



# FINANCIAL STATEMENTS 2019



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E) Minimum total capital plus capital conservation buffer requirement @ 12.50% (2018 @ 11.875%)	30,262,103,759	28,094,935,332
F) Capital surplus (A-E) with capital conservation buffer	12,193,987,340	6,835,205,197
Capital to risk weighted asset ratio		
Common Equity Tier-1 to RWA (minimum 4.5% under Basel III)	9.28%	8.88%
Tier-1 to RWA (minimum 6% under Basel III)	9.28%	8.88%
Capital to Risk Weighted Assets against minimum requirement 10%	17.54%	14.76%

#### 14.5 Percentage of shareholdings at the closing date

Category	At 31 December 2019 No. of shares	At 31 December 2019 %	At 31 December 2018 No. of shares	At 31 December 2018 %
Sponsors & Directors	596,898,621	51.20	580,171,212	52.25
General public	169,727,589	14.56	168,707,497	15.19
Institutions	259,623,630	22.27	255,227,403	22.99
Investment companies	133,181,344	11.42	95,345,747	8.59
Non-resident Bangladeshi	2,129,985	0.18	6,690,904	0.60
Foreign investors	4,345,691	0.37	4,244,723	0.38
	1,165,906,860	100	1,110,387,486	100

#### 14.6 Classification of shareholders by holding

Holding	No. of holders	% of total holding		
	2019	2018		
Less than 5,000	6,836	7,767	0.68	0.83
5,000 to 50,000	1,769	2,150	2.10	2.65
50,001 to 100,000	118	149	0.71	0.95
100,001 to 200,000	49	77	0.58	0.95
200,001 to 300,000	27	41	0.58	0.93
300,001 to 400,000	12	9	0.35	0.27
400,001 to 500,000	12	14	0.47	0.59
500,001 to 1,000,000	37	30	2.34	1.9
1,000,001 to 10,000,000	70	80	22.27	24.6
Over 10,000,000	30	27	69.92	66.33
	8,960	10,344	100.00	100.00

#### 14.7 Name of the Directors and their shareholdings as at 31 December 2019

Sl	Name of the director	Status	Closing position	Opening position
1	Mr. A. Rouf Chowdhury	Chairman	23,350,148	22,238,237
2	Mr. Mohd Salwan Chowdhury (Representing Phulbari Tea Estates Ltd)	Vice Chairman	45,666,246	43,491,664
3	Mr. Romo Rouf Chowdhury	Vice Chairman	23,323,746	22,213,092
4	Mr. Rumea A Hossain	Director	34,416,554	32,177,671
5	Mrs. Hosneara Sinha	Director	53,184,729	50,652,123
6	Ms. Naheed Akhter Sinha	Director	55,842,838	53,183,656
7	Ms. Romana Rouf Chowdhury (Representing Maya Limited)	Director	41,679,196	39,694,473
8	Maj. Gen. Mohammad Matur Rahman (Retd.) (Representing Sinha Fashions Limited)	Director	23,401,435	22,287,081
9	Ms. Farhana Haq	Director	54,907,244	52,211,661
10	Mr. Enam Chowdhury (Representing Amiran Generations Limited)	Director	47,558,630	45,293,934
11	Mr. M. Shahjahan Bhuiyan (Independent Director)	Director	-	-
12	Mr. Md. Nazrul Huda (Independent Director)	Director	-	-
13	Mr. Dilwar H Chowdhury (Independent Director)	Director	-	-
14	Mr. Ashraf Haq Chowdhury (Independent Director)	Director	-	-

#### 15 Statutory reserve

Balance at the beginning of the year	8,268,393,179	7,345,137,782
Add: Addition during the year (20% of pre-tax profit)	784,162,228	923,255,397
Balance at the end of the year	9,052,555,407	8,268,393,179

#### 16 Revaluation reserve

HTM securities (Note 16.1)	20,176,016	16,504,049
HFT securities (Note 16.2)	7,434,933	11,740,204
Fixed Assets revaluation (Note 16.3)	2,038,072,687	2,091,787,951
	2,065,683,636	2,120,032,204

#### 16.1 Revaluation reserve on HTM securities

Balance at 1 January	16,504,049	8,880,978
Gain from revaluation on investments	14,919,561	9,815,237
Adjustment for sale/maturity of securities	(11,247,594)	(2,192,166)
	20,176,016	16,504,049

#### 16.2 Revaluation reserve on HFT securities

Balance at 1 January	11,740,204	-
Gain from revaluation on investments	492,331,474	934,571,047
Adjustment for sale/maturity of securities	(496,636,745)	(922,830,843)
	7,434,933	11,740,204

#### 16.3 Revaluation reserve on Fixed Assets

Balance at 1 January	2,091,787,951	2,145,503,215
Depreciation charged during the year	(53,715,264)	(53,715,264)
	2,038,072,687	2,091,787,951

#### 16(a) Consolidated Revaluation reserve

Bank Asia Limited	2,065,683,636	2,120,032,204
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	2,065,683,636	2,120,032,204

#### 17 Retained earnings

Balance at 1 January	1,839,667,438	1,676,694,455
Add: Post-tax profit for the year	1,960,811,140	2,266,276,987
Revaluation reserve transferred to retained earnings	53,715,264	53,715,264
	3,854,193,842	3,996,686,706
Less: Issue of bonus shares for the year 2017	-	1,233,763,870
Issue of cash dividend for the year 2018	555,193,743	-
Issue of bonus shares for the year 2018	555,193,740	-
Transferred to statutory reserve	784,162,228	923,255,397
	1,894,549,711	2,157,019,267
	1,959,644,131	1,839,667,438

#### 17(a) Consolidated Retained earnings

Balance at 1 January	1,686,898,121	1,554,316,722
Add: Foreign exchange revaluation reserve for opening retained earnings	(3,618,945)	2,494,969
Revaluation reserve transferred to retained earnings	53,715,264	53,715,264
Post-tax profit for the year	1,957,811,647	2,233,390,509
Adjustment of non-controlling interest	1,693	-
Non-controlling interest	90	76
	3,694,807,690	3,843,917,389
Less: Issue of bonus shares for the year 2017	-	1,233,763,870
Issue of cash dividend for the year 2018	555,193,743	-
Issue of bonus shares for the year 2018	555,193,740	-
Transferred to statutory reserve	784,162,228	923,255,397
	1,894,549,711	2,157,019,267
	1,800,257,979	1,686,898,121

#### 17(b) Non-controlling (Minority) interest

Bank Asia Securities Limited	10,196	11,799
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	10,196	11,799

#### 18 Contingent liabilities

Conventional and Islamic banking	120,585,944,792	137,418,638,484
Off-shore banking unit	31,332,169	40,618,003
	120,617,276,961	137,459,256,487
Acceptances and endorsements (Note 18.1)		
Conventional and Islamic banking	39,190,434,015	48,556,114,935
Off-shore banking unit	2,055,858	13,276,658
	39,192,489,873	48,569,391,593
Letters of guarantee		
Conventional and Islamic banking (Note 18.2)	36,999,351,447	41,312,967,803
Off-shore banking unit	-	-
	36,999,351,447	41,312,967,803
Irrevocable letters of credit		
Conventional and Islamic banking (Note 18.3)	26,439,543,168	30,300,346,429
Off-shore banking unit	29,276,311	27,341,345
	26,468,819,479	30,327,687,774
Bills for collection		
Conventional and Islamic banking (Note 18.4)	15,916,199,719	16,015,469,958
Off-shore banking unit	-	-
	15,916,199,719	16,015,469,958
Other commitments		
Conventional and Islamic banking (Note 18.5)	2,040,416,443	1,233,739,359
Off-shore banking unit	-	-
	2,040,416,443	1,233,739,359
	120,617,276,961	137,459,256,487

#### 18.1 Acceptances and endorsements

Conventional and Islamic banking	39,190,434,015	48,556,114,935
Off-shore banking unit	2,055,858	13,276,658
	39,192,489,873	48,569,391,593

#### 18.2 Letters of guarantee

Letters of guarantee (Local)	23,279,766,953	20,747,116,559
Letters of guarantee (Foreign)	13,719,584,494	20,565,851,244
	36,999,351,447	41,312,967,803

Balance for which the Bank is contingently liable in respect of guarantees issued favouring: Directors or officers

Government	27,928,576,899	29,036,809,306
Banks and other financial institutions	925,708,758	1,489,804,673
Others	8,145,065,790	10,786,353,825
	36,999,351,447	41,312,967,803

#### 18.3 Irrevocable letters of credit

Letters of credit Back to Back (Inland)	3,394,140,530	2,847,330,194
Letters of credit (General)	19,708,039,248	23,821,302,958
Back to back L/C	3,337,363,390	3,631,713,277
	26,439,543,168	30,300,346,429

#### 18.4 Bills for collection

Local bills for collection	10,467,042,903	9,524,744,721
Foreign bills for collection	5,449,156,816	6,490,725,237
	15,916,199,719	16,015,469,958

#### 18.5 Other commitments

Forward Assets Purchased and Forward Deposits Placed	2,040,416,443	1,233,739,359
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#### 18.6 Workers' profit participation fund (WPPF)

As per Bangladesh Labour Act 2006 and SRO no. 336/Law/2010, all companies falling within the scope of WPPF are required to provide 5% of its profit before charging such expense to their eligible employees within the stipulated time. Bank obtained opinion from its legal advisor regarding this issue which stated that the Bank is not required to make provision for WPPF as it is not within the scope of WPPF. As such the Bank did not make any provision during the year for WPPF.

#### 19 Income statement

##### Income:

Interest, discount and similar income (Note 19.1)	26,103,448,197	23,190,136,141
Dividend income (Note 22.1)	51,407,464	31,854,449
Fees, commission and brokerage (Note 19.2)	1,610,106,976	1,489,282,892
Gains/less Losses arising from dealing securities	-	-
Gains/less Losses arising from investment securities	1,348,918	154,880
Gains/less Losses arising from dealing in foreign currencies (Note 23.1)	1,751,261,150	1,501,411,105
Income from non-banking assets	-	-
Other operating income (Note 24)	1,018,730,455	917,723,225
Profit/less Losses on interest rate changes	30,536,303,160	27,130,562,692

##### Expenses:

Interest paid/profit shared on deposits and borrowings, etc (Note 21)	14,462,380,548	13,007,993,495
Administrative expenses (Note 19.3)	4,102,698,154	3,921,619,606
Other expenses (Note 34)	1,887,668,330	1,734,164,998
Depreciation on banks assets (Note 33.1)	761,091,855	406,406,674
	21,213,838,887	19,070,184,773
	9,322,464,273	8,060,377,919

#### 19.1 Interest, discount and similar income

Interest income/profit on investments (Note 20)	22,863,139,585	20,910,683,339
Interest on treasury bills/reverse repo/bills	3,074,953,797	2,051,028,806
Interest income on corporate bonds	141,812,731	153,014,471
Interest on debentures	-	-
Income from investment in shares, bonds etc	-	-
Capital gain on Government securities and assets	23,542,084	75,409,525
	26,103,448,197	23,190,136,141

Figures of previous year have been rearranged, wherever considered necessary, to conform the current year's presentation.

#### 19.2 Fees, commission and brokerage

Commission	1,610,106,976	1,489,282,892
Brokerage	-	-
	1,610,106,976	1,489,282,892

#### 19.3 Administrative expenses

Salaries and allowances (Note 25)	3,266,449,893	2,882,190,002
Rent, taxes, insurance, electricity, etc (Note 26)	440,093,246	684,528,849
Legal expenses (Note 27)	20,534,559	25,213,849
Postage, stamp, telecommunication, etc (Note 28)	124,471,658	108,489,491
Stationery, printing, advertisement, etc (Note 29)	156,689,993	133,450,519
Managing Director's salary and fees (Note 30)	16,572,420	13,900,000
Directors' fees (Note 31)	3,424,000	3,656,000
Auditors' fees (Note 32)	1,478,225	875,500
Repair of Bank's assets (Note 33.1)	72,984,160	69,315,396
	4,102,698,154	3,921,619,606

#### 20 Interest income/profit on investments

Conventional and Islamic banking (Note 20.1)	21,725,303,785	19,911,597,243
Off-shore banking unit	1,166,103,247	1,081,620,297
	22,891,407,032	20,993,217,540
Less: inter transaction between OBU and domestic banking	28,267,447	82,534,201
	22,863,139,585	20,910,683,339

#### 20.1 Conventional and Islamic banking