

Notes to the Financial Statements

Mutual Trust Bank Limited and its Subsidiaries  
Notes to the Financial Statements  
For the year ended 31 December 2019

	2019	2018
	BDT	BDT
<b>3.00 Consolidated cash</b>		
<b>I. Cash in hand (including foreign currency)</b>		
Mutual Trust Bank Limited (Note 3.0.1)	2,876,617,681	2,512,940,893
MTB Securities Limited	903,255	3,566,055
MTB Capital Limited	20,965	3,316
MTB Exchange (UK) Limited	11,286,083	4,003,803
<b>II. Balance with Bangladesh Bank and its Agent Banks (including foreign currency)</b>	<b>2,886,878,119</b>	<b>2,520,514,712</b>
Mutual Trust Bank Limited (Note 3.0.2)	11,669,624,514	9,780,479,058
MTB Securities Limited	-	-
MTB Capital Limited	-	-
MTB Exchange (UK) Limited	11,669,624,514	9,780,479,058
<b>3.01 Cash</b>	<b>2,878,813,088</b>	<b>2,512,940,893</b>
In hand (including foreign currency) (Note 3.0.1)	11,669,624,514	9,780,479,058
With Bangladesh Bank and its agent bank (including foreign currency) (Note 3.0.2)	14,544,242,195	12,293,419,939

	2019	2018
	BDT	BDT
<b>3.02 Balance with Bangladesh Bank and its agent bank (I)</b>		
Local Currency	10,761,109,121	9,240,704,197
Foreign Currency	604,116,569	200,898,171
With Social Bank (as agent of Bangladesh Bank Local Currency)	604,116,569	200,898,171
<b>3.03 In hand (including foreign currency)</b>	<b>2,876,236,938</b>	<b>2,482,543,141</b>
Local Currency	28,120,741	30,397,740
Foreign Currency	2,848,116,197	2,452,145,401

Bangladesh Bank Adjustment Account represents outstanding transactions/entries originated but yet to be responded at the Balance Sheet date. However, the status of unresponded entries as at 31 December 2019 is given below:

Period of Unresponded	Number of unresponded entry		Unresponded amount	
	Dr	Cr	Dr	Cr
Less than 3 months	17	278	605,538,857	833,475,426
3 months to Less than 6 months	0	0	-	-
6 months to Less than 12 months	0	0	-	-
12 months and more	0	2	-	835,900
<b>Total</b>	<b>17</b>	<b>278</b>	<b>605,538,857</b>	<b>834,306,346</b>

All unadjusted entries are subsequently adjusted on regular basis.

**3.04 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)**

Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with Section 33 of the Bank Companies Act, 1991 (as amended in 2013) and Bangladesh Bank DOS circular no.26 dated 19 August 2019.

As per Bangladesh Bank DOS circular no. 26 dated 19 August, 2019, bank has to maintain CRR 5.00% on daily basis and 5.50% on bi-weekly basis based on weekly Average of Total Demand and Time Liabilities (ATL) of the base month which is two months prior to reporting month. The reserve maintained by MTB as at 31 December 2019 is as follows:

	2019	2018
	BDT Million	BDT Million
Required Reserve (5.00% of ATL)	5,000	4,041.57
Actual Reserve Maintained	5,576	5,686.73
Surplus	0.576	1,645.16

	2019	2018
	BDT Million	BDT Million
Required Reserve (5.50% of ATL)	5,500	4,890.31
Actual Reserve Maintained (Average)*	6,076	8,096.40
Surplus	0.576	3,206.09

As per Section 33 of the Bank Companies Act, 1991 & MPD circular no. 02 dated 10 December 2013 issued by Bangladesh Bank with effect from 01 February 2014, bank has to maintain SLR of minimum 13.00% based on weekly Average Total Demand and Time Liabilities (ATL) of the base month which is two months prior to reporting month. SLR maintained by the bank as at 31 December 2019 is as follows:

	2019	2018
	BDT Million	BDT Million
Actual Reserve (13% of ATL)	13,000	19,000
Required Reserve Maintained	17,164	34,250.33
Surplus	4,164	15,250.33

	2019	2018
	BDT Million	BDT Million
Required Reserve (13% of ATL)	13,000	19,000
Actual Reserve Maintained	17,164	34,250.33
Surplus	4,164	15,250.33

\*As per Bangladesh Bank DOS circular no. 26 dated 19 August 2019; Cash Reserve (if any) in excess of 5.5% of ATL, calculated on bi-weekly average basis is considered as an eligible component of Statutory Liquidity Reserve for that particular day.

**4.00 Consolidated Balance with other Banks and Financial Institutions**

	2019	2018
	BDT Million	BDT Million
Cash in hand	2,749.00	2,512.94
Excess Cash Reserves*	132.63	286.90
Balance with Agent Bank (Social Bank Ltd)	304.18	338.98
Held to Maturity (HTM) Securities	25,125.22	20,109.51
Held for Trading (HTF) Securities	5,937.36	4,309.87
Other eligible securities	1.85	-
<b>Total</b>	<b>34,206.13</b>	<b>27,559.65</b>

\*As per Bangladesh Bank DOS circular no. 26 dated 19 August 2019; Cash Reserve (if any) in excess of 5.5% of ATL, calculated on bi-weekly average basis is considered as an eligible component of Statutory Liquidity Reserve for that particular day.

**4.01 Consolidated Loans and Advances**

	2019	2018
	BDT Million	BDT Million
Mutual Trust Bank Limited (Note 4.0.1)	501,866.63	648,882.81
MTB Securities Limited	558,664.35	735,327.50
MTB Capital Limited	8,720.224	18,150.41
MTB Exchange (UK) Limited	(471,588.84)	(540,699.54)
Less: Intra-group Deposit	<b>647,783.394</b>	<b>861,661.81</b>
<b>Outside Bangladesh</b>	<b>2,736,948.47</b>	<b>2,314,903.90</b>
Mutual Trust Bank Limited (Note 4.0.2)	-	-
MTB Securities Limited	-	-
MTB Capital Limited	318.834	92.434
MTB Exchange (UK) Limited	<b>2,737,267.301</b>	<b>2,315,096.334</b>
<b>Total</b>	<b>3,384,005.774</b>	<b>3,176,057.171</b>

**4.02 Balance with other Banks and Financial Institutions**

	2019	2018
	BDT Million	BDT Million
In Bangladesh (Note 4.0.1)	501,866.63	648,882.81
Outside Bangladesh (Note 4.0.2)	2,736,948.47	2,314,903.90
<b>Total</b>	<b>3,238,815.100</b>	<b>2,963,786.718</b>

**4.03 In Bangladesh**

	2019	2018
	BDT Million	BDT Million
<b>Fixed Deposits Receipt (FDR)</b>		
Mission Finance Limited	50,000.00	50,000.00
Bay Capital Limited	100,000.00	100,000.00
Union & Investment Limited	100,000.00	100,000.00
ICICI Limited	100,000.00	100,000.00
Special Bank Limited	200,000.00	200,000.00
<b>Secured Notes Deposits (SND)</b>		
Dutch Barga Bank Limited	67,404	67,404
Bank of India Limited	11,041	11,041
South Bank Limited	10,311,563	10,191,991
Agri Bank Limited	7,509,900	7,069,708
Janas Bank Limited	10,154,848	10,154,848
Standard Chartered Bank	66,024,013	79,486,384
<b>Current Deposits (CD)</b>		
Agri Bank Limited	7,547,886	29,032,206
All Bank Limited	200,000	200,000
South East Bank Limited	77,716	1,197,841
Islami Bank Bangladesh Limited	14,258	33,130
Janas Bank Limited	6,248	32,177
Agri Bank Limited	70,738,483	111,871,784
<b>Total</b>	<b>501,866.63</b>	<b>648,882.81</b>

**4.04 Outside Bangladesh (NOSTRO Accounts)**

	2019	2018
	BDT Million	BDT Million
Mahabang Bank Psc, New York	176,264.831	517,022.972
Standard Chartered Bank, New York	1,045,130.004	81,887.366
Habib American Bank, New York	499,189.012	181,519.504
ICI Bank Ltd, Hong Kong	20,933.515	3,123.096
Commerz Bank AG, Germany	72,463.821	44,586.987
KB Kookmin Bank, South Korea	59,381.899	37,166.899
Standard Chartered Bank, Singapore	3,758.199	3,439.654
Standard Chartered Bank, Colombo	6,825.821	6,825.821
Mahabang Bank Psc, London	137,908	24,037.784
Standard Chartered Bank, London	55,998.961	84,458.998
Habib American Bank, Zurich	4,206.044	4,679.374
Standard Chartered Bank, Tokyo	5,007.623	5,408.449
UBA, Tokyo	3,705.016	2,048.022
Mahabang Bank Psc, London	10,456	10,456
Standard Chartered Bank, Germany	1,864.453	2,347.155
South Bank Ltd., Kolkata	6,038.802	11,873.432
ICI Bank Ltd., Mumbai	58,146.874	188,718.774
Unicredit Bank AG, Germany	1,307.231	376.614
Commerz Bank AG, Germany	7,709.486	26,309.497
United Bank of India, Kolkata	200,000	200,000
Standard Chartered Bank, Mumbai	25,951.135	20,181.753
Standard Chartered Bank, Kolkata	38,719.212	41,990.479
Standard Chartered Bank, Karachi	83,367.638	82,026.437
United Bank of India, Kolkata	70,676.117	15,613.811
Mahabang Bank Psc, Mumbai	20,869.354	49,854.297
All Bank Ltd, Mumbai	83,367.638	3,709.753
ICI Bank Ltd, Mumbai	40,766.884	7,809.184
HDFC Bank Ltd, Mumbai	3,701.759	40,051.177
Himalayan Bank Ltd, Kathmandu	9,267.701	9,188.133
Bank of India (S&A)	11,323.645	11,323.645
Nepal Bangladesh Bank Ltd	11,264.601	11,072.627
Commerz Bank AG, Germany (AUS)	2,154.296	12,055.773
Habib Metropolitan Bank Ltd, Karachi	3,005.111	4,047.918
Asa Bank Ltd., Mumbai	12,173.749	20,488.459
Mahabang Bank Psc, UAE	20,020.011	316,458.588
ICI Bank Ltd., Mumbai - Term Deposit	28,023.607	28,023.607
<b>Total</b>	<b>2,638,838.512</b>	<b>3,442,023.713</b>
Offshore Banking Unit	28,023.607	28,023.607
<b>Total</b>	<b>2,736,948.447</b>	<b>3,114,903.940</b>

Details of NOSTRO accounts are shown in Annexure A

**4.05 Maturity grouping of Balance with other Banks and Financial Institutions**

	2019	2018
	BDT Million	BDT Million
On Demand	2,091,555,110	1,939,731,028
Less than three months	839,940,155	790,354,120
More than three months but less than one year	257,607,200	257,607,200
More than one year but less than five years	30,635,035	28,022,607
More than five years	2,822,607	-
<b>Total</b>	<b>3,218,921,100</b>	<b>2,963,786,718</b>

**5.0 Money at Call and Short Notice**

	2019	2018
	BDT Million	BDT Million
<b>Call Money</b>		
With Banking Companies (Note 5.0.1)	-	120,000.00
With Non-Banking Financial Institutions (Note 5.0.2)	256,000.000	1,460,000.000
<b>Total</b>	<b>256,000.000</b>	<b>1,580,000.000</b>

**5.01 Call Money with Banking Companies**

	2019	2018
	BDT Million	BDT Million
National Bank Limited	-	120,000.00
<b>Total</b>	<b>-</b>	<b>120,000.00</b>

**5.02 Call Money with Non-Banking Financial Institutions**

	2019	2018
	BDT Million	BDT Million
Bangladesh Finance and Investment Company Limited	59,700.000	150,000.000
Phonetic Finance and Investments Limited	1,000.000	1,000.000
Industrial and Infrastructure Development Finance Company Limited	-	170,000.000
Lanka Bangla Finance Limited	-	240,000.000
National Finance Limited	90,000.000	90,000.000
Delta Brac Housing Finance corporation Limited	-	1,000,000.000
IDC Finance Limited	-	200,000.000
Unison Capital Ltd	79,700.000	300,000.000
GSP Finance Company (Bangladesh) Limited	67,400.000	140,000.000
<b>Total</b>	<b>266,800.000</b>	<b>1,460,000.000</b>

**6.00 Consolidated Investments**

	2019	2018
	BDT Million	BDT Million
<b>Government Investment</b>		
Mutual Trust Bank Limited (Note 6.0.1)	31,064,307,864	24,421,226,713
MTB Securities Limited	-	-
MTB Capital Limited	-	-
MTB Exchange (UK) Limited	-	-
<b>Other Investments</b>		
Mutual Trust Bank Limited (Note 6.0.1)	2,130,437,734	2,126,278,653
MTB Securities Limited	899,742,429	861,399,342
MTB Capital Limited	165,062,179	156,745,340
MTB Exchange (UK) Limited	-	-
<b>Total</b>	<b>3,135,236,337</b>	<b>2,868,423,235</b>
Outstanding Advances (BDT Million)	34,199,538,202	27,407,647,948

**6.01 Investment (Note 6.0.1)**

	2019	2018
	BDT Million	BDT Million
Government (Note 6.0.1)	31,064,307,864	24,421,226,713
Others (Note 6.0.1)	2,130,437,734	2,126,278,653
<b>Total</b>	<b>33,194,745,597</b>	<b>26,547,505,366</b>

**6.02 Government Investment in Govt. securities**

	2019	2018
	BDT Million	BDT Million
Treasury Bills (Note 6.0.2.1)	444,733,951	3,116,299,392
Treasury Bonds (Note 6.0.2.2)	30,617,617,813	22,303,062,413
Prize Bonds	1,826,100	1,826,100
<b>Total</b>	<b>31,064,307,864</b>	<b>24,421,226,713</b>

**6.03 Treasury Bills (at present value)**

	2019	2018
	BDT Million	BDT Million
<b>Un-encumbered</b>		
91 days days treasury bills	242,266,789	242,266,789
182 days days treasury bills	199,471,201	497,337,945
364 days days treasury bills	-	1,618,973,658
<b>Sub-Total</b>	<b>444,733,951</b>	<b>3,116,299,392</b>
<b>Encumbered</b>		
Sub-Total	-	-
<b>Total Treasury Bill</b>		