Loon	and advances to small and medium enterprise	2008 Taka	2007 Taka
	s and advances to small and medium enterprise Business installment loan	9,226,685,481	7,419,194,986
	oans against property rade loans to medium enterprises	299,635,191 1,168,573,474	804,514,164
	levolving loans erm Loans	244,666,670 79,964,922	319,234,343 57,100,685
	Overdrafts Other loans	530,416,941	585,319,495 170,846,156 9,356,209,829
	orate loans and advances		
	griculture, hunting, forestry and fishing lanufacturing	2,247,216,111 19,684,017,331	876,883,087 18,443,329,813
	lectricity, gas and water onstruction	639,121,803 28,588,466	521,896,701 28,588,466
	eal estate ommerce	3,347,060,870	86,666,667 2,601,095,435
	ansport and communications ommunity, social and personal services	3,277,198,683 3,557,642,899	4,892,772,916 3,409,776,944
	nancing, insurance and business service anks	353,369,470 156,335,155 33,290,550,788	373,528,309 248,206,814 31,482,745,153
0000000	contribut to action using larger and advances	67,368,098,567	57,633,308,749
(includ	raphical location wise loans and advances ing bills discounted and purchased)	53,834,510,713	46,624,204,302
Ohaka Chitta Narayo		11,502,958,137	9,440,349,644 553,979,336
Khulna		284,906,609 707,464,120	172,630,725 598,180,853
Bogra		342,383,145 67,368,098,567	243,963,889 57,633,308,749
	sified, classified, doubtful and bad loans and adv	THE RESIDENCE OF THE PERSON NAMED IN COLUMN 1	
Unclas		65,528,073,567 451,264,000	56,214,765,539 498,056,383
Substa		149,659,000 82,409,000	83,508,980 98,775,028
Doubtfi Bad/los		1,156,693,000	738,202,819
.5 Particu	ars of loans and advances	67,300,030,007	07,000,000,740
i) Lo	ans considered good in respect of which the	12 000 000 000	0.100.001.001
ii) Lo	nk is fully secured ans considered good for which the Bank holds no		9,160,381,854
oti	er security than the debtor's personal security ans considered good and secured by the personal	41,205,214,059	36,071,464,119
un	dertaking of one or more parties in addition to the sonal guarantee of the debtors	11,534,834,551	11,232,769,135
iv) Lo	ins adversely classified; provision not maintained	- 1,504,001	-
v) Lo	ns taken by directors or executives or any of		
	m taken jointly or separately with other persons		
oft	hem either severally or jointly with any other		
wh	ch the directors, partners or managing agent or		
	ne case of private companies are members simum total amount of advances, including		
	od to directors or managers or officers of		
	bank or any of them either severally or jointly any other persons		
	imum total amount of advances, including porary advance granted during the period to		
the	companies or firms in which the directors of bank are interested as directors, partners or		
mar	aging agents or, in case of private companies,		
	from other banking companies	156,335,155	248,206,814
	sified loans for which interest/profit not credited ncome:		
a)	Increase/decrease of provision (specific) Amount of written off debt	8,945,781	72,813,368 7,501,697
	Amount of recovery against the debt which was previously written off	46,601,830	32,339,182
b)	Amount of provision kept against the amount classified as bad/loss as at the Balance Sheet date	1,142,895,759	980,251,046
c)	Amount of interest charged in suspense account	219,544,696	232,272,949
(xi) Writ	ten-off loans : Cumulative amount of written off loans for the		
b)	Amount of debt written off for the current year	1,098,098,358	1,127,216,491
c)	Amount of written off debt against which	17,483,697	21,464,303
Listing o	case has been filed for its recovery assets pledged as security / collaterals		
Nature or	the secured assets :		
	and quasi -cash	-	-
	ounted and purchased		
Pay	le and outside Bangladesh:	1,580,779,079	1,133,606,222
Pay	ble outside Bangladesh	458,583,181 2,039,362,260	246,224,450 1,379,830,672
Less	sification on residual maturity basis: than 1 month	864,103,192	733,328,216
Mon	than 1 month but less than 3 months than 3 months but less than 6 months	354,133,449 387,638,422	325,190,376 62,528,013
Mor	than 6 months 1 year	404,294,696 29,192,501	258,784,067
Fixed on	oto includina assertas 6 15 -	2,039,362,260	1,379,830,672
Freehold	sets including premises, furniture and fixtures premises	170,665,000	170,665,000
	and office equipments	843,881,152 635,290,255	828,249,754 542,983,239
	and fittings of leased equipments	189,378,677 541,623,194	188,626,177 431,211,781
Less: Acc	umulated depreciation	2,380,838,278 998,902,514	2,161,735,951 705,399,751
Please re	er to Annexure - A for detailed analysis.	1,381,935,764	1,456,336,200
Other as			
Interest re	and stamps in hand ceivable - loans and advances	1,244,167	1,313,851
Interest re	deposits with banks) ceivable - investments	528,317,153 154,517,808	497,888,061 205,894,647
Security (179,403,012 3,922,323	174,596,511 2,083,163
Advance Prepaid e	xpenses	1,217,526,135	1,265,907,285 13,105,213
Items in o	pany/inter branch balances (Note 13.2) ourse of collection-cheques in till	2,661,105,430 2,197,437,461	3,609,247,346 3,204,644,211
Suspense Sundry de	ebtors	63,003,503 541,197,783	90,604,707 261,447,648
Guarante	ch balances in Bangladesh claim awaiting reimbursement	1,972,409 188,235,336	349,239,328 159,001,521
Unrealize	vaiting completion (branch renovation) d gain/loss on forward contract	15,962,996 12,161,912	57,394,468
	der recharge receivable	51,709,143 1,003,917	23,784,749
	e from American Express Bank Ltd., New York nt due to use of BB conversion rate	908,118 2,819	908,118 3,623
		7,831,130,756	9,917,064,450

	2008	2007
13.1 Other assets which are not capable of earning income (non interest bearing other assets)	Taka	Taka
Stationery and stamps in hand	1,244,167	1,313,851
Accrued commission receivable Security deposit	179,403,012 3,922,323	174,596,511 2,083,163
Advance rent	1,217,526,135 11,499,331	
Prepaid expenses Inter company/inter branch balances except		
SCB London and SCB New York Sundry debtors	100,282,476 541,197,783	18,707,031 261,447,648
Intra branch balances in Bangladesh Items in course of collection-cheques in till	1,972,409 2,197,437,461	349,239,328 3,204,644,211
Suspense account	63,003,503 188,235,336	90,604,707 159,001,521
Guarantee claim awaiting reimbursement Project awaiting completion (branch renovation)	15,962,996	57,394,468
Unrealized gain/(loss) on forward contract Deferred tax asset	12,161,912 51,709,143	
Cross border recharge receivable Receivable from American Express Bank Ltd., New York	1,003,917 908,118	23,784,749 908,118
Adjustment due to use of BB conversion rate	2,819 4,587,472,841	3,623 5,622,741,427
12.0 Inter company/inter branch halances	4,587,472,641	5,022,141,421
13.2 Inter company/inter branch balances SCB Mumbai - ACU	65,749,884	
SCB Colombo - ACU SCB New York - USD	19,067,952 2,077,512,412	4,166,619 1,116,889,272
SCB Hong Kong - HKD	77,490 11,348,910	408,926 11,560,691
SCB Karachi - ACU SCB London-EUR	144,481,506	19,613,429
SCB London-GBP SCB Tokyo-JPY	338,829,036 730,400	396,637,614
SCB Singapore - SGD SCB Nepal - USD	229,429 3,078,411	2,570,795
SCB London - USD	-	2,057,400,000
	2,661,105,430	3,609,247,346
14. Borrowings from other banks and financial institutions and agents		
Agrani Bank Ltd.		200,000,000
Commercial Bank of Ceylon Ltd. Janata Bank Ltd		600,000,000
Rupali Bank Ltd. Woori Bank		700,000,000
The Premier Bank Ltd. The Hongkong and Shanghai Banking Corporation Ltd. (HSB		50,000,000
The Hongkong and Shanghar Banking Corporation Etc. (1135	-	2,280,000,000
14.1 Classified under following categories		
Inside Bangladesh Outside Bangladesh		2,280,000,000
		2,280,000,000
14.2 Classified under secured/unsecured Secured		
Unsecured		2,280,000,000
44.2 Dealdred maturity wise algorification	Marketonical	2,280,000,000
14.3 Residual maturity-wise classification Payable on demand		2,280,000,000
Payable within 1 month Payable within 1 to 3 months		
Payable within 3 to 12 months		
Payable within 1 to 5 years Payable over 5 years		
45. Danish and all and a land		2,280,000,000
15. Deposits and other accounts Current and other accounts	16,212,229,619	16,547,428,866
Bills payable	1,569,675,987	1,546,229,610
Savings deposits . Term deposits	20,194,097,644 24,607,037,883	19,713,444,993 16,654,629,700
Short term deposit Other deposits (payable on demand)	18,816,156,593 1,365,645,514	17,266,896,195 1,612,581,503
	82,764,843,240	73,341,210,867
15.1 Residual maturity grouping of deposits and other accounts (other than bank deposit)		
Payable on demand	41,729,664,212	40,425,714,077
Payable within 1 month Payable within more than 1 month but less than 6 months	3,127,947,093 6,105,059,812	5,791,134,987 12,931,172,747
Payable within more than 6 months but less than 1 year	16,322,650,713	6,337,144,082
Payable within more than 1 year but within 5 years Payable within more than 5 years but within 10 years	14,291,319,483 974,898,935	7,617,156,798
	82,551,540,248	73,102,322,691
16. Other liabilities Obligation under finance lease	399,941,465	340,335,068
Inter company/inter branch balances (Note 16.1) Provision for income tax	327,317,547	113,053,083
Provision for loans and advances and off balance sheet	2,254,440,742	1,494,919,299
exposures (Note 16.2) Interest suspense account (Note 16.3)	2,818,066,760 552,066,725	2,236,496,046 445,602,716
Other provisions Accrued expenditure	226,020,364 214,269,790	159,861,597 136,268,816
Interest payable	902,449,873	547,732,458
Suspense account Sundry creditors	676,179,259 62,797,646	10,733,563 52,769,432
Provision for performance bonus Deferred tax liability	323,069,470	294,264,477 11,001,966
Withholding tax and VAT payable	914,376,106	557,189,043
Fund received from Bangladesh Bank for EDF - USD Guarantee claim awaiting reimbursement	56,725,077 159,001,521	30,491,200 159,001,521
Unrealised gain/(loss) on forward contract Gratuity provision	423,950,518	655,112 332,374,064
Others	90,029,523	13,975,717
16.1 Inter company/ inter branch balances	10,400,702,386	6,936,725,178
SCB Mumbai - ACU	1,508,788	22,454,427
SCB Colombo - ACU SCB London - BDT	17,976,513 20,754,944	5,850,943 38,398,381
SCB New York - BDT SCB Singapore - BDT	4,300,263 685,556	15,830,241 86,754
SCB Singapore - SGD	-	301,859
SCB Kuala Lumpur - BDT SCB Dubai - BDT	16,903,446 138,221	153,782 2,089,079
SCB Pakistan - USD SCB Hong Kong - HKD	265,049,816	26,799,380
SCB Tokyo - JPY	227.217.517	1,088,237
16.2 Provision for loans and advances and	327,317,547	113,053,083
off balance sheet exposures		
General provision against unclassified loans: Opening balance	1,256,245,000	942,743,000
Add: Provision charged/(released) during the year Add: Provision on off-balance sheet exposures	260,650,765	167,853,609
charged/(released) during the year	158,275,235	145,648,391
Specific provision against classified loans and advances:	1,675,171,000	1,256,245,000
Opening balance Add: Provision made during the year	980,251,046	907,437,678
Less: Recovery against fully provided loans Net charge in profit and loss account	(285,395,369)	(371,273,147)
	154,141,919 1,134,392,965	<u>48,075,399</u> <u>955,513,077</u>
Less: Fully provided loan written off	(8,945,781)	(7,501,697)
Add: Recovery of loans previously written-off	1,125,447,184	948,011,380
Less: Transfer to other provisions Translation increase/(decrease) of Global	(29,233,815)	-
Trust Bank of India	80,561	(99,516)
	17,448,576	32,239,666 980,251,046
16.3 Interest in suspense account	2,818,066,760	2,236,496,046
Opening balance	445,602,716	325,776,650
Addition during the year Amount of recovery during the year	219,544,696 (104,542,772)	· 232,272,949 (98,484,277)
Written off during the year	(8,537,915)	(13,962,606)
	552,066,725	445,602,716

17.	Other reserves	2008 Taka	2007 Taka
		Taka	
	Exchange equalisation account	23,853,004	23,853,00
	Exchange equalisation reserve from AMEX General reserve	24,739,020 735,905	24,739,02 735,90
	Actuarial gain	2,806,650	2,806,65
	MTM gain / (loss) for HTM securities	39,589,845	155,842,18
	Revaluation reserve account	53,734,238	
	Equity reserve - amortised discount on HTM securities	212,295,742	207,976,76
18	Appropriation of net income		
10.	Movement in Profit and Loss account balance has been		
	detailed in Statement of Changes in Equity.		
19.	Interest income		
	Secured cash credits	18,263,477	53,294,35
1	Personal Credit	3,181,795,949	2,100,344,94
	Loans against property Term loans	12,533,104 1,002,163,172	838,681,43
	Revolving loans	1,512,744,585	982,130,71
	Loans against trust receipts	1,024,355,447	979,794,89
	Auto loan House building loan	417,200,285 413,025,597	301,583,50 135,698,91
	Credit cards	589,027,743	538,075,28
	Overdraft	721,600,555	516,966,50
	Staff loans	31,711,313	24,993,82
	Islamic auto finance Islamic personal finance	84,214,860 45,052,176	44,999,31 46,081,38
	Islamic credit card	6,778,749	40,001,00
	Bills discounted and purchased	172,738,604	384,174,04
	Interest received from arbitrage Money market loan	83,283,158	74,450,65
	Money market loan Bank placement	100,146,653 37,954,512	113,933,02 100,812,90
	Nostro account balances	28,933,781	46,485,61
	Bangladesh Bank - FCY	127,811,294	244,867,80
	Reverse repo	31,920,072	26,949,60
	Interest income claims - Miscellaneous	9,643,689,912	7,555,249,42
0	Interest expense on deposits and borrowings	3,0,0,000,012	1,000,240,42
	Fixed deposit	1,453,584,489	999 264 66
	Call deposit	837,698,923	889,264,69 677,098,35
	Savings account	438,823,043	368,193,45
	Current account	21,484,810	32,223,08
	Money market deposit Repo	9,353,083	33,778,06
	Nostro account balances	2,454,670 107,142	24,008,42 183,66
	Interest paid on arbitrage	111,861,874	84,120,96
	Monthly savings scheme	183,530,426	161,482,36
	Deposit insurance premium	40,497,575	35,482,30
		3,099,396,035	2,305,835,36
	Income from Investment	251 002 022	545 000 00
	Interest from Treasury bills and T&T bonds Interest from Government bonds and other securities	351,093,833 666,798,022	515,800,98 822,105,14
	Dividend from CDBL Shares	1,800,000	022,100,11
		1,019,691,855	1,337,906,13
2.	Commission, exchange and brokerage		
	Commission	1,695,841,322	1,420,757,06
	Exchange	1,569,422,609	1,326,899,80
		3,265,263,931	2,747,656,87
	Other operating income		
	Gain on sale of merchant acquiring business Gain on sale of fixed assets	2 200 040	62,950,35
	Gain/(loss) arising from marking to market (MTM)-T Bills	3,826,648	36,673,81 618,90
	Gain/(loss) arising from marking to market (MTM)-Govt. B	onds -	(15,284,85
		3,826,648	84,958,22
1.	Repair, maintenance and depreciation		
1	Repair and maintenance	176,443,849	174,477,38
	Depreciation (Annexure - A)	328,144,490	227,463,16
		504,588,339	401,940,55
5. (Other expenses		
	Travelling and transportation	115,267,933	120,675,24
	Support services	139,214,724	130,358,29
	Subscription Entertainment A A A A A A A A A	5,016,941	4,990,83 8,821,43
	Clearing expenses	864,500	2,621,50
4	Security services	42,609,331	52,211,97
	Direct sales agent	139,573,230	109,668,96
	nterest on leases Non lending losses	60,724,399 15,109,215	40,328,19 6,935,28
	Royalty expenses	78,588,125	0,900,28
	Sundry expenses	208,081,160	118,247,61
		835,520,415	594,859,35
6. (Cash and cash equivalent		
	Cash in hand (including foreign currencies)	1,306,116,666	1,412,095,01
	Balance with Bangladesh Bank	10,099,270,810	9,072,217,49
t	Balance with other banks and financial institutions	814,356,948	1,250,243,48
	Contingencies	12,219,744,424	11,734,555,98
	Contingencies		
	There are no material contingent liabilities at the year end	other than the	dipologed -

27.1 Claim against the bank not acknowledged as loan for which the bank is contingently liable in respect of guarantee issued favouring:

Directors

Directors		
Government	10,398,655,186	
Bank and financial institution	165,235,749	9,933,557,418
Others	3,598,879,936	3,390,922,512
	14,162,770,871	13,324,479,930

28. Uncertainity over tax provision

The Bank claims full amount of Head Office Allocated Expenses as deductible expense for tax purposes in line with provisions of the Double Taxation Avoidance Treaty with the United Kingdom. The claim has been disallowed by the National Board of Revenue (NBR). The matter is now pending with the High Court division of the Supreme Court of Bangladesh. Management believe they have legitimate grounds to get full allowance for such expenses. The Bank's legal counsel is of the same opinion. Hence no provision has been made for the same.

29. General

29.1 Reconciliation of books of accounts

There were no unidentified balances in the inter-branch accounts (inside and outside Bangladesh) as at 31 December 2008. Of these the total number of unadjusted entries were 1,585 amounting to a total of USD 35,111,052. Transactions upto 28 June 2008 were completely adjusted.

29.2 Related party transactions

The related parties of the Bank include Standard Chartered Bank (SCB) Plc, other SCB group entities, key management personnel of SCB Plc and the Bank as well as their close family members and its post-employment benefit plans.

The Bank, not being incorporated in Bangladesh, operates in Bangladesh under the banking license issued by Bangladesh Bank and therefore the key management personnel of the bank for the purpose of BAS 24 are defined as those persons having authority and responsibility for planning, directing, controlling the bank, being members of the Manangement Committee (Mancom) of the bank, Mancom members and close members of their families and companies they control, or significantly influence, or for which signifincant voting power is held.

29.2.1 Transactions with group entities

The bank provides and receives certain banking and financial services to/from entities within the Group. As at the year end the balances with these entities is disclosed in Note 13.2 - Inter company/inter branch balances and Note - 16.1 - Inter company/inter branch balances.

The disclosure of the year end balance is considered to be the most meaningful information to represent transactions during the year. The outstanding balances include deposits kept with or by the bank and arose in the ordinary course of business and are on substantially the same terms as for comparable transactions with third parties.

29.2.2 Transactions with key management personnel of the Bank and its parent (SCB Plc)

During 2008 there were no transactions between the bank and key management personnel of SCB Plc (2007: BDT nil).

Loans to senior management of the bank amounted to Tk. 620,008,745 as at 31 December 2008 (2007: Tk. 449,643,411) as stated in Note 10.3 (b) and were at rates applicable to employees of the Bank.

