

Financial Statements-2007



BASIC Bank Limited
(A STATE OWNED SCHEDULED BANK)

9.05 Loans and Advances allowed to customers' group exceeding 10% of Banks total capital fund which is computed of Tk. 29.48 crore of the Bank as at 31 December 2007 (Note 16.1)

	12	11
Number of the clients	Tk. 77,154.00 Lac	Tk. 48,598.00 Lac
Amount of outstanding advances	Tk. 1,528.00 Lac	Tk. 957.12 Lac
Amount of recovery		Tk. 3,265.00 Lac
Amount of classified advances		

Name of the Clients/Group	Outstanding Balance		31.12.2007 Tk. In Lac	31.12.2006 Tk. In Lac
	Funded (In Lac)	Non-funded (In Lac)		
R.M. Steel Mills Ltd.	3,417	225	3,642	3,298
Mithun Tally Group	8,647	2,687	11,334	6,351
RMM Leather Industries Ltd.	2,288	638	2,926	—
United Group	3,313	5,257	8,570	—
Doel Group	—	—	—	3,265
Max Sweetener BD Ltd	3,975	1,599	5,574	4,057
Meghna (Fresh) Group	4,068	2,725	6,793	2,699
A. H. Jute Spinning and Belting Ltd.	—	—	—	3,104
National Tubes Ltd	1,452	2,779	4,231	—
Madina Poultry Food	2,047	1,580	3,627	—
Fabian Group	—	—	—	2,857
Desktop Computers Connection Ltd.	2,549	868	3,417	—
Rising Spinning Mills Ltd.	3,080	—	3,080	—
Usha Paragon Group	—	—	—	2,466
Sanji-Well Group	5,845	5,878	11,723	8,245
Ananda Shipyard Group	4,208	8,029	12,237	9,450
M. Hossain Cotton Spinning Mills Ltd.	—	—	—	2,806
Total	44,889	32,265	77,154	48,598

9.06 Geographical location-wise Loans & Advances

	(Tk. in lac)	(Tk. in lac)
Inside Bangladesh		
Dhaka Division	154,251	128,172
Chittagong Division	36,307	31,417
Khulna Division	10,644	10,614
Rajshahi Division	16,562	13,619
Sylhet Division	4,315	5,735
Barisal Division	555	442
	222,633	190,000
Outside Bangladesh		
	222,633	190,000

9.07 Sector wise distribution of Loans & Advances (Industrial term and working capital loans)

	2007 (Tk. In Lac)	2006 (Tk. In Lac)
Industrial sector		
1. Food and Allied Ind.	17,345	16,810
2. Textile	26,616	44,324
3. ERGM	13,434	—
4. Accessories	8,330	—
5. Jute Prod. and Allied Ind.	16,293	11,913
6. Forest Prod. and Allied Ind.	782	115
7. Paper, Board, Printing, Pub. and Packaging	6,984	4,400
8. Tannery Leather and Rubber Prod.	4,662	1,912
9. Chem. Pharm. and Allied Ind.	7,425	12,453
10. Glass, Cmc., and Other non Metal. Pr.	939	686
11. Engineering	16,992	16,649
12. Electrical and Electronics Ind.	1,675	1,221
13. Service Ind.	14,542	8,243
14. Misc. Industries	481	3,382
15. Ind. Not Elsewhere Classified	2,512	326
	139,014	122,436

9.08 Distribution of Loan and Advances according to BCD Circular by Bangladesh Bank:

	2007	2006
Unclassified loan:		
Standard	21,231,194,740	17,954,336,526
SMA	308,921,054	342,398,238
Sub-total:	21,540,115,794	18,296,734,764
Classified loan:		
Sub-standard	25,738,415	27,157,497
Doubtful	88,173,184	33,957,068
Bad and loss	609,322,215	642,155,358
Sub-total:	723,233,815	703,269,923
Grand Total	22,263,349,609	19,000,004,687

9.09 Particulars of required provision for Loans and Advances

Status	Basic provision	Rate (%)	2007	2006
Unclassified-General provision				
Agro based and Micro Credit	686,278,913	5%	34,313,946	18,558,460
SMA	296,323,735	5%	14,816,187	16,155,694
Others (excluding staff loan)	20,213,028,282	1 and 2%	251,520,088	215,812,129
			300,650,220	250,526,282
Off-balance sheet items	8,744,898,170	0.5%	43,700,000	—
			344,350,220	250,526,282
Classified-specific provision				
Sub-standard	8,719,628	20%	1,743,926	831,556
Doubtful	45,337,622	50%	22,668,811	9,234,701
Bad/Loss	412,130,444	100%	412,130,444	308,151,884
			436,543,180	318,218,141
Required Provision for loans and advances			780,893,400	568,744,423
Total Provision maintained (Note 15.01 and 15.02)			780,893,400	573,744,423
Excess/(Short) provision of 31 December			—	5,000,000

9.10 Particulars of Loans and Advances

	2007 Taka	2006 Taka
i. Debts considered good in respect of which the banking company is fully secured.	19,993,174,682	15,744,131,685
ii. Debts considered good for which the banking company holds no other security other than debtor's personal security.	1,662,428,170	873,115,216
iii. Debts considered good and secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors.	607,746,756	2,382,757,787
iv. Debts considered doubtful or bad not provided for.	22,263,349,609	19,000,004,688
v. Debts due by Directors and officers of the Banking company or any of them either severally or jointly with any other persons.	331,887,545	247,820,699
vi. Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies, as members.	—	—
vii. Maximum total amount of advances including temporary advances made at any time during the year to the directors or managers or officers of the banking company or any of them either severally or jointly with any other person.	352,229,434	247,820,699
viii. Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private company.	—	—
ix. Due from banking companies.	—	—

x. Amount of classified debts on which interest has not been credited to income*	723,233,815	703,269,923
a) i. (Decrease)/Increase in Provision	133,897,451	(100,045,850)
ii. Amount realized against loan previously written-off	5,626,068	4,439,711
b) Amount of provision kept against loan classified as bad/loss	436,543,180	308,151,884
xi. Cumulative amount of classified Loans written off	283,385,108	283,348,054
xii. Classified loans Written off for Current Year	37,054	522,054

9.11. Listing of assets pledge as security/collaterals
Nature of the secured assets

Fixed Assets	22,235,035,564	18,614,523,545
Cash and quasi-cash	2,347,943,606	2,034,340,840
Others	4,579,122,340	3,970,305,741
	29,162,101,510	24,619,170,126

10. Bills Discounted & Purchased

	2007 Taka	2006 Taka
Inside Bangladesh	1,870,155,448	299,516,989
Outside Bangladesh	345,273,323	1,624,888,914
Total	2,215,428,771	1,924,405,903

10.1 Maturity wise distribution of bills discounted and purchased

Not more than 01 month	267,376,656	217,126,790
Above 01 month but not more than 03 months	1,277,743,738	1,095,451,550
Above 03 months but not more than 06 months	670,308,377	608,465,592
Above 06 months	—	3,361,971
Total	2,215,428,771	1,924,405,903

11.00 Fixed Assets Including premises, furniture and fixtures

Furniture and fixtures	90,313,949	81,973,175
Equipment and Computer	225,485,725	149,675,341
Vehicles	75,140,296	74,882,016
Leased Assets	4,000,000	4,000,000
Total Cost	394,939,970	310,530,532
Less: Accumulated depreciation	198,832,810	156,005,925
Net book value at end of the year	196,107,160	154,524,607

*A schedule of fixed assets is shown in Annexure- "C"

12.00 Other Assets

Investment in Subsidiary Companies	15,981,647	15,374,899
Stationery, stamps etc.	18,265,106	13,746,183
Advance rent	149,115,363	89,426,219
Income receivable (Note-12.02)	335,827,685	161,417,652
Advance income tax	4,619,989	8,446,422
Security deposits (Note-12.01)	1,751,130	9,663,147
Suspense account (Note-12.03)	8,124	34,124
Other prepayments	27,846,502	174,528,349
Branch adjustment account	22,437,726	19,449,058
Sundry debtors (Note-12.04)	3,291,548	6,662,411
Subs fees of Dun Bread street	—	—
Total	579,144,820	498,748,464

12.1 Security deposits, rent and other prepayments made to statutory authorities, other institutions and individuals are considered good.

12.2 Income receivable consists of interest income receivable from various investments have been verified and considered good.

12.3 Suspense account consists of DD paid without advice, clearing, petty cash etc.

	2007 Taka	2006 Taka
12.4 Sundry debtors		
Protested bill, Main branch	6,535,881	6,535,881
Protested bill, Khattungonj branch	244,800	244,800
Protested bill, Khulna branch	416,367	416,367
BCCI-Bombay	584,884	584,884
BCCI-London	326	326
Protested bill, SWIFT charges	6,390,039	—
	14,172,297	7,782,258
Others	8,265,429	11,666,801
Total	22,437,726	19,449,058

*Full provision for the protested bill of BCCI and SWIFT charges has been made in the account and Others included encashment of Sanchaypatras amount which will be adjusted after receiving Bangladesh Bank advice.

13.00 Borrowing from other bank companies and agents

In Bangladesh	846,160,971	585,723,266
Outside Bangladesh	539,649,754	244,342,717
Total	1,385,810,725	830,065,983

Borrowing from other bank companies and agents

Long term loan from Bangladesh Bank	237,383,575	300,756,860
Loan from Bangladesh Bank under ESP scheme	94,800	189,630
Small and Cottage Industries Project loan under ADB loan No. - 1070 - BAN(SF)	5,348,862	16,418,425
Loan for Micro Credit and Small Scale Industries (KMW, Germany)	208,735,121	227,924,292
Loan for JDPCC-Ecompx - Sky Land Farm	—	6,389,000
Loan from Bangladesh Bank under EDF	—	19,705,180
Government Placement for Agro based Industries	608,682,596	258,682,596
Agro business Development Project of ADB	325,565,771	—
	1,385,810,725	830,065,983

Secured and unsecured borrowing from other banks

Secured	—	—
Unsecured	1,385,810,725	830,065,983
Total	1,385,810,725	830,065,983

14.00 Deposit and other accounts

	2007 Taka	2006 Taka
A. Deposit from Banks		
Payable on demand	6,534,000	—
Less than 01 month	—	30,162,953
Above 01 month but not more than 6 months	—	—
Above 06 months but not more than 1 year	—	—
Above 01 year but not more than 05 years	—	—
Above 05 years but not more than 10 years	—	—
Above 10 years	—	—
B. Other Deposits		
Payable on demand	415,181,410	2,181,385,091
Less than 01 month	5,812,466,492	2,527,854,970
Above 01 month but not more than 6 months	12,561,102,308	2,869,596,859
Above 06 months but not more than 01 year	7,466,592,005	8,195,892,271
Above 01 year but not more than 05 years	5,686,102,886	8,254,996,833
Above 05 years but not more than 10 years	—	24,770,414
Above 10 years	—	—
Total	31,947,979,101	24,084,659,391

15.00 Other Liabilities

Interest payable on borrowing	105,307,625	95,331,978
Interest payable on term deposits	997,384,571	697,133,918
Privileged creditors	21,931,651	17,960,382
Benevolent fund	5,505,572	5,487,510
Gratuity fund	84,303,645	59,554,508
Bonus payable	62,148,214	50,926,541
Sundry creditors	57,000,535	27,217,643
Telephone and telex charges payable	795,677	1,306,051
Expenses payable	1,006,557	1,550,237

Provision for taxes (Note-35)	601,416,654	523,040,696
Miscellaneous creditors	35,827	35,077
Provision for loans and advances (Note- 15.1 and 15.2)	780,893,401	573,744,423
Provision for sundry debtors	14,172,297	7,782,258
Provision for investment	331,890	331,890
Suspense interest (Note-15.3)	93,891,617	101,347,496
Excess Cash	5,000	30,000
Provision for Superannuation Fund	3,500,000	3,500,000
Provision for Welfare Fund	5,053,367	2,000,000
Electricity	1,243,189	963,826
Clearing	680,047	—
Exchange equalization fund	6,925,385	—
Unearned interest on G.T. bill	—	88,267,504
Staff training	—	1,358,000
Printing stationery	—	4,500,000
Fax	—	2,000
Total	2,843,532,719	2,263,371,938

	2007 Taka	2006 Taka
15.01 Provision for classified loan		
Opening balance	323,218,141	274,846,946
Fully provided debt written off/interest waived (-)(15.1.1)	(69,426,562)	(482,955)
Recovery from earlier written off loan (+)	—	—
Special provision for current year (+)	—	—
Provision not required (-)	—	—
Charge against current year's profit (+)	182,751,601	48,854,150
Closing balance	436,543,180	323,218,141

15.1.1 Loan written off	27,562	482,955
Interest waived	69,399,000	—
	69,426,562	482,955

15.02 Provision for unclassified loan

(a) Provision for unclassified loan		
Opening balance	250,526,282	218,986,822
Provision not required (-)	—	—
Charge against current year's profit (+)	50,123,939	31,539,460
Closing balance	300,650,221	250,526,282

(b) **Provision for off balance sheet items**

Opening balance	—	—
Provision not required (-)	—	—
Charge against current year's profit (+)	43,700,000	—
Closing balance	43,700,000	—
Total closing balance for unclassified loan(a+b)	344,350,221	250,526,282