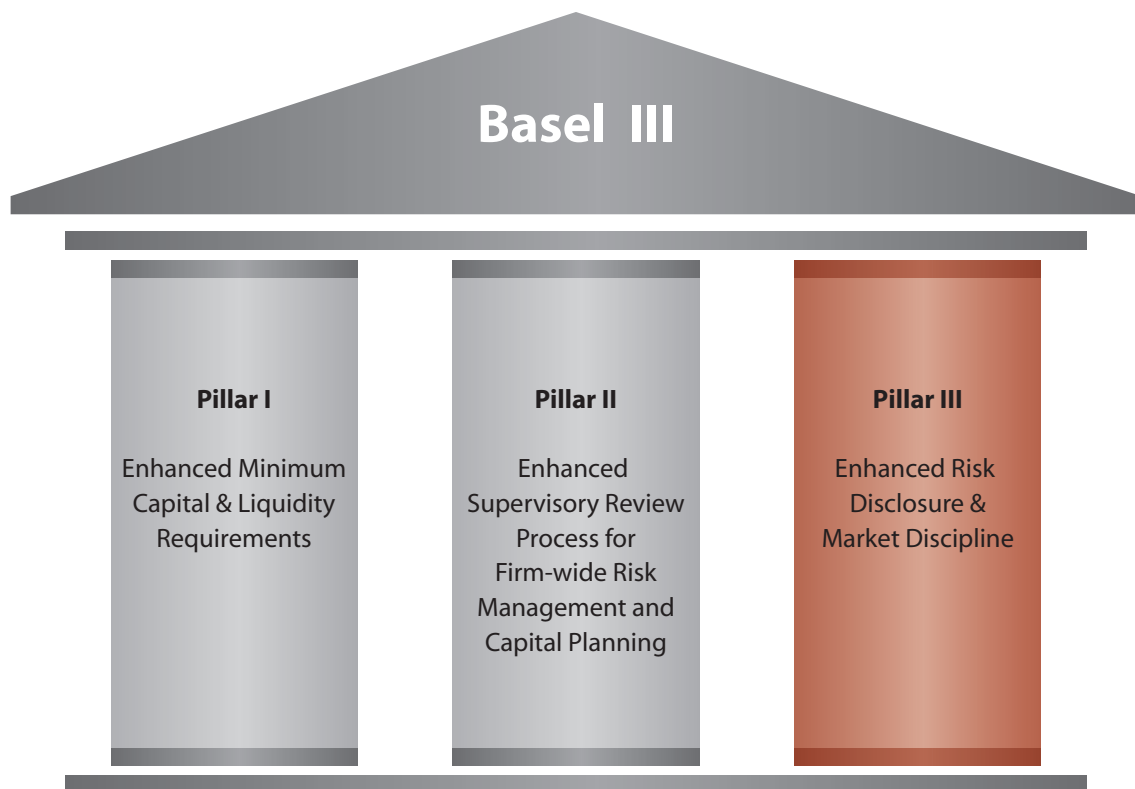
(a)	<p>Information relating to the bodies that oversee remuneration. Disclosures should include: Name, composition and mandate of the main body overseeing remuneration. External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process. 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.</p>	<p>The Human Resource Division of the Bank is sole responsible for formulation and up-gradation of the bank under the supervision of Managing Director. Though the formulation is done by the management and approved by the Board of Directors at their meeting but before implementation the remuneration package needs to be approved by Bangladesh Bank as per condition implies in Directive of Bangladesh Bank (DOBB).</p> <p>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.</p> <p>For the purposes of the accompanying remuneration disclosures, the "senior managers" of the bank comprise of Managing Director, Deputy Managing Director and the heads of appropriate big branches, the heads of operation, corporate, and credit risk functions and the company secretary. List of executives who considered as material risk takers are given below:</p> <table border="1" data-bbox="579 823 1370 1083"> <thead> <tr> <th>Designation of the employees</th> <th>Number of Employees</th> </tr> </thead> <tbody> <tr> <td>Managing Director</td> <td>1</td> </tr> <tr> <td>Additional Managing Director</td> <td>1</td> </tr> <tr> <td>Deputy Managing Director</td> <td>1</td> </tr> <tr> <td>Senior Executive Vice President</td> <td>1</td> </tr> <tr> <td>Executive Vice President</td> <td>2</td> </tr> <tr> <td>Senior Vice President</td> <td>5</td> </tr> <tr> <td>Vice President</td> <td>14</td> </tr> </tbody> </table>	Designation of the employees	Number of Employees	Managing Director	1	Additional Managing Director	1	Deputy Managing Director	1	Senior Executive Vice President	1	Executive Vice President	2	Senior Vice President	5	Vice President	14
Designation of the employees	Number of Employees																	
Managing Director	1																	
Additional Managing Director	1																	
Deputy Managing Director	1																	
Senior Executive Vice President	1																	
Executive Vice President	2																	
Senior Vice President	5																	
Vice President	14																	
(b)	<p>Information relating to the design and structure of remuneration processes. Disclosures should include: An overview of the key features and objectives of remuneration policy. Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made. A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.</p>	<p>The bank has developed a remuneration package which is competitive compared to the market but at the same time cost effective considering the bank's business volume and financial strength. The underlying objective of the remuneration package is</p> <ul style="list-style-type: none"> <li>• To offer a satisfactory and motivational compensation package to its employee</li> <li>• To attract better human resource</li> <li>• Retain the trained and skilled manpower</li> </ul> <p>The remuneration package was last upgraded in last part of year 2017 as a result in last year the package doesn't rise the necessity to be reviewed.</p> <p>To motivate contribution in risk management, compliance and business bank has the policy of additional increment in addition of regular increment, special promotion, honorarium as well as special training financed by bank.</p>																
(c)	<p>Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures should include: An overview of the key risks</p>	<p>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 design the remuneration package to maintain the growing profitability. At the same time bank have to consider the competitive forces to sustain its valuable human resources as well as attract skilled human resources.</p>																



	<p>that the bank takes into account when implementing remuneration measures.</p> <p>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).</p> <p>A discussion of the ways in which these measures affect remuneration.</p> <p>A discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration.</p>	<p>Bank takes following measures to take account the risk associated from the remuneration package:</p> <ul style="list-style-type: none"> <li>• Employee turnover rate</li> <li>• Rate of administrative expenditure</li> <li>• Per employee contribution in profit, deposit, advance</li> <li>• Achievement of business as well as performance target</li> </ul> <p>If the employee turnover grows beyond tolerable limit management review the remuneration package and change or update upon approval from the board. Considering the administrative expenditure and per employee contribution in business and earnings banks bonus and business expansion with existing manpower is considered. Achievement of individual business target and performance target is reflected in yearly increment, promotion and bonus etc. No changes occurred in remuneration measuring criteria in past year.</p>
(d)	<p>Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration. Disclosures should include:</p> <p>An overview of main performance metrics for bank, top-level business lines and individuals.</p> <p>A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance.</p> <p>A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak.</p>	<p>Bank has a Key Performance Indicator (KPI) set to evaluate every individual employee's performance and some key indicators for measuring the performance overall human resources of the bank.</p> <p>Amounts of individual remuneration like yearly increment, bonus, house building loan, promotion is directly linked with their set performance standard and achievement there against.</p> <p>At the event of weak performance metrics individual will lose the benefit as set in the policy and recommended and provided supporting to improve from the weak performance status.</p>
(e)	<p>Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance. Disclosures should include:</p> <p>A discussion of the bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance.</p> <p>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.</p>	<p>Banks remuneration contains two parts one is fixed and another is variable. Variable part depends on the performance of the individual employees. Variable benefit includes increment, bonus, house building loan, promotion etc. 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.</p>

(f)	<p>Description of the different forms of variable remuneration that the bank utilises and the rationale for using these different forms. Disclosures should include:</p> <p>An overview of the forms of variable remuneration offered (ie cash, shares and share-linked instruments and other forms)</p> <p>A discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or groups of employees), a description the factors that determine the mix and their relative importance.</p>	<p>Bangladesh Commerce Bank Limited has no variable remuneration like cash, shares and share linked instruments and other forms.</p>										
(g)	<p>Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member.</p>	<p>Several meetings of the special committee formed for increasing remuneration held in 2017 to finalize the increase of salary package for the bank.</p>										
(h)	<p>Number of employees having received a variable remuneration award during the financial year.</p> <p>Number and total amount of guaranteed bonuses awarded during the financial year.</p> <p>Number and total amount of sign-on awards made during the financial year.</p> <p>Number and total amount of severance payments made during the financial year.</p>	<table border="1"> <thead> <tr> <th data-bbox="759 768 1066 804">Particulars</th> <th data-bbox="1066 768 1367 804">BDT in Crore</th> </tr> </thead> <tbody> <tr> <td data-bbox="759 804 1066 926">Number of employees having received a variable remuneration award during the financial year</td> <td data-bbox="1066 804 1367 926">Nil</td> </tr> <tr> <td data-bbox="759 926 1066 1108">Number and total amount of guaranteed bonuses awarded during the financial year.</td> <td data-bbox="1066 926 1367 1108">Two festival bonus paid to employees worth <b>BDT 4.53</b> Crore. In addition to that 1 month's basic salary equivalent incentive bonus paid to every employees.</td> </tr> <tr> <td data-bbox="759 1108 1066 1203">Number and total amount of sign-on awards made during the financial year.</td> <td data-bbox="1066 1108 1367 1203">Nil</td> </tr> <tr> <td data-bbox="759 1203 1066 1304">Number and total amount of severance payments made during the financial year.</td> <td data-bbox="1066 1203 1367 1304">Nil</td> </tr> </tbody> </table>	Particulars	BDT in Crore	Number of employees having received a variable remuneration award during the financial year	Nil	Number and total amount of guaranteed bonuses awarded during the financial year.	Two festival bonus paid to employees worth <b>BDT 4.53</b> Crore. In addition to that 1 month's basic salary equivalent incentive bonus paid to every employees.	Number and total amount of sign-on awards made during the financial year.	Nil	Number and total amount of severance payments made during the financial year.	Nil
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Number and total amount of severance payments made during the financial year.	Nil											
(i)	<p>Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.</p> <p>Total amount of deferred remuneration paid out in the financial year.</p>	<table border="1"> <thead> <tr> <th data-bbox="759 1325 1066 1360">Particulars</th> <th data-bbox="1066 1325 1367 1360">BDT in Crore</th> </tr> </thead> <tbody> <tr> <td data-bbox="759 1360 1066 1570">Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms a variable remuneration award during the financial year</td> <td data-bbox="1066 1360 1367 1570">Nil</td> </tr> <tr> <td data-bbox="759 1570 1066 1665">Total amount of deferred remuneration paid out in the financial year.</td> <td data-bbox="1066 1570 1367 1665">Nil</td> </tr> </tbody> </table>	Particulars	BDT in Crore	Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms a variable remuneration award during the financial year	Nil	Total amount of deferred remuneration paid out in the financial year.	Nil				
Particulars	BDT in Crore											
Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms a variable remuneration award during the financial year	Nil											
Total amount of deferred remuneration paid out in the financial year.	Nil											
(j)	<p>Breakdown of amount of remuneration awards for the financial year to show:</p> <ul style="list-style-type: none"> <li>- Fixed and variable.</li> <li>- Deferred and non-deferred.</li> <li>- Different forms used (cash, shares and share linked instruments, other forms).</li> </ul>	<p>Fixed remuneration of <b>BDT 57.78</b> Crore has been paid in 2017 and no variable remuneration was paid in said period.</p>										

(k)	<p>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:</p> <p>Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.</p> <p>Total amount of reductions during the financial year due to ex post explicit adjustments.</p> <p>Total amount of reductions during the financial year due to ex post implicit adjustments.</p>	Not applicable for Bangladesh Commerce Bank Limited.
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## CEO's and CFO's declaration to the Board of Directors

In accordance with the condition no.06 of SEC notification no. SEC/CMPRCD/2006-158/134/Admin/44 dated 7 August 2012 we hereby certify that;

1. We have reviewed financial statement for the year 2017 and that to the best of our knowledge and brief:
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable law;
2. There are, to the best of knowledge and brief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.



**Mohammad Saiful Islam, FCMA**  
Vice President & CFO



**R Q M Forkan**  
Managing Director

# OUR PRODUCTS

## Liability Products

### Savings Bank Deposit

- a. Any matured citizen of Bangladesh can open the account at any branch of BCB.
- b. 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.
- c. A minimum deposition of Taka. 500.00 is required for opening the Account.
- d. Withdrawal of any amount at any date is allowed.
- e. Rate of interest is 4.25%
- f. Opening of any Individual, Joint or Institutional account is possible.

### BCB Srijoni (A Savings account for Working Women)

- a. Any working woman of Bangladesh can open the account at any branch of BCB.
- b. 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.
- c. A minimum deposition of Taka. 100.00 is required for opening the Account.
- d. Rate of interest is 4.50%
- e. Interest will be paid half yearly on daily balance.
- f. There is no obligation of minimum balance for interest.

### BCB Nondita (A Savings Account only for Housewives)

- a. Any housewife of Bangladesh can open the account at any branch of BCB.
- b. 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.
- c. A minimum deposition of Taka. 500.00 is required for opening the Account.
- d. 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/-
- e. Rate of interest is 4.50%
- f. Interest will be paid half yearly on daily balance.
- g. Free Credit Card facility may be availed against the account balance. (Conditions apply)

### Current Deposit Account

- a. Any matured citizen of Bangladesh can open the account at any branch of BCB.
- b. 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.
- c. A minimum deposition of Taka. 1000.00 is required for opening the Account.
- d. Withdrawal of any amount at any date is allowed.
- e. Opening of any Individual, Joint or Institutional account is possible.

# OUR PRODUCTS

## Liability Products

### Special Notice Deposit (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 (see interest rate page)
- Opening of any Individual, Joint or Institutional account is possible.

### BCB Students' Savings Account

- Students from 11 to 17 years of age are applicable for opening the account.
- This is a joint account which cannot be opened with anyone else other than parents.
- 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 (see interest rate page)
- Interest will be paid half yearly on daily balance.

### BCB Monthly Savings 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.
- Duration of the Scheme is 03 (three), 05 (five), 07 (seven) & 10 (ten) years.
- A loan privilege of up to 90 % is possible against the entire deposited amount

### BCB Double Benefit Scheme

- A minimum deposition of Tk. 10000/- multiple is possible.
- Deposited amount would be doubled in 07 (seven) years.
- A loan privilege of up to 90% is possible against the entire deposited amount.
- Rate of interest is 10.41%.

## SME Products

### BCB Seasonal Loan

- a. Loan ranges from 50,000/- to 3,00,000/-
- b. Security free Taka. 3,00,000/-
- c. Duration loan account is 01 month to 06 months.
- d. Rate of interest is 18%.
- e. 0.10 % loan processing fee is applicable.
- f. Age must be from 20 to 55.
- g. Renewable.
- h. Must have an associated Savings / Current Account maintained on the concerned branch.

### BCB Term Loan

- a. Loan ranges from 50,000/- to 50,00,000/-
- b. Security free Taka. 3,00,000/-
- c. Duration loan account is from minimum 12 months to 36 months.
- d. Rate of interest is 18% (Security free) & 17% (with collateral security)
- e. 0.10 % loan processing fee is applicable.
- f. Age must be from 18 to 55.
- g. Must have an associated Savings / Current Account maintained on the concerned branch.

### BCB Cash Credit

- a. Loan ranges from 50,000/- to 50,00,000/-
- b. Security free Taka. 3,00,000/-
- c. Duration loan account is from minimum 12 months to 36 months.
- d. Rate of interest is 18% (Security free) & 17% (with collateral security)
- e. 0.10 % loan processing fee is applicable.
- f. Age must be from 18 to 55.
- g. Must have an associated Savings / Current Account maintained on the concerned branch.

### BCB Kollani

- a. Loan ranges from 1,00,000/- to 5,00,000/-
- b. Security free Taka. 1,00,000/-
- c. Duration loan account is 12 months to 36 months.
- d. Rate of interest is 12%.
- e. 0.10 % loan processing fee is applicable.
- f. Education qualification shall have to be
- g. Minimum one personal guarantee by the entrepreneur's wife / husband / any other opposite family member.
- h. Age must be from 18 to 55.
- i. Must have an associated Savings / Current Account maintained on the concerned branch.

## Agri Product

### BCB Agriculture & Rural Loan

- a. Up to Taka. 50,000/- Crop loan facility without any security.
- b. Demand for loan, terms & duration of installments are determined by the type of agriculture.
- c. Rate of interest is 13% per year.
- d. Preference would be given to those with training on agriculture.
- e. Sectors surrounded by BCB Agriculture & Rural Loan includes Production of crops, Fisheries, Livestock & Poultry Farming, Purchase of Agricultural equipments / machineries, Cottage Industry, Food Processing, Productions from Jute, Production of Spices est.

### BCB Apiculture

- a. Maximum Taka. 60,000/- for every 10 (ten) Bee Boxes.
- b. Duration of the Loan Account it maximum 01 (one) year.
- c. Rate of interest is 13%
- d. 0.10 % loan processing fee is applicable.
- e. Minimum one personal guarantee by the entrepreneur's wife / husband / any other opposite family member.
- f. Client's minimum investment will have to be 25% of the total loan amount.
- g. At least 05 (five) Bee boxes will have to be on possession for getting the loan.
- h. Age must be from 20 to 55.

**Bangladesh Commerce Bank Limited  
and its Subsidiary**

**"Auditors' Report and  
Audited Consolidated &  
Separate Financial Statements"**

For the year ended 31 December 2017





## **AUDITORS' REPORT TO THE SHAREHOLDERS OF BANGLADESH COMMERCE BANK LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Bangladesh Commerce Bank Limited and its subsidiary namely Commerce Bank Securities and Investment Limited ("the Group") as well as the separate financial statements of Bangladesh Commerce Bank Limited ("the Bank"), which comprise the consolidated balance sheet of the Group and the separate balance sheet of the Bank as at 31 December 2017, and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements of the Group and the Bank respectively for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements and Internal Controls**

Management is responsible for the preparation of consolidated financial statements of the Group and also the separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards as explained in note # 2.1 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Company (Amendment) Act, 2013 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements of the Group and the separate financial statements of the Bank based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements of the Group and separate financial statements of the Bank are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and separate financial statements of the Bank. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and separate financial statements of the Bank, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements of the Group and separate financial statements of the Bank that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Basis for Qualified Opinion

- a. Our audit revealed the following for the year ended 31 December 2017:
- i) There remains a shortfall of Taka 254.29 crore in making provision for loan-loss against classified loans and advances and off-balance sheet exposure (Note # 7.9.1 & 19);
  - ii) The provision for employees' gratuity of Taka 32.82 crore has not been accounted for in the financial statements (Note # 13.5);
  - iii) There has been a shortfall of Taka 1.03 crore in making provision against other assets (Note # 9). A shortfall of Taka 0.05 crore in making provision against off-balance sheet exposure.

If the matters stated above have been considered in the financial statements, there would have been a net loss of Taka 285.20 crore as against net profit of Taka 2.94 crore (after tax).

- b. To comply with the BASEL-III capital adequacy requirement conforming to section 13(2) of Bank Company Act (Amendment) 2013 and BRPD Circular no. 35 dated 29 December 2010, the bank should have Minimum Capital Requirement (MCR) of Taka 400 crore as against which bank had Taka 92.38 crore; hence a shortfall of Taka 307.62 crore. (Note # 14.3)
- c. As per section 13 (2) of The Bank Company Act (Amendment) 2013 and BRPD Circular No. 35 dated 29 December 2010 to fulfill the Basel-III requirement, the required Capital to Risk Weighted Assets Ratio (CRAR) of the Bank should have been 10.625% of Risk Weighted Assets but the Bank has maintained the same at 3.06% only as on 31 December 2017. (Note # 14.3)

### Qualified Opinion

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the consolidated financial statements of the Group and also the separate financial statements of the Bank give a true and fair view of the financial position of the Group and the Bank as at 31 December 2017, and of their financial performance and their cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards as explained in note # 2.1.

### Matter of Emphasis:

Without qualifying our report in respect of this matter, we draw attention of the shareholders of Bangladesh Commerce Bank Limited (BCBL) to the fact that the borrowers were not classified for required loan-loss provision on the ground of 'Order of Stay' by the High Court Division of the Honorable Supreme Court of Bangladesh except providing for 1% under unclassified category. Hence, a shortfall of Taka 164.04 crore in making provision for loan-loss against such loans and advances.

### Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Bank Company (Amendment) Act, 2013 and the rules and regulations issued by Bangladesh Bank, we except for as mentioned above 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) to the extent noted during the course of our audit work performed on the basis stated under the Auditors' Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Control:
- i) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in note # 2.19 to the financial statements appeared to be materially adequate;
  - ii) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities;
- (c) financial statements of the subsidiary, namely, Commerce Bank Securities and Investment Limited of the Bank has been audited by other auditor and has been properly reflected in the consolidated financial statements;
- (d) 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;
- (e) the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank dealt with by the report are in agreement with the books of account;
- (f) the expenditure incurred was for the purposes of the Bank's business;
- (g) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as with related guidance issued by Bangladesh Bank;
- (h) except for the facts as stated in Basis for Qualified Opinion paragraph (a)(i), adequate provisions have been made for advances which are, in our opinion, doubtful of recovery;
- (i) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (j) the information and explanation required by us have been received and found satisfactory; and
- (k) we have reviewed over 80% of the risk weighted assets and we have spent around 2,980 person hours for the audit of the books and accounts of the Bank.

Dhaka,  
30th April 2018

  
**MABS & J Partners**  
**Chartered Accountants**

**Bangladesh Commerce Bank Limited & its Subsidiary**  
**Consolidated Balance Sheet**  
As at 31 December 2017

Particulars	Notes	31.12.2017 Taka	31.12.2016 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3(a)	<b>2,492,587,673</b>	<b>2,131,481,554</b>
Cash in hand (including foreign currencies)	3.1(a)	334,875,762	288,114,950
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	2,157,711,911	1,843,366,604
<b>Balance with other banks and financial institutions</b>	4(a)	<b>8,573,302,449</b>	<b>6,977,733,388</b>
In Bangladesh		8,561,356,274	6,952,339,687
Outside Bangladesh		11,946,175	25,393,701
<b>Money at call and short notice</b>	5(a)	<b>29,300,000</b>	<b>131,300,000</b>
<b>Investments</b>	6(a)	<b>4,167,667,054</b>	<b>3,600,400,845</b>
Government		3,060,780,741	2,938,788,255
Others		1,106,886,313	661,612,590
<b>Loans and Advances</b>	7(a)	<b>19,284,440,468</b>	<b>16,634,096,074</b>
Loans, Cash Credit, Overdrafts etc.		19,227,364,416	16,617,169,656
Bills purchased and discounted		57,076,052	16,926,418
Fixed assets including premises, furniture and fixtures	8(a)	150,860,648	151,780,105
Other assets	9(a)	1,995,559,811	1,800,320,786
Non-banking assets	10	-	-
<b>Total Assets</b>		<b>36,693,718,103</b>	<b>31,427,112,752</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	11(a)	<b>180,961,542</b>	<b>7,318,208</b>
<b>Deposits and other accounts</b>	12(a)	<b>30,009,139,139</b>	<b>25,223,480,009</b>
Current Account and Other Accounts etc.		1,896,519,041	1,344,723,585
Savings Bank Deposits		3,133,155,563	2,845,192,074
Short Term Deposits		6,080,152,031	5,966,568,902
Fixed Deposits		11,364,383,131	9,673,347,551
Deposit under Different Schemes	12.1	2,861,749,046	2,859,699,949
Bills Payable	12.3	353,282,009	282,108,981
Bank Deposit		3,100,000,000	1,200,000,000
Other Deposits	12.4(a)	1,219,898,318	1,051,838,968
<b>Other liabilities</b>	13(a)	<b>2,952,603,453</b>	<b>2,695,972,746</b>
<b>Total Liabilities</b>		<b>33,142,704,134</b>	<b>27,926,770,963</b>

**Bangladesh Commerce Bank Limited & its Subsidiary**  
**Consolidated Balance Sheet**  
As at 31 December 2017

Particulars	Notes	31.12.2017 Taka	31.12.2016 Taka
<b>Capital/Shareholders' Equity</b>			
Paid-up-Capital	14.2	1,988,742,800	1,988,742,800
Share Capital BCI Ltd.		36,500,000	36,500,000
Minority Interest		90	90
Right Share Application Money		917,259,650	917,259,650
Statutory Reserve	15(a)	275,060,371	245,714,600
Other Reserve	16(a)	8,920,366	8,920,366
Revaluation Reserve for HTM Securities	17(a)	156,205,739	156,568,071
Exchange Equalization Account		-	-
Profit and Loss Account-Retained Earnings	18(a)	168,324,953	146,636,215
<b>Total Shareholders' Equity</b>		<b>3,551,013,969</b>	<b>3,500,341,790</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>36,693,718,103</b>	<b>31,427,112,752</b>
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent Liabilities</b>			
Acceptances and Endorsements		678,809,575	539,357,438
Letter of Guarantees	19.1	472,019,531	402,945,225
Irrevocable Letter of Credit		1,191,985,301	763,516,439
Bills for Collection		204,362,819	285,983,694
Other contingent liability	19.2	113,791,800	113,791,800
<b>TOTAL CONTINGENT LIABILITIES</b>		<b>2,660,969,026</b>	<b>2,105,594,596</b>
<b>Other commitments</b>			
Documentary Credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
<b>Total Off-Balance Sheet items including contingent liabilities</b>		<b>2,660,969,026</b>	<b>2,105,594,596</b>

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



**Managing Director**



**Director**



**Director**



**Chairman**

This is the Consolidated Profit and Loss Account referred to in our separate report of even date.

Dhaka,  
30 April 2018



**MABS & J Partners**  
Chartered Accountants

## Bangladesh Commerce Bank Limited &amp; its Subsidiary

## Consolidated Profit and Loss Account

For the year ended 31 December 2017

Particulars	Notes	2017 Taka	2016 Taka
Interest Income	20 (a)	2,000,578,724	1,871,314,282
Interest Paid on Deposits and Borrowings etc	21(a)	1,252,735,475	1,245,548,448
<b>Net Interest Income</b>	4(a)	<b>747,843,249</b>	<b>625,765,835</b>
Income from Investments	22(a)	348,285,041	334,364,877
Commission, Exchange Earnings & Brokerage	23(a)	242,362,221	168,952,200
Other Operating Income	24(a)	58,947,216	78,587,307
		<b>649,594,478</b>	<b>581,904,384</b>
<b>Total operating income (A)</b>		<b>1,397,437,727</b>	<b>1,207,670,218</b>
Salary and Allowances	25(a)	610,044,251	573,045,018
Rent, Taxes, Insurance, Electricity, etc.	26(a)	141,682,565	133,357,940
Legal Expenses		1,347,598	1,376,961
Postage, Stamp, Telecommunication etc.	27(a)	26,592,714	24,897,510
Stationery, Printing, Advertisement etc.	28(a)	16,999,555	11,728,597
Managing Director's salary and allowances	29	8,162,904	7,045,162
Directors' Fee	30	2,171,000	1,715,200
Audit & Evaluation Fee		1,689,000	1,116,500
Depreciation & Repair of Fixed Assets	31(a)	59,988,245	55,807,282
Other Expenses	32(a)	160,990,010	150,403,561
		<b>1,029,667,842</b>	<b>960,493,731</b>
<b>Total operating expenses (B)</b>		<b>1,029,667,842</b>	<b>960,493,731</b>
<b>Profit before Provision (C)=A-B</b>		<b>367,769,885</b>	<b>247,176,487</b>
Provision for classified loans	13.1.1(a)	25,182,035	45,675,173
Provision for unclassified loans	13.1.2	-	-
Other provisions		155,870,137	47,883,288
		<b>181,052,172</b>	<b>93,558,461</b>
<b>Total provision (D)</b>		<b>181,052,172</b>	<b>93,558,461</b>
<b>Profit/(loss) before taxes (C-D)</b>		<b>186,717,713</b>	<b>153,618,026</b>
Provision for Taxation		<b>135,683,203</b>	<b>108,818,458</b>
Current tax		135,677,830	104,951,217
Deferred tax		5,373	3,867,241
		<b>51,034,510</b>	<b>44,799,568</b>
<b>Net profit/ (loss) after taxation</b>		<b>51,034,510</b>	<b>44,799,568</b>
<b>Appropriations</b>			
Statutory Reserve	15	29,345,771	24,951,659
General Reserve		-	-
Dividends etc.		-	-
		<b>29,345,771</b>	<b>24,951,659</b>
<b>Retained surplus</b>		<b>21,688,739</b>	<b>19,847,909</b>
Earning Per Share (EPS)	34(a)	<b>2.57</b>	<b>2.25</b>

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



Managing Director



Director



Director



Chairman

This is the Consolidated Profit and Loss Account referred to in our separate report of even date.

Dhaka,  
30 April 2018



**MABS & J Partners**  
Chartered Accountants

## Bangladesh Commerce Bank Limited &amp; its Subsidiary

## Consolidated Cash Flow Statement

For the year ended 31 December 2017

Particulars	Notes	2017 Taka	2016 Taka
<b>A. Cash flow from operating activities</b>			
Interest receipts		2,131,161,107	2,099,171,747
Interest payments		(1,110,947,726)	(1,043,493,747)
Dividend receipts		24,436,896	5,870,356
Fees and commission receipts in cash		138,287,736	142,599,939
Cash paid to employees		(586,057,038)	(564,053,089)
Cash paid to suppliers		(161,896,979)	(164,438,597)
Income Taxes paid		(64,891,566)	(75,282,519)
Receipts from other operating activities (item-wise)		386,966,392	188,589,264
Payments for other operating activities (item-wise)		(131,015,564)	(156,688,167)
<b>Operating profit before changes in operating assets and liabilities</b>		<b>626,043,258</b>	<b>432,275,188</b>
<b>Increase/(Decrease) in operating assets &amp; liabilities</b>		<b>1,890,391,945</b>	<b>467,865,534</b>
Statutory Deposits		(29,345,771)	(24,951,659)
Loan & advance to customers		(2,650,344,394)	(575,269,618)
Other assets (item-wise)		(216,472,225)	(32,825,652)
Deposits from other banks		1,900,000,000	(95,969,167)
Deposits from customers		2,875,633,580	915,893,095
Other liabilities account of customers		10,920,755	280,988,535
<b>Net cash flow from operating activities (A)</b>		<b>2,516,435,203</b>	<b>900,140,721</b>
<b>B. Cash flow from investing activities</b>			
Proceeds from sale of securities		-	-
Payments for purchase of government securities		(498,161,849)	(360,698,928)
Purchase of property, plant & equipment		(44,628,137)	(35,220,404)
Purchase/sale of subsidiary		-	-
Investment in Margin Loan (CBSIL)		62,098,550	64,187,248
Investment in Shares (CBSIL)		(59,076,103)	(14,982,151)
<b>Net cash flow from/ (used in) investing activities (B)</b>		<b>(539,767,539)</b>	<b>(346,714,235)</b>
<b>C. Cash flow from financing activities</b>			
<b>Receipts from issue of debt instruments</b>			
Long Term loan payment to BCBL		-	-
Payment for redemption of debt instruments		-	-
Receipts from issuing ordinary share/ rights share		-	-
Dividend paid		-	-
<b>Net cash flow from/(used in) financing activities (C)</b>		<b>-</b>	<b>-</b>
<b>D. Net increase/(decrease) in Cash and Cash Equivalent (A+B+C)</b>		<b>1,976,667,665</b>	<b>553,426,487</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>		<b>-</b>	<b>-</b>
<b>F. Opening Cash and Cash Equivalent</b>		<b>12,179,303,197</b>	<b>11,625,876,710</b>
<b>G. Cash and cash equivalents at end of year (D+E+F) (*)</b>		<b>14,155,970,862</b>	<b>12,179,303,197</b>
<b>(*) Closing Cash &amp; Cash Equivalent</b>			
Cash in Hand (including foreign currency)		334,875,762	288,114,950
Balance with Bangladesh Bank and its Agent Banks		2,157,711,911	1,843,366,604
Balance with Other Bank's and Financial Institutions		8,573,302,449	6,977,733,388
Money at Call on Short Notice		29,300,000	131,300,000
Prize Bond		613,500	684,500
Government Securities & FDR		3,060,167,241	2,938,103,755
		<b>14,155,970,862</b>	<b>12,179,303,197</b>



Managing Director



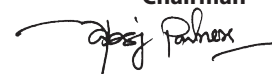
Director



Director



Chairman


MABS & J Partners  
Chartered AccountantsDhaka,  
30 April 2018

Bangladesh Commerce Bank Limited & its Subsidiary  
**Consolidated Statement of changes in Equity**  
 For the year ended 31 December 2017

Particulars	Paid up Capital	Share Premium	Minority Interest	Statutory Reserve	Revaluation Reserve	Other Reserve	Profit/(Loss)	Total
<b>Balance as on 01 January 2017</b>	<b>1,988,742,800</b>	-	<b>90</b>	<b>245,714,600</b>	<b>156,568,071</b>	<b>8,920,366</b>	<b>146,636,215</b>	<b>2,546,582,142</b>
Share Capital BCI Ltd.	36,500,000	-	-	-	-	-	-	36,500,000
Prior Year's Adjustment	-	-	-	-	-	-	-	-
Right Share Application Money	917,259,650	-	-	-	-	-	-	917,259,650
Increase in Statutory Reserve	-	-	-	29,345,771	-	-	-	29,345,770
Revaluation Reserve for HTM Securities	-	-	-	-	(362,332)	-	-	(362,332)
Net Profit/(Loss) for the year	-	-	-	-	-	-	21,688,739	21,688,739
<b>Balance as on 31 December 2017</b>	<b>2,942,502,450</b>	-	<b>90</b>	<b>275,060,371</b>	<b>156,205,739</b>	<b>8,920,366</b>	<b>168,324,954</b>	<b>3,551,013,968</b>
Particulars	Paid up Capital	Share Premium	Minority Interest	Statutory Reserve	Revaluation Reserve	Other Reserve	Profit/(Loss)	Total
<b>Balance as on 01 January 2016</b>	<b>1,988,742,800</b>	-	<b>90</b>	<b>220,762,941</b>	<b>115,574,519</b>	<b>8,920,366</b>	<b>126,788,306</b>	<b>2,460,789,022</b>
Share Capital BCI Ltd.	36,500,000	-	-	-	-	-	-	36,500,000
Prior Year's Adjustment	-	-	-	-	-	-	-	-
Right Share Application Money	917,259,650	-	-	-	-	-	-	917,259,650
Increase in Statutory Reserve	-	-	-	24,951,659	-	-	-	24,951,659
Revaluation Reserve for HTM Securities	-	-	-	-	40,993,552	-	-	40,993,552
Issuance of Share Capital	-	-	-	-	-	-	-	-
Redemption of Share Capital	-	-	-	-	-	-	-	-
Net Profit/(Loss) for the year	-	-	-	-	-	-	19,847,909	19,847,909
<b>Balance as on 31 December 2016</b>	<b>2,942,502,450</b>	-	<b>90</b>	<b>245,714,600</b>	<b>156,568,071</b>	<b>8,920,366</b>	<b>146,636,215</b>	<b>3,500,341,790</b>



**Managing Director**



**Director**



**Director**



**Chairman**



**MABS & J Partners**  
**Chartered Accountants**

Dhaka,  
 30 April 2018



## Bangladesh Commerce Bank Limited

## Balance Sheet

As at 31 December 2017

Particulars	Notes	31.12.2017 Taka	31.12.2016 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3	<b>2,492,389,926</b>	<b>2,131,291,389</b>
Cash in hand (including foreign currencies)	3.1	334,678,015	287,924,785
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	3.2	2,157,711,911	1,843,366,604
<b>Balance with other banks and financial institutions</b>	4	<b>8,289,428,350</b>	<b>6,695,915,843</b>
In Bangladesh		8,277,482,175	6,670,522,143
Outside Bangladesh		11,946,175	25,393,700
<b>Money at call and short notice</b>	5	<b>29,300,000</b>	<b>131,300,000</b>
<b>Investments</b>	6	<b>4,731,377,194</b>	<b>4,223,187,090</b>
Government		3,060,780,741	2,938,788,255
Others		1,670,596,453	1,284,398,835
<b>Loans and Advances</b>	7	<b>19,284,440,469</b>	<b>16,634,096,074</b>
Loans, Cash Credit, Overdrafts etc.		19,227,364,417	16,617,169,656
Bills purchased and discounted		57,076,052	16,926,418
Fixed assets including premises, furniture and fixtures	8	142,985,722	143,098,557
Other assets	9	1,424,917,137	1,208,444,913
Non-banking assets	10	-	-
<b>Total Assets</b>		<b>36,394,838,798</b>	<b>31,167,333,866</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other banks, financial institutions and agents	11	180,961,542	7,318,208
<b>Deposits and other accounts</b>	12	<b>30,009,139,141</b>	<b>25,223,477,302</b>
Current Account and Other Accounts etc.		1,896,519,042	1,344,723,585
Savings Bank Deposits		3,133,155,564	2,845,192,074
Short Term Deposits		6,080,152,031	5,966,568,902
Fixed Deposits		11,364,383,131	9,673,347,551
Deposit under Different Schemes	12.1	2,861,749,046	2,859,699,949
Bills Payable	12.3	353,282,009	282,108,981
Bank Deposit		3,100,000,000	1,200,000,000
Other Deposits	12.4	1,219,898,318	1,051,836,260
<b>Other Liabilities</b>	13	2,709,556,613	2,470,403,094
<b>Total Liabilities</b>		<b>32,899,657,296</b>	<b>27,701,198,604</b>
<b>Capital/Shareholders' Equity</b>			
Paid-up-Capital	14.2	1,988,742,800	1,988,742,800
Share Capital BCI Ltd.		36,500,000	36,500,000
Right Share Application Money		917,259,650	917,259,650
Statutory Reserve	15	275,060,371	245,714,600
Other Reserve	16	8,920,366	8,920,366
Revaluation Reserve for HTM Securities	17	156,205,739	156,568,071
Exchange Equalization Account		-	-
Profit and Loss Account-Retained Earnings	18	112,492,576	112,429,775
<b>Total Shareholders' Equity</b>		<b>3,495,181,502</b>	<b>3,466,135,262</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>36,394,838,798</b>	<b>31,167,333,866</b>

## Bangladesh Commerce Bank Limited

## Balance Sheet

As at 31 December 2017

Particulars	Notes	31.12.2017 Taka	31.12.2016 Taka
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent Liabilities</b>			
Acceptances and Endorsements		678,809,575	539,357,438
Letter of Guarantees	19.1	472,019,531	402,945,225
Irrevocable Letter of Credit		1,191,985,301	763,516,439
Bills for Collection		204,362,819	285,983,694
Other contingent liability	19.2	113,791,800	113,791,800
<b>TOTAL CONTINGENT LIABILITIES</b>		<b>2,660,969,026</b>	<b>2,105,594,596</b>
<b>Other commitments</b>			
Documentary Credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
<b>Total Off-Balance Sheet items including contingent liabilities</b>		<b>2,660,969,026</b>	<b>2,105,594,596</b>

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



Managing Director



Director



Director



Chairman

This is the Consolidated Profit and Loss Account referred to in our separate report of even date.

Dhaka,  
30 April 2018



**MABS & J Partners**  
Chartered Accountants

## Bangladesh Commerce Bank Limited

## Profit and Loss Account

For the year ended 31 December 2017

Particulars	Notes	2017 Taka	2016 Taka
Interest Income	20	1,980,349,072	1,856,128,833
Interest Paid on Deposits and Borrowings etc	21	1,252,735,475	1,245,548,448
<b>Net Interest Income</b>		<b>727,613,597</b>	<b>610,580,385</b>
Income from Investments	22	328,019,176	330,627,976
Commission, Exchange Earnings & Brokerage	23	138,287,736	106,243,889
Other Operating Income	24	58,947,216	61,372,625
		<b>525,254,128</b>	<b>498,244,490</b>
<b>Total operating income (A)</b>		<b>1,252,867,725</b>	<b>1,108,824,876</b>
Salary and Allowances	25	577,894,134	541,072,092
Rent, Taxes, Insurance, Electricity, etc.	26	132,779,985	124,569,728
Legal Expenses		1,226,598	1,255,961
Postage, Stamp, Telecommunication etc.	27	26,000,916	24,352,228
Stationery, Printing, Advertisement etc.	28	15,610,762	11,268,819
Managing Director's salary and allowances	29	8,162,904	7,045,162
Directors' Fee	30	1,425,800	960,800
Audit & Evaluation Fee		1,585,500	782,000
Depreciation & Repair of Fixed Assets	31	57,904,244	53,672,956
Other Expenses	32	127,998,174	127,888,665
<b>Total operating expenses (B)</b>		<b>950,589,017</b>	<b>892,868,411</b>
<b>Profit before Provision (C)=A-B</b>		<b>302,278,708</b>	<b>215,956,465</b>
Provision for classified loans	13.1.1		43,174,385
Provision for un classified loans	13.1.2		-
Other provisions		155,870,137	47,883,288
<b>Total provision (D)</b>		<b>155,870,137</b>	<b>91,057,673</b>
<b>Profit/(loss) before taxes (C-D)</b>		<b>146,408,571</b>	<b>124,898,792</b>
Provision for Taxation		117,000,000	99,800,000
Current tax		117,000,000	95,925,092
Deferred tax			3,874,908
<b>Net profit/ (loss) after taxation</b>		<b>29,408,571</b>	<b>25,098,792</b>
<b>Appropriations</b>			
Statutory Reserve	15	29,345,771	24,951,659
General Reserve		-	-
Dividends etc.		-	-
		<b>29,345,771</b>	<b>24,951,659</b>
<b>Retained surplus</b>		<b>62,800</b>	<b>147,133</b>
Earning Per Share (EPS)	34	<b>1.48</b>	<b>1.26</b>

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



Managing Director



Director



Director



Chairman

This is the Profit and Loss Account referred to in our separate report of even date.

Dhaka,  
30 April 2018



**MABS & J Partners**  
Chartered Accountants

## Bangladesh Commerce Bank Limited

## Cash Flow Statement

For the year ended 31 December 2017

Particulars	Notes	2017 Taka	2016 Taka
<b>A. Cash flow from operating activities</b>			
Interest receipts		2,131,161,107	2,093,157,115
Interest payments		(1,110,947,726)	(1,043,493,747)
Dividend receipts		24,436,896	5,870,356
Fees and commission receipts in cash		138,287,736	71,476,096
Cash paid to employees		(586,057,038)	(533,117,254)
Cash paid to suppliers		(161,896,979)	(164,438,597)
Income Taxes paid		(64,891,566)	(65,047,103)
Receipts from other operating activities (item-wise)		386,966,392	166,882,397
Payments for other operating activities (item-wise)		(131,015,564)	(130,887,427)
<b>Operating cash flow before changes in operating Assets and Liabilities</b>		<b>626,043,258</b>	<b>400,401,837</b>
<b>Increase/(Decrease) in operating assets &amp; liabilities</b>		<b>1,890,391,945</b>	<b>467,865,531</b>
Statutory Deposits		(29,345,771)	(24,951,659)
Loan & advance to customers		(2,650,344,394)	(575,269,618)
Other assets (item-wise)		(216,472,225)	(32,825,652)
Deposits from other banks		1,900,000,000	(95,969,167)
Deposits from customers		2,875,633,580	915,893,092
Other liabilities account of customers		10,920,755	280,988,535
<b>Net cash flow from operating activities (A)</b>		<b>2,516,435,204</b>	<b>868,267,368</b>
<b>B. Cash flow from investing activities</b>			
Purchase of property, plant & equipment		(43,669,826)	(34,570,088)
Purchase/sale of Securities & bond		(498,161,846)	(360,698,925)
<b>Net cash used in investing activities (B)</b>		<b>(541,831,672)</b>	<b>(395,269,013)</b>
<b>C. Cash flow from financing activities</b>			
Receipts from issue of debt instruments		-	-
Payment for redemption of debt instruments		-	-
Receipts from issuing ordinary share/ rights share		-	-
Dividend paid		-	-
<b>Net cash flow from/ (used in) financing activities (C)</b>		<b>-</b>	<b>-</b>
<b>D. Net increase in Cash and Cash Equivalent (A+B+C)</b>		<b>1,974,603,531</b>	<b>472,998,355</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>		<b>-</b>	<b>-</b>
<b>F. Opening Cash and Cash Equivalent</b>		<b>11,897,295,487</b>	<b>11,424,297,132</b>
<b>G. Cash and cash equivalents at end of year (D+E+F) (*)</b>	<b>33</b>	<b>13,871,899,017</b>	<b>11,897,295,487</b>
<b>(*) Closing Cash &amp; Cash Equivalent</b>			
Cash in Hand (including foreign currency)		334,678,015	287,924,785
Balance with Bangladesh Bank and its Agent Banks		2,157,711,911	1,843,366,604
Balance with Other Bank's and Financial Institutions		8,289,428,350	6,695,915,843
Money at Call on Short Notice		29,300,000	131,300,000
Government Securities		3,060,780,741	2,938,788,255
		<b>13,871,899,017</b>	<b>11,897,295,487</b>

  
Managing Director

  
Director

  
Director

  
Chairman

Dhaka,  
30 April 2018

  
MABS & J Partners  
Chartered Accountants

## Bangladesh Commerce Bank Limited

## Statement of changes in Equity

For the year ended 31 December 2017

Particulars	Paid up Capital	Share Premium	Statutory Reserve	Revaluation Reserve	Other Reserve	Profit/(Loss)	Total
<b>Balance as on 01 January 2017</b>	<b>1,988,742,800</b>	-	<b>245,714,600</b>	<b>156,568,070</b>	<b>8,920,366</b>	<b>112,429,776</b>	<b>2,512,375,612</b>
Share Capital BCI Ltd.	36,500,000	-	-	-	-	-	36,500,000
Right Share Application Money	917,259,650	-	-	-	-	-	917,259,650
Prior Year's Adjustment	-	-	-	-	-	-	-
Increase in Statutory Reserve	-	-	29,345,771	-	-	-	29,345,771
Revaluation Reserve for HTM Securities	-	-	-	(362,332)	-	-	(362,332)
Net Profit/(Loss) for the year	-	-	-	-	-	62,801	62,801
<b>Balance as on 31 December 2017</b>	<b>2,942,502,450</b>	-	<b>275,060,371</b>	<b>156,205,739</b>	<b>8,920,366</b>	<b>112,492,576</b>	<b>3,495,181,502</b>

Particulars	Paid up Capital	Share Premium	Statutory Reserve	Revaluation Reserve	Other Reserve	Profit/(Loss)	Total
<b>Balance as on 01 January 2016</b>	<b>1,988,742,800</b>	-	<b>220,762,941</b>	<b>115,574,519</b>	<b>8,920,366</b>	<b>112,282,646</b>	<b>2,446,283,272</b>
Share Capital BCI Ltd.	36,500,000	-	-	-	-	-	36,500,000
Right Share Application Money	917,259,650	-	-	-	-	-	917,259,650
Prior Year's Adjustment	-	-	-	-	-	-	-
Increase in Statutory Reserve	-	-	24,951,659	-	-	-	24,951,659
Revaluation Reserve for HTM Securities	-	-	-	40,993,551	-	-	40,993,551
Net Profit/(Loss) for the year	-	-	-	-	-	147,131	147,131
<b>Balance as on 31 December 2016</b>	<b>2,942,502,450</b>	-	<b>245,714,599</b>	<b>156,568,070</b>	<b>8,920,366</b>	<b>112,429,777</b>	<b>3,466,135,262</b>



Managing Director



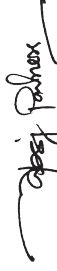
Director



Director



Chairman



MABS &amp; J Partners

Chartered Accountants

Dhaka,  
30 April 2018

## Bangladesh Commerce Bank Limited

### Liquidity Statement

(Asset and Liability Maturity Analysis)

As at 31 December 2017

Particulars	"Up to 01 Month"	"1-3 Months"	"3-12 Months"	"1-5 Years"	"More than 5 Years"	Total
<b>Assets:</b>						
Cash in hand & with Bangladesh Bank	2,492,389,926	-	-	-	-	2,492,389,926
Balance with other banks & financial institutions	1,780,037,255.89	2,661,566,198.80	3,847,824,895.61	-	-	8,289,428,350
Money at call and short notice	29,300,000	-	-	-	-	29,300,000
Investment	1,219,296,938	234,900,306	1,127,501,426	1,669,355,502	480,323,023	4,731,377,194
Loans and Advances	7,151,277,924	4,019,987,590	4,503,486,098	3,609,688,857	-	19,284,440,469
Fixed Assets including premises, furniture and fixtures					142,985,722	142,985,722
Other Assets	47,480,578	55,877,143	86,564,591	27,888,592	1,207,106,233	1,424,917,137
Non-banking assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>12,719,782,622</b>	<b>6,972,331,239</b>	<b>9,565,377,010</b>	<b>5,306,932,951</b>	<b>1,830,414,978</b>	<b>36,394,838,799</b>
<b>Liabilities:</b>						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	180,961,542	-	-	-	-	180,961,542
Deposits	4,865,433,469	12,347,914,876	8,351,118,594	4,444,672,201	-	30,009,139,141
Other Liabilities	30,736,416	1,566,343,933	848,992,383	263,483,881	-	2,709,556,613
<b>Total Liabilities</b>	<b>5,077,131,427</b>	<b>13,914,258,809</b>	<b>9,200,110,978</b>	<b>4,708,156,082</b>	-	<b>32,899,657,295</b>
<b>Net Liquidity</b>	<b>7,642,651,195</b>	<b>(6,941,927,570)</b>	<b>365,266,032</b>	<b>598,776,869</b>	<b>1,830,414,978</b>	<b>3,495,181,503</b>

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

Dhaka,  
30 April 2018

  
**Managing Director**

  
**Director**

  
**Director**

  
**Chairman**

The following assumptions have been applied in preparing the maturity analysis:

- Balance with other banks and financial institutions, Money at call on short notice are on the basis of their maturity.
- Investments are on the basis of their maturity.
- Loans and advances are on the basis of their maturity.
- Fixed assets including premises land & buildings, furniture & fixtures are on the basis of their useful life.
- Other assets are on the basis of their adjustment.
- Borrowings from Bangladesh Bank, other banks, financial institutions and agents are on the basis of their payment.
- Deposits and other accounts are on the basis of their maturity and payment.
- Provision and other liabilities are on the basis of their adjustment.

## Bangladesh Commerce Bank Limited

### Notes to the Financial Statements

For the year ended 31 December 2017

#### 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 56 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.

#### 2.0 Basis of preparation of financial statements & significant accounting policies

##### 2.1 Statements of compliance

The consolidated financial statements of the group (comprising the Bank and its subsidiary) financial statements of Bangladesh Commerce Bank Limited as at and for the year ended 31 December 2016 have been prepared under the historical cost convention, except for Government Securities which are stated at fair value and in accordance with Bangladesh Financial Reporting Standards (BFRSs), the First Schedule (Section 38) of the Bank Company (Amendment) Act- 2013, as amended by the BRPD Circular 14 dated 25 June 2003, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994 and other rules and regulations are applicable in Bangladesh. In case any requirement of the Bank Company (Amendment) Act- 2013, and provisions and circulars issued by Bangladesh Bank differ with those of BFRS, the requirements of the Bank Company (Amendment) Act- 2013, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of BFRS are as follows:

##### i) Investment in shares and securities

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

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

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

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

**Bangladesh Bank:** According to DOS circular 05 dated 26 May 2008 and subsequently clarification in DOS Circular 05 dated 28 January 2009, HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

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

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

**Bangladesh Bank:** As per BRPD circular No.14 dated 23 September 2012, BRPD circular No. 19 dated 27 December 2012 and BRPD circular No. 05 dated 29 May 2013 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by BAS 39.

**iv) Recognition of interest in suspense**

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

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

**v) Other comprehensive income**

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

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

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

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

**vii) Financial guarantees**

**BFRS:** As per BAS 39, 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 terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

**Bangladesh Bank:** As per BRPD Circular no. 14 dated 25 June 2003 financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin.

**viii) Cash and cash equivalent**

**BFRS:** Cash and cash equivalent items should be reported as cash item as per BAS 7.

**Bangladesh Bank:** Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

**ix) Non-banking asset**

**BFRS:** No indication of Non-banking asset is found in any BFRS.

**Bangladesh Bank:** As per BRPD Circular no. 14 dated 25 June 2003 there must exist a face item named Non-banking asset.

**x) Cash flow statement**

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

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

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

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

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

**xii) Presentation of intangible asset**

**BFRS:** An intangible asset must be identified and recognised, and the disclosure must be given as per BAS 38.

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

**xiii) Off-balance sheet items**

**BFRS:** There is no concept of off-balance sheet items in any BFRS; hence 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 etc.) must be disclosed separately on the face of the balance sheet.

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

**BFRS:** 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 can not be netted off against loans and advances.

## 2.2 Consolidation Procedure

"The consolidated financial statements include the financial statements of Bangladesh Commerce Bank Limited and its subsidiary Commerce Bank Securities & Investments Limited made up to the end of the financial year.

The consolidated financial statements have been prepared in accordance with Bangladesh Financial Reporting Standard 10. The consolidated financial statements are prepared to a common financial year ended 31 December 2017."

## 2.3 Subsidiary

Subsidiary is that enterprise which is controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an enterprise from the date that control commences until the date that control ceases. The financial statements of subsidiary are included in the consolidated financial statements from the date that control effectively commences until the date that the control effectively ceases. Subsidiary companies are consolidated using the purchase method of accounting.

## 2.4 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 estimates is revised and in any future periods affected.

## 2.5 Revenue Recognition

"The revenue during the period under audit is recognized satisfying the conditions as specified in Bangladesh Accounting Standards (BAS) 18 "Revenue Recognition". Details are as under:

### Interest/ income

(i) Interest is calculated on daily product on unclassified loans and advances and accounted for quarterly on accrual basis.

(ii) Interest is charged on classified loans and advances as per Bangladesh Bank BRPD circular No. 16 of 1989 and such interest was not taken into income account upon realization.

(iii) Dividend income is recognized at the time when it is realized.

(iv) Commission and discounts on bills purchased and discounted are recognized at the time of realization.

### Fees, commission and discounts income

Fees, commission and discounts on bills purchased and discounted are recognized at the time of realization.

### Investment income

Interest income on investments is recognized on accrual basis. Capital gain on investments in shares is also included in investment income. Capital gain is recognized when it is realized.

**Interest paid and other expenses**

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

**2.6 Earnings Per Share (EPS)**

The Company calculates Earnings Per Share (EPS) in accordance with BAS 33 "Earnings Per Share" which has been shown on the face of Profit and Loss Account. This has been calculated by dividing the basis earnings by the number of ordinary shares outstanding during the year.

**2.7 Foreign Currency Transactions**

Transaction in Foreign Currencies are translated into Bangladesh Taka and recorded at the ruling Exchange rates applicable on the dates of transactions in accordance with Bangladesh Accounting Standards (BFRS/BAS) – 21 "The Effects of Changes in Foreign Exchange Rates". As such -

(i) Assets and liabilities denominated in foreign currency are translated into Bangladesh Taka at the balance sheet date at the mid rates.

"(ii) Transactions in foreign currencies are converted into Bangladesh Taka currency at the rate of exchange prevailing on the dates of such transactions and any gains or losses thereon are adjusted to revenue through foreign exchange trading account."

**2.8 Reporting Period**

These financial statements of the Bank and its subsidiary cover one calendar year from 1 January 2017 to 31 December 2017.

**2.9 Statement of Cash Flows**

Cash Flow Statement is prepared principally in accordance with BAS 7 "Statement of Cash Flows" under direct method as per the guidelines of BRPD circular no-14 dated 25 June 2003. The statement of Cash Flows shows the structure & changes in cash & cash equivalents during the year. Cash Flows during the period have been classified as operating activities, investing activities & financing activities.

**2.10 Statement of Changes in equity**

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth. Statement of changes in equity has been prepared in accordance with Bangladesh Accounting Standard (BAS) "Presentation of Financial Statements" and relevant guidelines of Bangladesh Bank.

**2.11 Statement of Liquidity**

The Liquidity statement has been prepared in accordance with the remaining maturity grouping of the value of the assets and liabilities as on 31 December 2017.

**2.12 Taxation**

The expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity.

**2.12.1 Current Tax**

In compliance with BAS-12 "Income Taxes", provision for current income tax has been made @ 42.50% on business income, @ 20% on dividend income and @ 10% on capital gain on sale of shares, after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance 1984 and time to time amendment to issue different S.R.O and circular issued by the National Board of Revenue.

### 2.12.2 Deferred taxation

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

### 2.13 Assets and basis of their valuation

#### 2.13.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the Bank management for its short-term commitments.

#### 2.13.2 Loans & Advances and Provision

Interest is calculated on daily product basis but charged and accounted for quarterly on accrual basis. Interest on classified loans is kept in interest suspense account as per Bangladesh Bank guidelines and such interest is not accounted for as income until realized from borrowers. Interests are not charged on bad / loss loans as per instructions of Bangladesh Bank. Advances are stated at gross value.

Provision for loans and advances is made on the basis of year-end review by the management and on the basis of instructions contained in Bangladesh Bank BCD Circular No- 34 of 1989, BCD Circular No. 20 dated 27 December 1994, BRPD Circular No-12 dated 04 September 1995, BRPD Circular No- 16 dated 06 December 1998, BRPD Circular No-9 dated 14 May 2001, BRPD Circular No-8 of 2005, BRPD Circular No-14 dated 23 September 2012, BRPD Circular No-19 dated 27 December 2012 and BRPD Circular No-05 dated 29 May 2013 at the following rates:

Particulars	Rate
<b>General Provision on;</b>	
Unclassified (Including SMA) general loans and advances	1%
Unclassified (Including SMA) Small and Medium Enterprise Financing (SMEF)	0.25%
Unclassified (Including SMA) Loans to BHs/MBs/SDs against Share	2%
Unclassified (Including SMA) Loans for Housing Finance, Professionals and Small Enterprise	5%
Unclassified Consumer finance other than Loans for Housing Finance, Professionals and Small Enterprise	5%
Short term agriculture credit and micro credit	2.5%
Off-Balance Sheet Exposure	1%
<b>Specific Provision on;</b>	
Substandard loans and advances other than Short term agriculture credit and micro credit	20%
Doubtful loans and advances other than Short term agriculture credit and micro credit	50%
Bad / loss loans and advances	100%
Doubtful Short term agriculture credit and micro credit	5%

#### 2.13.3 Provision for off Balance Sheet Exposures

General provision for off balance sheet exposures has been made @ 1% on period end balance of total off balance sheet exposures as per BRPD circular No.8 and 10 dated 07 August, 2007 and 18 September, 2007 respectively issued by Bangladesh Bank.

### 2.13.4 Investment

"Values of investments have been shown as under:

Treasury Bills : Face Value (Including unearned Income thereon)

Prize Bond : Cost Price

Shares and Debenture : Cost Price

### 2.14 Fixed Assets and Depreciation

(i) Assets are stated at cost less accumulated depreciation.

(ii) Depreciation has been charged at the following rates on reducing balance method on all fixed asset other than motor vehicle, machinery and computer, which are depreciated on straight-line basis:

Name of Assets	Rate of depreciation
Furniture & Fixture	10%
Interior Decoration	20%
Machinery	20%
Motor Vehicles	20%
Computer	30%

#### 2.14.1 Intangible assets

Intangible asset is an identifiable non-monetary asset without physical substance. An intangible asset is recognised if it is probable that the future economic benefits that are attributable to the assets will flow to the entity and the cost of the asset can be measured reliably in accordance with BAS 38: "Intangible Assets".

Subsequent expenditure on intangible asset is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

The software used by BCBL represents the value of computer application software licensed for the use of the bank. Software is carried at cost less accumulated amortisation and any impairment losses. Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditure that are carried in customising the software for its intended use. Software is amortised using the straight line method over the estimated useful life of 3 (Three) years commencing from the month at which the application software is made available for use.

### 2.15 Reconciliation of Books of Accounts

Books of account with regard to inter bank (in Bangladesh and outside Bangladesh) are reconciled and no material difference was found which might affect the financial statement significantly.

### 2.16 Retirement benefits of the employees

1) Employee benefit for gratuity is expensed on payment of the benefit.

2) The Bank operates a Bangladesh Commerce Bank Ltd. Gratuity Fund, provision for which is made annually covering all its eligible employees. It is operated by a separate Board of Trustees of the Bank.

### 2.17 Auditors work-hour

The external auditor of the Bank MABS & J Partners, Chartered Accountants worked for more than of 2,980 man-hours at the Bank's, Head Office and branches. During their audit, they audited above 80% of the Bank's risk weighted assets as on the reporting date.

## 2.18 Audit Committee

During the year 2017 the “Board Audit Committee” of the Bank has rendered 4 (four) meeting. The Committee is as mention below :

Name	Status with the Bank	Status with the Committee	Educational Qualification
Mr. Md. Shafiqul Islam	Director	Chairman	M. Com. FCA
Mr. Md. Farhad Uddin	Director	Member	MSS
Mr. Md. Wahiduzzaman Khandaker	Director	Member	M. Com.
Mr. Md. Moshirur Ali	Director	Member	M. Com.

Hence, the following issues among others were discussed the “Audit Committee” meeting held in the year 2017 :

- The Committee reviewed the ICCD Manual and advised to up-to-date as per Bangladesh Bank’s revised Guidelines and to present the same before the Board of Director’s meeting.
- The Committee also review the Internal Audit Report conducted by the ICCD and responses of the related branches against irregularities/lapses pointed out by the ICCD.
- The Committee has Review the audited financial statements of 2016 and proposed to submit the same before the Board of Directors for approval. Reviewed the Management letter submitted by external auditor of the bank and instructed the management to take corrective measure regarding irregularities identified by external auditor.
- Review the Integrated Health Report of the Bank for the year 2016 and directed to follow arrange the ALCO Meeting regularly
- Reviewing the detail internal inspection report of different branches of Bangladesh Commerce Bank Limited for the year 2016 and 2017.
- Expressed their concern over increase of classified loans and instructed to take initiative to reduce classified loans. At the same time increase the AD ratio to the acceptable level.
- Reviewing the detail internal inspection report on Banshal Branch irregularities where they expressed their satisfaction and instructed Human Resource Division to take immediate action for responsible employees.

## 2.19 Risk Management

The risk Management of Bangladesh Commerce Bank Limited evolves identification, measurement, monitoring and controlling risks to ensure that:

- The Bank’s risk exposure is within the limits established by Board of Directors.
- The Bank’s risk taking decisions are in line with the business strategy and objectives set by Board of Directors of the Bank as well as Bangladesh Bank guidelines.
- The Bank’s risk taking decisions are explicit and clear.
- Sufficient capital as a buffer is available to take risk.

### i. Market Risk

Bangladesh Commerce Bank Limited is exposed to market risk in variety of ways. Market risk exposure is mainly explicit in portfolio of Bangladesh Government Treasury Bills and treasury Bonds held under HFT (held for trading) conversely, Market Risk is implicit such as interest Rate Risk due to mismatch of loans and Foreign Exchange Risk due to maturity mismatch of foreign currency positions. The portfolios are being revalued at an interval at current market price of marking to market basis. Besides, the

portfolios have been synchronized in line with Bangladesh Bank guidelines of risk based Capital Adequacy (BASEL-III) for interest rate risk and foreign exchange risk.

### **Interest Rate Risk**

Interest Rate Risk arises when there is a mismatch between positions. The Bank's lending, funding and investment activities give rise to Interest Rate Risk. The Bank assess Interest Rate Risk in earning perspective which is traditional approach to Interest Rate Risk assessment and obtained by measuring the changes in the Net Interest Income (NII) on Net Interest Margin (NIM) i.e. the difference between total interest income and the total interest expenses.

### **Foreign Exchange Risk**

The Bank is also exposed to Interest Rate Risk, which arises from the maturity mismatching of foreign currency position. It also includes settlement risk. The total holding position is being revalued on marking to market on monthly basis.

### **Equity risk**

Equity risk arises from movement in market value of equities held. The risks are monitored by Investment Committee under a well designed policy framework.

## **ii. Credit Risk**

It arises mainly from lending, trade finance, leasing and treasury businesses. This can be described as potential loss arising from the failure of a counter party to perform as per contractual agreement with the Bank. The failure may result from unwillingness of the counter party or decline in his/ her financial condition. Therefore, the Bank's credit risk management activities have been designed to address all these issues. Steps have already been implemented of Bangladesh Bank requirements and some are in under process.

A typical Credit Risk management framework in Bangladesh Commerce Bank Limited is broadly categorized into following main component:

- a) Board's and senior management oversight.
- b) Organizational Structure.
- c) Systems and Procedures for identification acceptance, measurement, monitoring and control risks.

The Bank Board of Directors approved Credit Risk strategy and significant policies relating to Credit Risk. The Board of Directors of Bangladesh Commerce Bank Limited also set the parameter to maintain Bank's overall credit exposures. The Bank also operates within a sound and well-defined criteria for new credits as well as the expansion of existing credits.

## **iii. Liquidity Risk**

Bangladesh Commerce Bank Limited considers Liquidity Risk a major risk for Bank. It arises when the cushion provided by the liquid assets are not sufficient enough to meet its obligation. The Board of Directors of the Bank enunciated specific policies on particular aspects of liquidity risk management such as (a) composition of Assets and Liabilities (b) diversification and stabilities of liabilities (c) access to inter-bank market. The Board of Directors of Bangladesh Commerce Bank Limited approved Liquidity Contingencies Plan in policy guideline in line with Bangladesh Bank's Core Risk Guidelines. The Board of Directors of Bangladesh Commerce Bank Limited has also approved specific Risk Limits for proper liquidity management of the Bank.

## **iv. Reputation Risk Arising from Money Laundering Incidences**

Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. The bank has already taken many steps required by Bangladesh Bank for complying with reputation risk.

**v. Operational Risk**

Internal Control and Compliance is a process to provide 'Immunization' and a high level of protection from errors, improper process, frauds, surprises and inability to comply with legal and regulatory requirements. The bank has already taken many steps required by Bangladesh Bank for complying with operational risk.

**vi. Risk Management of Information and Communication Technology (ICT)**

The ICT Risk Management is a full blown process for the bank to ensure maintenance or recovery including uninterrupted services to customers in all adverse events such as natural disasters, technological failures, human error etc. In order to organize Network resources, the bank pursues a central policy for administrator to secure intranet and internet network access. A security policy is in place with a formal statement of the rules that people who are given access must abide by and adhere to what is laid in the policy. A disaster recovery plan covers data, hardware and software critical for business to restart in the event of a natural or human caused disaster. The steps have been implemented.

**vii. Fraud & Forgeries**

The term 'Fraud' commonly includes activities such as theft, corruption, conspiracy, embezzlement, money laundering, bribery & extortion. Fraud risk is one of the components of Operational risk. Operational risk focuses on the risks associated with errors or events in transaction processing or other operation. We are absolutely committed to maintain an honest, open & well intentioned atmosphere within the organization. It is, therefore, also committed to fraud prevention and fraud detection. Fraud & Forgery has emerged as one of the major threats in banking sector with regular development of avenues by the fraudsters.

In the year 2017, Internal Control & Compliance Division (ICCD), BCBL, has started to further develop the Risk & Fraud awareness culture among the employees & reduce the likelihood of fraud occurring in the Bank. Internal Control & Compliance Division (ICCD) of Bangladesh Commerce Bank Limited has arranged to conduct Spot Inspection on Anti Fraud Internal Control (AFIC) systems to protect the bank from anticipated fraud & forgery in addition to regular comprehensive Audit & Inspection in the branches.

In connection with dealing the situation and ensuring safety checking measures against fraud & forgery related issues, ICCD division has developed a questionnaire/ Checklist to perform spot AFIC, which shall continue upon regular review, up-gradation & improvisation.

**2.20 Compliance of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS)**

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) in context of Bangladesh from the standards adopted by International Federation of Accountants Committee (IFAC) as International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). While preparing the financial statements, Bangladesh Commerce Bank Limited applied most of the BAS and BFRS, details of which are given below:

Name of BAS	BAS No.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Statement of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Date	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied



Name of BAS	BAS No.	Status
Property, Plant and Equipment	16	Applied
Lease	17	N/A
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The effects of Changes in Foreign Exchange Rate	21	Applied
Borrowing Cost	23	Applied
Related Party Disclosures	24	N/A
Accounting for Investments	25	Applied
Accounting and Reporting by Retirement Benefit Plans	26	Applied
Consolidated and Separate Financial Statements	27	Applied
Investment in Associates	28	N/A
Disclosures in the Financial Statements of Banks and similar Financial Institutions	30	Applied
Interest in Joint Ventures	31	N/A
Financial Instrument: Presentation	32	*
Earnings per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	*
Investment Property	40	N/A
Agriculture	41	N/A

Name of BFRS	BFRS No.	Status
Share-based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current assets Held for Sale and Discontinued Operations	5	Applied
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	*
Operating Segments	8	Applied
Consolidated Financial statements	10	Applied
Joint Arrangements	11	N/A
Disclosure of interests in other Entities	12	Applied
Fair Value Measurement	13	Applied

\* Relevant disclosures are made according to the requirement of Bangladesh Bank.

## 2.21 General

- (1) Wherever considered necessary figures of previous year have been rearranged for comparison purpose.
- (2) Figures appearing in these Financial Statements have been rounded off to the nearest Taka.

	31.12.2017 Taka	31.12.2016 Taka
<b>3 Cash</b>		
Cash in hand (Note 3.1)	334,678,015	287,924,785
Balance with Bangladesh Bank and its agent bank(s) (Note 3.2)	2,157,711,911	1,843,366,604
	<b>2,492,389,926</b>	<b>2,131,291,388</b>
<b>3(a) Consolidated Cash</b>		
Bangladesh Commerce Bank Limited	2,492,389,926	2,131,291,388
CBSIL	197,747	190,166
	<b>2,492,587,673</b>	<b>2,131,481,554</b>
<b>3.1 Cash in Hand</b>		
In local currency	334,678,015	287,924,785
In foreign currencies	-	-
	<b>334,678,015</b>	<b>287,924,785</b>
<b>3.1(a) Consolidated Cash in Hand</b>		
Bangladesh Commerce Bank Limited (Note 3.1)	334,678,015	287,924,785
CBSIL	197,747	190,166
	<b>334,875,762</b>	<b>288,114,950</b>
<b>3.2 Balance with Bangladesh Bank and its agent bank(s)</b>		
<b>Balance with Bangladesh Bank</b>		
In local currency	1,823,052,456	1,689,616,370
In foreign currencies	284,378,717	125,642,264
	2,107,431,173	1,815,258,634
<b>Balance with Sonali Bank in local currency (as agent of Bangladesh Bank)</b>	50,280,738	28,107,970
	<b>2,157,711,911</b>	<b>1,843,366,604</b>
<b>3.2(a) Consolidated Balance with Bangladesh Bank and its agent bank(s)</b>		
Bangladesh Commerce Bank Limited (Note 3.2)	2,157,711,911	1,843,366,604
CBSIL	-	-
	<b>2,157,711,911</b>	<b>1,843,366,604</b>
<b>3.3 Statutory Deposit</b>		
As per MPD circular No- 01 dated 23 June 2014 of Bangladesh Bank (effective from 24 June 2014), all scheduled banks have to maintain a CRR of minimum 6% on daily basis and 6.50 % 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 2016 was based on weekly average balance of October 2016). BCBL has been maintaining it bi-weekly basis.		
<b>3.4 Cash Reserve Ratio (CRR) : 6.5% of Average Demand &amp; Time Liabilities</b>		
<b>Required Reserve</b>	<b>1,697,526,983</b>	<b>1,483,108,891</b>
Actual Reserve held with Bangladesh Bank	1,823,052,456	1,689,616,370
TT in Transit	-	-
	1,823,052,456	1,689,616,370
<b>Surplus/(Deficit)</b>	<b>125,525,473</b>	<b>206,507,479</b>
<b>Maintained Ratio</b>	<b>6.98%</b>	<b>7.41%</b>
<b>3.5 Statutory Liquidity Ratio (SLR) : 13% of Average Demand &amp; Time Liabilities</b>		
Required Reserve	3,395,053,966	2,966,217,782
Actual Reserve held	3,571,263,947	3,461,327,468
<b>Surplus/(Deficit)</b>	<b>176,209,981</b>	<b>495,109,686</b>
<b>Maintained Ratio</b>	<b>13.67%</b>	<b>15.17%</b>
<b>Average Deposit (Demand &amp; Time Liabilities)</b>	<b>26,115,799,738</b>	<b>22,817,059,863</b>

		<b>31.12.2017</b> <b>Taka</b>	<b>31.12.2016</b> <b>Taka</b>
<b>4 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS</b>			
In Bangladesh (Note 4.1)		8,277,482,175	6,670,522,143
Outside Bangladesh (NOSTRO A/C) (Note 4.2)		11,946,175	25,393,700
		<b>8,289,428,350</b>	<b>6,695,915,844</b>
<b>4(a) CONSOLIDATED BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS</b>			
Bangladesh Commerce Bank Limited		8,289,428,350	6,695,915,844
CBSIL		283,874,099	281,817,544
		<b>8,573,302,449</b>	<b>6,977,733,388</b>
<b>4.1 In Bangladesh</b>			
Current Deposits:			
Agrani Bank Ltd.		97,415,948	109,531,211
Janata Bank Ltd.		59,662,212	49,077,920
Bangladesh Krishi Bank		2,109,360	5,818,407
Trust Bank Ltd.		1,000	1,000
Sonali Bank.		671,800	2,314,731
Dutch Bangla Bank Limited		16,949,733	11,647,366
Pubali Bank Ltd.		374,199	325,349
Islami Bank Bangladesh Ltd.		3,283,328	20,681
Al-Arafah Islami Bak Ltd.		3,596,326	7,751,419
Commerce Bank Securities & Investment Ltd.		5,229,912	30,573,339
BASIC Bank Limited		5,230,000	
Rupali Bank Limited		308,079	2,001,000
<b>STD Accounts:</b>		<b>12,835,671</b>	<b>14,290,932</b>
Janata Bank Ltd.		8,883,903	10,987,922
Uttara Bank Limited		130,045	126,480
Islami Bank Bangladesh Ltd.		99,493	
Rupali Bank Limited		6,000	-
Social Islami Bank Limited		3,716,230	675,531
Agrani Bank Ltd.		0	2,501,000
<b>FDR Accounts:</b>		<b>8,167,230,556</b>	<b>6,546,700,000</b>
The City Bank Ltd.		-	156,700,000
BIFC		717,230,556	640,000,000
Hajj Finance Company Ltd.		350,000,000	150,000,000
People's Leasing and Financial Services Ltd.		1,400,000,000	950,000,000
Reliance Finance Ltd.		1,350,000,000	1,000,000,000
Fas Finance & Investment Ltd.		300,000,000	650,000,000
Union Capital Ltd.		400,000,000	300,000,000
International Leasing & Financial Services Ltd.		1,350,000,000	1,000,000,000
First Lease Finance & Investment Ltd.		100,000,000	300,000,000
Fareast Finance & Investment		100,000,000	300,000,000
Premier Leasing & Finance Ltd.		150,000,000	600,000,000
GSP Finance Company Ltd.		400,000,000	200,000,000
Bangladesh Finance & Investment Limited		350,000,000	300,000,000
IPDC Finance Limited		400,000,000	-
LankaBangla Finance Limited		500,000,000	-
National Finance Limited		300,000,000	-
		<b>8,277,482,175</b>	<b>6,670,522,143</b>

31.12.2017  
Taka**4.1.1 Balance With other Bank & Financial Institutions (Current Deposits and STD Accounts)**

Name of Banks & Financial Institutions	On Demand	Up to 1 month	1 to 3 months	6 months to 1 year	1 to 5 years	Over 5 years	Total
Agrani Bank Ltd.	59,662,212	-	-	-	-	-	59,662,212
Janata Bank Ltd.	10,993,263	-	-	-	-	-	10,993,263
Bangladesh Krishi Bank	1,000	-	-	-	-	-	1,000
Trust Bank Ltd.	671,800	-	-	-	-	-	671,800
Sonali Bank Ltd.	16,949,733	-	-	-	-	-	16,949,733
Dutch Bangla Bank Ltd.	374,199	-	-	-	-	-	374,199
Pubali Bank Ltd.	3,283,328	-	-	-	-	-	3,283,328
Al-Arafah Islami Bak Ltd.	3,596,326	-	-	-	-	-	3,596,326
CBSIL	5,229,912	-	-	-	-	-	5,229,912
Uttara Bank Ltd.	130,045	-	-	-	-	-	130,045
Rupali Bank Ltd.	314,079	-	-	-	-	-	314,079
Social Islami Bank Ltd.	3,716,230	-	-	-	-	-	3,716,230
BASIC Bank Ltd.	5,230,000	-	-	-	-	-	5,230,000
Islami Bank Bangladesh Ltd.	99,493	-	-	-	-	-	99,493
<b>Grand total</b>	<b>110,251,619</b>	-	-	-	-	-	<b>110,251,619</b>

**4.2 Outside Bangladesh**

Non Interest- bearing Accounts

Interest-bearing Accounts

**Non Interest-bearing Accounts**

Habib Metropolitan Bank, Pakistan

Sonali Bank Ltd. Kolkata

Mashreq Bank PSC, NY

NIB Bank Karachi

Standard Chartered Bank, Kolkata, India

Standard Chartered Bank, Mumbai, India

Sonali Bank Ltd. London (USD)

Sonali Bank Ltd. London (GBP)

Sonali Bank Ltd. London (Euro)

United Bank of India, Kolkata

**Total**

	31.12.2017 Taka	31.12.2016 Taka
	<b>11,946,175</b>	<b>25,393,700</b>
	11,946,175	25,393,700
	-	-
	2,359	18,386
	1,505,816	1,864,742
	5,947,589	10,825,563
	11,962	11,383
	4,213,448	
	4,427,477	
		2,250,660
		3,353,268
		709,557
	50,973	2,146,692
	<b>11,946,175</b>	<b>25,393,700</b>
	-	-
	<b>11,946,175</b>	<b>25,393,700</b>

**4.2.1 Non Interest bearing A/C (Outside Bangladesh NOSTRO A/C)**

Particulars	Currency Name	Amount in FC	Conversion Rate per Unit FC	Amount in BDT	Amount in FC	Conversion Rate per Unit FC	Amount in BDT
Habib Metropolitan Bank, Pakistan	USD\$	28.52	82.70	2,358.60	233.62	78.70	18,386
Sonali Bank Ltd. Kolkata	USD\$	18,208.17	82.70	1,505,815.66	23,693.64	78.70	1,864,742
Mashreq Bank PSC, NY	USD\$	71,917.64	82.70	5,947,588.83	137,550.96	78.70	10,825,563
NIB Bank Karachi	USD\$	144.65	82.69	11,961.73	144.64	78.70	11,383
"Standard Chartered Bank Mumbai, India"	USD\$	53,536.60	82.70	4,427,476.82	53,536.60	78.70	4,213,448
Sonali Bank Ltd. London	USD\$	-	-	-	28,597.17	78.70	2,250,660
Sonali Bank Ltd. London	GBD£	-	-	-	34,935.81	95.98	3,353,268
Sonali Bank UK London	EURO€	-	-	-	8,569.36	82.80	709,557
United bank of India, Kolkata	USD\$	616.36	82.70	50,972.97	27,276.14	78.70	2,146,692
		<b>144,451.94</b>		<b>11,946,174.61</b>	<b>314,537.94</b>		<b>25,393,700</b>

**4.2.2** Balance with other Bank and financial institutions includes Taka 42,13,448 equivalent to USD 53,536.60 which was frozen 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.

		31.12.2017 Taka	31.12.2016 Taka
<b>4.3 Maturity grouping of foreign currency balances</b>		<b>11,946,175</b>	<b>25,393,700</b>
On demands		11,946,175	25,393,700
Upto 1 month		-	-
1-3 month		-	-
3-6 month		-	-
6-9 month		-	-
9 months to 1 year		-	-
1 year and above		-	-
<b>5 MONEY AT CALL AND SHORT NOTICE</b>			
In Bangladesh	(Note: 5.1)	29,300,000	131,300,000
Outside Bangladesh	(Note: 5.2)	-	-
		<b>29,300,000</b>	<b>131,300,000</b>
<b>5.1 In Bangladesh</b>			
<b>Banks</b>			
ICB Islamic Bank Ltd.		29,300,000	31,300,000
		<b>29,300,000</b>	<b>31,300,000</b>
<b>Non-bank Financial Institution</b>			
LankaBangla Finance		-	100,000,000
		-	<b>100,000,000</b>
		<b>29,300,000</b>	<b>131,300,000</b>
<b>5.2 Outside Bangladesh</b>		-	-
Money at Call and Short Notice includes Taka 31,300,000, which was frozen by ICB Islami Bank (former Al-Baraka Bank) since 23-01-2007. The Bangladesh Bank vide circular # BRPD (R-1) 651/9 (10)/2007-446 dated 02 August, 2007 has given directives for repayment of such balances which are yet to be implemented by the Bank.			
<b>5(a) CONSOLIDATED MONEY AT CALL AND SHORT NOTICE</b>			
Bangladesh Commerce Bank Limited		29,300,000	131,300,000
CBSIL		-	-
		<b>29,300,000</b>	<b>131,300,000</b>

**6 INVESTMENTS****6.1 Government Securities****Treasury Bond/ Bill**

30-day Bangladesh Bank Bill

91-day Treasury Bill

182-day Treasury Bill

364-day Treasury Bill

2-year Treasury Bond

5-year Treasury Bond

10-year Treasury Bond

15-year Treasury Bond

20-year Treasury Bond

Prize Bond

**6.1.1 Government Securities (HFT)**

91-day Treasury Bill

182-day Treasury Bill

364-day Treasury Bill

2-year Treasury Bond

5-year Treasury Bond

10-year Treasury Bond

15-year Treasury Bond

20-year Treasury Bond

**6.1.2 Government Securities (HTM)**

30-day Bangladesh Bank Bill

91-day Treasury Bill

182-day Treasury Bill

364-day Treasury Bill

2-year Treasury Bond

5-year Treasury Bond

10-year Treasury Bond

15-year Treasury Bond

20-year Treasury Bond

**6.2 Other Investments**

Shares in quoted companies

Shares in un-quoted companies

Corporate Bond

Investment in Sonali Polaris FTL

Investment in Subsidiary

(Note: 6.2.1)

**6.2.1 Corporate Bond**

NBL Subordinated Bond

DBL Subordinated Bond

ONE Bank Subordinated Bond

BSRM Convertible Bond

	<b>31.12.2017 Taka</b>	<b>31.12.2016 Taka</b>
	<b>4,731,377,195</b>	<b>4,223,187,089</b>
	1,198,940,189	399,644,033
	148,890,944	99,598,700
	245,346,250	879,191,000
	348,509,350	204,767,843
	297,215,090	676,024,009
	693,833,295	549,277,780
	89,275,720	90,953,833
	38,156,403	38,646,557
	<b>3,060,167,241</b>	<b>2,938,103,755</b>
	613,500	684,500
	<b>3,060,780,741</b>	<b>2,938,788,255</b>
	-	99,598,700
	245,346,250	632,816,700
	348,509,350	204,767,843
	176,535,265	194,589,879
	257,226,843	114,417,313
	48,833,075	50,508,181
	13,102,877	13,590,670
	<b>1,089,553,659</b>	<b>1,310,289,287</b>
	1,198,940,189	399,644,033
	148,890,944	-
	-	246,374,300
	-	-
	120,679,825	481,434,130
	436,606,452	434,860,467
	40,442,645	40,445,652
	25,053,527	25,055,886
	<b>1,970,613,582</b>	<b>1,627,814,468</b>
	636,296,543	427,218,925
	264,000,000	-
	112,800,000	199,680,000
	7,500,000	7,500,000
	649,999,910	649,999,910
	<b>1,670,596,453</b>	<b>1,284,398,835</b>
	<b>4,731,377,195</b>	<b>4,223,187,089</b>
	-	20,480,000
	-	20,000,000
	60,000,000	80,000,000
	52,800,000	79,200,000
	<b>112,800,000</b>	<b>199,680,000</b>

**6.2.1 Maturity Grouping of Investments**

Repayable on demand

With a residual maturity upto 1 month

With a residual maturity of more than 1 month but less than 3 months

With a residual maturity of more than 3 months but less than 1 year

With a residual maturity of more than 1 year but less than 2 years

With a residual maturity of more than 2 years

	31.12.2017 Taka	31.12.2016 Taka
Repayable on demand	100,814,722	699,998
With a residual maturity upto 1 month	1,118,482,216	549,498,320
With a residual maturity of more than 1 month but less than 3 months	234,900,306	151,699,536
With a residual maturity of more than 3 months but less than 1 year	1,127,501,426	1,684,594,850
With a residual maturity of more than 1 year but less than 2 years	834,677,751	1,515,095,368
With a residual maturity of more than 2 years	1,315,000,774	321,599,017
<b>Total</b>	<b>4,731,377,195</b>	<b>4,223,187,090</b>

**6.2.2 Cost and Market Value of Investment in Share as on 31 December 2017 as follows**

(Amount in Taka)

Particulars	No. of Shares	Rate	Total Cost	Market Value of Shares	Unrealised Gain/(Loss)
ABBANK	25,000	23.71	592,861	552,500	(40,361)
BARKAPOWER	62,675	44.31	2,777,320	2,156,020	(621,300)
BBCABLES	1,500	124.58	186,877	158,550	(28,327)
BEXIMCO	87,525	90.25	7,899,004	2,363,175	(5,535,829)
CENTRALPHL	341,000	31.28	10,666,316	6,376,700	(4,289,616)
CITYGENINS	142,425	48.22	6,867,734	2,592,135	(4,275,599)
CONFIDCEM	1,200	133.76	160,509	183,000	22,491
DELTALIFE	21,900	199.38	4,366,476	2,356,440	(2,010,036)
FAREASTLIF	15,180	95.27	1,446,184	1,085,370	(360,814)
FUWANGCER	550,000	21.56	11,858,671	9,075,000	(2,783,671)
GBBPOWER	82,708	29.13	2,409,491	1,554,910	(854,580)
GRAMEENS2	34,012	16.87	573,665	527,186	(46,479)
HWAWELLTEX	130,000	43.38	5,639,550	4,823,000	(816,550)
IFIC	479,259	29.06	13,925,673	8,626,662	(5,299,011)
ILFSL	59,094	56.53	3,340,400	1,305,977	(2,034,423)
JAMUNAOIL	13,200	231.00	3,049,136	2,504,040	(545,096)
KBPPWBIL	30,891	42.30	1,306,758	549,860	(756,899)
MPETROLEUM	84,700	263.36	22,306,574	15,999,830	(6,306,744)
NBL	148,687	23.60	3,509,303	1,932,931	(1,576,372)
NCCBANK	187,073	25.32	4,737,392	3,311,192	(1,426,200)
ORIONPHARM	40,000	58.53	2,341,273	1,948,000	(393,273)
PADMAOIL	30,000	339.12	10,173,456	7,170,000	(3,003,456)
PRIMETEX	347,900	34.65	12,054,983	8,697,500	(3,357,483)
REGENTTEX	170,000	31.78	5,401,787	3,519,000	(1,882,787)
RSRMSTEEL	70,200	75.29	5,285,550	4,338,360	(947,190)
SALVOCHEM	22,500	21.96	494,065	486,000	(8,065)
SOUTHEASTB	450,922	31.10	14,024,295	10,010,468	(4,013,827)
STANDBANKL	278,370	17.29	4,813,021	4,342,572	(470,449)
TITASGAS	10,000	87.89	878,921	442,000	(436,921)
UCB	130,410	44.29	5,775,543	3,077,676	(2,697,867)
UNIQUEHRL	200,000	114.98	22,996,000	11,360,000	(11,636,000)
WMSHIPYARD	19,317	51.43	993,473	565,988	(427,485)
ACIFORMULA	30,000	220.99	6,629,757	5,208,000	(1,421,757)
AMBEEPFA	5,000	481.08	2,405,423	1,936,000	(469,423)
ANLIMAYARN	189,000	39.45	7,455,182	5,953,500	(1,501,682)
APEXFOODS	11,000	170.88	1,879,728	1,553,200	(326,528)
APEXTANRY	15,120	166.93	2,523,986	2,246,832	(277,154)

(Amount in Taka)

Particulars	No. of Shares	Rate	Total Cost	Market Value of Shares	Unrealised Gain/(Loss)
ARAMIT	28,500	482.93	13,763,606	9,530,400	(4,233,206)
BDWELDING	500,000	24.89	12,443,419	12,000,000	(443,419)
BEACHHATCH	58,000	22.82	1,323,338	968,600	(354,738)
BEACONPHAR	142,000	27.12	3,851,040	3,024,600	(826,440)
BSCCL	77,000	196.09	15,098,930	7,938,700	(7,160,230)
DESCO	126,397	101.31	12,805,704	5,738,424	(7,067,280)
DSHGARME	82,482	258.89	21,353,420	19,704,950	(1,648,471)
ECABLES	66,020	217.81	14,379,721	13,177,592	(1,202,129)
FIRSTFIN	5,000	14.12	70,621	58,000	(12,621)
FUWANGFOOD	550,000	24.64	13,554,207	10,890,000	(2,664,207)
GOLDENSON	56,250	47.65	2,680,049	720,000	(1,960,049)
HAKKANIPUL	296,600	90.11	26,727,835	17,380,760	(9,347,075)
INTECH	220,000	21.73	4,779,541	3,850,000	(929,541)
ITC	194,948	55.10	10,740,893	6,920,654	(3,820,239)
KPPL	33,000	30.90	1,019,836	372,900	(646,936)
LEGACYFOOT	20,000	61.87	1,237,473	1,122,000	(115,473)
MAKSONSPIN	232,463	50.48	11,733,869	2,347,876	(9,385,992)
MIDASFIN	186,000	83.68	15,563,963	8,314,200	(7,249,763)
MIRACLEIND	42,800	60.82	2,603,214	1,955,960	(647,254)
MONNOCERA	222,356	107.85	23,980,435	19,945,333	(4,035,102)
NAHEEACP	6,847	9.09	62,246	502,570	440,324
NLTUBES	6,000	116.95	701,713	793,800	92,087
OIMEX	7,128	67.45	480,817	464,746	(16,072)
ORIONINFU	65,000	72.85	4,735,034	3,607,500	(1,127,534)
PENINSULA	441,994	35.41	15,650,642	10,298,460	(5,352,181)
RUPALIBANK	255,700	72.56	18,553,030	16,927,340	(1,625,690)
SAMORITA	4,000	88.38	353,527	322,800	(30,727)
SHEPHERD	349,255	41.88	14,627,881	9,953,768	(4,674,114)
STANCERAM	108,130	112.82	12,198,704	11,872,674	(326,030)
UNITEDAIR	1,620,000	28.07	45,475,318	9,072,000	(36,403,318)
ICLBAFUND	9,800,000	10.20	100,000,180	127,008,000	27,007,820
Summit Narayangong Power Unit-II Ltd.	7,200,000	10.00	72,000,000	72,000,000	-
Summit Barisal Power Ltd.	19,200,000	10.00	192,000,000	192,000,000	-
<b>Total</b>	<b>46,721,638</b>	<b>-</b>	<b>900,296,543</b>	<b>741,674,181</b>	<b>(158,622,362)</b>

**6(a) Consolidated Investment****Government Securities**Bangladesh Commerce Bank Limited  
CBSIL

(Note: 6.1)

	31.12.2017 Taka	31.12.2016 Taka
	<b>4,167,667,054</b>	<b>3,600,400,845</b>
	3,060,780,741	2,938,788,255
	-	-
	<b>3,060,780,741</b>	<b>2,938,788,255</b>
<b>Other Investments</b>		
Bangladesh Commerce Bank Limited	1,670,596,453	1,284,398,835
CBSIL	86,289,769	27,213,666
	1,756,886,222	1,311,612,501
Less: Inter Company Transaction	(649,999,910)	(649,999,910)
	<b>1,106,886,312</b>	<b>661,612,590</b>



	31.12.2017 Taka	31.12.2016 Taka
<b>7 LOANS AND ADVANCES</b>	<b>19,284,440,468</b>	<b>16,634,096,074</b>
<b>7.1 As per classification into the following broad categories</b>		
<b>Inside Bangladesh</b>		
Demand Loan	811,154,023	822,811,847
Loan General	5,213,709,252	3,286,438,871
Cash Credit (Hypo)	4,522,054,269	4,690,503,234
Agritulture Loan	352,316,746	815,328,480
Overdraft	2,646,327,094	1,124,080,470
SME Loan	1,014,905,542	1,198,493,339
Payment Against Document (PAD)	1,104,982,133	1,081,796,865
Loan against Trust Receipt (LTR)	2,054,518,699	2,307,586,526
House Building Loan	584,299,798	377,226,255
Credit Card	22,921,861	22,390,592
Consumer Credit	26,211,050	28,672,074
Staff Loan	372,267,096	358,406,519
Loans & Advances (BCI)	501,696,852	503,434,584
	<b>19,227,364,416</b>	<b>16,617,169,656</b>
<b>Outside Bangladesh</b>	-	-
	<b>19,227,364,416</b>	<b>16,617,169,656</b>
<b>7.2 Bills Purchased and Discounted</b>		
<b>Payable in Bangladesh</b>		
Inland Bills Purchased	57,076,052	16,926,418
<b>Payable outside Bangladesh</b>		
Foreign Bills Purchased	-	-
	<b>57,076,052</b>	<b>16,926,418</b>
	<b>19,284,440,468</b>	<b>16,634,096,074</b>
<b>7.3 As per the remaining maturity grouping of loans and advances in the following order</b>		
Re-payable on demand	7,151,277,924	5,830,798,624
Not more than 3 months	4,019,987,590	3,102,099,268
More than 3 Months but less than 1 year	4,503,486,098	3,403,299,197
More than 1 year but less than 5 years	3,609,688,857	4,297,898,986
More than 5 years	-	-
	<b>19,284,440,469</b>	<b>16,634,096,074</b>
<b>7.4 Countrywise Classification of Loans and Advances</b>		
Inside Bangladesh	19,284,440,469	16,634,096,074
Outside Bangladesh	-	-
	<b>19,284,440,469</b>	<b>16,634,096,074</b>
<b>7.5 Loans and advances on the basis of significant concentration</b>		
a) Loans and advances to directors of the bank	-	-
b) Loans and advances to Chief Executive & other senior executives	108,708,231	99,049,245
c) Loans and advances to customer group amounting more than 10% of bank's total capital	7,762,935,149	6,747,510,419
d) Other customers	11,040,529,993	9,429,129,890
e) Staff Loan	372,267,095	358,406,520
	<b>19,284,440,468</b>	<b>16,634,096,074</b>
Loans and advances allowed to each customer exceeding 10% of Bank's total capital fund		
Number of the Clients (See Annexure-B)	<b>20</b>	<b>16</b>

	31.12.2017 Taka	31.12.2016 Taka
<b>7.6 Classification of Loan as per geographical concentration</b>		
Dhaka Division	12,807,583,797	10,459,010,421
Chittagong Division	4,107,807,896	3,834,807,141
Rajshahi Division	620,566,993	959,877,344
Khulna Division	1,044,734,904	676,012,987
Sylhet Division	290,904,438	314,966,254
Barisal	190,679,302	169,312,476
Rangpur	222,163,138	220,109,451
	<b>19,284,440,468</b>	<b>16,634,096,074</b>
<b>7.7 Industrial concentration of Loans &amp; Advances (including Bill purchased and discounted)</b>		
Food & Beverage industries	726,958,246	579,712,354
Furniture & Fixture	23,219,570	12,007,564
Printing, publishing & allied industries	33,516,598	37,899,321
Petroleum & coal Products	839,621,756	835,210,324
RMG & Textile	1,886,687,307	1,521,932,456
Non-metallic mineral products	585,422,937	56,578,423
Basic metal products	476,683,097	464,711,453
Pharmaceutical industries	159,009,874	134,457,621
Cement industries	181,013,270	212,617,246
Small Scale Industries	919,366,254	632,544,123
Power Generation & Gas	346,381,259	
Other manufacturing industries	686,821,450	543,270,349
Rural Credit & Agri Loan	580,135,167	356,188,742
Import Credit	4,026,981,795	3,955,035,718
Trade & Commerce	5,443,318,528	5,136,102,456
Others	2,369,303,360	2,155,827,924
<b>Total</b>	<b>19,284,440,468</b>	<b>16,634,096,074</b>
<b>7.8 Sector wise concentration of Loans &amp; Advances (including Bill purchased and discounted)</b>		
Agricultural Loan	580,135,167	356,188,742
Industrial Loan (other than working capital)	2,193,542,713	1,345,529,024
Working capital Loan	2,784,447,233	2,163,479,754
Import Credit	4,026,981,795	3,955,035,718
Commercial Loan	6,283,265,492	5,136,102,456
RMG & Textile	1,886,687,307	1,521,932,456
Construction Loan	584,299,797	377,166,785
Transport and Communication Loan	90,521,478	139,775,462
Consumer Credit	49,132,909	51,096,410
All Others Loans	805,426,577	1,587,789,267
<b>Total</b>	<b>19,284,440,468</b>	<b>16,634,096,074</b>
<b>7.9 Loans &amp; Advances to Executives &amp; all other staffs</b>		
Staff House Building Loan	330,171,410	309,319,848
Staff Car Loan	29,306,073	30,477,053
Staff loan against Provident Fund	12,789,612	18,609,618
	<b>372,267,095</b>	<b>358,406,519</b>

**7.9.1 Required Provision for Loans & Advances**

Particulars	2017			2016		
	Base for provision	Rate	Provision	Base for provision	Rate	Provision
<b>Un-classified</b>	<b>14,992,138,427</b>		<b>1,758,265,707</b>	<b>11,018,339,630</b>		<b>88,861,952</b>
<b>I) Standard</b>	<b>13,251,216,219</b>		<b>80,248,007</b>	<b>10,227,859,013</b>		<b>87,706,314</b>
a) CCS	70,399,341	5%	3,519,967	128,750,817	5%	6,437,541
b) Staff Loan	372,267,095	0%	-	348,031,481	0%	-
c) HBL	505,314,904	2%	10,106,298	373,796,477	2%	7,475,930
d) LP	3,393,982	2%	67,880	42,137,122	2%	842,742
e) Small Enterprise Fin	3,669,025,426	0.25%	9,172,564	3,236,661,847	0.25%	8,091,655
f) Loans against Share	3,024,059	2%	60,481	160,355,377	2%	3,207,108
g) Agricultural Credit	276,927,252	1.00%	2,769,273	151,338,666	2.50%	3,783,467
h) Others	8,350,864,160	1%	54,551,545	5,786,787,226	1%	57,867,872
<b>ii) SMA</b>	<b>63,188,258</b>		<b>283,751</b>	<b>176,192,885</b>		<b>1,155,638</b>
<b>iii) UC by Writ Pettition</b>	<b>1,677,733,950</b>		<b>1,677,733,950</b>	<b>176,192,885</b>		<b>1,155,638</b>
Sub-Standard	<b>50,093,250</b>	20%	<b>6,198,545</b>	<b>62,933,499</b>	20%	<b>12,586,700</b>
Doubtful	<b>73,000,976</b>	50%	<b>36,500,488</b>	<b>27,599,814</b>	50%	<b>13,799,907</b>
Bad or Loss	<b>3,265,174,837</b>	100%	<b>3,265,174,837</b>	<b>3,685,640,657</b>	100%	<b>3,685,640,657</b>
<b>Total</b>			<b>5,066,139,578</b>			<b>3,800,889,216</b>
<b>7.9.2 Provision maintained</b>			<b>854,213,622</b>			<b>829,597,348</b>

**7.10 Classification of Loan & Advances****Un-classified**

i) Standard

ii) SMA

**Sub-Standard****Doubtful****Bad or Loss\*****Total**

	31.12.2017 Taka	31.12.2016 Taka
<b>Un-classified</b>	<b>13,686,673,998</b>	<b>10,379,260,074</b>
i) Standard	13,623,483,314	10,227,859,013
ii) SMA	63,190,684	151,401,061
<b>Sub-Standard</b>	<b>100,876,019</b>	<b>143,184,437</b>
<b>Doubtful</b>	<b>173,209,659</b>	<b>246,196,439</b>
<b>Bad or Loss*</b>	<b>5,323,680,792</b>	<b>5,865,455,124</b>
<b>Total</b>	<b>19,284,440,468</b>	<b>16,634,096,074</b>

**7.11 Particulars of Loans and Advances**

(1) Debts considered good in respect of which the Bank Company is fully secured;	898,546,817	943,882,791
(2) Debts considered good against which the Banking Company holds no security other than the debtor's personal guarantee;	2,057,594,877	1,893,910,034
(3) Debts considered good & secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors;	1,264,008,177	321,760,208
(4) Loans adversely classified; provision not maintained there against;	4,653,913,996.62	5,006,682,876
(5) Debts due by directors or officers of the banking company of any of these separately or jointly with any other person;	372,267,095	358,406,519
(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;	-	-

	31.12.2017 Taka	31.12.2016 Taka
(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	24,616,273	57,680,369
Amount of loan written off from provision		
Amount realized against loan previously written off		
b) Amount of provision kept against loan classified as "Bas/Loss" as at reporting date	765,351,670	714,348,790
c) Interest creditable to the interest Suspense Accounts;	805,123,051	810,630,729
(11) Details of loan written off		
a) Cumulative amount of written-off loan at the end of the year (b+c)	104,677,212	104,677,212
b) Cumulative amount of written-off loans (opening)	104,677,212	104,677,212
c) Amount of written-off loan during the year	-	-
d) Amount realized (including adjustment) against loan previously written-off	7,020,125	7,020,125
Previous year	7,020,125	6,238,125
Current year	-	782,000
e) Net outstanding amount of written-off loan at the end of the year (a-d)	97,657,087	97,657,087
f) Amount of written-off loan for which law suit has been filed	86,554,423.86	86,554,423.86
<b>7.12 Bills Purchased and Discounted</b>	<b>57,076,052</b>	<b>16,926,418</b>
<b>7.13 As per classification into the following broad categories</b>		
Payable in Bangladesh	57,076,052	16,926,418
Payable outside Bangladesh	-	-
	<b>57,076,052</b>	<b>16,926,418</b>
<b>7.14 As per the remaining maturity grouping in the following order</b>		
Payable within 1 month	57,076,052	16,926,418
Over 1 month but less than 3 months	-	-
Over 3 months but less than 6 months	-	-
6 months or more	-	-
	<b>57,076,052</b>	<b>16,926,418</b>
<b>7.14.1</b> The outstanding balance of large loan of the bank stood at Taka 820.82 Crore as on 31 Dec 2017.		
<b>7(a) CONSOLIDATED LOANS AND ADVANCES</b>		
Bangladesh Commerce Bank Limited	19,227,364,416	16,617,169,656
Less: Inter Company Transaction	-	-
	<b>19,227,364,416</b>	<b>16,617,169,656</b>
Add: Bill Purchased & Discount	57,076,052	16,926,418
	<b>19,284,440,468</b>	<b>16,634,096,074</b>
<b>8 Fixed assets (Details are shown in annexed - A)</b>		
Motor Vehicles	26,180,800	17,199,000
Furniture & Fixture	22,730,336	26,397,284
Machinery & Equipment	23,165,265	15,721,675
Computer & Accessories	6,677,212	10,217,189
Interior Decoration	53,247,704	58,658,590
Hardware & Software Automation	10,984,406	14,904,819
	<b>142,985,722</b>	<b>143,098,557</b>

		31.12.2017 Taka	31.12.2016 Taka
<b>8(a) Consolidated fixed assets including premises, furniture and fixtures</b>			
Bangladesh Commerce Bank Limited	(Note: 8)	142,985,722	143,098,557
CBSIL		7,874,926	8,681,548
		<b>150,860,648</b>	<b>151,780,105</b>
<b>9 Other Assets</b>			
Advance Income Tax	(Note: 9.1)	862,299,243	797,407,677
Stock of Stationery, Stamps & Security Stationary	(Note: 9.2)	10,612,654	8,862,425
Advance Rent, Advertisement, etc.	(Note: 9.3)	47,910,354	42,872,993
Accrued Interest & Commission Receivable	(Note: 9.4)	217,435,269	141,260,775
Security Deposits	(Note: 9.5)	1,437,195	1,286,120
Suspense Accounts	(Note: 9.6)	60,135,064	12,467,335
Sundry Assets	(Note: 9.7)	110,537,816	103,709,283
Deferred Tax Assets	(Note: 9.9)	-	-
BCBL General Account	(Note: 9.10)	114,549,542	100,578,304
		<b>1,424,917,137</b>	<b>1,208,444,912</b>
<b>9.1 Advance Income Tax</b>			
Opening Balance		797,407,677	732,360,574
Prior Year's Adjustment		-	-
Addition during the year		64,891,566	65,047,103
		<b>862,299,243</b>	<b>797,407,677</b>
<b>9.2 Stock of Stationery, Stamps &amp; Security Stationery</b>			
Stock of Stationery		5,922,615	4,287,988
Stock of Stamp		657,780	679,857
MICR Printing Stationery		2,299,510	2,134,758
Stock of Security Stationery		1,732,749	1,759,822
		<b>10,612,654</b>	<b>8,862,425</b>
<b>9.3 Advance Rent, Advertisement, etc.</b>			
Advance Rent		47,441,049	42,833,419
Prepaid Insurance Premium		50,705	-
Prepaid Expenses for Hardware & Software		418,600	-
Prepaid Advertisement		-	39,575
		<b>47,910,354</b>	<b>42,872,993</b>
<b>9.4 Accrued Interest &amp; Commission Receivable</b>			
Interest Receivable		206,303,269	141,260,775
Dividend Receivables from Preference Share		11,132,000	-
		<b>217,435,269</b>	<b>141,260,775</b>
<b>9.5 Security Deposits</b>			
Security Deposits		<b>1,437,195</b>	<b>1,286,120</b>
<b>9.6 Suspense Accounts</b>			
Sundry Debtors		25,711,114	8,923,926
Advance against TA/DA		59,534	16,500
Advance against Sanchay Patra		14,513,216	2,689,212
Advance against Printing Stationary		12,263	6,870
Advance Against Fixed Assets		19,838,937	-
Advance against Ekti Bari Ekti Khamar (EBEK)		-	830,826
		<b>60,135,064</b>	<b>12,467,335</b>

	31.12.2017 Taka	31.12.2016 Taka
<b>9.7 Sundry Assets</b>		
Cash Remittance	7,000,400	-
Foreign Remittance Settlement A/C	6,335,661	10,070,928
ATM cash settlement	1,696,500	3,435,000
Protested Bill	33,174,385	33,174,385
Excise Duty Adjustment (FDR)	6,630,870	1,328,970
<b>Sub-total (a)</b>	<b>54,837,816</b>	<b>48,009,283</b>
<b>Blocked Assets:</b>		
Sundry Deposits with National Bank Ltd.	3,500,000	3,500,000
Advance against Building	52,200,000	52,200,000
<b>Sub-total (b)</b>	<b>55,700,000</b>	<b>55,700,000</b>
<b>Grand-total (a+b)</b>	<b>110,537,816</b>	<b>103,709,283</b>
<b>9.8</b> Blocked Assets shown above relates to BCI period, against which court case is pending.		
<b>9.9 Deferred Tax Assets</b>		
Opening Balance	-	-
Add : Addition during the year	-	-
Less: Adjustment during the year	-	-
<b>Closing Balance</b>	<b>-</b>	<b>-</b>
<b>9.10 BCBL General Account</b>		
BCBL General Account Cr.	21,181,041,576	(19,184,517,172)
BCBL General Account Dr.	21,295,591,118	19,285,095,477
	<b>114,549,542</b>	<b>100,578,304</b>
<b>9(a) Consolidated Other Assets</b>		
Bangladesh Commerce Bank Limited (Note: 9)	1,424,917,137	1,208,444,912
CBSIL	570,642,674	591,875,874
	<b>1,995,559,811</b>	<b>1,800,320,786</b>
<b>10 Non Banking Assets</b>	-	-
<b>11 Borrowings from Bangladesh Bank, other Banks, Financial Institutions and Agents</b>		
From Inside Bangladesh - Call Borrowings from Banks	140,000,000	-
From Inside Bangladesh - Re-finance Scheme under SME	40,961,542	7,318,208
From Outside Bangladesh	-	-
	<b>180,961,542</b>	<b>7,318,208</b>
<b>11(a) Consolidated Borrowings from Bangladesh Bank, other Banks, Financial Institutions and Agents</b>		
Bangladesh Commerce Bank Limited	180,961,542	7,318,208
CBSIL	-	-
	<b>180,961,542</b>	<b>7,318,208</b>
<b>11.2 Maturity-wise borrowings</b>		
Repayable on demand	150,961,542	7,318,208
Not more than 3 months	30,000,000	-
Over 3 Months but less than 1 year	-	-
Over 1 year but not less 5 years	-	-
Over 5 years	-	-
	<b>180,961,542</b>	<b>7,318,208</b>

	31.12.2017 Taka	31.12.2016 Taka
<b>11.3 Security wise borrowings</b>		
Secured (by Bangladesh Bank deposits)	-	
Unsecured	180,961,542	7,318,208
	<b>180,961,542</b>	<b>7,318,208</b>
<b>12 Deposits and other Accounts</b>		
<b>Deposits (General)</b>	<b>26,909,139,141</b>	<b>24,023,477,301</b>
Current Deposits	1,896,519,042	1,344,723,585
Savings Bank Deposits	3,133,155,564	2,845,192,074
Short Term Deposits	6,080,152,031	5,966,568,902
Fixed Deposits	11,364,383,131	9,673,347,551
Deposits under different schemes	(Note: 12.1) 2,861,749,046	2,859,699,949
Bills Payable	(Note: 12.3) 353,282,009	282,108,981
Other Deposits	(Note: 12.4) 1,219,898,318	1,051,836,260
<b>Deposits from Bank</b>	<b>3,100,000,000</b>	<b>1,200,000,000</b>
<b>12(a) Consolidated Deposits and other Accounts</b>		
Bangladesh Commerce Bank Limited	30,009,139,141	25,223,477,301
CBSIL		2,708
	<b>30,009,139,141</b>	<b>25,223,480,009</b>
<b>12.1 Deposits under different schemes</b>		
Monthly Pension Scheme	61,285,000	97,771,763
Life Pension Deposit Scheme	9,012,270	8,576,255
Marriage Deposit Scheme	53,200,018	51,956,629
Millionaire Deposit Scheme	189,894,338	214,671,846
Monthly Savings Schemes	1,705,387,278	1,461,161,634
Education Deposit Scheme	16,446,689	16,965,292
Lakhopoti Deposit Scheme	20,716,794	27,706,942
Triple Deposit Scheme	22,099,521	23,886,577
Kotipoti Deposit Scheme	89,562,101	95,259,455
Double Deposit Scheme	490,264,901	629,207,076
Investor Deposit Scheme	203,880,136	232,536,480
	<b>2,861,749,046</b>	<b>2,859,699,949</b>
<b>12.2 Maturity wise Classification</b>		
Payable:		
On Demand	1,144,092,100	961,639,752
Within 1 Month	3,897,464,651	3,275,922,401
More than 1 month but less than 6 months	6,275,285,944	5,274,544,259
More than 6 month but less than 1 year	10,630,851,067	8,935,512,256
More than 1 year but within 5 years	2,699,215,842	2,268,762,499
More than 5 year but within 10 years	5,362,229,537	4,507,096,134
Over 10 years and Unclaimed	-	-
	<b>30,009,139,141</b>	<b>25,223,477,301</b>
<b>12.3 Bills Payable</b>		
Pay Order Payable	351,915,930	279,252,902
D.D. Payable	1,366,079	2,856,079
	<b>353,282,009</b>	<b>282,108,981</b>

		<b>31.12.2017</b>	<b>31.12.2016</b>
		<b>Taka</b>	<b>Taka</b>
<b>12.4 Other Deposits</b>			
Margin on Letter of Credit		141,520,640	80,510,581
Margin on Letter of Guaranty		22,391,264	15,691,118
Margin on Letter of Shipping Guaranty		21,929,746	4,563,990
Export Fund Development		5,976,044	4,570,623
EBEK Grant Payable		14,093	2,259
Risk Fund		713,507	1,075,265
Service charge / CIB Service Charge		487,963	393,591
Buying House Commission		-	1,150,455
Revenue Stamp/ Stamp		10	12,660
Export Bill		317,932	36,706,699
Margin on FBP / Acceptance on B/B LC / Margin on LTR		249,288	154,066
BEFTN & BACPS/ITCL/S-cash		12,735,297	1,750,614
Sundry Creditors		34,282,126	67,761,680
Interest Payable on Deposits		979,280,408	837,492,659
		<b>1,219,898,318</b>	<b>1,051,836,260</b>
<b>12.4(a) Consolidated Other Deposits</b>			
Bangladesh Commerce Bank Limited	(Note: 12.04)	1,219,898,318	1,051,836,260
CBSIL		-	2,708
		<b>1,219,898,318</b>	<b>1,051,838,968</b>
<b>13 Other Liabilities</b>			
Provision for Loans and Advances	(Note: 13.1)	854,213,622	829,597,348
Interest Suspense Accounts	(Note: 13.2)	805,123,051	810,630,729
Provision for Current Income Tax	(Note: 13.3)	640,886,578	532,348,916
Provision for Deferred Tax	(Note: 13.4)	5,720,352	5,720,352
Provision for Gratuity	(Note: 13.5)	-	15,000,000
Provision for Share & Debenture Unrealized Gain / Loss	(Note: 13.6)	158,622,362	174,049,121
Provision for IT Assets	(Note: 13.7)	284,111	284,111
Accrued Expense Payable	(Note: 13.8)	16,030,846	2,565,752
Provision for Incentive Bonus	(Note: 13.9)	27,695,878	28,799,550
Provision for Off Balance Sheet Exposure	(Note: 13.10)	26,193,286	21,055,946
VAT/Tax Payable to NBR		60,436,043	38,651,269
Provision for Other Assets	(Note: 13.11)	114,350,484	11,700,000
BCBL General Accounts	(Note: 13.12)	-	-
		<b>2,709,556,615</b>	<b>2,470,403,094</b>
<p>As per tripartite meeting held between Bangladesh Bank, MABS &amp; J Partners (external auditor) and Bank Management on 28th March 2018 all the parties to the meeting agreed on that bank has a provision shortfall of BDT 463.65. 50% of which has to be fulfilled within 31st December 2018 and rest within 31st December 2019 as recommended by Bangladesh bank vide letter ref: DBI-1/111/2018-1303 dated: 26/04/2018.</p>			
<b>13.1 Provision for Loans and Advances</b>			
Provision for Classified Loans and Advances	(Note: 13.1.1)	765,351,670	740,735,396
Provision for Unclassified Loans and Advances	(Note: 13.1.2)	88,861,952	88,861,952
		<b>854,213,622</b>	<b>829,597,348</b>



	31.12.2017 Taka	31.12.2016 Taka
<b>13.1.1 Provision for Classified Loans and Advances*</b>		
Opening Balance	740,735,396	683,055,027
Less: Fully Provided Bad Loan Written off	-	-
Add : Received from Previous Written off Bad Loan	-	-
Add : Specific Provision Kept for the year (Transfer from surplus provisions)	24,616,273	57,680,369
Less: Provision no more Required due to Recovery of Bad Loan	-	-
Less: Interest Waiver During the Year	-	-
Add : Net Charge in the Profit and Loss Account	-	-
	<b>765,351,670</b>	<b>740,735,396</b>
<b>13.1.1(a) Consolidated Provision for Classified Loans and Advances</b>		
Bangladesh Commerce Bank Limited (Note: 13.1.1)	765,351,670	740,735,396
CBSIL	80,624,878	58,041,463
	<b>845,976,548</b>	<b>798,776,859</b>
<b>13.1.2 Provision for Unclassified Loans and Advances</b>		
Opening Balance	88,861,952	103,367,936
Add : Transferred during the year	-	-
Less: Adjustment during the year	-	(14,505,984)
	<b>88,861,952</b>	<b>88,861,952</b>
<b>13.2 Interest Suspense A/C</b>		
Opening Balance	810,630,729	735,450,686
Add : Addition during the year	119,259,409	124,793,603
Less: Interest Realized during the year	124,767,087	49,613,560
Less: Written off during the year	-	-
	<b>805,123,051</b>	<b>810,630,729</b>
<b>13.3 Provision for Current Income Tax</b>		
Opening Balance	532,348,916	436,423,824
Add : Current year tax	117,000,000	73,338,312
Add : Prior years tax	-	22,586,780
Less: Adjustment during the year	(8,462,338)	-
	<b>640,886,578</b>	<b>532,348,916</b>

**13.3.1** Income Tax Assessment for the year 2005-2006, 2006-2007, 2007-2008, 2009-2010, 2011-2012 and 2012-2013 are pending before appeal. Income tax return has been filed under section 82BB (3)/83(2) for the year 2014-2015. Income tax has been provided @ 42.5% on the net profit earned by the Bank for the year 2014. As per assessment order at DCT level there exist shortfall in the provision for income tax against Appeals are pending at different levels of income tax Authorities. The details of income tax Assessment are as follows.

"Accounting Year"	"Assessment Year"	Provision as per Accounts	Tax Payable as per Assessment Order	Cumulative Shortfall	Status
31-12-2004	2005-2006	-	26,010,067.00	(26,010,067)	Appeal is pending at the tribunal and honorable high court.
31-12-2005	2006-2007	-	33,452,050.00	(59,462,117)	
31-12-2006	2007-2008	-	51,371,498.00	(110,833,615)	
31-12-2007	2008-2009	-	-	(110,833,615)	Settled
31-12-2008	2009-2010	-	20,662,000.00	(131,495,615)	Appeal has been filed under section 173 in LTU.
31-12-2009	2010-2011	110,635,242	110,635,242	(131,495,615)	Settled
31-12-2010	2011-2012	100,000,000	32,401,165.00	(63,896,780)	Appeal is pending at the commissioner of taxes.
31-12-2011	2012-2013	155,000,000	120,521,399.00	(29,418,179)	
31-12-2012	2013-2014	65,000,000	121,175,046.00	(85,593,225)	
31-12-2013	2014-2015	67,953,707			Under Assessment in LTU.
31-12-2014	2015-2016	89,552,613			
31-12-2015	2016-2017	3,515,417			
31-12-2016	2017-2018	95,925,092			
31-12-2017	2018-2019	117,000,000			
					Due date to submit return 30 June 2018.

#### 13.4 Provision for Deferred Tax Liability

Opening Balance  
Add : Addition during the year  
Less: Adjustment during the year

	31.12.2017 Taka	31.12.2016 Taka
Opening Balance	5,720,352	1,845,444
Add : Addition during the year	-	3,874,908
Less: Adjustment during the year	-	-
	<b>5,720,352</b>	<b>5,720,352</b>

#### 13.5 Provision for Gratuity

Opening Balance  
Add : Addition during the year  
Less: Transfer to Gratuity Fund  
Less: Adjustment during the year

Opening Balance	15,000,000	-
Add : Addition during the year	20,000,000	15,000,000
Less: Transfer to Gratuity Fund	(35,000,000)	-
Less: Adjustment during the year	-	<b>15,000,000</b>

**13.5.1** According to gratuity rules of the bank the total requirement of provision as on 31. Dec, 2017 was Taka 48.52 crore as against which the bank has build an accumulated fund of Taka 15.70 crore. The remaining shortfall of Taka 32.82 crore shall be build gradually.

#### 13.6 Provision for Share & Debenture (unrealized Gain /Loss)\*

Opening Balance  
Add : Addition during the year  
Less: Adjustment during the year

Opening Balance	174,049,121	129,788,369
Add : Addition during the year	23,766,344	44,260,751
Less: Adjustment during the year	(39,193,102)	-
	<b>158,622,362</b>	<b>174,049,121</b>

#### 13.7 Provision for IT Assets

Opening Balance  
Add : Addition during the year  
Less: Adjustment during the year

Opening Balance	284,111	284,111
Add : Addition during the year	-	-
Less: Adjustment during the year	-	-
	<b>284,111</b>	<b>284,111</b>

	31.12.2017 Taka	31.12.2016 Taka
<b>13.8 Accrued Expenses Payable</b>		
Sancyapatra	8,400,000	-
Accrued Rent		1,943,917
Others	7,630,846	201,835
Wasa Bill/Electricity bill		17,500
Audit Fee/Rating fee		402,500
	<b>16,030,846</b>	<b>2,565,752</b>
<b>13.9 Provision Incentive Bonus</b>		
Opening Balance	28,799,550	18,843,308
Add : Addition during the year	18,950,970	10,000,000
Less: Adjustment during the year	(20,054,642)	43,758
	<b>27,695,878</b>	<b>28,799,550</b>
<b>13.10 Provision for Off Balance Sheet Exposure</b>		
Opening Balance	21,055,946	17,433,409
Add : Addition during the year	5,137,340	3,622,537
Less: Adjustment during the year	-	
	<b>26,193,286</b>	<b>21,055,946</b>
<b>13.11 Provision for Other Assets</b>		
Opening Balance	11,700,000	11,700,000
Add : Addition during the year	102,650,484	-
Less: Adjustment during the year	-	-
	<b>114,350,484</b>	<b>11,700,000</b>
<b>13(a) Consolidated Other Liabilities</b>		
Bangladesh Commerce Bank Limited (Note: 13)	2,709,556,615	2,470,403,094
CBSIL	243,046,838	225,569,652
	2,952,603,453	2,695,972,746
Less: Inter Company Transaction	-	-
	<b>2,952,603,453</b>	<b>2,695,972,747</b>
<b>14. Capital</b>		
<b>14.1 Authorized Capital</b>		
100000000 Ordinary share of Tk. 100 each	10,000,000,000	10,000,000,000
<b>14.2 Issued, Subscribed and Paid up Capital</b>		
19,887,428 Ordinary share of Tk. 100 each	1,988,742,800	1,988,742,800
<b>Break up of Issued, Subscribed &amp; Paid up Capital as follows</b>		

Particulars	No. of Shares as on 31 Dec, 2017	% of Total	31.12.2017	31.12.2016
			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
<b>Total</b>	<b>19,887,428</b>	<b>100.00%</b>	<b>1,988,742,800</b>	<b>1,988,742,800</b>

	31.12.2017 Taka	31.12.2016 Taka
<b>14.3 Capital to Risk weighted assets ratio (CRAR)</b>		
In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars no. 35 dated 29 December 2010, required capital, available core capital and supplementary capital of the Bank for the year ended as at 31 December 2017 is shown below:		
<b>Tier – I (Core Capital)</b>	<b>3,338,975,763</b>	<b>5,515,567,193</b>
Paid up capital	1,988,742,800	1,988,742,800
Right Share Application Money	917,259,650	917,259,650
Share capital of BCI	36,500,000	36,500,000
Non-Repayable share premium account	-	-
Statutory Reserve	275,060,371	2,451,714,600
General Reserve	8,920,366	8,920,366
Retained Earnings	112,492,576	112,429,777
Minority interest in subsidiaries	-	-
Non cumulative Irredeemable preference share	-	-
<b>Deductions from Tier-I (Core Capital) :</b>	<b>2,542,522,200</b>	<b>2,971,291,867</b>
Book value of Goodwill	-	-
Shortfall in provisions required against classified assets	2,542,522,200	2,971,291,867
Shortfall in provisions required against investment in shares	-	-
Remaining deficit on account of revaluation of investments in securities after netting off from any other surplus on the securities.	-	-
Reciprocal crossholdings of bank capital/subordinated debt	-	-
Any investment exceeding the approved limit under section 26(2) of Bank Company Act, 1991.	-	-
Investments in subsidiaries which are not consolidated	-	-
Other if any	-	-
<b>Total Eligible Tier-I Capital</b>	<b>796,453,562</b>	<b>2,544,275,326</b>
<b>Tier –II (Supplementary Capital)</b>	<b>127,007,193</b>	<b>121,869,853</b>
General Provision on Unclassified Loans	88,861,952	88,861,952
Revaluation Reserve for HTM Securities	11,951,955	11,951,955
Assets Revaluation Reserve	-	-
All Others Preference Share	-	-
General Provision (Off balance sheet items)	26,193,286	21,055,946
Exchange Equalization Fund	-	-
<b>Total Eligible Capital (Tier-I + Tier-II)</b>	<b>923,460,755</b>	<b>2,666,145,179</b>
Total Risk Weighted Assets (As per BASEL-III guideline)	30,204,323,691	26,719,732,133
Required Capital	4,000,000,000	4,000,000,000
<b>Details are shown in Annexure - D</b>		
<b>Actual Capital Held:</b>		
Core Capital	796,453,562	338,275,326
Supplementary Capital	127,007,193	121,869,853
	<b>923,460,755</b>	<b>460,145,179</b>
<b>Capital to Risk weighted assets ratio (CRAR) (Required 10.625%)</b>	<b>3.06%</b>	<b>1.72%</b>
Core Capital to RWA	2.64%	1.27%
Supplementary Capital to RWA	0.42%	0.46%

	31.12.2017 Taka	31.12.2016 Taka
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.		
<b>15 Statutory Reserve</b>		
Opening Balance	245,714,600	220,762,941
Less : Transferred during the year to provision for loans & advances	-	-
Add : Transferred during the year	29,345,771	24,951,659
	<b>275,060,371</b>	<b>245,714,600</b>
<b>15(a) Consolidated Statutory Reserve</b>		
Bangladesh Commerce Bank Limited	275,060,371	245,714,600
CBSIL	-	-
	<b>275,060,371</b>	<b>245,714,600</b>
<b>16 Other Reserve</b>		
Opening Balance	8,920,366	8,920,366
Add : Transferred during the year	-	-
Less: Adjustment during the year	-	-
	<b>8,920,366</b>	<b>8,920,366</b>
*Amount of other Reserve has been maintained for future Stock Dividend for the Shareholders.		
<b>16(a) Consolidated Other Reserve</b>		
Bangladesh Commerce Bank Limited	8,920,366	8,920,366
CBSIL	-	-
	<b>8,920,366</b>	<b>8,920,366</b>
<b>17 Revaluation Reserve for HTM Securities</b>		
Opening Balance	156,568,071	115,574,519
Add : Transferred during the year	-	70,194,315
Less: Adjustment during the year	(362,332)	(29,200,763)
	<b>156,205,739</b>	<b>156,568,071</b>
<b>17(a) Consolidated Revaluation Reserve for HTM Securities</b>		
Bangladesh Commerce Bank Limited	156,205,739	156,568,071
CBSIL	-	-
	<b>156,205,739</b>	<b>156,568,071</b>
<b>18 Profit and Loss Accounts / Retained Earnings</b>		
Opening Balance	112,429,775	112,282,645
Prior year's Adjustment	-	-
Profit/Loss for the year as per Profit and Loss accounts	62,800	147,130
	<b>112,492,576</b>	<b>112,429,775</b>
<b>18(a) Consolidated Profit and Loss Accounts / Retained Earnings</b>		
Bangladesh Commerce Bank Limited	112,492,576	112,429,775
CBSIL	55,832,377	34,206,438
	<b>168,324,953</b>	<b>146,636,213</b>

	31.12.2017 Taka	31.12.2016 Taka
<b>19 Contingent Liabilities and Other Commitments</b>		
Acceptances and Endorsements	678,809,575	539,357,438
Letter of Guarantees (Note: 19.01)	472,019,531	402,945,225
Irrevocable Letter of Credit	1,191,985,301	763,516,439
Bills for Collection	204,362,819	285,983,694
Other contingent liability (Note: 19.02)	113,791,800	113,791,800
	<b>2,660,969,026</b>	<b>2,105,594,596</b>
<b>19.1 Letter of Guarantees</b>		
Money for which the Bank is contingently liable in respect of guarantee issued favoring		
Directors	-	-
Government	448,218,414	399,077,634
Bank and Other Financial Institution	-	-
Others	23,801,117	3,867,591
	<b>472,019,531</b>	<b>402,945,225</b>
<b>Commitments</b>		
Less than 1 Year	472,019,531	402,945,225
Equal to or more than 1 year	-	-
	<b>472,019,531</b>	<b>402,945,225</b>
<b>19.2 Other Contingent Liabilities</b>		
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
	<b>113,791,800</b>	<b>113,791,800</b>
<p>*This includes Tax liability for BCI and BCBL. The tax liability of 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.</p>		
<b>20 Interest Income</b>		
Interest received from Loans and Advances	1,321,597,638	1,240,415,502
Interest received from Banks & Other financial Institutions	658,751,434	615,713,332
	<b>1,980,349,072</b>	<b>1,856,128,833</b>
<b>20 (a) Consolidated interest Income</b>		
Bangladesh Commerce Bank Limited (Note: 20)	1,980,349,072	1,856,128,833
CBSIL	20,229,652	15,185,449
	<b>2,000,578,724</b>	<b>1,871,314,282</b>
Less: Inter Company Transaction	-	-
	<b>2,000,578,724</b>	<b>1,871,314,282</b>
<b>21 Interest Paid on Deposits</b>		
Interest Paid on Deposits	1,247,992,497	1,240,579,392
Interest Paid on Borrowing	4,742,977	4,969,056
Interest Paid on Foreign Bank Accounts	-	-
Discount Paid	-	-
	<b>1,252,735,475</b>	<b>1,245,548,448</b>

		31.12.2017 Taka	31.12.2016 Taka
<b>21(a) Consolidated interest Paid on Deposits</b>			
Bangladesh Commerce Bank Limited	(Note: 21)	1,252,735,475	1,245,548,448
CBSIL		-	-
		<b>1,252,735,475</b>	<b>1,245,548,448</b>
Less: Inter Company Transaction		-	-
		<b>1,252,735,475</b>	<b>1,245,548,448</b>
<b>22 Income from Investment</b>			
Treasury Bill/Bond		226,624,197	219,247,848
Capital Gain		55,489,211	74,933,173
Dividend on Share		24,436,896	5,870,356
Corporate Bond		21,468,872	30,576,599
Revaluation of Govt. Securities		-	-
		<b>328,019,176</b>	<b>330,627,976</b>
<b>22(a) Consolidated Income from Investment</b>			
Bangladesh Commerce Bank Limited	(Note: 22)	328,019,176	330,627,976
CBSIL		20,265,865	3,736,901
		<b>348,285,041</b>	<b>334,364,877</b>
<b>23 Exchange, Commission and Brokerage</b>			
Commission		86,921,678	71,476,096
Exchange Earnings		51,366,058	34,767,793
Brokerage		-	-
		<b>138,287,736</b>	<b>106,243,889</b>
<b>23(a) Consolidated Exchange, Commission and Brokerage</b>			
Bangladesh Commerce Bank Limited	(Note: 23)	138,287,736	106,243,889
CBSIL		104,074,485	62,708,311
		<b>242,362,221</b>	<b>168,952,200</b>
<b>24 Other Operating Income</b>			
Rent on Locker		185,412	145,776
Other Receipts	(Note: 24.1)	58,761,804	61,226,849
		<b>58,947,216</b>	<b>61,372,625</b>
<b>24.1 Other Receipts</b>			
Accounts Maintenance Charge		41,209,750	47,314,982
Appraisal Fee		9,095,155	5,002,260
Postage		1,845,853	2,561,015
Telex, Telephone & Telegram Recoveries		6,611,046	6,348,592
		<b>58,761,804</b>	<b>61,226,850</b>
<b>24(a) Consolidated Other Operating Income</b>			
Bangladesh Commerce Bank Limited	(Note: 24)	58,947,216	61,372,625
CBSIL		-	17,214,681
		<b>58,947,216</b>	<b>78,587,307</b>
<b>25 Salary and Allowances</b>			
Basic Salary		254,332,923	232,102,402
Allowance including		254,767,713	237,312,160
Provident Fund		23,456,036	19,459,787
Bonus		45,337,462	52,197,743
		<b>577,894,134</b>	<b>541,072,092</b>
<b>25(a) Consolidated Salary and Allowances</b>			
Bangladesh Commerce Bank Limited	(Note: 25)	577,894,134	541,072,092
CBSIL		32,150,117	31,972,925
		<b>610,044,251</b>	<b>573,045,018</b>

	<b>31.12.2017</b> <b>Taka</b>	<b>31.12.2016</b> <b>Taka</b>
<b>26 Rent, Taxes, Insurance, Electricity, etc.</b>		
Rent	79,505,210	77,773,286
Rates and Taxes	13,947,844	8,511,785
Insurance	17,194,248	17,361,554
Car Insurance, Tax	3,027,981	2,643,380
Electricity/Gas/Water Bill	19,104,703	18,279,723
	<b>132,779,985</b>	<b>124,569,729</b>
<b>26(a) Consolidated Rent, Taxes, Insurance, Electricity, etc.</b>		
Bangladesh Commerce Bank Limited (Note: 26)	132,779,985	124,569,729
CBSIL	8,902,580	8,788,212
	<b>141,682,565</b>	<b>133,357,940</b>
<b>27 Postage, Telegram, Telephone</b>		
Telephone	4,354,115	4,111,239
Postage, Telegram & Connectivity	21,646,802	20,240,989
	<b>26,000,916</b>	<b>24,352,228</b>
<b>27(a) Consolidated Postage, Telegram, Telephone</b>		
Bangladesh Commerce Bank Limited (Note: 27)	26,000,916	24,352,228
CBSIL	591,798	545,282
	<b>26,592,714</b>	<b>24,897,510</b>
<b>28 Stationery, Printing &amp; Advertisement</b>		
Printing Stationery	6,181,358	4,315,016
Other Stationery	6,902,642	4,382,373
Security Stationery	667,400	1,864,243
Publicity and Advertisement	1,859,362	707,187
	<b>15,610,762</b>	<b>11,268,819</b>
<b>28(a) Consolidated Stationery, Printing &amp; Advertisement</b>		
Bangladesh Commerce Bank Limited (Note: 28)	15,610,762	11,268,819
CBSIL	1,388,792.50	459,777.50
	<b>16,999,555</b>	<b>11,728,597</b>
<b>29 Managing Director's salary and allowances</b>		
Basic Salary	5,651,613	4,045,161
House Rent Allowances		657,742
House Maintenance / Furnishing	2,511,291	560,323
Medical Allowances		74,194
Bonus		600,000
Leave Fare Assistance		1,107,742
	<b>8,162,904</b>	<b>7,045,162</b>
<b>30 Directors' fees &amp; honorium</b>		
Directors' fees & honorium	1,425,800	960,800
Other financial benefits		-
	<b>1,425,800</b>	<b>960,800</b>
<b>31 Depreciation and Repair of Fixed Assets</b>		
Depreciation of Fixed Assets	43,782,660	49,425,135
Repairs and Maintenance	14,121,584	4,247,821
	<b>57,904,244</b>	<b>53,672,956</b>
<b>31(a) Consolidated Depreciation and Repair of Fixed Assets</b>		
Bangladesh Commerce Bank Limited (Note: 30)	57,904,244	53,672,956
CBSIL	2,084,001	2,134,326
	<b>59,988,245</b>	<b>55,807,282</b>



	31.12.2017 Taka	31.12.2016 Taka
<b>32 Other Expenditure</b>		
Business Development	-	601,647
BB Clearing Charges	26,310	300,431
Computer Accessories	1,169,993	378,620
Conveyance	2,506,326	2,067,245
Maintenance Charge (ATM)	3,918,750	9,039,934
CSR / Donation / Subscription	2,458,636	3,905,743
Entertainment	5,852,296	3,829,746
Excise Duty	2,034,500	1,298,000
Exchange Loss	4,858,838	11,657,407
Foreign Bank Charge/Commission	1,909,358	825,223
Fuel & Lubricants of Car	3,154,519	3,588,754
Honorarium	300,000	110,000
Laundry	373,894	240,767
Internet Bill	78,778	249,389
Loss on Revaluation on Investment	52,481,949	50,362,720
Loss on Sale of Share	2,632,918	6,317,775
Managers' meeting /Conference	614,430	288,618
Medical charge	13,570	119,498
Office Maintenance / Table Desk Stationeries	1,040,223	2,018,582
Miscellaneous	2,221,491	420,549
Photocopy/Fax/E-mail	821,694	1,129,128
Service charges on Elite force	27,593,120	24,200,986
Tax & VAT	2,226,334	424,515
SWIFT Charges	2,253,874	2,034,876
Training	1,289,814	773,383
Travelling & Daily Allowances	5,471,452	1,601,509
Uniform	695,107	103,620
	<b>127,998,174</b>	<b>127,888,666</b>
<b>32(a) Consolidated Other Expenditure</b>		
Bangladesh Commerce Bank Limited	127,998,174	127,888,666
CBSIL	32,991,836	22,514,895
	<b>160,990,010</b>	<b>150,403,561</b>
<b>33 Closing Cash and Cash Equivalent</b>		
Cash in hand (including foreign currencies)	334,678,015	287,924,785
Balance with Bangladesh Bank & Sonali Bank (Including foreign currencies)	2,157,711,911	1,843,366,604
Balance with Other Bank & Financial Institutions	8,289,428,350	6,695,915,844
Money at Call and short notice	29,300,000	131,300,000
Investment Government	3,060,780,741	2,938,788,255
	<b>13,871,899,016</b>	<b>11,897,295,486</b>
<b>34 Earnings Per Share (EPS)</b>		
Net Profit after Tax	29,408,571	25,098,790
Number of Ordinary Share	19,887,428	19,887,428
Earnings Per Share	<b>1.48</b>	<b>1.26</b>
<b>34(a) Consolidated Earnings Per Share (EPS)</b>		
Net Profit after Tax	51,034,510	44,799,568
Number of Ordinary Share	19,887,428	19,887,428
Consolidated Earnings Per Share (EPS)	<b>2.57</b>	<b>2.25</b>

	31.12.2017 Taka	31.12.2016 Taka
Bangladesh Bank through their letter ref: DBI-1/111/2018-1303 dated: 26-04/2018 restrict Bangladesh Commerce Bank Limited from distributing dividend to it's shareholders until fulfill the provision shortfall of the bank.		
<b>35 Net Asset Value Per Share (NAV)</b>		
a) Capital / Share holders' Equity for the year*	3,495,181,502	3,466,135,264
b) Number of Outstanding Share	19,887,428	19,887,428
Net Asset Value Per Share (NAV) ( a÷b)	<b>175.75</b>	<b>174.29</b>
*Capital / Share holders' equity for the year including Right Application Money Taka. 917,259,650.00		
<b>36 Net Operating Cash Flow Per Share</b>		
a) Net Cash flows from Operating Activities	2,516,435,203	868,267,368
b) Number of Outstanding Share	19,887,428	19,887,428
Net Operating Cash Flow Per Share (NAV)( a÷b)	<b>126.53</b>	<b>43.66</b>

**37 Risk factors and risk management**

Implementations of other Core Risk Management Guidelines are being followed. Credit Risk Grading is done for all commercial exposure. Bank's Asset Liability Committee is entrusted with the responsibility of managing short-term & long-term liquidity. ALM Guidelines & ICT Guidelines have also been implemented in accordance with the Guidelines issued by Bangladesh Bank & it has been approved by the Board of Directors. The Bank has established its KYC & operation control procedure for the prevention of Money Laundering. The Bank has strengthened the Internal Control and Audit Division(IC&AD) to ensure comprehensive audit thereof. As regards ICT Risk Management physical security of Hardware & Software are under process & will be strengthened soon.


**Managing Director**

**Director**

**Director**

**Chairman**

Dhaka,  
30 April 2018

**Bangladesh Commerce Bank Limited**  
**Fixed Assets including premises, furniture & fixtures Schedule**  
As on 31 December 2017

**Annexure-B**

Particulars	Aost			Rate of Dep.	Depreciation			Written down value as at 31.12.2017	Written down value as on 31.12.2016		
	Balance as at 01.01.2017	Addition during the year	Sale / "adjustment during the year"		Total as at 31.12.2017	Charged up to 01.01.2017	Charged during the year			Adjustment during the year	Total as at 31.12.2017
1	2	3	4	5 (2+3-4)	6	7	8	9	10	11	12
<b>A. Premises</b>											
Land				-	-	-	-	-	-	-	-
Building				-	-	-	-	-	-	-	-
Construction/Capital Work in Process				-	-	-	-	-	-	-	-
<b>Sub total (A)</b>	-	-	-	-	-	-	-	-	-	-	-
<b>B. Revaluation in Land &amp; Building</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Sub total (B)</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Sub Total (A+B)</b>	-	-	-	-	-	-	-	-	-	-	-
C. Furniture and Fixtures	50,075,851	1,851,546	11,739,927	40,187,470	10%	23,676,535	5,520,526	11,739,926.51	17,457,135	22,730,336	26,397,284
Mechanical Appliances	101,326,546	16,575,206	778,726	117,123,026	20%	85,604,871	11,131,616	2,778,726.38	93,957,761	23,165,265	15,721,675
Motor Vehicles	43,514,968	15,770,510	2,234,978	57,050,500	20%	29,315,968	3,788,710	2,234,977.70	30,869,701	26,180,800	17,199,000
Software	50,195,220	500,000	24,475,493	26,219,727	20%	35,289,401	4,421,413	24,475,493.20	15,235,321	10,984,406	14,904,819
Interior Decoration	134,370,849	5,262,686	1,701,078	137,932,457	20%	75,712,260	12,843,986	3,871,493.19	84,684,753	53,247,704	58,658,590
Computer & Accessories	86,138,434	2,536,431	25,148,265	63,526,600	30%	75,921,245	6,076,408	25,148,265.40	56,849,387	6,677,212	10,217,189
<b>Sub Total (C)</b>	<b>465,621,868</b>	<b>42,496,379</b>	<b>66,078,467</b>	<b>442,039,780</b>	-	<b>325,520,280</b>	<b>43,782,660</b>	<b>70,248,882</b>	<b>299,054,058</b>	<b>142,985,722</b>	<b>143,098,556</b>
<b>Total (A+B+C)</b>	<b>465,621,868</b>	<b>42,496,379</b>	<b>66,078,467</b>	<b>442,039,780</b>	-	<b>325,520,280</b>	<b>43,782,660</b>	<b>70,248,882</b>	<b>299,054,058</b>	<b>142,985,722</b>	<b>143,098,556</b>

Bangladesh Bank and External Auditor has been raising the issue of fixed assets management of the bank and mismatch between the book value and the physical existences of the assets. Taking the recommendation of the Bangladesh Bank and External Auditor into cognizance we brought all the fixed assets into a Fixed Assets Management software and check the existence of the physical assets in the premises. During the verification it came to our notice that Bank did not account for the obsolesces of the Fixed Assets since its inception as well as in some cases assets booked in wrong category. Therefore, to make the account true & fair we made the adjustment this year. This does not make any change in the written down value of the assets, so the financial position and financial performance of the bank does not affect at all.

## Bangladesh Commerce Bank Limited

**Details of large loan**  
As at 31 December 2017

Annexure-B

SL #	Group/ Client Name	Outstanding (Taka in crore)		
		Funded	Non-Funded	Total
1	Jamuna Agro Camical	121.28	-	121.28
2	Nur-un-nobi & Allied Concern	104.56	-	104.56
3	M/S Marine Vegetable Oil Mills	63.58	-	63.58
4	Dhaka Trading House	46.74	-	46.74
5	Pran RFL Group	41.40	-	41.40
6	F.R Jute Trading Co. Ltd.	39.34	-	39.34
7	Suruj Miah Spinning Mills	40.70	-	40.70
8	SB Group	45.05	-	45.05
9	Abul Khair Group	5.46	0.79	6.25
10	M/S Lithun Febrics Ltd	27.37	-	27.37
11	Basundhara Group	21.00	-	21.00
12	M/S Islam Brothers	25.28	34.38	59.66
13	Toy Woods (BD) Co. Ltd.	19.87	8.66	28.53
14	M/s Sharmin Jute and Ballers	39.32	-	39.32
15	M/S M.N Akter & Co.	24.49	-	24.49
16	Faith Group	9.10	0.65	9.75
17	Saif Powertec Ltd.	20.62	-	20.62
18	Abdul Monem Sugar Refinery Ltd.	30.26	-	30.26
19	Hi-Tech Ceramic Industries Ltd.	30.25	-	30.25
20	Dharmapur Ceramic Ind. Ltd.	20.67	-	20.67
	<b>Total</b>	<b>776.34</b>	<b>44.48</b>	<b>820.82</b>

Bangladesh Commerce Bank Limited  
**HIGHLIGHTS OF THE OVERALL ACTIVITIES OF THE BANK**

Annexure-C

SL #	Group/ Client Name	Non-Funded	Total
01	Paid up Capital	1,988,742,800	1,988,742,800
02	Right Application Money	917,259,650	921,287,200
03	Total Eligible Capital (as per Basel-III)	923,460,755	460,145,179
04	Surplus/(Deficit) Capital	(3,076,539,245)	(3,539,854,821)
05	Total Assets	36,394,838,798	31,167,333,866
06	Total Deposits	30,009,139,141	25,223,477,302
07	Total Loans and Advances	19,284,440,469	16,634,096,074
08	Total Contingent Liabilities and Commitments	2,660,969,026	2,105,594,596
09	Advances Deposits Ratio %	64.26	65.95
10	Classified Loans to Advance Ratio ( %)	29.03	37.60
11	Profit After Tax and Provision	29,408,571	25,098,790
12	Classified Advance	5,597,766,470	6,254,836,000
13	Provision kept against Classified Advance	765,351,670	740,735,396
14	Surplus/(Deficit) Provision	(2,542,522,200)	(2,971,291,867)
15	Cost of Fund (%)	7.49	8.59
16	Interest Earning Assets	13,686,673,999	10,379,260,074
17	Non Interest Earning Assets	17,976,787,604	16,564,886,702
18	Return on Investment (ROI)%	6.93	7.83
19	Return on Assets (ROA)%	0.08	0.08
20	Income from Investment	328,019,176	330,627,976
21	Earnings Per Share (EPS)	1.48	1.26
22	Profit Per Share	1.48	1.26
23	Price - Earnings Ratio (Times)	68	79

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

**Bangladesh Commerce Bank Limited**  
**Minimum Capital Requirement (MCR) as per BASEL-III**  
**Under Risk Based Capital Adequacy**  
As on 31 December 2017

## Annexure-D

Particulars	Amount (Tk.)
<b>A. Regulatory Capital:</b>	
1. Common Equity Tier-1 Capital (CET-1)	796,453,562.28
2. Additional Tier-1 Capital (AT-1)	-
3. Tier-2 Capital	127,007,192.89
<b>4. Total Regulatory Capital (1+2+3)</b>	<b>923,460,755.17</b>
<b>B. Total Risk Weighted Assets (RWA):</b>	<b>30,204,323,691.00</b>
<b>C. Capital to Risk weighted assets ratio (CRAR) (A4/B)*100</b>	<b>3.06%</b>
<b>D. Core Capital to RWA (A1/B)*100</b>	<b>2.64%</b>
<b>E. Supplementary Capital to RWA (A2/B)*100</b>	<b>0.42%</b>
<b>F. Minimum Capital Requirement (MCR)</b>	<b>4,000,000,000.00</b>

**Risk Weighted Assets (RWA)**

As on 31 December 2017

## Annexure-D

Particulars	Amount (Tk.)
<b>A. Credit Risk:</b>	<b>26,099,607,876.44</b>
On-Balance sheet	24,483,429,752.25
Off- Balance sheet	1,616,178,124.19
<b>B. Market Risk</b>	<b>1,414,734,726.04</b>
<b>C. Operational Risk</b>	<b>1,793,142,487.71</b>
<b>Total: Risk Weighted Aassets (RWA) (A+B+C)</b>	<b>29,307,485,090.19</b>

# Auditors' Report and Audited Financial Statements of Commerce Bank Securities and Investment Limited

For the year ended 31 December, 2017



**AUDITORS' REPORT  
TO THE SHAREHOLDERS  
OF  
COMMERCE BANK SECURITIES AND INVESTMENT LIMITED**

We have audited the accompanying financial statements of **Commerce Bank Securities and Investment Limited**, which comprise the statement of financial position as at 31 December, 2017 and related Statement of Profit or Loss and Other Comprehensive Income, Statement of Change in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements.

**Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements whether due to fraud or error. In making those risk assessment, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**Audit opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Commerce Bank Securities and Investment Limited as at 31 December 2017 and for its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS), and comply with the applicable section of the Companies Act 1994 and other applicable laws and regulation.

We also report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof.
- (b) In our opinion, proper books of account have been kept by the company so far as it appeared from our examination of these books.
- (c) The company's statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account and returns, and
- (d) All the expenditures incurred were for the purpose of the company.

**Emphasis of matter:**

We draw attention to note 16 to the accompanying financial statements 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, 2017. Our opinion is not qualified in respect of this matter.

**Dated: 04 March 2018**  
**Place: Dhaka**



**FAMES & R**  
**Chartered Accountants**

## Commerce Bank Securities and Investment Limited

## Statement of Financial Position

As at 31 December, 2017

Particulars	Notes	31.12.2017 Taka	31.12.2016 Taka
<b>Property and Assets:</b>			
<b>Non - Current Assets:</b>		<b>94,916,335</b>	<b>36,652,228</b>
Property, Plant and Equipment	4	7,874,926	8,681,548
DSE Membership		750,000	750,000
Investment	5	86,289,769	27,213,666
Deferred Tax	6	1,640	7,014
<b>Current Assets:</b>		<b>853,962,880</b>	<b>881,307,827</b>
Advance, Deposit and Prepayments	7	984,300	683,700
Accounts Receivable	8	27,172,390	21,363,188
Margin Loan to Investors	9	513,564,805	567,347,362
Cash and Cash Equivalents	10	284,071,846	281,162,842
Advance Taxes	11	28,169,539	10,750,735
<b>Total Assets</b>		<b>948,879,215</b>	<b>917,960,055</b>
<b>Equity and Liabilities</b>			
<b>Shareholders' Equity:</b>		<b>705,871,839</b>	<b>684,245,898</b>
Share Capital	12	650,000,000	650,000,000
Retained Earnings	13	55,871,839	34,245,898
<b>Current Liabilities</b>		<b>243,007,376</b>	<b>233,714,157</b>
Accounts Payable	14	100,257,082	134,997,869
Provision for Expenses	15	34,379,246	31,565,086
Provision for Bad Loan and Erosion	16	80,624,878	58,082,863
Liability for Income Tax	17	27,746,170	9,068,339
<b>Total Equity and Liabilities</b>		<b>948,879,215</b>	<b>917,960,055</b>

The annexed notes from 01 to 28 and annexure A to D form an integral part of these financial statements.

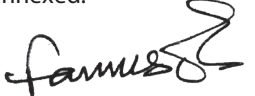
  
Chief Executive Officer

  
Director

  
Director

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

Dated : 04 March, 2018  
Place : Dhaka

  
FAMES & R  
Chartered Accountants

**Commerce Bank Securities and Investment Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended 31 December, 2017

Particulars	Notes	31.12.2017 Taka	31.12.2016 Taka
<b>Operating Income:</b>	18	124,415,621	81,139,211
Less: Operating Expenses	19	29,350,313	19,196,536
<b>Gross Profit</b>		<b>95,065,308</b>	<b>61,942,675</b>
Less: Administrative Expenses	20	49,732,110	48,429,508
<b>Net Operating Income</b>		<b>45,333,198</b>	<b>13,513,167</b>
Add: Other Income	21	20,157,980	17,829,932
<b>Net Profit/(Loss) before Provision and Tax</b>		<b>65,491,178</b>	<b>31,343,099</b>
Less: Provision for Bad Loan and Erosion	22	25,182,035	2,542,188
<b>Less: Income Tax Expenses</b>		<b>18,683,203</b>	<b>9,060,673</b>
Income Tax	23	18,677,830	9,068,339
Deferred Tax		5,373	(7,667)
<b>Net Profit/(Loss) after tax transferred to Retained Earnings</b>		<b>21,625,940</b>	<b>19,740,238</b>
<b>Earnings per share (EPS)</b>	24	<b>0.33</b>	<b>0.30</b>

The annexed notes 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 : 04 March, 2018

Place : Dhaka



**FAMES & R**  
**Chartered Accountants**

## Commerce Bank Securities and Investment Limited

**Statement of Changes in Equity**

For the year ended 31 December, 2017

Particulars	Share Capital	Retained Earnings	Total
<b>Balance as on 01 January, 2016</b>	<b>650,000,000</b>	<b>14,505,660</b>	<b>664,505,660</b>
Profit during the year		<b>19,740,238</b>	<b>19,740,238</b>
<b>Balance as on 31 December, 2016</b>	<b>650,000,000</b>	<b>34,245,898</b>	<b>684,245,898</b>
<b>Balance as on 01 January, 2017</b>	<b>650,000,000</b>	<b>34,245,898</b>	<b>684,245,898</b>
Profit during the year		<b>21,625,940</b>	<b>21,625,940</b>
<b>Balance as on 31 December, 2017</b>	<b>650,000,000</b>	<b>55,871,838</b>	<b>705,871,838</b>



Chief Executive Officer



Director

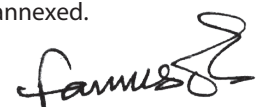


Director

This is the Statement of Changes in Equity referred to in our separate report of even date annexed.

Dated : 04 March, 2018

Place : Dhaka



**FAMES & R**  
Chartered Accountants

## Commerce Bank Securities and Investment Limited

## Statement of Cash Flows

For the year ended 31 December, 2017

Particulars	Notes	31.12.2017 Taka	31.12.2016 Taka
<b>A. Cash Flow from Operating Activities:</b>			
<b>Cash Receipts from:</b>		<b>144,573,602</b>	<b>98,969,143</b>
Brokerage commission		96,794,760	62,708,311
CDBL fees (Note -25)		6,463,390	8,415,532
Interest income		8,455,446	6,016,467
Other income		20,157,980	17,829,932
Service charge		258,000	262,000
Dealer account		12,444,026	3,736,901
<b>Cash Payments:</b>		<b>135,412,740</b>	<b>68,320,659</b>
Income tax (Note - 26)		17,418,803	10,235,416
Salary and Allowances		31,268,381	30,935,835
Other Operating and Administrative expense (Note-27)		86,725,556	27,149,408
<b>Net Cash Flow from Operating Activities:</b>		<b>9,160,862</b>	<b>30,648,485</b>
<b>B. Cash Flow from Investing Activities:</b>			
Purchase of Property, Plant and Equipment		(958,311)	(650,316)
Investment in Margin Loan		53,782,556	64,567,247
Investments in Listed Shares		(59,076,103)	(14,982,151)
<b>Net Cash used in Investing Activities</b>		<b>(6,251,858)</b>	<b>48,934,780</b>
<b>C. Cash Flow from Financing Activities:</b>		-	-
<b>D. Net Cash inflow from total Activities (A+B+C)</b>		<b>2,909,004</b>	<b>79,583,264</b>
<b>E. Opening Cash and Cash Equivalents</b>		281,162,842	201,579,578
<b>F. Closing Cash and Cash Equivalents (D+E)</b>		<b>284,071,846</b>	<b>281,162,842</b>
<b>Break up of Closing Cash and Cash Equivalents:</b>		<b>284,071,846</b>	<b>281,162,842</b>
Cash in Hand		197,747	190,166
Cash at Bank		202,550,024	233,496,192
Fixed Deposit (FDR)		81,324,075	47,476,484



Chief Executive Officer



Director



Director

This is the Statement of Cash Flows referred to in our separate report of even date annexed.

Dated : 04 March, 2018

Place : Dhaka


FAMES & R  
Chartered Accountants

## Commerce Bank Securities and Investment Limited

### Notes to the Financial Statements

For the year ended 31 December, 2017

#### 1. SIGNIFICANT ACCOUNTING 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.

The company is a trading right entitlement certificate (TREC) holder of DSE bearing TREC NO. 180, presently allotted with 2,886,042 DSE shares against total entitlement of 5,772,084 shares.

#### 2 Basis 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 Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), 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, as adopted by ICAB as BAS-1 "presentation of financial statements" 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.

### 3 SIGNIFICANT ACCOUNTING POLICIES:

#### 3.1 Fixed Assets and Depreciation :

Fixed Assets 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:

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

#### 3.2 Cash Flow Statement

Statement of Cash Flows is prepared principally in accordance with BAS 7 and the cash flows from operating activities have been presented under direct method as required by the Securities and Exchange Rules 1987 .

#### 3.3 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 securities are sold 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.

#### 3.4 Investment in listed securities:

Investments in listed securities are carried at cost. Adequate provision has been made considering each individual investment (where cost is less than market price) as guided by BSEC. Unrealized gain or loss are recognized to the extent of 30% in the Statement of Profit or Loss and Other Comprehensive Income

#### 3.5 Cash and Cash Equivalents:

Cash & Cash Equivalents consist of cash in hand, bank balances and fixed deposits that are readily convertible to known amount of cash.

#### 3.6 Accrued Expenses and Other Payables:

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

#### 3.7 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.

#### 3.8 Deferred Tax:

The Company recognized deferred tax in accordance with the provision of Bangladesh Accounting Standards (BAS)-12. Deferred tax 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 payable or receivable 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.

### **3.9 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.

### **3.10 Number Of Employees**

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

### **3.11 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.



	31.12.2017 Taka	31.12.2016 Taka
<b>4.00 Property, Plant and Equipments:</b>		
Furniture and Fixture	1,467,348	1,530,872
Office Renovation	2,928,462	3,660,578
Electronic Equipments	2,344,402	2,307,685
Computer and Software	1,134,713	1,182,413
	<b>7,874,926</b>	<b>8,681,548</b>
For details, please refer to Annexure - A		
<b>5.00 Investment :</b>		
Investment in Shares	86,289,769	27,213,666
	<b>86,289,769</b>	<b>27,213,666</b>
For details, please refer to Annexure - B		
<b>6.00 Deferred Tax</b>		
WDV of Fixed Assets as per Financial Statements	7,874,925	8,681,548
WDV of Fixed Assets as per Tax Base	7,879,612	8,701,586
<b>Temporary Difference for Fixed Assets</b>	<b>4,687</b>	<b>20,039</b>
Tax Rate	35%	35%
<b>Deferred Tax Asset/ (Liabilities)</b>	<b>1,640</b>	<b>7,014</b>
<b>Deferred Tax Expenses for 2016:</b>		
<b>Calculation of Deferred Tax Expenses on Cost</b>		
Deferred Tax Asset as on 31 December, 2016	7,014	(653)
Less: Deferred Tax Liabilities as on 31 December, 2017	1,640	7,014
<b>Deferred Tax Expenses accounted for during the year 2017</b>	<b>5,373</b>	<b>(7,667)</b>
<b>7.00 Advances, Deposits &amp; Prepayments:</b>		
Advance against expenses (Note - 7.01)	974,300	673,700
Security deposit (Note - 7.02)	10,000	10,000
	<b>984,300</b>	<b>683,700</b>
<b>7.01 Advance against Office Rent:</b>		
Opening Balance	673,700	717,250
Add: Advance for Muradpur Br.	540,000	192,000
Less: Adjusted during the year	239,400	235,550
	<b>974,300</b>	<b>673,700</b>
<b>7.02 Security Deposit:</b>		
Telephone Demand Note	10,000	10,000
	<b>10,000</b>	<b>10,000</b>
<b>8.00 Accounts Receivables :</b>		
Dhaka Stock Exchange (DSE)	23,523,636	19,754,714
Clients	2,816,310	1,146,955
FDR Interest	757,841	436,190
Others	74,603	25,329
	<b>27,172,390</b>	<b>21,363,188</b>
<b>9.00 Margin Loan to Investors</b>	513,564,805	567,347,362
	<b>513,564,805</b>	<b>567,347,362</b>

		<b>31.12.2017</b> <b>Taka</b>	<b>31.12.2016</b> <b>Taka</b>
<b>10.00 Cash and Cash Equivalents:</b>			
Cash in Hand	( Note - 10.01)	197,747	190,166
Cash at Bank	( Note - 10.02)	202,550,024	233,496,192
Fixed Deposit Receipts	( Note - 10.03)	81,324,075	47,476,484
		<b>284,071,846</b>	<b>281,162,842</b>
<b>10.01 Cash in Hand:</b>			
Cash in Hand (Branches)		62,000	31,000
Petty Cash		135,747	159,166
		<b>197,747</b>	<b>190,166</b>
<b>10.02 Cash at Bank:</b>			
1. BCBL, Principal Branch (CD: 2767)		18,845,237	2,347,859
2. BCBL, Principal Branch (STD: 49)		1,345,761	64,795
3. BCBL, Principal Branch (CD: 2307)		43,409	44,559
4. IFIC, Stock Ex. Br. (CD-Dealer: 291-001)		4,867	5,000
5. IFIC, Stock Ex. Br. (SND-Dealer: 291-041)		5,080,401	10,880,277
6. Consolidated Customers A/C:	( Note - 10.2.1)	177,230,349	220,153,701
		<b>202,550,024</b>	<b>233,496,192</b>
<b>10.2.1 Consolidated Customers A/C:</b>			
BCBL, Principal Branch (CD: 2306)		111,506,103	86,273,562
BCBL, Principal Branch (STD: 50)		973,835	543,671
IFIC, Stock Ex. Br. (CD-Broker: 290-001)		5,000	-
IFIC, Stock Ex. Br. (SND-Broker: 290-041)		62,269,175	34,711,063
BCBL, Tanbazar Branch (CD: 515)		-	2,162
BCBL, Principal Branch, Public Issue Application A/c (STD: 78)		2,476,236	98,623,242
		<b>177,230,349</b>	<b>220,153,701</b>
<b>10.03 Fixed Deposit Receipts:</b>			
BCBL Principal Branch, A/c No: 00233004102		37,978,727	35,995,267
BCBL Principal Branch, A/c No: 00233004103		12,113,871	11,481,218
BCBL Principal Branch, A/c No: 00233004632		31,231,476	-
		<b>81,324,075</b>	<b>47,476,484</b>
<b>11.00 Advance Taxes</b>			
Opening Balance		10,750,735	515,319
Tax paid at source	( Note - 11.01)	17,418,803	10,235,416
		<b>28,169,539</b>	<b>10,750,735</b>
<b>11.01 Tax paid at source</b>			
TDS by DSE on Turnover		14,559,833	7,711,254
TDS on FDR Interest		427,510	314,195
TDS on Interest Income from other Bank Deposit		866,373	709,868
TDS on Income from Dividend. (Annexure -D)		1,565,088	1,500,099
		<b>17,418,803</b>	<b>10,235,416</b>
<b>12.00 Share Capital</b>			
Authorized Capital:			
100,000,000 Ordinary Share of Tk 10/- each		<b>1,000,000,000</b>	<b>1,000,000,000</b>
<b>12.01 Issued, Subscribed and Paid-up Capital</b>			
65,000,000 Ordinary Shares of Tk 10/- each		<b>650,000,000</b>	<b>650,000,000</b>

31.12.2017  
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Total Share Holding Position as on December 31, 2017

Name of the Shareholders	% of Shareholdings	No. of Shares	Face Value
Bangladesh Commerce Bank Limited	99.9999986%	64,999,991	649,999,910
Mr. A. Q. Siddiqui	0.0000002%	1	10
Mr. Mahmudul Haq Bhuiyan	0.0000002%	1	10
Mr. Md. Emdadul Hoque	0.0000002%	1	10
Mr. Rana Kaiser	0.0000002%	1	10
Mr. Anis Ahmed	0.0000002%	1	10
Mr. Manwar Hossain	0.0000002%	1	10
Mr. Syed Abdul Hamid	0.0000002%	1	10
Mr. Nasir Uddin Ahmed, FCA	0.0000002%	1	10
Mr. Abbas Uddin Ahmed	0.0000002%	1	10
<b>TOTAL</b>	<b>100%</b>	<b>65,000,000</b>	<b>650,000,000</b>

**13.00 Retained Earnings:**

Opening Balance	34,245,898	14,505,660
Add: Net Profit during the year	21,625,940	19,740,238
	<b>55,871,839</b>	<b>34,245,898</b>

**14.00 Accounts Payable:**

Clients	98,679,257	130,535,052
Dhaka Stock Exchange (DSE)	1,577,825	4,462,816
	<b>100,257,082</b>	<b>134,997,869</b>

**15.00 Provision for Expenses**

Office Rent	20,917,424	17,313,824
Provision for CDBL charge	260,584	380,689
Interest Waiver	7,344,326	7,344,326
Incentive for Loan Recovery	1,595,115	1,530,118
Employees' Provident Fund	2,812	-
Security Money Payable to Supplier	85,861	85,861
Commission Rebate	874,036	1,173,793
Electricity, Gas and Water	745,382	501,102
Arrear salary	24,330	59,040
Provision for Salary Fixation Arrear	1,327,094	2,432,894
Networking Line Charge	47,400	106,600
Audit Fees	103,500	103,500
Tax Consultancy Fees	224,250	120,000
Security Service	316,004	383,399
Stamp	7,050	960
Dividend Payable (Clients)	282,688	17,421
Provision for Other Expenses	169,005	8,850
Withholding VAT (Note - 15.01)	39,289	2,708
Withholding Tax (Note - 15.02)	13,096	-
	<b>34,379,246</b>	<b>31,565,086</b>

**15.01 Withholding VAT**

Opening Balance	2,708	49,108
VAT Received	591,536	577,529
Less: VAT Paid	(554,955)	(623,929)
	<b>39,289</b>	<b>2,708</b>

	31.12.2017 Taka	31.12.2016 Taka
<b>15.02 Withholding Tax</b>		
Opening Balance	-	200
Less: Paid During the period	(706,802)	(754,317)
Add: Received	719,899	754,117
	<b>13,096</b>	<b>-</b>
<b>16.00 Provision for Bad Loan &amp; Erosion:</b>		
Opening Balance	58,082,863	58,082,863
Less: Adjustment During the Year	(2,640,020)	(10,932,525)
Add: Current Year Provision (Note - 22.00)	25,182,035	10,932,525
<b>Total Provision</b>	<b>80,624,878</b>	<b>58,082,863</b>
<p>Total negative equity against margin loan and unrealized loss in company's own portfolio (Dealer account) for the year 2017 is Tk. 260,451,077 and Tk. 8,298,515 respectively. Total required provision is Tk. 268,749,992. According to the Bangladesh Securities and Exchange Commission (BSEC) circulars reference নং-এসইসি/ সিএফআরআরসিডি/২০০৯-১৯৩/১৯৬ dated 28 December 2016 and নং-এসইসি/ সিএমআরআরসিডি/২০০৯-১৯৩/১৯৬ dated 28th December 2017 requirements of maintaining provision against such loss is 20% and balance have to be provided within December 2018 on quarterly basis. The company, however, has made 30% provision up to 31 December, 2017.</p>		
<b>17.00 Liabilities for Income Tax</b>		
Opening Balance	9,068,339	
Current Year Income Tax (Note - 23.00)	18,677,830	9,068,339
	<b>27,746,170</b>	<b>9,068,339</b>
<b>18.00 Operating Income:</b>		
Brokerage commission (represents commission income from BO Accountholders against buy and sale of securities)	96,794,760	62,708,311
Interest Income from Margin Loan	8,455,446	6,016,467
BO Accounts Maintenance Charge	6,091,063	8,128,500
Closing, Transfer, Transmission & Demat Fee from BO Accountholders	372,327	287,032
Margin Documentation & Renewal Charge from Margin accountholders	258,000	262,000
Income/(Loss) from Dealer Account (Annexure -C)	12,444,026	3,736,901
	<b>124,415,621</b>	<b>81,139,211</b>
<b>19.00 Operating Expenses:</b>		
Hawla Charge	1,300	550
Laga Charge	7,278,326	3,855,619
Networking Line Charge	1,143,600	1,126,502
Commission Rebate	-	6,025,792
Interest Waiver	12,402,946	-
CDBL Charges and Fees	8,436,302	8,121,601
DSE Charges and Fees	87,839	66,472
	<b>29,350,313</b>	<b>19,196,536</b>
<b>20.00 Administrative Expenses:</b>		
Salary and Allowances	31,268,381	30,935,835
Security Service	683,736	839,091
Car Allowance	198,000	198,000
Office Rent	6,160,996	6,071,910
Electricity, Gas and Water	2,741,584	2,716,302
Telephone, Mobile and Fax	591,798	530,224
Repair and Maintenance	319,068	176,560
SMS Service Charges	103,154	-
Directors Meeting Attendance Fees	745,200	754,400

	31.12.2017 Taka	31.12.2016 Taka
Depreciation of Fixed Assets	1,764,933	1,957,766
Audit Fees	103,500	103,500
Tax Consultancy Fees	352,650	231,000
Office Maintenance	799,184	540,562
Computer and Software Maintenance	183,813	310,900
Office Beautification and Utensil	51,950	39,700
Printing	68,928	
Office Stationary	457,309	365,908
Postage & Courier Expense	2,247	15,058
Information Technology Enable Services (ITES)	153,865	-
Photocopy	927	28,707
Entertainment	1,057,390	868,165
Traveling and Conveyance	219,224	167,759
Business Development	184,706	119,840
Advertisement	132,300	93,870
Training and Development	127,046	95,880
Newspaper and Periodicals	46,276	37,107
Insurance Expense	182,867	188,986
AGM Expenses	141,646	87,096
Board Meeting Expenses	147,416	135,000
Annual Sports and Picnic	250,000	220,000
Legal Fees	-	121,000
License Renewal Fee	303,450	330,725
Bank Charge	175,967	132,011
Stamp	12,600	16,647
	<b>49,732,110</b>	<b>48,429,508</b>
<b>21.00 Other Income:</b>		
Interest Income from FDR	4,645,217	3,091,642
Interest Income from other Bank Deposit	7,128,989	6,079,175
Dividend Income (Annexure - D)	7,825,439	7,500,493
Charge For Dishonor Cheque	138,000	87,000
SMS Fees	-	156,000
Transfer, Transmission Fees and Penalty	-	212,106
Unclaimed amount from BCBL	-	121,966
IPO Charges Income	420,335	581,550
	<b>20,157,980</b>	<b>17,829,932</b>
<b>22.00 Provision for Bad Loan &amp; Erosion (Current Year):</b>		
Negative Equity against Margin Loan	260,451,077	288,184,641
Portfolio Erosion	8,298,515	2,229,674
<b>Total</b>	<b>268,749,592</b>	<b>290,414,315</b>
Total Provision made @ 30%	80,624,878	58,082,863
Less: Opening Balance	(58,082,863)	(66,473,200)
Add: Adjustment during the year	2,640,020	10,932,525
<b>Current Year Provision</b>	<b>25,182,035</b>	<b>2,542,188</b>

	31.12.2017 Taka	31.12.2016 Taka
<b>23.00 Income Tax Exp.:</b>		
Profit before Tax & Provision	65,491,178	31,343,099
Less: Income from Dealer Account (Annexure- C)	(12,444,026)	(3,736,901)
Less: Income from Dividend (Annexure -D)	(7,825,439)	(7,500,493)
	<b>45,221,713</b>	<b>20,105,705</b>
Add: Depreciation as per Accounting base	1,764,934	1,957,766
Entertainment	1,057,390	868,165
	<b>48,044,037</b>	<b>22,931,636</b>
Less: Depreciation as per Tax base	1,760,247	1,935,861
	<b>46,283,790</b>	<b>20,995,775</b>
Less: Allowable Entertainment:	945,676	439,915
<b>Assessed profit</b>	<b>45,338,114</b>	<b>20,555,859</b>
35% Tax other than Capital Gain and Dividend Income	15,868,340	7,194,551
10% Tax on gain on Dealer Account	1,244,403	373,690
20% Tax on gain on Dividend Income	1,565,088	1,500,099
	<b>18,677,830</b>	<b>9,068,339</b>
<b>24.00 Earnings per share (EPS):</b>		
Net Profit/Loss after tax	21,625,940	19,740,238
Total Number of outstanding Shares	65,000,000	65,000,000
	<b>0.33</b>	<b>0.30</b>
<b>25.00 CDBL Fees</b>		
BO Acc. Opening, Closing, Demat Fee	372,327	287,032
Annual Accounts Maintenance Charge	6,091,063	8,128,500
	<b>6,463,390</b>	<b>8,415,532</b>
<b>26.00 Income Tax Paid</b>		
Tax paid at source (Note - 11.01)	17,418,803	10,235,416
Tax paid during the period	-	-
	<b>17,418,803</b>	<b>10,235,416</b>

**27.00 Cash payments as Other Operating & Administrative expenses**

Particulars	Taka			
	2017	2016	2017	2016
Operating Expenses	29,350,313	19,196,536		
Less: Interest on Borrowing	-	-	29,350,313	19,196,536
Administrative Expenses:	49,732,110	48,429,508		
Less: Salary and Allowances paid	(31,268,381)	(30,935,835)	18,463,729	17,493,673
			<b>47,814,042</b>	<b>36,690,209</b>
Adjusted for non cash flow items				
Depreciation			(1,764,933)	(1,957,766)
Increase/(decrease) in Advance, Deposit & Prepayments			300,600	(43,550)
Increase/(decrease) in Accounts Receivable			5,809,202	17,337,067
(Increase)/Decrease in Accounts Payable			34,740,786	(32,850,879)
Provision for Expenses			(2,814,160)	(2,958,198)
Provision for Bad Loan & Erosion			2,640,020	10,932,525
			<b>86,725,556</b>	<b>27,149,408</b>

**28.00 Events after reporting period**

The Directors in the meeting held on 01.03.2018 has approved the Financial Statements.

No material events occurred after Balance Sheet date which could affect the values reported in the financial statements.

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

As on 31 December, 2017

**Annexure-A**

Particulars	Aost		Dep. Rate	Depreciation		W.D.V as on 31.12.2017
	Balance as on 01.01.2017	Addition during the year		Balance as on 31.12.2017	Charged for the year	
Furniture and Fixture	2,191,632	99,515	10%	163,039	823,798	1,467,348
Office Renovation	9,906,404	-	20%	732,116	6,977,941	2,928,462
Electronic Equipments	6,446,958	622,818	20%	586,101	4,725,374	2,344,402
Computer and Software	2,495,489	235,978	20%	283,678	1,596,754	1,134,713
<b>Total as on 31 December, 2017</b>	<b>21,040,483</b>	<b>958,311</b>		<b>1,764,934</b>	<b>14,123,867</b>	<b>7,874,925</b>
<b>Total as on 31 December, 2016</b>	<b>20,390,166</b>	<b>650,316</b>		<b>1,957,766</b>	<b>12,358,934</b>	<b>8,681,548</b>

**Depreciation as per tax base**

Particulars	Aost		Rate	Depreciation		W.D.V as on 31.12.2017
	Balance as on 01.01.2017	Addition during the year		Balance as on 31.12.2017	Charged for the year	
Furniture & Fixture	2,191,632	99,515	10.00%	163,039	823,798	1,467,348
Office Renovation	9,906,404	-	20.00%	732,116	6,977,941	2,928,463
Electronic Equipments	6,446,958	622,818	15.00%	439,575	4,578,848	2,490,927
Computer & Software	2,495,489	235,978	30.00%	425,517	1,738,593	992,874
<b>Total as on December 31, 2016</b>	<b>21,040,483</b>	<b>958,311</b>		<b>1,760,247.06</b>	<b>14,119,181</b>	<b>7,879,612</b>

**Commerce Bank Securities and Investment Limited**  
**Investment Schedule**  
As on 31 December, 2017

Name of the Company	Quantity							Amount in Taka			
	Opening Balance	Acquired during the year	Rights Share received	Bonus Share received	Sold during the year	Total Quantity as on 31.12.17	Total Cost	Average Cost Per Share	Total Market Value as on 31.12.17	Unrealised Gain	
1	2	3	4	5	6	7=(2+3+4+5-6)	8	9	10	11=(10-9)	
ACI		5,670	-	-	5,170	500	238,165	476.33	229,900	(8,265.30)	
APEXFOODS	9,100	29,103	-	-	22,203	16,000	2,613,581	163.35	2,259,200	(354,380.99)	
APOLOSPAT	5,000	351,000	-	13,000	226,000	143,000	2,819,362	19.72	2,359,500	(459,862.10)	
ARGONDENIM		234,000		3,000	159,000	78,000	2,616,024	33.54	2,410,200	(205,823.87)	
BARKAPOWER	8,000	168,700		12,000	96,700	92,000	3,574,809	38.86	3,164,800	(410,008.92)	
BBSCABLES		33,470			23,470	10,000	1,229,828	122.98	1,057,000	(172,828.25)	
BDAUTOCA		1,100	-	13	1,100	13	1,326.19	102.01	1,398	71.31	
BDTHAI		148,000		6,250	148,000	6,250	177,110	28.34	178,750	1,640.45	
BEXIMCO		574,000		5,750	459,000	120,750	3,616,602	29.95	3,260,250	(356,351.80)	
BXPHERMA		61,056			56,056	5,000	514,020	102.80	519,000	4,980.46	
CENTRALPHIL	5,000	418,500		6,500	358,500	71,500	1,788,272	25.01	1,337,050	(451,222.32)	
CNATEX	5,000	405,000			295,000	115,000	1,358,309	11.81	1,000,500	(357,808.65)	
DOREENPWR	45,000	49,150		150	92,300	2,000	239,801	119.90	228,400	(11,400.98)	
DSEBD	2,886,042	-			-	2,886,042		0.00	-	-	
EXIMBANK	10,000	265,000			225,000	50,000	899,152	17.98	860,000	(39,152.30)	
FINEFOODS		55,084		760	55,084	760	31,320	41.21	27,056	(4,263.59)	
FUWANGCER		245,000		8,500	160,000	93,500	1,740,872	18.62	1,542,750	(198,122.48)	
GEMINISEA		3,534			3,134	400	192,204	480.51	181,880	(10,323.73)	
GENNEXT	69,732	130,000		16,000	39,732	176,000	1,852,982	10.53	1,654,400	(198,582.49)	
GP	1,500	46,595			31,095	17,000	8,129,621	478.21	8,003,600	(126,020.72)	
GPHISPAT	12,000	147,500		3,250	94,500	68,250	2,985,608	43.75	2,648,100	(337,507.95)	
HAKKANIPUL		73,600			29,600	44,000	2,961,145	67.30	2,578,400	(382,745.21)	
ICB		63,639		350	56,639	7,350	1,275,412	173.53	1,176,000	(99,411.79)	
IFADAUTOS		84,400			37,400	47,000	6,499,144	138.28	5,922,000	(577,144.09)	

Annexure-B



Name of the Company	Quantity						Amount in Taka			
	Opening Balance	Acquired during the year	Rights Share received	Bonus Share received	Sold during the year	Total Quantity as on 31.12.17	Total Cost	Average Cost Per Share	Total Market Value as on 31.12.17	Unrealised Gain
1	2	3	4	5	6	7=(2+3+4+5-6)	8	9	10	11=(10-9)
IFIC		125,000			85,000	40,000	761,561	19.04	720,000	(41,560.70)
LANKABAFIN		216,000		3,300	179,300	40,000	2,760,447	69.01	1,912,000	(848,446.95)
LINDEBD		955			355	600	785,650	1,309.42	770,820	(14,829.56)
MAKSONSPIN		82,250		2,750	82,250	2,750	27,184	9.88	27,775	591.40
METROSPIN		15,000			-	15,000	181,633	12.11	172,500	(9,133.05)
MONNOCERA		47,300			39,300	8,000	798,356	99.79	717,600	(80,756.43)
NAHEEACP		11,412		1,141	5,706	6,847	62,246	9.09	502,570	440,323.62
NHFIL		59,000			5,000	54,000	2,982,195	55.23	2,548,800	(433,394.97)
OIMEX		12,961		648	6,481	7,128	64,800	9.09	464,746	399,945.60
OLYMPIC		19,744			17,244	2,500	709,637	283.85	720,750	11,112.81
PENINSULA		215,000			160,000	55,000	1,493,955	27.16	1,281,500	(212,454.88)
PREMIERCEM		3,000			-	3,000	292,613	97.54	263,100	(29,512.68)
RDFOOD		311,300		10,700	311,300	10,700	191,537	17.90	186,180	(5,356.53)
REGENTTEX	63,000	279,000			289,000	53,000	1,276,974	24.09	1,097,100	(179,874.42)
RENATA		1,400			900	500	561,724	1,123.45	562,100	375.89
RNSPIN		138,100		6,900	20,000	125,000	2,517,348	20.14	2,062,500	(454,847.84)
SAIFPOWER	5,000	228,500		21,000	158,500	96,000	3,475,650	36.20	3,187,200	(288,449.84)
SAIHAMCOT		73,000			23,000	50,000	1,048,241	20.96	845,000	(203,241.22)
SHEPHERD		153,908		3,500	102,408	55,000	1,887,553	34.32	1,567,500	(320,053.01)
SQRPHARMA	2,000	60,064		412	37,476	25,000	7,601,716	304.07	7,545,000	(56,715.68)
STYLECRAFT		600			-	600	917,200	1,528.67	870,780	(46,419.83)
TOSRIFA		59,000			19,000	40,000	1,036,767	25.92	1,020,000	(16,767.20)
TUNGHAI		306,000			198,000	108,000	1,588,007	14.70	1,101,600	(486,406.76)
UCB	5,000	456,000			411,000	50,000	1,219,647	24.39	1,180,000	(39,647.32)
UNITEDAIR		110,000			-	110,000	651,478	5.92	616,000	(35,477.70)
WMSHIPYARD		68,000		6,000	9,000	65,000	2,201,008	33.86	1,904,500	(296,507.58)
YPL	1,400	128,600		3,500	60,000	73,500	1,839,975	25.03	1,543,500	(296,475.02)
<b>TOTAL</b>	<b>3,132,776</b>	<b>6,774,198</b>	<b>4</b>	<b>135,379</b>	<b>4,894,909</b>	<b>5,147,440</b>	<b>86,289,777</b>		<b>77,991,264</b>	<b>(8,298,515)</b>

## Commerce Bank Securities and Investment Limited

## Capital Gain/(Loss) on Sale of Shares

As on 31 December, 2017

Annexure-C

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No.	Tk.	Tk.	Tk.
1	1JANATAMF	80,000	585,935	597,070	11,135
2	1STPRIMFMF	142,000	2,123,850	2,152,294	28,445
3	ABB1STMF	45,000	336,746	341,755	5,009
4	ABRBANK	242,000	5,675,035	5,753,352	78,317
5	ACI	5,170	2,819,917	2,530,642	(51,110)
6	ACIFORMULA	23,200	4,707,467	4,725,692	18,225
7	ACMELAB	1,500	164,278	169,672	5,394
8	ACTIVEFINE	111,635	5,501,271	5,564,110	62,839
9	AFCAGRO	4,000	237,128	243,427	6,299
10	AFTABAUTO	13,000	862,934	874,333	11,399
11	AGNISYSL	20,000	471,850	489,649	17,799
12	AIBL1STIMF	40,000	330,743	335,757	5,014
13	AL-HAJTEX	26,825	2,719,739	2,746,376	26,637
14	ALARABANK	131,922	3,089,298	3,111,786	22,488
15	ALIF	327,700	8,621,457	8,716,587	95,130
16	ALLTEX	19,000	411,810	267,523	(144,287)
17	AMBEEPHA	150	67,640	70,089	2,449
18	ANLIMAYARN	105,793	3,478,347	3,518,456	40,110
19	ANWARGALV	36,310	3,062,453	3,080,417	17,964
20	APEXFOODS	22,203	5,840,167	3,250,310	23,724
21	APEXSPINN	11,791	1,408,641	1,358,390	(50,251)
22	APEXTANRY	3,266	499,762	491,516	(8,246)
23	APOLOISPAT	226,000	7,968,144	5,223,281	74,499
24	ARAMIT	13,700	5,386,827	5,383,333	(3,494)
25	ARGONDENIM	159,000	8,250,711	5,722,052	87,365
26	BANKASIA	25,000	523,984	528,618	4,634
27	BARKAPOWER	96,700	7,912,279	4,357,294	19,824
28	BBS	11,000	591,894	604,287	12,393
29	BBSCABLES	23,470	2,047,639	2,293,803	1,475,992
30	BDAUTOCA	1,100	113,802	115,987	3,512
31	BDCOM	87,000	3,306,594	3,370,273	63,679
32	BDFINANCE	74,000	1,486,411	1,515,394	28,984
33	BDLAMPS	150	27,673	27,861	188
34	BDTHAI	148,000	4,406,364	4,283,545	54,291
35	BDWELDING	173,000	3,667,401	3,789,225	121,824
36	BEACONPHAR	180,750	4,006,608	4,062,002	55,394
37	BENGALWTL	3,000	150,812	151,388	576
38	BEXIMCO	459,000	18,954,889	15,505,496	167,209
39	BGIC	4,000	91,170	93,131	1,961

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No.	Tk.	Tk.	Tk.
40	BRACBANK	139,900	11,973,454	12,109,721	136,267
41	BSC	68,600	3,995,540	4,026,281	30,741
42	BSCCL	7,000	830,263	849,827	19,564
43	BXPBARMA	56,056	6,404,108	5,929,690	39,602
44	CENTRALPHL	358,500	12,276,191	10,694,272	206,353
45	CITYBANK	150,000	6,146,787	6,161,395	14,608
46	CNATEX	295,000	5,073,521	3,794,738	79,526
47	CONFIDCEM	5,800	788,774	808,428	19,654
48	DBH	6,700	723,387	729,094	5,707
49	DELTASPINN	15,000	180,132	181,361	1,229
50	DESCO	9,000	456,333	459,268	2,935
51	DHAKABANK	10,000	241,177	246,823	5,646
52	DOREENPWR	92,300	10,813,185	10,715,128	141,744
53	DSHGARME	2,550	792,223	807,765	15,542
54	DSSL	575,863	12,110,423	12,330,809	220,386
55	DUTCHBANGL	6,500	942,209	932,371	(9,838)
56	EBL	7,500	257,597	257,811	215
57	EBL1STMF	85,000	616,865	626,254	9,389
58	EHL	53,500	2,597,973	2,612,895	14,922
59	EMERALDOIL	19,000	748,950	764,037	15,087
60	ETL	45,000	1,056,773	1,057,713	940
61	EXIMBANK	225,000	4,458,362	3,562,924	3,714
62	FARCHEM	20,000	526,270	525,116	(1,154)
63	FAREASTFIN	5,000	66,549	68,450	1,902
64	FASFIN	222,250	4,141,635	4,146,815	5,181
65	FEDERALINS	17,000	249,394	253,209	3,814
66	FINEFOODS	55,084	2,381,888	2,312,008	(38,560)
67	FIRSTSBANK	181,000	2,752,878	2,789,150	36,272
68	FORTUNE	91,063	4,611,272	5,082,853	471,581
69	FUWANGCER	160,000	4,991,313	3,287,758	37,318
70	FUWANGFOOD	138,000	3,164,035	3,185,263	21,228
71	GBBPOWER	38,000	897,478	909,327	11,849
72	GEMINISEA	3,134	2,168,622	2,004,134	27,716
73	GENNEXT	39,732	2,376,479	476,191	(47,305)
74	GHAIL	16,000	825,111	827,082	1,971
75	GOLDENSON	24,000	488,480	493,037	4,557
76	GP	31,095	21,487,613	13,470,188	112,196
77	GPHISPAT	94,500	7,189,732	4,242,121	37,997
78	GQBALLPEN	13,500	1,337,487	1,359,415	21,927
79	GSPFINANCE	133,305	3,952,635	4,011,995	59,360
80	HAKKANIPUL	29,600	5,511,004	2,627,066	77,207
81	IBNSINA	4,000	908,447	919,720	11,273

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No.	Tk.	Tk.	Tk.
82	ICB	56,639	11,640,779	10,473,414	108,047
83	ICB2NDNRB	8,000	67,475	70,229	2,754
84	ICBAMCL2ND	20,000	128,094	127,902	(192)
85	ICBEPMF1S1	5,000	45,034	45,964	930
86	ICBSONALI1	30,000	216,160	220,833	4,673
87	IDLC	40,500	2,852,412	2,905,834	53,422
88	IFADAUTOS	37,400	11,585,171	5,118,928	32,901
89	IFIC	85,000	2,668,428	1,966,425	59,558
90	IFIC1STMF	110,000	784,601	791,434	6,832
91	ILFSL	85,000	1,633,121	1,677,775	44,654
92	IMAMBUTTON	1,000	31,926	35,571	3,645
93	INTECH	1,000	16,920	17,286	366
94	IPDC	53,328	2,562,434	2,614,312	51,878
95	ISLAMIBANK	39,000	1,378,652	1,398,974	20,322
96	ISLAMICFIN	106,500	2,455,274	2,509,392	54,118
97	ITC	34,500	1,685,257	1,702,634	17,377
98	JAMUNAOIL	1,000	209,603	210,922	1,320
99	KBPPWBIL	10,000	237,676	238,825	1,149
100	KDSALTD	48,615	3,768,381	3,801,163	32,782
101	KEYACOSMET	385,000	5,891,044	5,950,730	59,686
102	KPCL	10,462	650,252	655,396	5,144
103	KPPL	35,000	424,830	413,077	(11,753)
104	LAFSURCEML	20,700	1,623,677	1,628,554	4,877
105	LANKABAFIN	179,300	13,444,496	10,869,631	185,582
106	LEGACYFOOT	1,000	51,644	59,055	7,411
107	LIBRAINFU	1,926	1,088,418	1,112,088	23,670
108	LINDEBD	355	1,240,735	463,483	8,398
109	MAKSONSPIN	82,250	854,408	826,148	(1,076)
110	MALEKSPIN	55,265	1,326,770	1,339,379	12,608
111	MERCANBANK	133,000	3,400,764	3,416,379	15,615
112	MHSML	107,650	3,016,827	3,058,263	41,436
113	MICEMENT	9,500	886,668	875,377	(11,291)
114	MITHUNKNIT	500	29,877	29,377	(499)
115	MJLBD	10,000	1,206,156	1,215,517	9,361
116	MONNOCERA	39,300	3,918,261	3,297,504	177,600
117	MPETROLEUM	11,000	2,218,020	2,226,197	8,176
118	NAHEEACP	5,706	114,120	606,358	554,484
119	NAVANACNG	49,710	3,552,848	3,582,290	29,441
120	NBL	190,000	2,642,427	2,665,079	22,653
121	NCCBANK	157,637	2,420,031	2,458,394	38,362
122	NFML	88,970	2,291,988	2,365,652	73,664
123	NHFIL	5,000	3,242,381	261,295	1,109

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No.	Tk.	Tk.	Tk.
124	NORTHERN	1,970	888,146	907,497	19,352
125	NPOLYMAR	15,500	1,491,190	1,505,920	14,731
126	NTC	2,002	1,219,011	1,223,723	4,711
127	NLTUBES	38,517	4,826,615	4,862,025	35,410
128	NURANI	52,172	521,720	1,168,033	646,313
129	OAL	8,000	204,291	220,631	16,340
130	OIMEX	6,481	129,610	684,321	619,511
131	OLYMPIC	17,244	5,392,270	4,775,946	93,313
132	ONEBANKLTD	93,891	2,195,886	2,221,892	26,006
133	ORIONPHARM	25,000	1,259,229	1,269,763	10,534
134	PDL	122,918	1,229,180	3,217,481	1,988,301
135	PENINSULA	160,000	6,544,749	5,143,057	92,263
136	PHARMAID	1,654	592,042	608,542	16,500
137	PHOENIXFIN	39,455	1,264,640	1,304,273	39,633
138	PHPMF1	65,000	518,377	529,619	11,242
139	PLFSL	50,000	714,540	694,484	(20,057)
140	POPULAR1MF	100,000	704,030	710,494	6,464
141	POWERGRID	10,500	585,678	590,658	4,980
142	PREMIERBAN	45,000	706,509	734,961	28,452
143	PREMIERLEA	95,250	1,756,131	1,791,354	35,223
144	PRIMEBANK	10,000	278,705	279,294	589
145	PRIMETEX	14,000	469,851	495,339	25,488
146	PTL	30,000	924,777	924,169	(608)
147	PUBALIBANK	10,000	284,205	295,785	11,580
148	PURABIGEN	45,000	818,842	818,904	63
149	QSM DRYCELL	74,044	7,053,236	7,123,724	70,489
150	RAHIMTEXT	3,850	1,107,933	1,101,834	(6,099)
151	RAKCERAMIC	39,000	2,557,969	2,578,052	20,083
152	RDFOOD	311,300	5,817,440	5,660,216	34,313
153	REGENTTEX	289,000	7,645,300	6,431,750	63,425
154	RENATA	900	1,570,400	1,009,533	856
155	RNSPIN	20,000	3,051,210	509,909	(23,954)
156	RSRMSTEEL	92,850	7,675,317	7,788,886	113,569
157	RUPALIBANK	148,200	8,356,727	8,728,718	371,991
158	SAFKOSPINN	102,000	1,831,382	1,954,237	122,855
159	SAIFPOWER	158,500	10,803,547	7,361,724	33,827
160	SAIHAMCOT	23,000	1,515,286	485,644	18,599
161	SALAMCRST	24,000	859,503	873,056	13,553
162	SALVOCHEM	515,508	11,806,577	12,032,811	226,234
163	SAMORITA	5,500	535,078	547,754	12,676
164	SAPORTL	24,000	1,163,979	1,185,629	21,651
165	SHAHJABANK	10,000	267,691	268,810	1,119

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realised Gain/(Loss)
		No.	Tk.	Tk.	Tk.
166	SHEPHERD	102,408	5,332,748	4,173,361	728,166
167	SHURWID	5,000	84,563	85,436	873
168	SIBL	23,000	525,200	533,614	8,415
169	SINGERBD	5,690	1,119,765	1,131,959	12,194
170	SONALIANS	2,100	478,370	483,668	5,299
171	SOUTHEASTB	5,000	91,066	93,331	2,265
172	SPCL	17,000	2,430,478	2,455,335	24,857
173	SQURPHARMA	37,476	18,533,753	11,102,565	170,527
174	STANCERAM	17,910	1,467,688	1,479,184	11,496
175	STANDBANKL	60,000	819,093	814,411	(4,682)
176	SUMITPOWER	20,000	872,547	876,364	3,817
177	TITASGAS	111,245	5,443,003	5,442,528	(475)
178	TOSRIFA	19,000	1,571,564	545,602	10,806
179	TRUSTBANK	79,590	2,292,816	2,336,320	43,505
180	TUNGHAI	198,000	4,736,959	3,196,942	47,990
181	UCB	411,000	10,991,337	10,046,503	274,814
182	UNIONCAP	253,500	6,069,296	6,089,575	20,279
183	UNIQUEHRL	82,000	4,677,973	4,751,339	73,366
184	UPGDCL	4,300	788,798	794,120	5,322
185	USMANIAGL	24,000	2,268,398	2,313,512	45,115
186	UTTARABANK	32,000	1,016,397	1,028,555	12,158
187	UTTARAFIN	500	35,627	35,973	346
188	WATACHEM	8,048	1,457,198	1,492,787	35,589
189	WMSHIPYARD	9,000	2,568,579	377,244	9,673
190	YPL	60,000	3,487,327	1,667,322	19,971
191	ZAHEENSPIN	337,429	8,236,136	8,318,430	82,294
192	ZAHINTEX	24,000	465,445	466,253	808
193	ZEALBANGLA	500	27,371	30,323	2,952
<b>TOTAL</b>					<b>12,444,026</b>

## Commerce Bank Securities and Investment Limited

## Dividend Income on Shares

For the year ended 31 December, 2017

Annexure-D

SL. No.	Instruments	Quantity	Face Value	Rate	Dividend	TDS	Net Dividend
		No.	Tk.	Tk.	Tk.	Tk.	Tk.
1	BARKAPOWER	8,400	10	15%	12,600	2,520	10,080
2	AL-HAJTEX	25,875	10	5%	12,938	2,588	10,350
3	MHSMIL	20,000	10	5%	10,000	2,000	8,000
4	WMSHIPYARD	50,000	10	3%	15,000	3,000	12,000
5	POWERGRID	6,500	10	12%	7,800	1,560	6,240
6	DOREENPWR	14,200	10	10%	14,200	2,840	11,360
7	BSCCL	5,500	10	10%	5,500	1,100	4,400
8	IBNSINA	1,600	10	38%	6,000	1,200	4,800
9	DAFODILCOM	5,000	10	15%	7,500	1,500	6,000
10	APEXSPINN	3,000	10	22%	6,600	1,320	5,280
11	APEXFOODS	1,000	10	20%	2,000	400	1,600
12	LIBRAINFU	85	10	25%	213	43	170
13	MPETROLEUM	10,100	10	105%	106,050	21,210	84,840
14	DUTCHBANGL	4,000	10	30%	12,000	2,400	9,600
15	ORIONPHARM	5,000	10	15%	7,500	1,500	6,000
16	SIBL	3,000	10	20%	6,000	1,200	4,800
17	LANKABAFIN	22,000	10	15%	33,000	6,600	26,400
18	IDLC	6,000	10	30%	18,000	3,600	14,400
19	BRACBANK	20,000	10	10%	20,000	4,000	16,000
20	PREMIERLEA	25,000	10	5%	14,063	2,813	11,250
21		Fraction			28	6	23
22	TRUSTBANK	40,000	10	15%	60,000	12,000	48,000
23	DSEBD	5,772,084	10	13%	7,215,106	1,443,021	5,772,085
24	CITYBANK	56,000	10	24%	134,400	26,880	107,520
25		Fraction			4	1	4
26	OLYMPIC	10,000	10	45%	4,500	900	3,600
27	ARGONDENIM	60,000	10	13%	75,000	15,000	60,000
28	SQRPHARMA	5,500	10	35%	19,438	3,888	15,550
	<b>Total</b>				<b>7,825,439</b>	<b>1,565,088</b>	<b>6,260,352</b>

## BCBL Network

SL	Branch Name	Address	Contacts
<b>Call Center</b>			<b>16270</b>
01	Principal	19, Rajuk Avenue, Taranga Complex (Ground Floor), Motijheel C/A, Dhaka-1000.	Phone: 09613222001, 7112069, 9561551, 09613222002 Fax: 9585023 E-mail: principal@bcbl.com.bd
02	Dilkusha	Boliadi Mansion (1st floor), 16, Dilkusha C/A, Dhaka-1000.	Phone: 09613225001-6, 9578578, 9570105, 9571375 Fax: 9571375 E-mail: dilkusha@bcbl.com.bd
03	Bangshal	141, Lutfor Rahman Lane, North South Road, Bangshal, Dhaka-1100.	Phone: 09613221501-4, 9580624, 9566140 Fax: 9566140 E-mail: bangshal@bcbl.com.bd
4	Moulvibazar	40, Imamgonj, Moulvibazar, Dhaka-1100.	Phone: 09613222096, 7343769 Fax: 7311051 E-mail: moulvibazar@bcbl.com.bd
5	Dholaikhal	23, Goal Ghat Lane (1st floor), Wari, Dholaikhal, Dhaka-1100.	Phone: 09613221196, 9590344 Fax: 7118665 E-mail: dholaikhal@bcbl.com.bd
6	Banglabazar	52, North Brook Hall Road, Banglabazar, Dhaka-1100.	Phone: 09613221301-3, 47115256, 47119034 Fax: 7121878 E-mail: banglabazar@bcbl.com.bd
7	Zigatola	25/1, Zigatola, Dhaka-1209	Phone: 09613221601, 9668558, 58614119 Fax: 9622154 E-mail: zigatola@bcbl.com.bd
8	Green Road	75, Greenroad (1st floor), Hossain Tower, Farmgate, Dhaka.	Phone: 09613221401-5, 58154664, Fax: 58126886 E-mail: greenroad@bcbl.com.bd
9	Mouchak	238/1, Maruf Market (1st floor), Outer Circular Road, Malibagh, Dhaka.	Phone: 09613223001, 8312061, 8321072 Fax: 8321072 E-mail: mouchak@bcbl.com.bd
10	Mirpur	Plot#2, Avenue-6, Section-1, Mirpur, Dhaka-1216	Phone: 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.	Phone: 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.	Phone: 09613222501, 7213779 Fax: 7215803 E-mail: khilgaon@bcbl.com.bd



SL	Branch Name	Address	Contacts
13	Dhamrai	Keyetpara, Dhamrai Bazar, Dhamrai, Dhaka.	Phone: 09613222401, 7730237 Fax: 7730237 E-mail: dhamrai@bcbl.com.bd
14	Narayanganj	69, Bangabundu Road, Tokeyo Plaza 1 (2nd floor), Word no-15, Narayanganj City Corporation, DIT, Narayanganj-1400.	Phone: 09613229001-5, 7645054, 7640321, 7644750 Fax: 7645054 E-mail: narayanganj@bcbl.com.bd
15	Agrabad	56, Jibon bema Bhaban, Agrabad C/A, Chittagong.	Phone: 9613226001-4, 031-717974, 031-717973, 2522781 Fax: 031-724879 E-mail: agrabad@bcbl.com.bd
16	Jubilee Road	30, Imam Gazzali Market (1st floor), Jublee Road, Chittagong.	Phone: 09613221901, 031-627837, Fax: 031-2850065 E-mail: jubileeroad@bcbl.com.bd
17	Khatungonj	304, SW Tower, (1st floor), Lama Bazar, Kotwali, Khatungonj, Chittagong.	Phone: 09613222301, 031-618821, 2864559 Fax: 031-728145 E-mail: khatungonj@bcbl.com.bd
18	Chaktai	68, Rajakhali Road, New Chaktai, Chittagong-400	Phone: 09613222201, 031-2867575, 031-634612 Fax: 031-636412 E-mail: chaktai@bcbl.com.bd
19	Dewanhat	1128, Sheikh Mujib Road, Ahmed Mansion, Chittagong	Phone: 09613221201, 031-2513622 Fax: 031-728145 E-mail: dewanhat@bcbl.com.bd
20	Khulna	141, Sir Iqbal Road, Khulna-9100	Phone: 09613224001-4, 041-732595, 041-2830144, 810911 Fax: 041-810911 E-mail: khulna@bcbl.com.bd
21	Daulatpur	727, Jessore Road, Daulatpur, Khulna-9202	Phone: 09613221701, 041-761604 Fax: 041-762589 E-mail: daulatpur@bcbl.com.bd
22	Sylhet	Gellariya Shopping & Apartment Complex (2nd Floor), West Zinda Bazar, Jallarpar Road, Sylhet	Phone: 09613221096, 0821-723210 Fax: 0821-728487 E-mail: sylhet@bcbl.com.bd
23	Bogra	676, Chamber Bhaban, Jhawtola, Bogra-5800	Phone: 09613228001-4, 051-65441 Fax: 051-65710 E-mail: bogra@bcbl.com.bd
24	Naogaon	Kader Manson (1st floor) Naogaon Main Road, Naogaon	Phone: 09613221801, 0741-81118 Fax: 0741-63222 E-mail: naogaon@bcbl.com.bd
25	Comilla	35/32 Zilla School Road Kandirpar, Kumilla	Phone: 09613222601, 081 69951 Fax: 081-69902 E-mail: comilla@bcbl.com.bd

SL	Branch Name	Address	Contacts
26	Seedstore Bazar	Hobir Bari Seedstore Bazar Valuka, Mymensingh	Phone: 09613222701, E-mail: seedstore@bcbl.com.bd
27	Uttara	House-60, Sector-13 Gorib-E-Neous Avenue Uttara, Dhaka-1230	Phone: 09613222801, 8921555 E-mail: uttara@bcbl.com.bd
28	Feni	Haji Abul Kashem Super Market Kamlapatti, House# 463 Word# 17, Feni Sadar	Phone: 09613222901, 0331 69011 Fax: 0331-69012 E-mail: feni@bcbl.com.bd
29	Bijoynagar	Al-Raji Complex House# 166/167, Word# 36 Shahid Syed Nazrul Islam Sarani Bijoynagar, Dhaka.	Phone: 09613223101, 7115625 Fax: 02-7115957 E-mail: bijoynagar@bcbl.com.bd
30	Muradpur	MCS Tower (1st floor), Holding No: 7/8, Opposite of Jalil Building, Muradpur Hathajari Road, Panchlish, Chittagong.	Phone: 09613223096, 031-655982, 656154 E-mail: muradpur@bcbl.com.bd
31	Mandari Bazar	Babosayee Samitee market (1st Floor) Lakshmipur Sadar, Lakshmipur.	Phone: 0381-55634, Fax: 0381-55633 E-mail: mandaribazar@bcbl.com.bd
32	Bandura	Puraton Bandura Nawabgonj, Dhaka.	Phone: 09613223301, E-mail: bandura@bcbl.com.bd
33	Jessore	Mohsin Super Market 10 R. N. Road Jessore.	Phone: 09613223501, Fax: 042171180 E-mail: jessore@bcbl.com.bd
34	Dinajpur	SM Tower (2nd Floor) Bahadur Bazar Dinajpur.	Phone: 09613223401, 053166556 Fax: 0531-66555 E-mail: dinajpur@bcbl.com.bd
35	Foreign Exchange	Surma Tower (Level-2) 59/2 Purana Paltan Dhaka-1000.	Phone: 09613223601, 9573467, 9573468 Fax: 02-9573469 E-mail: fex@bcbl.com.bd
36	Juri	Hazi Imzad Ali Market Vobanigonj Bazar, Juri Moulvibazar.	Phone: 09613223701, 086275719 Fax: 08627-57192 E-mail: juri@bcbl.com.bd
37	Batajore	Batajor Bazar Batajor, Gournadi Barishal.	Phone: 09613223901 Fax: E-mail: batajore@bcbl.com.bd
38	Savar	63/14 Bazar Road Islam Plaza, Savar Dhaka.	Phone: 09613223801, 7742151 Fax: 02-7742150 E-mail: savar@bcbl.com.bd
39	Pragati Sarani	KA/218, Kuril Chourasta, Zakir Complex (1st Floor), Dhaka.	Phone: 09613224096, 09613224097, 8417359 Fax: 02-8417506 E-mail: pragati@bcbl.com.bd

SL	Branch Name	Address	Contacts
40	Kopil Muni	Sorojini Banijo Beponi Market(1st floor), Kopilmuni Sohachori Vidda Mondir, P/O-Kopilmuni. P/S- Paikgacha, Dist: Khulna.	Phone: 09613224101, E-mail: kopilmuni@bcbl.com.bd
41	Barisal	Elahi Tower, Holding no-523, Ward no-8, Bazar Road, Barisal Sadar, Barisal.	Phone: 09613224201,0431-2176433 Fax: 0431-61616 E-mail: barisal@bcbl.com.bd
42	Kathgora Bazar	Hazi Nujomuddin Super Market, Kathgora Bazar, Post:Jirabo, Union:Ashulia, Ward no-1. P/S- Ashulia, Dhaka.	Phone: 09613224301,7792634 Fax: 02-7792632 E@mail: kathgora@bcbl.com.bd
43	Merajnagar	Merajnagar Supper Market (2nd Floor), Shaympur, Kadomtoli, Dhaka-1362.	Phone: 09613224401,09613224403 IP phone:09613224402, E-mail: merajnagar@bcbl.com.bd
44	Kangshanagar Bazar	Kangshanagar Bazar, Burichang, Kumilla-3520	Phone: 09613224501-2 E-mail: kangshanagar@bcbl.com.bd
45	Shibchar	47, Shadar Road, Shibchar, Madaripur	Phone: 0662456101, IP Phone: 09613224601-3 E-mail: shibchar@bcbl.com.bd
46	Kaliakoir	Rajob Ali Super Market (2nd Floor), Kaliakoir Bazar, Gazipur.	Phone: 0982251848-9 IP Phone: 09613224701-3 E-mail: kaliakoir@bcbl.com.bd
47	Sonargaon	Salina Plaza(1st Floor), Mograpara Sonargaon, Narayangonj.	Phone: 7656033, 09613224802 IP Phone: 09613224801, E-mail: sonargaon@bcbl.com.bd
48	Balla	Balla Bazar, Battola (Kaporpatti), Kalihati, Tangail.	Phone: 09613224902, 09613224907 IP phone: 09613224901 E-mail: balla@bcbl.com.bd
49	Gazipur Chowrasta	Mubarak Complex, Ward No-16, Gazipur City Corporation, Joydeppur, Gazipur.	Phone: 09613225051, 09613225052 E-mail: gazipur@bcbl.com.bd
50	Shamshernagar	Rahim Manson, Shamshernagar, Upzilla:- Kamolganj, Zilla: Moulvibazar	Phone: 09613225101, 09613225102 E-mail: shamshernagar@bcbl.com.bd
51	Rajshahi	341, Station Road, Metropolitan Market (1st Floor), Rajshahi.	Phone: 09613225201, 09613225202 E-mail: rajshahi@bcbl.com.bd
52	Lohagara	Sayed Plaza, Lohagara, Chittagong	Phone: 09613225401, 09613225402 E-mail: lohagara@bcbl.com.bd
53	A K Khan Moor	H#825, Jakir Hossain Road, Ward No#9, Chittagong City Corporation, Pahartoli, Chittagong.	Phone: 09613225301, 09613225302 E-mail: akkhanmoor@bcbl.com.bd
54	Ahmedpur	Nahar Plaza (2nd Floor), Baraigram, Ahmedpur, Nator	Phone: 09613225501, 09613225502 E-mail: ahmedpur@bcbl.com.bd
55	Panchdona	Haji Shamsul Haque Plaza(1st Floor), Meherpara, Panchdona, Narsingdi	Phone: 09613225601, 09613225602 E-mail: panchdona@bcbl.com.bd
56	Banani	Antorip (1st Floor), House#2, Road No:11, Block No:F, Banani, Dhaka	Phone: 09613225701, 09613225702 E-mail: banani@bcbl.com.bd

# BCBL Network District Coverage





# Bangladesh Commerce Bank Limited

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

## PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ being a Shareholder of **Bangladesh Commerce Bank Limited** do hereby appoint  
Mr./Ms. \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to attend and vote for me/us and on my/our behalf at the **20th Annual General Meeting** of the Company to be held on Saturday, **August 11, 2018** at 11:00 a.m. at **Kurmitola Golf Club, Kurmitola, Dhaka Cantonment, Dhaka-1206** and at any adjournment thereof.

As witness my/our hands this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

**(Signature of the proxy)**

Folio No (if any): \_\_\_\_\_

No. of Shares: \_\_\_\_\_

Date: \_\_\_\_\_

Affix  
Revenue  
Stamp of  
Tk. 20.00

**(Signature of the Shareholder)**

Folio No: \_\_\_\_\_

No. of Shares: \_\_\_\_\_

Date: \_\_\_\_\_

**Note:** The proxy form should reach the Registered Office of the Company not less than 72 hours before the time fixed for the meeting.

Signature Verified

Authorized Signatory  
**Bangladesh Commerce Bank Limited**



# Bangladesh Commerce Bank Limited

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

## ATTENDANCE SLIP

I/We hereby record my/our attendance at the 20th **Annual General Meeting** of the Company to be held on Saturday, **August 11, 2018** at 11:00 a.m. at **Kurmitola Golf Club, Kurmitola, Dhaka Cantonment, Dhaka-1206**.

Folio No: \_\_\_\_\_

No. of Shares: \_\_\_\_\_

Name of the Member/proxy: \_\_\_\_\_

**Signature:** \_\_\_\_\_

Date: \_\_\_\_\_

**Note:** Please present this slip at the reception desk. Non Shareholder & Children will not be allowed at the meeting.





Corporate Office : Eunoos Trade Center, Level-22, 52-53, Dilkusha C/A, Dhaka-1000  
Tel: 9559831, 957181, Fax: 88-02-9568218, E-mail: info@bcbl.com.bd  
Website: www.bcbl.com , SEIFT : BCBLBDDH