

"If you have any query about this document, you may consult the issuer and the trustee"

# INFORMATION MEMORANDUM

## Issuance of Contingent-Convertible Perpetual Floating Rate Bond of BDT 2,000 million for Dhaka Bank Limited

(BDT 1,800,000,000 under private placement and BDT 200,000,000 under public issue)



**Issuer: Dhaka Bank Limited**

**Head Office:**

Plot: CWS (C)-10, Bir Uttam A K Khandakar Road, Gulshan-01,  
Ward-19, Dhaka North City Corporation, Dhaka-1212

**Trustee to the Issue: IDLC Investments Limited**

**Registrar, Paying Agent, Transfer Agent: IDLC Investments Limited**



**Type of Security: Unsecured Contingent-Convertible Perpetual Bond**

**Total Issue Amount: BDT 2,000,000,000.00**

**Coupon Rate/discount rate and YTM: Floating**

**Credit Rating Status of the Issue: A+<sub>B+</sub>**

**Outlook: Stable; Validity: June 23, 2022 to June 22, 2023**

**Lead Arranger & Issue Manager:**

UCB Investment Limited

18 OCT 2022



*Tanzim Alamgir*  
Managing Director & CEO  
UCB Investment Limited

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*Md. Shahjahan Miah*  
EVP & Company Secretary  
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*Sahabub Alam Khan*

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*Emranul Haq*  
Managing Director & CEO  
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*Md. Moniruzzaman*  
Managing Director  
IDLC Investments Limited  
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## NOTICE & DISCLAIMER

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The Issuer has prepared this information memorandum and is solely responsible for its contents. The issuer will comply with all rules, laws and regulations and is responsible for obtaining all regulatory, governmental and corporate approvals for the issuance of the Bonds. The Issuer, having made all reasonable inquiries, confirms that this Information Memorandum contains all the information with respect to itself and the Bonds to be issued by it, which is material in the context of the Bonds; that the information contained in this Information Memorandum is true and accurate in all material respects and is not misleading; that the opinions and intentions expressed in this Information Memorandum are honestly held and that there are no other facts the omission of which would make any of such information or the expression of any such opinions or intentions misleading. The Issuer accepts responsibility accordingly.

The Joint Arrangers has relied on the information provided by the Issuer and such information has not been independently verified by the Arranger. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arranger or any affiliate of the Arranger for the accuracy, completeness, reliability, correctness or fairness of this Information Memorandum or any of the information or opinions contained therein, and the Arranger hereby expressly disclaim, to the fullest extent permitted by law, any responsibility for the contents of this Information Memorandum and any liability, whether arising in tort or contract or otherwise, relating to or resulting from this Information Memorandum or any information or errors contained therein or any omissions therefore. By accepting this Information Memorandum, investors agree that the Arranger will not have any such liability.

Neither this Information Memorandum nor any other information supplied in connection with the Issue is intended to provide the complete basis of any credit or other evaluation, nor should it be considered as a recommendation by the Arranger to the Issue that any recipient of this Information Memorandum (or any other information supplied in connection with the Issue) should purchase or subscribe for any Bonds. Each investor contemplating purchasing or subscribing for a Bond should make their own independent investigation of the financial condition and affairs, and their own appraisal of the creditworthiness of the Issuer. Investors are advised not to construe the contents of this Information Memorandum as investment, legal, accounting, regulatory or tax advice. Investors are also advised to consult with their own advisors as to all legal, accounting, regulatory, tax, financial and related matters, concerning an investment in the Bonds.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IT IS RECOMMENDED THAT PROSPECTIVE INVESTORS CONSULT THEIR FINANCIAL, LEGAL AND OTHER ADVISERS BEFORE PURCHASING OR ACQUIRING OR INVESTING IN THE PERPETUAL BONDS. 18 OCT 2022

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Issuer's Disclaimer

ALL THE FEATURES OF DHAKA BANK PERPETUAL BOND ARE DRAFT ONLY AND FINALIZATION OF THESE FEATURES ARE SUBJECT TO THE APPROVALS OF COMPETENT REGULATORS. THESE FEATURES MAY BE MODIFIED AS PER THE DIRECTIONS OF BANGLADESH BANK AND BANGLADESH SECURITIES AND EXCHANGE COMMISSION OR ANY OTHER COMPETENT REGULATORS.

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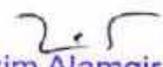
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## Abbreviations

ALCO	Asset Liability Management Committee
ATM	Automated Teller Machine
BDT	Bangladeshi Taka
BRMC	Board Risk Management Committee
BSEC	Bangladesh Securities and Exchange Commission
CAGR	Compound Annual Growth Rate
CRAR	Capital to Risk-weighted Asset Ratio
CRM	Credit Risk Management
CRR	Cash Reserve Requirement
FBP	Foreign Bill Purchase
FDBP	Foreign Documentary Bills for Purchase
FDR	Fixed Deposit Receipts
IBP	Inland Bill Purchase
IC	Investment Committee
LATR	Loan Against Trust Receipt
MAT	Management Action Triggers
MCR	Minimum Capital Requirement
NFCD	Non-Resident Foreign Currency Deposit
NII	Net Interest Income
NIM	Net Interest Margin
NPA	Non-performing Assets
NPL	Non-performing Loan
OBU	Off-shore Banking Unit
OD	Over Draft
PCB	Private Commercial Bank
POS	Point of Sale
RFC	Resident Foreign Current Deposit
RMU	Risk Management Unit
RWA	Risk Weighted Assets
SLR	Statutory Liquidity Ratio
SME	Small and Medium-sized Enterprises
SOD	Secured Over Draft
VaR	Value at Risk

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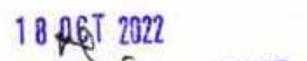
  
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## 1. Reports to the Eligible Investors

By investing in the Bonds, you are hereby deemed to have acknowledged, represented and warranted to, and agree (as the case may be) for the benefit of the Arranger, as set out below:

**High risk:** You are fully aware that investment in the Bonds involves a high degree of risk.

**Consultation with advisers:** You have (i) consulted with your own legal, regulatory, tax, business, investment, financial and accounting advisers in connection herewith to the extent you have deemed necessary, (ii) collected and reviewed all information that you or your advisers believe is necessary or appropriate in connection with the purchase of the Bonds, and (iii) made your own investment decisions based upon your own judgment, due diligence and advice from such advisers as you have deemed necessary and not upon any view expressed by or on behalf of the Arranger.

**No reliance:** You acknowledge and agree that you may not rely on any investigation that the Arranger or any of its affiliates or any person acting on their behalf may have conducted with respect to the Issuer or any of their affiliates, and neither the Arranger nor its affiliates, employees, officers, directors, legal advisers or representatives have made any representation to you, express or implied, with respect to your investment in the Bonds.

**Informed decision:** You are in possession of all the information that you believe is necessary or appropriate in order to make an informed decision regarding your purchase of the Bonds, including without limitation, adequate information concerning the Issuer's business, financial condition, results of operations and prospects.

**Knowledge and experience:** You have such knowledge and experience in financial, business and international investment matters that you are capable of evaluating the merits and risks of purchasing the Bonds and are aware that you may be required to bear, and are able to bear, all risks including economic risk of an investment in the Bonds.

**Information of the Company:** You acknowledge that the information provided to you with regard to the Issuer and the Bonds in this Information Memorandum has been supplied to you by the Arranger only on behalf of the Issuer and that neither the Arranger nor any of its affiliates, employees, officers, directors, legal advisers or representatives has verified such information or makes any representation or warranty as to its accuracy or completeness.

**Review of Information Memorandum:** You have reviewed this Information Memorandum in its entirety, including the risks associated with investment in the Bonds, and you understand and acknowledge all of the risks described herein. By investing in the Bonds, you have determined that:

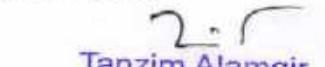
- i. the Bonds are a suitable investment for you and your investment in the Bonds does not and will not, when consummated, violate any investment or other guidelines, policies or restrictions (corporate or otherwise), or any law, rule, regulation or order applicable to you; and
- ii. you have obtained all approvals and consents (whether internal or external) and have made all notifications necessary for you to invest in the Bonds as contemplated; and you can bear the economic risk of the investment and are able to sustain a complete loss in connection with your investment.

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**Own account:** You are purchasing the Bonds for your own account and not with a view to any distribution thereof.

**No representation or warranty:** The Arranger has not made, and you have not relied upon any representation, warranty or condition (express and/or implied), and the Arranger shall not owe any duty whatsoever to you in connection with the Bonds.

**No obligation to purchase:** The Arranger shall have no obligation to purchase or acquire all or any part of the Bonds purchased by you or to support losses, if any, directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Bonds, including the non-performance by the issuance, whether to you or otherwise.

## 2. Risk Factors and Management's Perception about the Risks

An investment in capital market involves a high degree of risk. The Bank is operating in an industry involving both external and internal risk factors having direct as well as indirect effects on the investments made by the investors. Potential investors of Dhaka Bank Limited Perpetual Bond are strongly encouraged to carefully evaluate all the information in this Information Memorandum, especially the risk factors both internal and external on their own merit and not by referent to any other debt securities whether of a comparable nature or otherwise before making any investment decision.

This section addresses the possible risks an investor might have to bear by investing in the bonds and each risk factor is followed by management's perception regarding the risk. If any of the risks described below materialize, it could have a serious impact on the Issuer's financial results, and the ability of the Issuer to fulfill its obligations under the Bonds to be issued. However, the list of risk factors is not meant to be a comprehensive description of all risks which may be relevant to a decision to invest in the Bonds. The sequence in which the risks below are listed is not intended to be indicative of any order of priority or of the extent of their consequences.

### Interest Rate Risks

**Risk:**

Interest rate risk is the risk to earnings or capital of the bank arising from movement of interest rates.

**Mitigations:**

To manage interest rate risk, ALCO regularly monitors various ratios and parameters. Bank deploys several analysis techniques (e.g. Rate Sensitive Gap Analysis, Duration Gap Analysis) to measure interest rate risk, its impact on Net Interest Income and takes insight about course of actions.

### Exchange Rate Risks

**Risk:**

Foreign exchange risk is the risk that a Bank's financial performance or position will be affected by fluctuations in the exchange rates between currencies and implied volatility on foreign exchange options.

**Mitigations:**

Bank makes import payment and outward remittance as its outflow, whereas it gets foreign currency inflow as export receipts and inward remittance. Exchange rate risk arises, if, on a particular day, these inflow-outflows don't match and bank runs its position long/short from these customers driven activities. Bank also faces foreign exchange

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risk if it sources its funding in one currency by converting fund from another currency. Currently, the Bank is facing such transaction exposure in foreign currency for its off-shore banking unit. But these transactions exposure is always hedged. The bank computes VaR (Value at Risk) on its foreign exchange position arising from customer driven foreign exchange transactions at 95% confidence level on daily basis. The bank maintains various Nostro accounts in order to conduct operations in different currencies. The management of the bank set limits for conducting Nostro account transactions. All Nostro accounts are reconciled on monthly basis and outstanding entries are reviewed by the management for its settlement/ adjustment. The position maintained by the bank at the end of the day is within the stipulated limit prescribed by the Bangladesh Bank. Since the Bond is to be issued in local currency and there is no conversion to other currency therefore we do not foresee any exchange rate risk in relation to Bond.

### Non-Repayment Risks (Credit Risks)

**Risk:**

Credit risk is the risk of loss that may occur from the failure of any counter party to make required payments in accordance with agreed terms and conditions and/or deterioration of creditworthiness.

**Mitigation:**

DBL has established a system of independent, on-going credit review and the results of such reviews are communicated directly to the Board of Directors and senior management. Credit risk is managed through a framework set by policies and procedures established by the Board. The responsibility is clearly segregated between origination of business transaction and approval of the transaction. Final authority and responsibility for all activities that expose the bank to credit risk rests with the Board of Directors in conjunction with the senior management of the bank. There is a comprehensive credit appraisal procedure that covers industry/business risk, management risk, financial risk, facility structure risk, security risk, environmental risk, reputational risk, and account performance risk.

### Prepayment, Call or Refunding Risks

**Risk:**

The risk associated with the early unscheduled return of principal on a fixed-income security.

**Mitigation:**

This particular bond issue does not have prepayment, call or refunding option thus, does not impose risk to the Issuer.

### Security Risks

**Risk:**

The risk associated with the default, authenticity or validation of the collateral used to guarantee repayment of a debt.

**Mitigation:**

Since this is an unsecured debt, this particular risk is not applicable here.

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### Liquidity Risks

**Risk:**

Liquidity Risk is the potential for loss to a bank arising from either its inability to meet its obligations as they fall due or to fund increases in assets without incurring unacceptable cost or losses. The Bank is deemed to have adequate liquidity when it can obtain sufficient fund promptly and at a reasonable rate

**Mitigation:**

Responsibility of managing and controlling liquidity of the bank lies with Asset Liability Committee (ALCO) that meets at least once in every month. Asset Liability Management (ALM) desk of the treasury function being primarily responsible for management of liquidity risk closely monitors and controls liquidity requirements on a daily basis by appropriate coordination of funding activities. A monthly projection of fund flows is reviewed in ALCO meeting regularly. On monthly basis, ALCO monitors liquidity management by examining key ratios, maximum cumulative outflow, upcoming funding requirement from all business units, asset-liability mismatch etc. ALCO also monitors concentration of deposits on large institutional depositors which is volatile in nature. In addition to these ratios, Bank prepares structural liquidity profile, maturity profile of term deposit, cash flow modelling, and contingency funding plan on monthly basis, which are analyzed in ALCO meeting to ensure liquidity at the level acceptable to the bank and regulators.

### Management Risks

**Risk:**

The risk associated with ineffective, destructive or underperforming management, which hurts shareholders and the company, fund of which being managed.

**Mitigations:**

DBL is one of the leading banking institutions in Bangladesh with a track record of consistent performance achieved through effective leadership and corporate governance. Dhaka Bank Limited has a sound management system that is not only efficient but also dynamic in taking relevant decision to make the organization more effective and results oriented. Therefore, with a strong leadership on the back, management risks are not a matter of concern or a vital risk factor for DBL.

### Operational Risks

**Risk:**

Operational Risk is defined as the risk of unexpected losses due to physical catastrophe, technical failure, and human error in the operation of a bank; including fraud, failure of management, internal process errors and unforeseeable external events.

**Mitigation:**

Operational Risk Unit under Internal Control & Compliance Division (ICCD) is primarily responsible for risk identification, measurement, monitoring, control, and reporting of operational risk. Internal Control (audit) Unit of ICCD also conducts risk-based audit at departmental and branch level throughout the year. Besides, there is a committee called 'Bank Operational Risk Committee' (BORC) reporting to MD & CEO which plays a supervisory role. Operational risks are analyzed through review of Departmental Control Function Check List (DCFCL). This is a self-assessment process for detecting high risk areas and finding mitigations of those risks. These DCFCLs are then discussed in monthly meeting of Bank Operational Risk Committee (BORC).

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### Business Risks

**Risk:**

DBL might earn lower than anticipated profit, or that it will experience a loss rather than a profit. Business risk is influenced by a lot of factors, including revenue, costs, competition, and overall economic climate and government regulations.

**Mitigations:**

DBL has a robust risk management system to counter any adverse business risk and to maneuver in a hostile business environment. Most business risks have been covered in Credit, Liquidity and Interest Rate Risk. To counter and mitigate business risk, the following mitigation measures are in place: Regular review of impact of global economic meltdown and taking appropriate measures Innovative and convenient financial products and services; Taking prompt action on customer complaints; Frequent assessment of clients' satisfaction; Regular review of performance against budget and targets; Review and analysis of competitors' performance;

Prevention of risk by forecasting future market condition gives DBL competitive edge over other competitors in the local market. In order to mitigate prospective risks of the market, the equity and research team regularly assesses the market information. This assessment updates the Management about the current market situation, growth of certain industries, current global phenomena, price index of raw materials, refinance scheme taken by central bank and regulatory steps taken by various regulatory bodies. This also helps to make future prediction on any industry and the market as a whole.

### Industry Risk:

**Risk:**

The financial sector of the country is fairly competitive. Currently fifty-six banks and thirty-two non-banking financial institutions are operating in Bangladesh. However, the growing pace of industrialization and urbanization are increasing the circumference and scope of business for financial institutions. Financial services industry does not normally experience seasonality but is affected by cyclical. Contraction in economic cycles has distressing effect on the business of financial institutions.

**Mitigations:**

To address the industry risk arising from cyclical of financial market Dhaka Bank has developed a diversified pool of products and services offering. Dhaka Bank has also differentiated its product offerings by including unique features. Dhaka Bank's strong foothold in the fee based income makes it more adapt to diversify sole dependency on net interest income dependency as alternative source of financing.

### Market and Technology Related Risks

**Risk:**

Market Risk is the risk of losses in on and off-balance sheet positions arising from movements in market prices. The market risk positions subject of this requirement are:

- a) The risks pertaining to interest rate related instruments and equities in the Trading Book.
- b) Foreign exchange risk and commodities risk throughout the Bank (both in the Banking and Trading Book).

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Technology risk is the process of managing the risk associated with implementation of new technology and maintenance of existing technology.

**Mitigations:**

The objective of investment policy covering various facet of Market Risk is to assess and minimize risks associated with treasury operations by extensive use of risk management tools. Broadly it encompasses policy prescriptions for managing systematic risk, credit risk, market risk, operational risk and liquidity risk in treasury operations. For market arising out of various products in trading book of the Bank and its business activities, the bank sets regulatory internal and ensure adherence thereto. Limits for exposure to counter-parties, industries and countries are monitored and the risks are controlled through Stop Loss limits, Overnight limit, Daylight limit, Aggregate Gap limit, Inter-bank dealing and investment limit etc. For the Market Risk Management of the bank, it has a mid-office with separate Desks for Treasury & Asset Liability Management (ALM) Asset Liability Management Committee (ALCO) is primarily responsible for establishing the market risk management, asset liability management of the bank, procedures thereof, implementing core risk management framework issued by regulator, best risk management practices followed globally and ensuring that internal parameters, procedures, practices/policies and risk management prudential limit adhered to.

DBL has a comprehensive IT Security Policy and procedures which are formally documented and endorsed by top management. IT Division (hereinafter IT) has established standard Physical & Environmental Security Measures (e.g. Locked Door, Locked rack, CCTV, AC, Fire Extinguisher, etc.) to all Sensitive areas (e.g. Data Centre, Disaster Recovery Site, Power Rooms, Server Rooms, etc.). IT has standard Logical Security Measures (e.g. Access card, Password Protected Server, Access Log, Measuring Device Logs, Periodic Testing Results, etc.) to all core devices (server, PC, etc.), connecting devices (switch, router, etc.), security devices (firewall, IDS, etc.), all applications (Core banking system, antivirus, firewall, VPN, utilities, etc.), databases, networks and others. IT has standard design and practice in network connectivity, access, build-up, configuration, monitoring, maintenance and security. IT has Business Continuity Management (BCM) to support and handle any human made or natural incident/disaster; moreover, regular backup schedule and retention avoids the risk of data loss based on the criticality of the system.

**Risks related to potential or existing government regulations**

**Risk:**

Excessive growth of Risk weighted assets against the growth of eligible regulatory capital of Dhaka Bank Limited might breach the Bangladesh Bank's criteria of minimum capital requirement. Also, the Bank might fail to comply with the laws, regulations or codes applicable to the financial services industry

**Mitigations:**

Internal Control and Compliance team of DBL works to achieve effectiveness and efficiency of operations, reliable financial reporting and compliance with laws and regulations. Pillar 1 and Pillar 2 of Basel-II Accord also focused on operational risk and supervisory review respectively attaching considerable importance to internal control & compliance and on supervision & monitoring. As prescribed in the Bangladesh Bank core risk guideline on Internal Control & Compliance, Management Committee (MANCOM) of DBL reviews the overall effectiveness of internal control system.

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**Risks related to potential changes in global or national policies**

**Risk:**

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Risk associated with any potential global issues (i.e. a global financial crisis or a massive volatility in an international currency) or a national policy change (i.e. regulatory changes made by the Bangladesh Bank or the Bangladesh Securities and Exchange Commission).

**Mitigations:**

Since this security would be issued in the local market, potential global changes are unlikely to have any impact on the security issued. Moreover, DBL has a robust risk management team and has the capability to adapt to any global scenario that might affect the local market.

### 3. Detailed Description and Information

Detailed description and information as per Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021; Schedule- A (Part I) is annexed to this Information Memorandum. Please check **Annexure - 01**.

### 4. Details of the Utilization of Proceeds

**Purpose of Issuance of Dhaka Bank Perpetual Bond**

The Issuer has planned to raise BDT 2,000,000,000.00 to strengthen its Additional Tier I Capital base. The fund raised through issuing the proposed bonds will provide the Bank additional Capital cushion in light of risk weighted Capital Adequacy Ratio, and will help the Bank to grow its loans and advance portfolio and to open new branches.

**Plan Regarding Use of Proceeds from Dhaka Bank Perpetual Bond**

The proposed bond will qualify as part of DBL's Additional Tier-I capital and will help maintain healthy capital adequacy ratios in the next few years. Besides, the BDT 2,000,000,000.00 fund will be used for undertaking general business activities of the bank including strengthening of the loan portfolio and other securities.

### 5. Features of Dhaka Bank Perpetual Bond

Dhaka Bank Perpetual Bond is a debt instrument unsecured and contingent-convertible. The major features of the Dhaka Bank Perpetual Bond are presented below:

**5.1 Basic Features of the Instrument**

Finalization of all terms & conditions of this instrument (stipulated in the table below) are subject to approval from concerned regulatory authorities and may need to change as per regulatory instruction.

Table 1 Basic Features of Dhaka Bank Perpetual Bond

Name of the Instrument	Dhaka Bank Perpetual Bond
Issue Type	Unsecured, Contingent-Convertible, Fully paid up, Non-Cumulative, BASEL III compliant, Perpetual Debt instrument for inclusion in Additional Tier I Capital
Issuer	Dhaka Bank Limited
Nature of Instrument	Unsecured

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<b>Purpose and Objectives</b>	To raise Additional Tier-1 Capital through issuance of Dhaka Bank Perpetual Bond in order to strengthen its capital base in accordance with Bangladesh Bank's Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework in line with Basel III). The funds being raised by the Bank through the mentioned Issue are not meant for financing any particular project. The Bank shall utilize the proceeds of the Issue for its regular business activities. The Bank shall not utilize proceeds of the Issue for any purpose which may be in contravention of the regulations/ guidelines/ norms issued by the Bangladesh Bank and Bangladesh Security Exchange and Commission where applicable.
<b>Mode of Issue</b>	90% under Private Placement and 10% under Public Issue
<b>Arranger and Issue Manager</b>	UCB Investment Limited
<b>Underwriter</b>	UCB Investment Limited
<b>Trustee</b>	IDLC Investments Limited
<b>Paying Agent, Register, Transfer Agent</b>	IDLC Investments Limited
<b>Rating Agency</b>	Emerging Credit Rating Limited
<b>Legal Advisor</b>	Lex Juris- Barristers, Advocates & Consultants
<b>Facility Size</b>	BDT 2,000,000,000  (BDT 1,800,000,000 under private placement and BDT 200,000,000 under public issue)
<b>No. of Bonds to be Issued</b>	360,000 under private placement and 40,000 under public offer
<b>Face Value</b>	BDT 5,000/ (Five thousand taka only)
<b>Bonds per lot/ Minimum Subscription</b>	01(one) bond for Public Issue and 10,000 for Private Placement
<b>Tenure</b>	Not Applicable. The Bonds shall be perpetual i.e. there is no maturity date and there are no step-ups or other incentives to redeem.
<b>Investors</b>	The following class of investors are eligible to participate in the offer: <ul style="list-style-type: none"> <li>Public Financial Institutions which are duly authorized to invest in Bonds as per Bangladesh Bank Regulations</li> <li>Mutual Funds, Insurance Companies, Scheduled Commercial Banks,</li> <li>Co-operative Banks, Regional Rural Banks authorized to invest in bonds/ debentures,</li> <li>Societies authorized to invest in bonds/debentures,</li> <li>Trusts authorized to invest in bonds/ debentures,</li> <li>Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/ debentures,</li> <li>Any other not mentioned in the list but is eligible to subscribe as per regulations by Bangladesh Bank.</li> </ul>
<b>Coupon Rate</b>	Reference Rate + Coupon Margin

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Reference Rate	20-year Treasury-Bond rate  (Latest available rate of 20-year Treasury-Bond rate as published by Debt Management Department of Bangladesh Bank on the quotation day)
Coupon Margin	2.00% p.a.
Quotation Day	Five (05) days before the first day of any period for which a coupon rate is to be determined
Coupon Range	<ul style="list-style-type: none"> <li>Coupon Ceiling: 10% p.a.</li> <li>Coupon Floor: 6% p.a. (subject to having available distributable profit)</li> </ul>
Coupon Discretion	The bank will have full discretion at all times to cancel distributions/payments to the bondholder
Exercise of Coupon Discretion	Any coupon payment will be distributed subject to having available distributable profit of the issuer
Coupon Payment Frequency	Semi-Annual
Late Payment	Issuer shall pay a late payment penalty of 2% (two per cent) higher than the Coupon Rate and be payable on the amount not paid on the due date till the date of actual payment unless exercise of coupon discretion is not in effect.
Business Day Convention/Effect of Holidays	<ul style="list-style-type: none"> <li>If any Coupon/ Interest Payment Date falls on a day that is not a Business Day, the payment shall be made by the Bank on the immediately succeeding Business Day.</li> <li>If the Call Option Due Date (also being the last Coupon Payment Date, in case Call Option is exercised) of the Bonds falls on a day that is not a Business Day, the Call Option Price shall be paid by the Bank on the immediately preceding Business Day along with interest accrued on the Bonds until but excluding the date of such payment.</li> </ul>
Late Redemption	Not Applicable.  Since the instrument is perpetual in nature i.e. there is no maturity date; late redemption is not applicable unless and until it is eligible for call option criteria.
Put Date	Not Applicable
Put Price	Not Applicable
Call Option	Can be exercised only after ten years of issuance, with prior approval from the Bangladesh Bank
Call Option Eligibility	<ol style="list-style-type: none"> <li>Replace this instrument with capital of the same or better quality that are sustainable for the income capacity of the Bank, or,</li> <li>Capital position is above the minimum requirements after the call option is exercised</li> </ol>
Claim Settlement in the event of Liquidation or Wind-up	Claims of the investors on the bond are: <ol style="list-style-type: none"> <li>Superior to the claims of investors in equity shares and perpetual non-cumulative preference shares, if any, of the bank whether</li> </ol>

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	<p>currently outstanding or issued at any time in the future.</p> <ol style="list-style-type: none"> <li>subordinated to the claims of depositors, general creditors and subordinated debt of the Bank other than any subordinated debt qualifying as Additional Tier 1 Capital (as defined in the Basel III Guidelines) of the Bank;</li> <li>Is neither secured nor covered by a guarantee of the issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors.</li> </ol> <p>Notwithstanding anything to the contrary stipulated herein, the claims of the Bondholders shall be subject to the provisions of Loss Absorption in this terms and features.</p>
<b>Loss Absorption</b>	<p>Any losses will be absorbed in the following manner:</p> <p>Conversion to common shares at pre-specified trigger point as needed to reach the minimum consolidated CET-1 ratio as per Bangladesh Bank requirement (Currently of 4.50%).</p>
<b>Loss Absorption Methodology</b>	<p>CET-1 on Trigger Date will be considered to identify the shortfall percentage and it will be converted into common shares eventually. If a fractional share issuance arises upon conversion, the issuer will round the number of shares issuable, up to the next whole number. Fractional lot size will also be rounded to the next whole number.</p>
<b>Trigger Point for Loss Absorption</b>	<p>If the bank's consolidated CET-1 falls below Bangladesh Bank requirement (Currently of 4.50%) and stays below for 03 (Three) successive quarters; then, the 3rd quarter-end date of consecutive below-minimum CET-1 Ratio would be the Trigger-Point (date). Once the trigger point has been reached and exercised, the cycle will start again.</p>
<b>Conversion Strike Price</b>	<p>Average market price of the immediate 180 days or par value (currently BDT 10tk) whichever is higher.</p>
<b>Payment Suspension Methodology</b>	<p>In case of the event of exercise of loss absorption feature of the bond, any coupon payment in between the trigger date and publication date of audited financials will be hold. The bondholder will not be eligible for the coupon payment if the same situation prevails (CET-1 (Consol) remains below the regulatory requirement of 4.5%) after the publication of audited financials.</p>
<b>Conversion Notice</b>	<p>In time of conversion Trustee shall notify the bondholders in accordance with not less than 2 business days prior to start of each conversion period of the commencement date and the final date of such conversion period. All notices are validly given if:</p> <ul style="list-style-type: none"> <li>Mailed to bondholders at their respective address in the register,</li> <li>Published for three consecutive days in one English newspaper and one Bengali newspaper; each having wide circulation in Bangladesh,</li> <li>Emailed to bondholders at their respective addresses set out in the Issuer Register provided that such notices will only be considered as validly given unless followed up with hard copies of the notices being mailed to the bondholders or published for three consecutive days in a leading newspaper as aforesaid.</li> </ul>

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	Any such notice shall be deemed to have been given on the seventh day after being so mailed or on the later of the date of such publications.
<b>Events of Default</b>	Not Applicable.  It is further clarified that cancellation of discretionary payments/coupon shall not be deemed to be an event of default. The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.
<b>Common Equity Holders' Dividend Stopper Clause</b>	Dividend Stopper Clause will be applicable to these Bonds and it will stop common equity holders' dividend payments on common shares in the event the holders of the Bonds are not paid coupon. In the event the holders of the Bonds are not paid coupon, they shall not impede the full discretion that Issuer has at all times to cancel distributions/payments on the Bonds, nor will they impede / hinder: <ul style="list-style-type: none"> <li>(i) The Re-Capitalization of the Issuer.</li> <li>(ii) The Issuer's right to make payments on other instruments, where the payments on this other instrument were not also fully discretionary</li> <li>(iii) The Issuer's right to making distributions to shareholders for a period that extends beyond the point in time that coupon on the Bonds are resumed. The normal operation of the Issuer or any restructuring activity (including acquisitions/disposals).</li> </ul>
<b>Transferability/Liquidity</b>	Freely transferable in accordance with the provisions of the Deed of Trust.
<b>Governing Law</b>	The Bonds are governed by and shall be construed in accordance with the existing laws of Bangladesh.

## 5.2 Rate of Return, Yield to Maturity, Coupon/Discount Rate

Coupon Range: 6%\*-10% p.a.

\*subject to having available distributable profit

## 5.3 Transferability/Liquidity

The bond is freely transferable in accordance with the provisions of the Trust Deed.

## 5.4 Prepayment, Call, Refunding, Conversion Feature

Perpetual bond is non-puttable, callable in Nature.

## 5.5 Tax Features

The Company and any income from the Bond for the investors will be according to the Laws of Bangladesh.

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## 5.6 Enforcement of Charges over securities

The Trustee shall enforce all payment obligations under the Bonds only by way of petitioning for the winding up or dissolution of the Issuer and/or by proving for the amount due and payable under the Bonds in the liquidation or administration of the Issuer. In the event of default by the Issuer in the performance or observance of any covenant, condition or provision contained in the Bond or the Trust Deed or any of the Issue Documents (save for failure to pay any amount of principal, coupon or expenses or in respect of any other payment obligation), (i) the Trustee or any Bondholder shall not be entitled to any remedy available to the Trustee or any Bondholder which in substance amounts to a remedy to recover any amounts under any payment obligation of the Issuer under the Bonds and (ii) any other remedy available.

## 5.7 Repayment Schedule:

As per BASEL III guideline (Annex IV: Special Eligibility Criteria to qualify for additional Tier 1 Capital, a) this instrument is perpetual in nature i.e. there is no maturity date and there are no set-ups or other incentives to redeem unless and until it is eligible for call option criteria depicted in features section.

## 6. Description of Collateral Security and type of charges to be created against Issue

Dhaka Bank Perpetual Bond is superior to the claims of investors in equity shares and perpetual non-cumulative preference shares, if any, of the bank whether currently outstanding or issued at any time in the future and subordinated to the claims of depositors, general creditors and subordinated debt of the Bank other than any subordinated debt qualifying as Additional Tier I Capital (as defined in the Basel III Guidelines) of the Bank. It is neither secured nor covered by a guarantee of the issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors.

## 7. Rights and Obligations of the Issuer:

**Rights and Obligations of the Issuer have been incorporated from the Trust Deed executed between the Issuer (Dhaka Bank Limited) and the Trustee (IDLC Investments Limited).**

### Covenant to Repay

The Issuer covenants with the Trustee that it will, as and when the Bonds or any of the interest payment under the Bonds become due for payment in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Trustee in Bangladesh Taka in Dhaka in immediately available freely transferable funds, the interest payments becoming due for payment, shall (subject to the provisions of the Conditions) until all such payments (both before and after judgment or other order) are duly made unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid on the dates provided for in the Conditions interest on the principal amount of the Bonds or any of them outstanding from time to time as set out in the Conditions provided that: every payment of interest in respect of the Bonds or any of them made to the Bondholders shall satisfy, to the extent of such payment,

If any payment of interest in respect of the Bonds or any of them is made after the due date, payment shall be deemed not to have been made until either the full amount is paid to the Bondholders or, if earlier, the seventh day

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after notice has been given to the Bondholders in accordance with the Conditions that the full amount has been received by the Trustee; and

in case of the Issuer exercising the call option, where payment of the whole or any part of the principal amount due in respect of any Bond is improperly withheld or refused penalty shall accrue at applicable rate of 2.00 % p.a. for the Bond on the whole or such part of such principal amount from the date of such withholding or refusal until the date on which such principal amount due is paid to the Bondholders.

The Trustee will hold the benefit of this covenant and the covenants in Clause 11.2 (Covenant to comply with Trust Deed, Conditions, Schedules, and Clause 11.3 (Covenants by the Issuer) on trust for the Bondholders.

Covenant to comply with Trust Deed, Conditions, Schedules, and applicable law

The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of this Trust Deed, the Conditions (including, without limitation, Condition 5 (Covenants)) and the other Schedules which are expressed to be binding on it and to perform and observe the same. The Bonds are subject to the provisions contained in this Trust Deed, all of which shall be binding upon the Issuer and the Bondholders and all persons claiming through or under them respectively. The Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, this Trust Deed and the other Bond Documents and will be deemed to have notice of all of the provisions of the Bond Documents applicable to them.

The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of the applicable law including but is not limited to Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021. The Issuer agrees that Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, the applicable law and will be deemed to have notice of all of the provisions of the applicable law applicable to them.

The Trustee shall itself be entitled to enforce the obligations of the Issuer under the Bonds and the Conditions and the applicable law as if the same were set out and contained in this Trust Deed which shall be read and construed as one document with the Bonds.

#### Covenants by the Issuer

The Issuer hereby covenants with the Trustee that, so long as any of the Bonds remain outstanding, it will:

#### Books of account

At all times keep and procure that all its Subsidiaries keep such books of account as may be necessary to comply with all applicable laws and so as to enable the financial statements of the Issuer to be prepared and allow, subject to confidentiality obligations under applicable law, the Trustee and any person appointed by it free access to the same at all reasonable times and to discuss the same with responsible officers of the Issuer;

#### Event of Default

Give notice in writing to the Trustee forthwith upon becoming aware of any Event of Default and without waiting for the Trustee to take any further action;

#### Corporate Governance

Comply (and shall ensure that each member of the Group will) in all material respects with the corporate governance guidelines set out by the Bangladesh Bank and the Bangladesh Securities and Exchange Commission.

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So far as permitted by applicable law, at all times give to the Trustee such information, opinions, certificates and other evidence as it shall require and in such form as it shall require in relation to Issuer for the performance of its obligations under the Bond Documents;

**Execution of further Documents**

So far as permitted by applicable law, at all times execute all such further documents and do all such further acts and things as may be necessary at any time or times in the opinion of the Trustee to give effect to the provisions of this Trust Deed;

**Notices to Bondholders**

Send or procure to be sent to the Trustee not less than 5 (five) business days prior to the date of publication, one copy of each notice to be given to the Bondholders in accordance with the Conditions and, upon publication, send to the Trustee two copies of such notice;

**Notification of non-payment**

Notify the Trustee forthwith in the event that it does not, on or before the due date for payment in respect of the Bonds or any of them, pay unconditionally the full amount in the relevant currency of the moneys payable on such due date on all such Bonds;

**Notification of late payment**

In the event of the unconditional payment to the Trustee of any sum due in respect of the Bonds or any of them being made after the due date for payment thereof, forthwith give notice to the Bondholders that such payment has been made;

**Notification of Call Exercise Date**

Not less than 30 (thirty) days prior to the Call Exercise Date in respect of any Bond, give to the Trustee notice in writing of the amount of such redemption or purchase pursuant to the Conditions and duly proceed to redeem or purchase such Bonds accordingly;

**Authorized Signatories**

Upon the execution hereof and thereafter forthwith upon any change of the same, deliver to the Trustee a list of the Authorized Signatories of the Issuer, together with certified specimen signatures of the same; and

**Payments**

Pay moneys payable by it to the Trustee hereunder without set off, counterclaim, deduction or withholding, unless otherwise compelled by laws of the land.

## 8. Rights and Obligation of the Trustee

Rights and Obligations of the Trustee have been incorporated from the Trust Deed executed between the Issuer (Dhaka Bank Limited) and the Trustee (IDLC Investments Limited).

**Trustee's Rights**

Applicable Law: Notwithstanding anything contained in this Trust Deed the Trustee shall have all such rights and powers granted to it under the applicable law including but is not limited to Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021 together with all its amendment, modification or ratification thereof.

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Head Office, Dhaka

18 OCT 2022 21

Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
L I M I T E D

18 OCT 2022

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

2.5  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

**Advice:** The Trustee may in relation to this Trust Deed act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert (whether obtained by the Trustee, the Issuer, or any Subsidiary) and which advice or opinion may be provided on such terms (including as to limitations on liability) as the Trustee may consider in its sole discretion to be consistent with prevailing market practice with regard to advice or opinions of that nature and shall not be responsible for any Liability occasioned by so acting; any such opinion, advice, certificate or information may be sent or obtained by letter, telegram, telex, cablegram or facsimile transmission. However, the trustee should also perform the standard due diligence process in case of receipt of any advice, whatever means the communication form either print or electronic, in relation to the issuance of the bond;

**Resolution or direction of Bondholders:** the Trustee shall not be responsible for acting upon any resolution purporting to be a Written Resolution or to have been passed at any meeting of the Bondholders in respect whereof minutes have been made and signed or a direction of a specified percentage of Bondholders. However, the Trustee shall be responsible for acting upon any resolution purporting to be a Written Resolution, if it is subsequently found that there was some defect in the constitution of the meeting or the passing of the resolution or the making of the directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the making of the directions was not valid or binding upon the Bondholders;

**Trustee not responsible for investigations:** save as otherwise provided by applicable law, the Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in this Trust Deed, the Bonds, or any other agreement or document relating to the transactions herein or therein contemplated or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof;

**Entry on the Register:** the Trustee shall not be liable to the Issuer or any Bondholder by reason of having accepted as valid or not having rejected any entry on the Register later found to be forged or not authentic and can assume for all purposes in relation hereto that any entry on the Register is correct;

**Events of Default:** save as otherwise provided by applicable law, until it shall have actual knowledge or express notice to the contrary, the Trustee shall be entitled to assume that no such Event of Default has happened and that the Issuer is observing and performing all the obligations on its part contained in the Bonds and under this Trust Deed and no event has happened as a consequence of which any of the Bonds may become repayable; and

**Right to Deduct or Withhold:** notwithstanding anything contained in this Trust Deed, to the extent required by any applicable law, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if the Trustee is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whenever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Trust Deed (other than in connection with its remuneration as provided for herein) or any investments or deposits from time to time representing the same, including any income or gains arising therefrom or any action of the Trustee in connection with the trusts of this Trust Deed (other than the remuneration herein specified) or otherwise, then the Trustee shall act to make such deduction or withholding as per the prevailing laws of the land.

**Liability:** Under no circumstance will the Trustee be liable for any special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to loss of business, goodwill, opportunity or profit), unless such act or omission resulting for such loss or damage is due to negligence or wilful default of the Trustee. This Clause 6.1.8 shall survive the termination or expiry of this Trust Deed or the removal or termination of the Trustee.

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**Force Majeure:** The Trustee shall not be liable for any failure or delay in the performance of its obligations under this Trust Deed or any other Bond Document because of circumstances beyond such Trustee's control, including, without limitation, acts of God, flood, war (whether declared or undeclared), terrorism, fire, riot, embargo, labour disputes, any laws, ordinances, regulations or the like of which restrict or prohibit the performance of the obligations contemplated by this Trust Deed or any other Bond Document, inability to obtain or the failure of equipment, or interruption of communications or computer facilities, and other causes beyond such Trustee's control whether or not of the same class or kind as specifically named above.

**Immunities:** The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Trust Deed shall extend to the Trustee's officers, directors and employees. Such immunities and protections and right to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the defeasance or discharge of this Trust Deed and final payment of the Bonds.

**Professional charges:** any trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his partner or firm on matters arising in connection with the trusts of this Trust Deed and also his properly incurred charges in addition to disbursements for all other work and business done and all time spent by him or his partner or firm on matters arising in connection with this Trust Deed, in each case as agreed pursuant to the Fee Letter (including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person). In this connection prior approval from the Issuer should be obtained by the Trustee.

**Expenditure by the Trustee:** nothing contained in this Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it, subject to prior approval from the Issuer; and

**Restriction on financial transactions with the Issuer:** The Trustee and its directors and officers shall be precluded from making any contracts or entering into any transactions ("Other Business") with the Issuer which would place its fiduciary duties towards the Bondholders in conflict with its rights and obligations in such Other Business.

**Trustee Liability:** The Trustee shall not be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to this Trust Deed or the Bonds save in relation to its own gross negligence, wilful default or fraud.

**Right to Sue:** The Trustee may sue and may be sued on behalf of the Bondholders.

#### Trustee's powers and duties

**Applicable Law:** Notwithstanding anything contained in this Trust Deed the Trustee shall have all such responsibility as set out in the applicable law including but is not limited to Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021 and any subsequent amendments, modifications or ratifications thereof.

**Act for Bondholders:** Subject to applicable law and terms and conditions of this Trust Deed Trustee shall act on behalf and for the exclusive interest of the Bondholders;

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Managing Director  
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Managing Director & CEO  
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**Monitoring:** Trustee shall ensure that Issuer is observing the applicable law for the Bonds and the terms and conditions of the Bond Documents. As soon as the Trustee is aware of any breach by the Issuer it shall immediately inform the Bondholders and the Issuer of such breach;

**Report to BSEC:** Trustee shall submit an annual compliance report to the BSEC on the activities of the Issuer including repayment of dues to the Bondholders. When Trustee shall submit such report to the BSEC it shall provide copy to the Issuer and the Bondholders. However, in case of any non-compliance of the Issuer, the trustee shall first provide a copy of the report to the Issuer with details of such non-compliance and then submit to the BSEC;

**Notification of call or repayment:** immediately upon receipt of notice from the Issuer regarding a Call Exercise Date in respect of any Bond, give to the respective Bondholders notice in writing of the amount of such redemption or purchase by the Issuer pursuant to the Conditions;

**Grievances of the Bondholders:** Upon receipt of a complaint from the Bondholders Trustee shall take necessary steps for redress of grievances of the Bondholders within one month of the date of receipt of the complaints and he shall keep the BSEC and the Issuer informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;

**Trustee's determination** The Trustee may determine whether or not a default in the performance or observance by the Issuer of any obligation under the provisions of this Trust Deed or contained in the Bonds is capable of remedy and if the Trustee shall certify that any such default is, in its opinion, not capable of remedy, such certificate shall be conclusive and binding upon the Issuer and the Bondholders;

**Determination of questions:** the Trustee as between itself and the Bondholders shall have full power to determine all questions and doubts arising in relation to any of the provisions of this Trust Deed and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee and the Bondholders;

**Trustee's discretion:** the Trustee shall (save as expressly otherwise provided herein) as regards all the trusts, powers, authorities and discretions vested in it by this Trust Deed or by operation of law, have absolute discretion as to the exercise or non-exercise thereof but whenever the Trustee is under the provisions of this Trust Deed bound to act at the request or direction of the Bondholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing;

**Trustee's consent:** any consent given by the Trustee for the purposes of this Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee may require;

**Application of proceeds:** the Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Bonds or the delivery of any Bond Certificates to the Bondholders;

**Error of judgment:** the Trustee shall not be liable for any error of judgment made in good faith by any officer or employee of the Trustee assigned by the Trustee to administer its corporate trust matters;

**Agents:** Subject to the provisions of the Trust Act 1882 and Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021, the Trustee may, in the conduct of the trusts of this Trust Deed instead of acting personally, employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the

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Trustee (including the receipt and payment of money) with the consent of Issuer and the Trustee shall be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person provided that the Trustee had exercised reasonable care in the appointment of such person;

Confidential information: the Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Bondholder confidential information or other information made available to the Trustee by the Issuer in connection with this Trust Deed and no Bondholder shall be entitled to take any action to obtain from the Trustee any such information.

Determination of Interest Rate: the Trustee shall determine Applicable Interest Rate in accordance with Condition of the Bond.

#### Exercise of Discretion

Notwithstanding anything in this Trust Deed to the contrary, the Trustee shall not be obliged to exercise or consider exercising any discretion or consider making or make any determination (including, without limitation, any determination as to whether any fact or circumstance or activity or thing is material or substantial or complies with some such similar quantitative standard) or to consider taking or take any action whatsoever in connection with or under or pursuant to the Bonds unless directed to do so by the holders of not less than 66<sup>2</sup>/<sub>3</sub> percent in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution of Bondholders.

The Trustee will not be responsible for any loss, expense, damage, claim, cost, charge or liability which may be suffered as a result of any exercise or non-exercise of a discretion or the making or failure to make any determination or the taking or failure to take any action by the Trustee, acting on the directions of the Bondholders as aforesaid or pending the provision of such a direction.

## 9. Rights and Obligation of the Eligible Investors (Bondholders)

Rights and Obligations of the Eligible Investor (Bondholders) have been incorporated from the Trust Deed executed between the Issuer (Dhaka Bank Limited) and the Trustee (IDLC Investments Limited).

Each investor (Bondholder) of the Bonds issued under private placement, shall enter into a separate Subscription Agreement with the Issuer and shall be bound by the terms and conditions in relation to such investments as contained in such Subscription Agreement containing in details the rights and obligations of the investors, and which shall be an integral part of this Trust Deed.

The rights of the Bondholder are several and any debt or other obligation arising under the subscription at any time from the Issuer to any other Bondholder(s) shall be a separate and independent debt. Each Bondholder will be entitled to protect and enforce its individual rights independently of any other Bondholder and it shall not be necessary for any other Bondholder(s) to be joined as an additional party in proceedings for such purpose.

Each Bondholder has the right to demand information from the Issuer as set out in this Trust Deed and the Condition attached in Schedule 1 (Terms and Conditions of the Bonds).

Each Bondholder has the right to receive interest on the Bond on the Interest Payment Date as set out in the Condition attached in Schedule 1 (Terms and Conditions of the Bonds).

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Each Bondholder has the right to attend meeting of the Bondholders and vote therein in accordance with Condition 13 (Meetings of Bondholders, Modification, Waiver and Substitution).

The Issuer shall fully indemnify the Bondholder(s) from and against any expense, loss, damage or liability which any of them may incur as per provisions of this Trust Deed in connection with the enforcement, protection or preservation of any right or claim of the Bondholders under the Transaction Documents.

## 10. Rights and Obligations of the Issue Manager:

Rights and Obligations of the Issue Manager have been incorporated from the Agreement for appointment of manager to the Issue executed between the Issuer (Dhaka Bank Limited) and the Issue Manager (UCB Investment Limited).

The ISSUE MANAGER warrants and represents to ISSUER that.

The ISSUE MANAGER is a valid and legally constituted company and has obtained all necessary and requisite licenses, approvals and permits (as the case may be) from the Bangladesh Securities and Exchange Commission (BSEC) and any other authorities/agencies concerned to carry on the business as Manager to Issue with regard to the Issue Management.

The ISSUE MANAGER will provide all the Services in accordance to the requirement of the law, especially in strict compliance to the Bangladesh Securities and Exchange laws, regulations, notifications and directions issued from time to time prior to and on the date of the PUBLIC OFFER, the Companies Act, the Listing Rules etc.

The ISSUE MANAGER shall issue a Due Diligence Certificate in favor of ISSUER to execute PUBLIC OFFER in compliance with the "Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021" only upon the Issue MANAGER's satisfaction on independent verification of different papers, reports, documents and other material facts and disclosures to evaluate authenticity and integrity of the Issuer through several discussions with the officials and Directors of ISSUER.

The ISSUE MANAGER will take all possible precautions, care and exert the best of its expertise, skills and services for the PUBLIC OFFER.

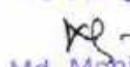
The ISSUE MANAGER shall keep record for next 5 (five) years after PUBLIC OFFER approval for any inspection or queries by the Commission as per guideline of "Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021".

The ISSUE MANAGER may propose the engagement of any co-Issue Manager without any additional cost burden and with the prior approval of ISSUER. The Issue Manager hereby undertakes that the Co-Issue Manager, as to be engaged, possess the required licenses, approvals of BSEC, and requisite skills to undertake any or all of the Services as mentioned herein and the Issue Manager shall be solely responsible for any acts or omission of the Co-Issue Manager so appointed and all terms and conditions as depicted herein, shall be equally applicable on the part of the Co-Issue Manager.

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Managing Director & CEO  
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## 11. Rights and Obligations of the Underwriter:

Rights and Obligations of the Underwriter have been incorporated from the Underwriter Agreement executed between the Issuer (Dhaka Bank Limited) and the Underwriter (UCB Investment Limited).

As per guideline of Bangladesh Securities and Exchanges Commission (Debt Securities) Rules, 2021 (the "Rules") at least twenty percent (20%) of the issue under Public Offer of the Bonds made under the Rules have to be underwritten on a firm commitment basis by the underwriter(s) i.e. BDT 40,000,000 shall have to be underwritten on a firm commitment basis by the underwriters, subject to the terms stated below:

- The underwriter may also use best efforts for selling securities to any institutional investor or eligible investor;
- The unsubscribed portion of securities up to the commitment shall be subscribed by the underwriter itself or selling of any portion of unsubscribed securities to any institutional investor or eligible investor under best efforts to fulfil the commitment;
- The issue shall stand cancelled in case of under-subscription above fifty percent (50%) of the Public Issue.

## 12. Description of Dhaka Bank Limited: The Issuer

Dhaka Bank Limited (DBL) was incorporated as a Public Limited Company on April 06, 1995 under the Companies Act, 1994 and commenced banking operations on July 05, 1995. Dhaka Bank was established in the nineties to bring in a banking reform, focusing the heritage and history of the country into the modern metropolis. Most of its presentation, publications, brand initiatives, delivery channels, calendars and financial manifestations bear the bank's commitment to this commitment.

DBL was listed in DSE and CSE in 2000. The bank's businesses have a countrywide reach through a large network of Branches, ATMs, ADMs, SME channels and SMS banking. As on March 2021, Dhaka Bank has made its vibrant presence at 105 Branches including 2 Islamic Banking Branches, 19 Sub Branches, 3 SME Service Centers, 63 ATMs, 20 ADMs, 1 Business Kiosk and 2 Offshore Banking Units across the country. Catering to the needs of Capital Market, the bank has established a subsidiary company named Dhaka Bank Securities Limited, having 6 branches across the country.

Authorized Capital: BDT 10,000 Million

Paid-up Capital: BDT 9,496.25 Million

### a. Capital Structure

Table: Sources of Issuer's Capital Structure

LIABILITIES & CAPITAL	Amount in BDT Million	% of Total assets
<b>Liabilities</b>		
Borrowings from other banks, financial institutions and agents	44,590.75	13.25
Deposits and other Accounts	229,945.56	68.32
Current Accounts and other Accounts	34,172.43	10.15

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Bills Payable	2,210.07	0.66
Savings Bank Deposits	28,665.17	8.52
Term Deposits	164,897.89	48.99
<b>Non Convertible Subordinated Bond</b>	<b>5,200.00</b>	<b>1.54</b>
<b>Other liabilities</b>	<b>35,868.54</b>	<b>10.66</b>
<b>Total Liabilities</b>	<b>315,604.85</b>	<b>93.77</b>
<b>Capital/Shareholders' Equity</b>		
<b>Equity attributable to equity holders of the parent company</b>	<b>20,965.97</b>	<b>6.23</b>
Paid-up Capital	9,496.25	2.82
Statutory Reserve	9,086.26	2.70
Other Reserve	81.46	0.02
Surplus in Profit and Loss account	2,302.00	0.68
Non-controlling Interest	0.07	0.00
<b>Total Shareholders' Equity</b>	<b>20,966.04</b>	<b>6.23</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>336,570.90</b>	<b>100.00</b>

**Shareholding Structure:**

Table: Shareholding Structure of the Issuer

**Percentage of shareholding**

(amount in BDT million)

Particulars	31.12.2021		31.12.2020	
	% of holdings	Value of Shares (Tk.)	% of holdings	Value of Shares (Tk.)
<b>1. Local Ownership</b>				
Government	-	-	-	-
Banking Companies				
Financial Institutions	13.8779	1,317.87	12.8567	1,151.80
Sponsors	41.1168	3,904.55	41.1171	3,683.56
General Public	41.2339	3,915.68	42.4367	3,801.78
Mutual Fund	0.4879	46.33	0.6682	59.86
Unit Funds	2.2111	209.97	1.6239	145.48
ICB Account Holders	0.1065	10.11	0.0760	6.81
ICB Head office (Investors A/c)	0.0429	4.08	0.0454	4.06
ICB Mutual Fund	0.0176	1.67	0.0234	2.10
ICB Unit Fund	0.2015	19.13	0.1033	9.25
ICB AMCL Unit Fund	0.0369	3.50	0.0363	3.26
Non-Resident Bangladeshi (NRB)	0.0826	7.84	0.2551	22.85
ICB Asset Management Company Ltd.	0.1580	15.00	0.1699	15.23
ICB Investors A/C, Local Office	0.0948	9.00	0.1127	10.10
ICB Capital Management Limited	0.1782	16.92	0.2852	25.55
ICB AMCL First Mutual Fund	0.1534	14.57	0.1894	16.97
Other Investor's A/C				

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Information Memorandum of  
Dhaka Bank Perpetual Bond worth of BDT 2 Billion

	100.0000	9,496.25	99.9993	8,958.67
<b>2. Foreign Ownership</b>				
Financial Company	-	0.00	0.0006	0.05
Individual Investors	-	-	-	0.00
	-	0.00	0.0006	0.05
	100.00	9,496.25	100.00	8,958.72

The Issuer maintains appropriate capital adequacy, which enables it to confront various risk factors it may be exposed to.

**Total Capital of the Issuer:**

Table: Description of Issuer's Total Capital

(amount in BDT million)

Consolidated Capital to Risk Weighted Assets Ratio (CRAR) - as per BASEL III	31.12.2021	31.12.2020
	Taka	Taka
<b>Tier - I Capital (going - concern capital)</b>		
<b>Common Equity Tier 1 Capital (CET 1)</b>		
Paid up Capital	9,496.25	8,958.72
Minority Interest	0.07	0.06
Statutory Reserve	9,086.26	8,263.44
General Reserve	6.56	6.56
Surplus in Profit and Loss Account	2,302.00	2,108.97
	<b>20,891.15</b>	<b>19,337.76</b>
<b>Less : Regulatory Adjustment</b>		
Book value of Goodwill and value of all other Intangible Assets**	493.45	534.51
(* **Written down value of Software which is treated as Intangible Assets)		
Deferred Tax Assets (DTA)	368.25	496.37
	<b>20,029.45</b>	<b>18,306.88</b>
<b>Additional Tier 1 Capital (AT 1)</b>	0.00	0.00
<b>Total Tier - I Capital</b>	<b>20,029.45</b>	<b>18,306.88</b>
<b>Tier - II Capital (gone concern capital)</b>		
General Provision	8,301.80	6,628.97
Asset Revaluation Reserve (50%)	0.00	0.00
Revaluation Reserve for HTM & HFT Securities (50%)	0.00	0.00
Non-convertible Subordinated Bond	3,600.00	5,086.82
	<b>11,901.80</b>	<b>11,715.79</b>
<b>Less : Regulatory Adjustment</b>	0.00	0.00
<b>Total Tier - II Capital</b>	<b>11,901.80</b>	<b>11,715.79</b>
<b>A. Total Eligible Capital</b>	<b>31,931.25</b>	<b>30,022.67</b>

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<b>B. Risk Weighted Assets</b>		
Credit Risk		
Balance sheet business	157,346.81	151,857.85
Off- Balance sheet business	36,597.19	31,205.77
	<b>193,944.00</b>	<b>183,063.62</b>
Market Risk	7,098.39	5,549.97
Operational Risk	16,840.95	16,453.15
<b>Total Risk-weighted Assets</b>	<b>217,883.35</b>	<b>205,066.75</b>
<b>C. Required Capital on Risk Weighted Assets</b>	<b>27,235.42</b>	<b>25,633.34</b>
<b>D. Capital Surplus / (Shortfall) [A-C]</b>	<b>4,695.83</b>	<b>4,389.33</b>
<b>Total Capital Ratio (%)*</b>	<b>14.66%</b>	<b>14.64%</b>

Capital Requirement	2021	2020
	Held (%)	Held (%)
Tier - I Capital (going concern capital)	9.19	8.93
Tier - II Capital (gone concern capital)	5.46	5.71
<b>Total</b>	<b>14.66%</b>	<b>14.64%</b>

## b. Business

Dhaka Bank is such a dream that spread in profusion modern banking prospects with deep attachment to its community and culture. A host of visionary entrepreneur friends inspired by a futurist leader set forth the fight of this great corporate voyage that echoed the speed of technology on the inner soul of Bangladesh. Dhaka Bank was incorporated as a Public Limited Company on April 6, 1995 under Companies Act, 1994. The company commenced banking operations on July 5, 1995.

From the very year of its landmark journey, Dhaka Bank has truly cherished and brought into focus the heritage and history of Dhaka and Bangladesh from Mughal outpost to modern metropolis. Most of its presentation, publications, brand initiatives, delivery channels, calendars and financial manifestations bear Bank's commitment to this attachment. The Bank is widely recognized today for its exceptional service, simplicity, proximity and cutting-edge way of delivery.

The bank has stood for its financial strength and operational craftsmanship marking its position as the potential market player in all core areas of banking in the country. It got listed in DSE and CSE in 2000. Alongside a lasting bond with the corporate world, Dhaka Bank has got hold of a countrywide reach through a larger network of Branches, ATMs, ADMs, SME channels and SMS banking. As on March 2021, Dhaka Bank has made its vibrant presence at 105 Branches including 2 Islamic Banking Branches, 19 Sub Branches, 3 SME Service Centers, 63 ATMs, 20 ADMs, 1 Customer Service Center and 2 Offshore Banking Units across the country. Catering to the needs of Capital Market, the Bank has established a subsidiary company named Dhaka Bank Securities Limited having 6 countrywide Branches.

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Managing Director & CEO  
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Managing Director  
IDLC Investments Limited

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Managing Director & CEO  
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We expect to rise from the heart of Bangladesh as a stronger force in the market we serve. We are committed to our goals to create superior shareholder value in our quest for excellence as we grow and mature into a banking veteran.

### Vision:

At Dhaka Bank, we draw our inspiration from the distant stars. Our vision is to assure a standard that makes every banking transaction a pleasurable experience. Our endeavor is to offer you supreme service through accuracy, reliability, timely delivery, cutting edge technology and tailored solution for business needs, global reach in trade and commerce and high yield on your investments.

Our people, products and processes are aligned to meet the demand of our discerning customers. Our goal is to achieve a distinct foresight. Our prime objective is to deliver a quality that demonstrates a true reflection of our vision- Excellence in Banking.

### Mission:

To be the premier financial institution in the country providing high quality products and services backed by latest technology and a team of highly motivated personnel to deliver Excellence in Banking.

### Business:

Dhaka Bank focuses on a wide range of financial products and services which include commercial banking through both conventional and Islamic mode, Merchant and Investment Banking, SME & Retail Banking, Credit Card and Off-shore Banking. It plays Leading Role in Syndicated & Structured Financing. It has expertise in Corporate Credit and Trade Finance and made extensive market penetration with continuous growth in Corporate, Commercial and Trade Finance sectors.

### Corporate values of Dhaka Bank Limited:

- Customer Focus
- Integrity
- Quality
- Teamwork
- Respect for the Individual
- Responsible Citizenship

### Product and Services:

Dhaka Bank recognizes that Corporate Customers' needs vary from one to another and a customized solution is critical for the success of their business. DBL Corporate Banking provides financial products & services that fulfill various banking needs of large Corporate Houses, as well as Financial Institutions & Micro-Credit Organizations. Our product basket ranges from short term financing of day-to-day business operations to long term loans for expansion of business. We work to understand one's specialized needs and design tailored and structured solutions for their business.

#### PROJECT FINANCE (LONG, MID & SHORT TERM):

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Project financing is an innovative and timely financing technique that has been used to fund large-scale corporate projects. It includes understanding the rationale for project financing, preparing the financial plan, assessing the risks, designing the financing mix, and raising the funds.

Dhaka Bank offers a full range of products & services to the entrepreneurs implementing a project including structuring mode of financing, mitigation of different risks and providing advisory service for successful implementation of the project.

**Products offered under Project Finance –**

- Term Loan – Machineries
- Term Loan – Construction
- Lease Finance (Machineries)
- Foreign Currency Loans

Our experience in Project Financing covers a wide span of businesses and industries. One can leverage on our expertise in the following sectors particularly:

Textile, Ready Made Garments, Cement, Steel & Engineering, Paper & Packaging, Jute Industry, Telecom, Media and Technology, Power Sector, Glassware, Edible Oil and Consumer Products, Energy and Infrastructure, Chemicals and Pharmaceuticals, Construction, Renewable Energy (Solar Energy), Ship-building, Aviation, Healthcare

**TRADE FINANCE:**

Ever since "Business" has become a matter of beyond the geographical boundaries, Foreign Trade has been introduced as a major wing of modern banking. For supporting the businesses of our customers, we have made a strong base for offering wide range of products and services related to Trade Finance.

- Export LC (Advising & Transfer)
- Export Bill Negotiation/Collection
- Import Finance
- Import Bill Handling
- Shipping guarantee
- EDF Loan
- OBU Financing

**WORKING CAPITAL FINANCE:**

Working Capital is the life blood for any newly established projects. Dhaka Bank's working capital financing includes all sorts of facilities for every sector of businesses and industries with respect to their nature of operation. Our products and services for financing working capital depending on the nature of facilities can be segmented as –

**Non – Funded Facilities:**

- Letter of Credit (Cash LC, BTB LC, UPAS, EDF etc.)
- Bank Guarantee (BB, PG, APG, Payment Guarantee, FC)

**Funded Facilities:**

- Short Term Loan (3, 6, 9 months)
- Overdraft – Others
- Overdraft – Work Order
- Cash Credit (Hypothecation, Pledge)
- Loan against Trust Receipt (LTR)
- Time Loan

**CASH MANAGEMENT SOLUTIONS:**

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Managing Director & CEO  
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Tanzim Alamgir  
Managing Director & CEO  
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- Payment & collection solution
- Bulk cheque Processing
- Utility Bill collection
- Vendor/Salary Payment
- Cash pickup & Delivery
- Hajj Remittance Processing
- Managing IPOs as Lead Bank
- Act as Banker to the issue of IPOs

**DHAKA BANK OFF-SHORE BANKING UNIT**

We have come a long way since we launched our Off-shore Banking operations in Dhaka Export Processing Zone six years ago. We are one of the pioneers among local banks in Bangladesh to set up an Off-shore Banking Unit, which went in operation in the year 2006 in Dhaka Export Processing Zone. As a second generation private commercial Bank, Dhaka Bank's Off-shore Banking Unit has earned enormous confidence of the foreign investors due to its strong commitment and dedication over the years. Currently, the bank has been providing offshore banking services to several Type-A industrial unit of the EPZs through its two OBUs in Dhaka and Chittagong Export Process Zone. We, in the Off-shore Banking unit, pride ourselves in our ability to provide premier Off-shore Trade solutions to our clients, while ensuring that highest levels of professionalism are practiced by our colleagues.

Though the country's offshore banking market is dominated by the foreign banks, Dhaka Bank has been able to make its presence felt by attracting a good number of customers in a short period of time through effective marketing and competitive pricing of its offshore banking products and ensuring highest levels of professionalism and excellent customer services backed by quality human and technological supports. OBU invested around USD 19 million in offshore market to support Type-A industries as well as to strengthen its asset portfolios.

**c. Board of Directors and Management**

**Board of Directors:**

Sl No	Name	Designation
1	Mr. Abdul Hai Sarker	Chairman
2	Mr. Jashim Uddin	Vice Chairman
3	Mr. Amanullah Sarker	Director
4	Mr. Reshadur Rahman	Director
5	Mrs. Rokshana Zaman	Director
6	Mr. Altaf Hossain Sarker	Director
7	Mr. Mohammed Hanif	Director
8	Mr. Tahidul Hossain Chowdhury	Director
9	Mr. Khondoker Monir Uddin	Director
10	Mr. Md. Amirullah	Director
11	Mr. Abdullah Al Ahsan	Director
12	Mr. Mirza Yasser Abbas	Director
13	Mrs. Manoara Khandaker	Director
14	Mrs. Rakhi Das Gupta	Director
15	Mr. Feroz Ahmed	Independent Director
16	Mr. Ahabab Ahmad	Independent Director
17	Mr. Emranul Huq	Managing Director and CEO

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**Management Team:**

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Managing Director & CEO  
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Managing Director & CEO  
UCB Investment Limited

**Executive Committee:**

SL.	Name of Member	Designation
1.	Mrs. Rokshana Zaman	Chairperson
2.	Mr. Reshadur Rahman	Member
3.	Mr. Altaf Hossain Sarker	Member
4.	Mr. Mohammed Hanif	Member
5.	Mr. Khondoker Monir Uddin	Member
6.	Mr. Mirza Yasser Abbas	Member
7.	Mrs. Manoara Khandaker	Member

**Audit Committee:**

SL.	Name of Member	Designation
1.	Mr. Ahabab Ahmad	Chairman
2.	Mr. Abdullah Al Ahsan	Member
3.	Mr. Amanullah Sarker	Member
4.	Mr. Tahidul Hossain Chowdhury	Member

**Risk Management Committee:**

SL.	Name of Member	Designation
1.	Mr. Khondoker Monir Uddin	Chairman
2.	Mr. Md. Amirullah	Member
3.	Mr. Jasim Uddin	Member
5.	Mr. Md. Muzibur Rahman	Member

**d. Profile of the Board of Directors:**

**Mr. Abdul Hai Sarker**

Chairman

Mr. Abdul Hai Sarker has been recently elected as the Chairman of Dhaka Bank Limited. Mr. Sarker was born in a respectable Muslim family of Sirajgonj District. He accomplished his Post Graduation Degree (M. Com) from the University of Dhaka in 1970. Soon he involved himself in international trade and business and became a reputed industrialist in the country.

His sincere effort and dynamic leadership culminated in a large business conglomerate in the name of Purbani Group. Mr. Sarker is also the Founder Chairman of Dhaka Bank Limited, Former President of Bangladesh Textile Mills Association (BTMA), the Former Vice Chairman of Bangladesh Association of Banks (BAB) and a former Director of Federation of Bangladesh Chamber of Commerce and Industries (FBCCI).

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Managing Director & CEO  
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Managing Director  
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Mr. Sarker is the Present Chairman of Education, Science, Technology and Cultural Development Trust (ESTCDT) of Independent University Bangladesh (IUB), Dhaka. He is also the Member of the Board of Trustees of Independent University of both Dhaka and Chittagong. Mentionable that he is the Founder Member of the Board of Trustees of Bangladesh Enterprise Institute (BEI) and Associate Director of International Cotton Association based in Liverpool, UK. He has recently been elected as the Executive Board Member of International Chamber of Commerce (ICC), Bangladesh.

Besides being a leading business personality, he has been playing a commendable role in social welfare and community development. Many organizations have awarded him for his outstanding contribution to the society. He has also been accorded Commercially Important Person (CIP) status by the Government of People's Republic of Bangladesh.

**Mr. Jashim Uddin**  
**Vice Chairman**

Mr. Jashim Uddin, Vice Chairman of Dhaka Bank Limited is a prominent businessman of the country. He is also a Sponsor Director of the Bank. Academically, he is a Bachelor of Arts and by profession. He is an established businessman having more than 34 years of experience. He is involved in myriad fields of business comprising Banking Services, Insurance, Stock Brokerage, HR Development, Trading and others. He is now the Chairman of Impel Shares & Securities Ltd.; Director of HURDCO International School and Proprietor of Rafid Enterprise and Shareholder of Dhaka Imperial Hospital Ltd.

Widely travelled, Mr. Jashim is involved with many social and educational initiatives and earned recognitions from a number of organizations. He is Life Member of Bhatiyari Golf and Country Club, Red Crescent Society, Kidney Foundation, Chittagong and Diabetic Association, Chittagong. As a Donor Member he has contributed to a number of schools and colleges.

**Mr. Amanullah Sarker**  
**Director**

Mr. Amanullah Sarker is Director of Dhaka Bank Limited. He was appointed a Member of the Board of the Bank with effect from April 18, 2013. Having an excellent business background for 28 years, he is associated with Rahmat Group, a renowned business group which is one of the leading manufacturers of textiles, spinning, weaving, plastic and accessories in the country.

Mr. Sarker was born on May 18, 1964 and belongs to a respectable Muslim family. He is the son of Alhaji Mohammad Ali Sarker and Mrs. Amina Khatun. Academically he has earned B.A. (Hons) and M.A. degree from the University of Dhaka. Having accomplished his academic feat, he set out as a promising business entrepreneur in the eighties. Over the next two decades, his career grew on his continuous success leading up to the formation of Rahmat Group. He is the Managing Director of Rahmat Spinning Mills Limited, Chairman of Logos Apparels Limited and Director of Rahmat Textiles Ltd., Belkuchi Spinning Mills Ltd., China Plastic (BD) Limited and Rahmat Sweaters (BD) Limited.

Besides business involvement, Mr. Amanullah Sarker has made worthy contribution to the society and public welfare.

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**Mr. Reshadur Rahman**  
**Director**

Mr. Reshadur Rahman is a prominent industrialist in Bangladesh. As a successful business entrepreneur, he has many achievements to his credit. His able leadership has become more vibrant in Banking where Dhaka Bank is an epitome of his continued success. Mr. Rahman is now leading the Bank as Director. He was elected the Chairman of the Board of Directors in the 243rd Meeting of the Board of Directors of Dhaka Bank held on May 13, 2015 and was lastly re-elected Chairman in the 353rd Board Meeting held on June 12, 2019. He was also the Chairman of the Board of Directors during the tenure 2010-2013.

Having accomplished his graduation, Mr. Rahman resolved on making a start in the line of business and succeeded in new ventures one after another over more than three decades of his career. His business grew as an enormous group and diversified into numerous worthy areas. He is also the Chairman of RR Aviation Ltd., Trade Hub Bangladesh Ltd. and Dhaka Bank Securities Ltd.; Managing Director of RR Holdings Ltd.; Proprietor of RR Trading & Co., RR Shipping Lines, RR Architecture & Engineering Co. and National Traders; and Shareholder of Alliance Deep Sea Fishing Ltd., Alliance Bags Ltd., Quality Breeders Ltd. and Quality Grains Ltd

Mr. Reshadur Rahman has membership in professional organization namely Dhaka Chamber of Commerce & Industry and all elite clubs in Dhaka and Chittagong. He is equally active in many community development and social services programmes. Time and again, he has remained an honourable Donor to BIRDEM Hospital, Cancer Hospital, SEID Trust and a good number of educational institutions. He is the honorary Consul General of the Republic of Poland in Dhaka.

**Mrs. Rokshana Zaman**  
**Director**

Mrs. Rokshana Zaman is an experienced business person and a prominent woman entrepreneur in the country. She is now the Chairperson of the Executive Committee of the Board. She has exposure in the line of business for more than 18 years. She is the Proprietress of Dhaka Enterprise, a reputed business firm in Bangladesh and M/S. Manehor Fisheries and Director of Dhaka Bank Securities Ltd. Mrs. Zaman first involved herself in Banking business as an Alternate Director of the Bank back in 1996. Subsequently she was appointed a Director on June 29, 2004. She became the Chairperson of the Board of Directors on June 29, 2004 and continued her tenure till March 28, 2006. Since long, she has been associated with various CSR initiatives.

**Mr. Altaf Hossain Sarker**  
**Director**

A seasoned industrialist Mr. Altaf Hossain Sarker is an admired name in the arena of business in Bangladesh. His brilliance and business foresight has added a new dimension to the industrial revolution in Bangladesh. As his brainchild, many enterprises are there to be named, which in turn have become a change maker not only in the heartland of Sirajgonj where he was born but also around the country as a whole. In his mid-twenties, he started off as a businessman with an academic accomplishment of Bachelor of Commerce (B.Com.). The following years saw his sparks of business growth in diversified areas of business. Mr. Sarker is the CEO of Rahmat Group, a renowned business conglomerate. He is the Chairman of Rahmat Spinning Mills Ltd., Belkuchi Spinning Mills Ltd., China Plastic (BD.) Ltd., Rahmat Plastic and Accessories Ltd. and Rahmat Rotors Ltd.; Managing Director of Rahmat Textiles Ltd. and Rahmat Knit Dyeing & Finishing Ltd.; Director of Rahmat Fashion Wear Ltd., and Dhaka Bank Securities Ltd. and Advisor of Logos Apparels Ltd. Textile and Garment products under Rahmat Group have captured an international market. Most importantly, many of his products have become a part of our everyday life being excellent items for clothing and adornment. Mr. Altaf Hossain is now Director of Dhaka Bank and also a member of Executive Committee

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of the Board. He is also a sponsor Shareholder of the Bank that began its Banking operation in 1995. Earlier, he led the Bank as Chairman being elected in the 134th Board Meeting held in April 2008. His interest has an extra focus on education and social organizations. He is a Member Trustee of Independent University, Bangladesh (IUB) and Director of Bangladesh Textile Mills Association (BTMA). Mr. Sarker is founder Member of Board of Trustees of Dhaka Bank Foundation. Besides, he is a regular sponsor to different social activities, honourable Donor to BIRDEM Hospital, Cancer Hospital, SEID Trust and a good number of educational institutions.

**Mr. Mohammed Hanif**  
**Director**

An experienced businessman Mr. Mohammed Hanif is a renowned industrialist in the country. He has made remarkable contribution towards business and Banking in Bangladesh. The seasoned industrialist has a business career that extends over as long as 54 years. He is the Managing Director of Hanif Steels Ltd., Hanif Spinning Mills Ltd. and National Foundry & Engineering Works (Pvt.) Ltd. Mr. Hanif is a Sponsor Director and one of the long serving Board Members of Dhaka Bank Limited. He was elected the Vice Chairman of the Bank in the 134th Board Meeting held in April 2008. He was first appointed a Director of the Board on April 6, 1995. He is also a Founder Member of the Board of Trustees of Dhaka Bank Foundation and an erstwhile member of Audit Committee of the Bank. He is associated with different socio-cultural activities.

**Mr. Tahidul Hossain Chowdhury**  
**Director**

Mr. Tahidul Hossain Chowdhury is a sponsor Director and one of the long serving Members of the Board of Dhaka Bank Limited. His first appointment as Director dated April 6, 1995 while his last re-appointment took place on May 11, 2009. Academically, he is a Bachelor of Arts and his professional experience in business extends over more than 39 years.

Mr. Chowdhury has earned a name as a prominent business personality in the country having stakes in diverse fields of business. He is the Chairman of Riotex Ltd. and Jerat Shirt Ltd.; Managing Director of Jerat Fashion Ltd. and Hotel Victory Ltd. and Director of Central Hospital Ltd., HURDCO International School and Dhaka Bank Investment Ltd. Besides, he is well-connected to various social initiatives and has a good travel record around the world on business and personal trip.

**Mr. Khondoker Monir Uddin**  
**Director**

A passionate entrepreneur and a perceptive businessman, Mr. Khondoker Monir Uddin is a Director of Dhaka Bank Limited. He is also one of the admired Sponsor Directors who envisioned Dhaka Bank as a house of corporate excellence. He is now the Chairman of the Risk Management Committee of the Board. Born and educated in Dhaka, he obtained B.Com. (Hons) and M.Com. degree from the Department of Accounting, University of Dhaka. On achieving academic feat, Mr. Monir set out his venture in business in 1985. The succeeding years saw his scintillating entrepreneurship in diverse fields of business spanning Readymade Garment (RMG), Real Estate, Chemicals, Business Equipment & Machine Supply, Banking, Health Care, Education and Brokerage Services, etc. With his visionary and proven business record, Mr. Monir has acquired a good entrepreneur image in the country. He put an indelible mark of perfection in whatever areas he works. For example, with his visionary leadership and keen business knowledge, Shanta Holdings Limited, a powerful portfolio of the country's most distinctive and selective developments, drives forward to demonstrate unparalleled foresight by developing projects which are the epitome

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of modern architecture and comfortable living. He is the Managing Director of Shanta Apparel Ltd., Shanta Medical Centre Ltd., Universal Business Machines Ltd., STS Holdings Ltd., Shanta Holdings Ltd., GDS Chemical Bangladesh (Pvt.) Ltd. and Shanta Securities Ltd.

To fulfil various priority needs of the people, Mr. Monir pioneered in different services of international stature. Among such enterprises, prominent are Apollo Hospitals, Dhaka, the only US-JCI accredited hospital in Bangladesh, International School Dhaka (ISD) and Delhi Public School (DPS) in Dhaka and other important cities in the country.

He is equally compassionate about social responsibility and contribution in philanthropic services for the underprivileged children and women. This apart, he has affiliation with a number of social groups, namely Dhaka Club Ltd., Gulshan Club Ltd., Uttara Club Ltd. and Kurmitola Golf Club. He has visited a good number of countries across the globe on different occasions of business.

**Mr. Md. Amirullah**  
**Director**

Mr. Md. Amirullah is a seasoned businessman in the country. He has considerable experience in business extending over above 49 years. His long attachment and commitment to business is something worth considering in the pace of economic development of the country. He started young in business and ended up with many achievements to be proud of. He is one of the pioneers in Bangladesh to initiate export of Video Cassettes worldwide. There is high recognition to his credit as a large exporter of chemicals in the international market. He had long been associated with HP Chemicals Ltd. and Orient Craft Ltd. He is one of the Directors of Dhaka Bank Investment Ltd. Mr. Amirullah associated himself with Banking entrepreneurship as a Sponsor Director of Dhaka Bank. He still continues with the Bank as Director and has retained his position for several terms after required intervals. He is now the Member of the Executive Committee of the Board. He has also widened his contribution to education setting through up a university in Dhaka. He has life membership with almost all elite clubs.

**Mr. Abdullah Al Ahsan**  
**Director**

Mr. Abdullah Al Ahsan, Director of Dhaka Bank has a prolific business background. For more than 33 years, his contribution to industry and commerce has remained vibrant. Academically he has completed M.Com. He is also a Sponsor Director of Dhaka Bank. His first appointment as a Director took place in April 6, 1995. As a business entrepreneur, he has made worthy contribution to Agro Industry, well-recognized as a thrust sector in Bangladesh. He is the Director of Aroma Poultry and Aroma Fisheries Ltd. He has widely travelled across the globe on business trips. He is associated with Gulshan Club, Chittagong Golf & Country Club and Chittagong Seniors Club Ltd. He was pro-VC of USTC.

**Mr. Mirza Yasser Abbas**  
**Director**

Mr. Mirza Yasser Abbas, a youthful entrepreneur, is the Director of Dhaka Bank Limited. He is also a Member of Executive Committee of the Board. Mr. Abbas has an excellent academic record. He has attained his international MBA from Arcadia University, PA, USA and earned worthy expertise on business management affairs. He has been associated with Mirza Enterprise and family business over the last 16 years; and applies his rich experience as the

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Chairman of LOUD Limited and Managing Director of Predictable Process Limited. He is also the Director of Dhaka Bank Investment Limited.

Mr. Mirza Yasser Abbas was appointed Member of the Board of Directors of Dhaka Bank on May 3, 2012. Since his joining, he has been spearheading many developments and restructuring initiatives in the Bank on behalf of the Board.

**Mrs. Manoara Khandaker**  
**Director**

Mrs. Manoara Khandaker has been nominated as Director of Dhaka Bank Limited in June 2018. Born in Cumilla, she completed her Bachelors of Arts Degree from Cumilla Government Women's College. Mrs. Khandaker is one of the pioneers in Shopping Bag Industry in the country. She is the Director of M/S Bari and Pack Plast Limited, Rajarbag, Dhaka, since 1998

She is also a Proprietress of M/S Total Pack and Packaging, a concern of Bari Group of Companies, which came into operations in 2014 as the only manufacturer of Stretch Wrap Film in Bangladesh.

**Mrs. Rakhi Das Gupta**  
**Director**

Mrs. Rakhi Das Gupta is one of the sponsors of Dhaka Bank Limited. The Board of Directors of Dhaka Bank Limited in its 377th Meeting of Board of Directors held on July 28, 2020 unanimously decided to appoint her as a Director of the Bank. Prior to this appointment, she also held the position of Director in the Banktwice in the years 1995 and 2009. She is also a Director of Uniroyal Securities Limited, a brokerage house.

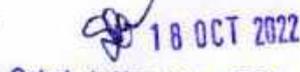
Mrs. Gupta was born in a respected Hindu family in Cumilla. Her husband, late Mr. Asoke Das Gupta, was a reputed businessman and a freedom fighter. He was the Vice Chairman of One Bank Limited, Chief Executive of IMTrex and Managing Director of Uniroyal Trade Limited. She is a proud mother of a son and a daughter. Her daughter, Ms. Anannya Das Gupta is also a Director of One Bank Limited.

Mrs. Gupta completed her Graduation with Honours and Post-graduation in English from the University of Dhaka. She has 46 years of experience in teaching profession and 18 years of experience in share business. She is also involved with various charitable organizations.

**Mr. Ahabab Ahmad**  
**Independent Director**

Mr. Ahabab Ahmad was appointed Independent Director of Dhaka Bank Limited with effect from June 30, 2021. Mr. Ahabab served as a Senior Lecturer in Sociology Department both in University of Dhaka and University of Rajshahi from 1964 to 1967. Then he joined Civil Service of Pakistan (CSP) in 1968. He served as Assistant Commissioner in greater Barisal from 1969 to 1970. Then he was senior instructor of National Institute of Public Administration (NIPA) from 1973 to 1974. Moreover, he worked as SDO of Moulvi Bazar and ADC of Cumilla in between 1972 and 1974. After that, he was Director, Training of Civil Officers Training Academy. He served Ministry of Agriculture as Deputy Secretary. Then he served ministry of Home Affairs, Ministry of Commerce and Cabinet Division as Joint Secretary in different periods from 1987 to 1990.

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Md. Shahjahan Miah  
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Emranul Haq  
Managing Director & CEO  
DHAKABANK  
L I M I T E D

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Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

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He was Economic Minister of Bangladesh Embassy in Germany with Accreditation of Austria and Czecho-Slovakia from 1990 to 1994. He was Director General of NGO Affairs Bureau, Prime Minister's Office. He was Managing Director of Biman Bangladesh Airlines from 1994 to 1995. He served Ministry of Youth and Sports, Ministry of Environment and Forest, Rural Development and Cooperative Division in different periods from 1995 to 1997. He was a representative of Summer Institute of Linguistic which is a Magsassy Award Winner International NGO. He was Chairman of Bangladesh Krishi Bank from 2002 to 2005 and Rector of BPATC from 2005 to 2006. Later he served National Food Security Project in Dhaka under FAO from 2008 to 2012.

Mr. Ahabab completed his BA (Hon's) and MA in Sociology from the University of Dhaka. He received scholarship from Cornell University, USA and Sussex University, UK on Rural Development. He also received British Council Scholarship in Manchester University on Training Methodology.

Mr. Ahabab attended many International Seminars and Workshops. He is a fan of Tennis and a regular swimmer. He has keen interest in literary works and some of his publications are – 'আমার বিক্ষত বিবেক', 'কিছু মন্দ আমলার কাব্য' ও 'নিসর্গে নিমগ্ন'

**Mr. Feroz Ahmed**  
**Independent Director**

Mr. Feroz Ahmed was born in a respectable Muslim family at village-Noupara under Naria Upazila of Shariatpur district on 1ST December of 1952. He had his Primary and Secondary education in his village school. He obtained B.A (Hons) and Masters Degree in Economics from Dhaka University. He maintained brilliant academic result in all the Public examinations and obtained government scholarship.

He joined Bangladesh Bank in 1976 as Officer class I and served there till February, 1979. Thereafter he joined Bangladesh Civil Service as a Member of B.C.S (Customs & Excise) Cadre on 1st March, 1979. He served in different capacities of Customs & Excise department with good reputation. He left Customs Service and joined as Deputy Secretary to the Government of Bangladesh in February 1998 in the Finance Division. As Joint Sectary of Finance he was associated with the preparation of National Budget. As Additional Secretary he discharged the responsibility of Chief Controller of Insurance. In this capacity he took steps to reorganize the Insurance Sector and Played Key role in finalizing the present Insurance Act and Insurance Regulatory & Development Authority Act by replacing the old Insurance Act, 1938.

As Secretary to the Government he served as Executive Director of Jamuna Bridge Authority, Youth and Sports Ministry and Commerce Ministry. As Commerce Secretary he pioneered the enactment of Consumers' Rights Protection Act to safeguard the interest of millions of consumers of the country. He also played a pivotal role in formulating and passing the Chartered Secretary Act to uphold the interest of professionals as Secretaries of Companies in Bangladesh.

During his checkered career he also served as Chairman of Investment Corporation of Bangladesh (ICB) and Bangladesh Insurance Academy and contributed to the development of these organizations. He also served as a member of The Privatization Commission responsible for denationalization of government industries and business entities.

He led Government and Business delegations for promoting trade and commerce with different countries like Nepal, Bhutan, Myanmar, India and U.S.A. He also led government delegations to China, SAARC

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UCB Investment Limited

Commerce Secretarys Meeting in Dhaka & Delhi, South Asian Regional Conference of Insurance Regulatory Forum in Kathmandu and D-8 Conference on Takaful and Insurance Regulatory in Kualalampur and contributed to the proceedings. He also led the delegation to World Trade Organization (WTO) in Geneva for negotiations to promote trade and commerce of Bangladesh.

He visited many countries including UK, USA, China, India, Thailand, Philippines, Nepal, Bhutan, Tanzania, Myanmar, Malaysia etc. He retired from Government Service in 2010. Since then he was associated with Bangladesh Textile (BTMA) till July, 2021.

He was appointed as the Independent Director of the Bank w.e.f 28.04.2022.

**Mr. Emranul Huq**  
**Managing Director & CEO**

Mr. Emranul Huq was appointed as the Managing Director and CEO of Dhaka Bank Limited with effect from February 22, 2020. Prior to this role, he was serving the Bank as the Additional Managing Director and Chief Business Officer. Mr. Huq has more than three decades of professional banking experience both at home and abroad to his credit. He started his career with Bank of Credit and Commerce International (BCCI) in Dhaka as Management Trainee in 1986. Before joining Dhaka Bank in 1998, he also worked at Eastern Bank Limited and Credit Africa Bank Limited in Zambia in various capacities. During his long tenure with Dhaka Bank, Mr. Huq served in various key positions which includes Deputy Managing Director for Business Banking, Head of Corporate Banking and Branch Manager for various corporate branches of the Bank, etc. Mr. Huq attended various professional banking training programs at home and abroad namely, USA, Germany, Netherlands, China, Thailand, Malaysia, Hong Kong, Pakistan, etc. He is a "Certified Corporate Banker" and a Fellow of the American Academy of Financial Management. He is also the Member of the Standing Committee on Banking Technique and Practice of International Chamber of Commerce (ICC) Bangladesh. Mr. Huq obtained his Bachelor of Commerce with Honors in Management from the University of Dhaka and Masters in Business Administration from the American International University-Bangladesh (AIUB).

**e. Description of Encumbered and Unencumbered Assets with Value thereof:**

Encumbered Asset (as on 31 December 2021): There is no encumbered asset of Dhaka Bank Limited.

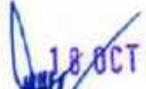
Unencumbered Asset (as on 31 December 2021): All assets of Dhaka Bank Limited is unencumbered. Total unencumbered asset is BDT 336,570.90 Million.

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

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Emranul Huq  
Managing Director & CEO  
DHAKABANK  
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Md. Maniruzzaman  
Managing Director  
IDLC Investments Limited

**f. Description of Assets and Liabilities**

**ASSETS:**

(Amount in BDT Million)

Particulars	31.12.2021
	Taka
<b>PROPERTY AND ASSETS</b>	
Cash	19,838.53
Cash in hand (Including foreign currencies)	2,301.46
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	17,537.07
<b>Balance with other banks and financial institutions</b>	22,466.56
In Bangladesh	20,331.84
Outside Bangladesh	2,134.72
<b>Money at call on short notice</b>	5,650.00
<b>Investments</b>	52,359.06
Government	38,596.72
Others	13,762.35
<b>Loans, advances and lease/investments</b>	214,607.30
Loans, Cash Credits, Overdrafts, etc./Investments	211,439.82
Bills purchased and discounted	3,167.48
<b>Fixed assets including premises, furniture and fixtures</b>	8,974.91
<b>Other assets</b>	12,674.53
<b>Non-banking assets</b>	
<b>Total Assets</b>	336,570.90

**LIABILITIES:**

(Amount in BDT Million)

LIABILITIES & CAPITAL	31.12.2021
<b>Liabilities</b>	
<b>Borrowings from other banks, financial institutions and agents</b>	44,590.75
<b>Deposits and other Accounts</b>	229,945.56
Current Accounts and other Accounts	34,172.43
Bills Payable	2,210.07
Savings Bank Deposits	28,665.17
Term Deposits	164,897.89
<b>Non-Convertible Subordinated Bond</b>	5,200.00
<b>Other liabilities</b>	35,868.54
<b>Total Liabilities</b>	315,604.85
<b>Capital/Shareholders' Equity</b>	
Equity attributable to equity holders of the parent company	20,965.97

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Managing Director & CEO  
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Emrul Haq  
Managing Director & CEO  
DHAKABANK  
LIMITED

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Md. Moiruzzaman  
Managing Director  
IDLC Investments Limited

Paid-up Capital	9,496.25
Statutory Reserve	9,086.26
Other Reserve	81.46
Surplus in Profit and Loss account	2,302.00
Non-controlling interest	0.07
<b>Total Shareholders' Equity</b>	<b>20,966.04</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>336,570.90</b>

**g. Description of Previously Issued Debt**

Previously issued debt or securities:

Particulars	First Bond	Second Bond	Third Bond
Issuer	Dhaka Bank Limited	Dhaka Bank Limited	Dhaka Bank Limited
Lead Arranger	Standard Chartered Bank Ltd.	Standard Chartered Bank Ltd.	Standard Chartered Bank Ltd.
Trustee	Bangladesh General Insurance Company Ltd.	Green Delta Insurance Company Ltd.	Green Delta Insurance Company Ltd.
Tenure of Bond	7 Years	7 Years	7 Years
Total Face Value	Tk. 200.00 Crore	TK. 300.00 Crore	TK. 500.00 Crore
Number of Bonds	80	25	35
Profit Rate	11.65%	7-11%	7-10.5%
Date of Issue	December 06, 2010	May 15, 2016	August 12, 2018
Repayment/Redemption	Redemption completed as of December 06, 2017	BDT 60 Crore Redemption as of August 31, 2022	BDT 300 Crore Redemption as of August 31, 2022

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Md. Shahjahan Miah  
JVP & Company Secretary  
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Sahabuddin Khan, FCA  
Chief Finance Officer, EVP & CFO  
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Head Office, Dhaka

Emranul Haq  
Managing Director & CEO  
DHAKABANK  
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Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

List of Investors:

Name of the Investor	1 <sup>st</sup> Bond		2 <sup>nd</sup> Bond		3 <sup>rd</sup> Bond		Total Outstanding TK. (as at 31 August 2022)
	Bond Issued (Taka)	Outstanding TK. (as at 31 August 2022)	Bond Issued (Taka)	Outstanding TK. (as at 31 August 2022)	Bond Issued (Taka)	Outstanding TK. (as at 31 August 2022)	
Bangladesh Commerce Bank Limited	5.00 Cr.	-					-
National Credit and Commerce Bank Limited	5.00 Cr.	-					-
Standard Bank Limited	5.00 Cr.	-					-
Trust Bank Limited	5.00 Cr.	-					-
Dutch-Bangla Bank Ltd.	10.00 Cr.	-					-
Pubali Bank Ltd.	10.00 Cr.	-					-
Prime Bank Limited	17.00 Cr.	-					-
Bangladesh Development Bank Limited	20.00 Cr.	-					-
Janata Bank Ltd	20.00 Cr.	-					-
Saudi-Bangladesh Industrial & Agricultural Investment Company Limited	20.00 Cr.	-					-
Sonali Bank Limited	20.00 Cr.	-					-
Rupali Bank Ltd.	25.00 Cr.	-					-
Prime Bank Employees Provident Fund	3.00 Cr.	-					-

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Managing Director  
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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Information Memorandum of  
Dhaka Bank Perpetual Bond worth of BDT 2 Billion

A. K. Khan & Company Limited	5.00 Cr.	-					
National Life Insurance Company Limited	5.00 Cr.	-					
Central Depository Bangladesh Limited	25.00 Cr.	-					
Rupali Bank Limited			100.00 Cr	20.00 cr.			20.00 cr.
Sonali Bank Limited			80.00 Cr	16.00 cr.			16.00 cr.
Agrani Bank Limited			50.00 Cr	10.00 cr.			10.00 cr.
Janata Bank Limited			50.00 Cr	10.00 cr.			10.00 cr.
Delta Life Insurance Co. Ltd			20.00 Cr	4.00 cr.			4.00 cr.
Agrani Bank Limited					150.00 Cr	90.00 Cr	90.00 Cr
Sonali Bank Limited					100.00 Cr	60.00 Cr	60.00 Cr
Rupali Bank Limited					100.00 Cr	60.00 Cr	60.00 Cr
Janata Bank Limited					100.00 Cr	60.00 Cr	60.00 Cr
Pubali Bank Limited					15.00 Cr	9.00 Cr	9.00 Cr
Delta Life Insurance Co. Ltd					25.00 Cr	15.00 Cr	15.00 Cr
Sadharan Bima Corporation					10.00 Cr	6.00 Cr	6.00 Cr
<b>Total</b>	<b>200.00 Cr.</b>	<b>-</b>	<b>300.00 Cr.</b>	<b>60.00 Cr.</b>	<b>500.00 Cr.</b>	<b>300.00 Cr.</b>	<b>360.00 Cr</b>

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Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

The following amounts were collected and deposited to the Paid up Capital Account of the Bank through issuance of Equity Securities:

SL	Amount Collected (Tk Crore)	Year	Subscriber
1	200.00 Crore	December 6, 2010	Bangladesh Commerce Bank Limited
			National Credit and Commerce Bank Limited
			Standard Bank Limited
			Trust Bank Limited
			Dutch-Bangla Bank Ltd.
			Pubali Bank Ltd.
			Prime Bank Limited
			Bangladesh Development Bank Limited
			Janata Bank Ltd
			Saudi-Bangladesh Industrial & Agricultural Investment Company Limited
			Sonali Bank Limited
			Rupali Bank Ltd.
			Prime Bank Employees Provident Fund
			A. K. Khan & Company Limited
National Life Insurance Company Limited			
Central Depository Bangladesh Limited			
2	300.00 Crore	May 15, 2016	Rupali Bank Limited
			Sonali Bank Limited
			Agrani Bank Limited
			Janata Bank Limited
			Delta Life Insurance Co. Ltd
3	500.00 Crore	August 12, 2018	Agrani Bank Limited
			Sonali Bank Limited
			Rupali Bank Limited
			Janata Bank Limited
			Pubali Bank Limited
			Delta Life Insurance Co. Ltd
			Sadharan Bima Corporation
<b>Total</b>	<b>1,000.00 Crore</b>		

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

13. Audited Financial Statements of the issuer, Dhaka Bank Limited

**Dhaka Bank Limited and its Subsidiaries**  
Consolidated Balance Sheet  
As at 31 December 2021

Notes	31.12.2021 Taka	31.12.2020 Taka
<b>EQUITIES AND ASSETS</b>		
<b>Cash</b>	19,878,570,641	17,403,405,921
Cash in hand (including foreign currencies)	2,201,893,779	2,372,211,628
Balance with Reserve Bank of Bangladesh (including Reserve for currency)	17,676,676,862	15,031,194,293
<b>Balance with other banks and financial institutions</b>	22,466,556,222	18,148,195,507
In Bangladesh	20,070,877,757	15,751,294,466
Outside Bangladesh	2,395,678,465	2,396,901,041
<b>Money at call or short notice</b>	5,650,606,900	792,888,000
<b>Investments</b>	52,229,662,968	42,280,854,681
Government	28,288,716,831	22,381,371,422
Other	23,940,946,137	19,899,483,259
<b>Loans, advances and investments</b>	214,807,304,713	196,643,837,366
Loans (Cash Credits, Overdrafts etc.) (Rescheduled)	97,458,502,000	104,741,799,342
Bills on hand and discounted	6,547,864,785	7,475,543,879
<b>Fixed assets including premises, furniture and fixtures</b>	8,914,916,400	8,823,817,364
<b>Other assets</b>	12,674,526,722	10,568,326,274
<b>Non-banking assets</b>	-	-
<b>Total Assets</b>	339,576,815,816	296,855,681,063
<b>LIABILITIES &amp; CAPITAL</b>		
<b>Liabilities</b>		
<b>Borrowings from other banks, financial institutions and agents</b>	44,290,146,254	32,857,632,083
<b>Deposits and other Accounts</b>	229,945,546,845	225,378,263,093
Current Accounts and other Accounts	54,172,848,817	48,588,376,172
Savings	2,218,872,236	2,432,855,109
Term Deposits	173,553,825,792	174,357,031,812
<b>Non Convertible Subordinated Debt</b>	1,391,268,000	4,820,882,000
<b>Other Liabilities</b>	31,868,146,558	31,284,862,776
<b>Total Liabilities</b>	277,505,817,657	271,422,675,952
<b>Capital/Shareholders' Equity</b>	26,965,972,663	19,435,546,700
<b>Equity attributable to equity holders of the parent company</b>		
Paid-up Capital	5,496,247,230	5,355,724,192
Reserves	21,469,725,433	14,079,822,508
Other Reserves	87,437,258	104,472,000
Surplus in Profit and Loss Account	2,480,932,222	2,155,872,760
Non-controlling interest	75,405	63,411
<b>Total Shareholders' Equity</b>	26,965,972,663	19,435,546,700
<b>Total Liabilities and Shareholders' Equity</b>	339,576,815,816	296,855,681,063

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

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Managing Director & CEO  
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**Dhaka Bank Limited and its Subsidiaries**  
Consolidated Profit & Loss Account  
For the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
Interest income (specific investments)	22(a)	14,357,299,537	17,637,261,899
Interest paid/profit on deposits and borrowings etc.	22(a)	(9,997,504,935)	(13,954,163,729)
<b>Net interest income</b>		<b>4,359,794,602</b>	<b>3,677,388,170</b>
Investment income	24(a)	3,975,431,349	3,961,423,894
Commission, exchange and brokerage	25(a)	3,537,749,499	2,797,834,551
Other operating income	25(a)	298,596,108	754,837,390
<b>Total operating income (a)</b>		<b>12,171,571,558</b>	<b>11,191,444,005</b>
Salary and allowances	27(a)	2,526,399,555	2,383,743,577
Rent, taxes, insurance, electricity etc.	28(a)	340,328,275	173,372,685
Legal expenses	29(a)	37,101,426	37,436,064
Postage, telegraph, telecommunication etc.	30(a)	45,205,613	48,834,743
Stationery, Printing, Advertisement etc.	31(a)	279,734,175	192,078,842
Chief Executive's salary and fees	32(a)	13,145,000	8,993,999
Directors' Fees	33(a)	4,380,389	5,220,630
Auditors' Fees	34(a)	3,086,750	2,235,530
Depreciation and repairs of bank's assets	35(a)	929,857,321	1,127,639,878
Other expenses	36(a)	640,504,579	653,650,823
<b>Total operating expenses (b)</b>		<b>5,999,202,133</b>	<b>6,832,413,233</b>
<b>Profit before provision and taxes (c = (a-b))</b>		<b>6,172,369,425</b>	<b>4,359,030,772</b>
Provision against loans and advances	37(a)	2,122,100,000	2,181,078,235
Provision against good borrower	15.2		
Provision for diminution in value of investments	38(a)		(5,783,557)
Other provisions	39(a)	490,572,358	68,524,768
<b>Total provision (d)</b>		<b>2,612,672,358</b>	<b>2,255,326,560</b>
<b>Total Profit before taxes (e-d)</b>		<b>3,559,697,067</b>	<b>2,103,704,212</b>
Provision for Taxation		2,196,256,113	1,110,794,262
Current tax		2,067,718,694	1,017,478,901
Deferred tax		128,537,419	(96,684,639)
<b>Net Profit after Taxation</b>		<b>1,362,440,954</b>	<b>986,909,950</b>
<b>Net profit after tax attributable to:</b>			
Equity holders of DBL		1,136,460,423	1,063,705,130
Non-controlling interest		225,980,531	(76,795,180)
<b>Profit available for distribution</b>		<b>1,362,440,954</b>	<b>986,909,950</b>
Surplus in profit and loss account from previous year	19(a)	2,108,979,261	1,618,563,389
<b>Net profit for the period</b>		<b>3,471,420,215</b>	<b>2,605,473,339</b>
<b>Appropriations</b>			
Statutory Reserve		822,425,004	636,399,999
General Reserve		4,700,366	8,700,000
Investment Fluctuation Fund		1,075,048,585	853,211,816
Dividends etc.		40,857,182	
Start up Fund		2,352,039,171	2,538,872,741
Surplus in profit and loss account		4,245,433,162	3,606,671,439
<b>Consolidated earnings per share (CEPS)</b>		<b>2.25</b>	<b>2.09</b>

The notes to financial statements form an integral part of these financial statements






As per our report of same date

Dhaka, 26 April 2022

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VP & Company Secretary  
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Emranul Huq  
Managing Director & CEO  
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Tanzim Alamgir  
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Managing Director  
IDLC Investments Limited

**Dhaka Bank Limited and its Subsidiaries**  
**Consolidated Cash Flow Statement**  
For the period ended 31 December 2021

	Notes	2021 Taka	2020 Taka
<b>Cash flows from operating activities</b>			
Interest/Divide receivable in cash		11,336,012,004	20,946,742,389
Interest/Divide payments		(11,465,787,056)	(14,091,949,624)
Dividend receipts		184,982,086	98,541,088
Recovery of loans previously written off		123,980,654	28,972,109
Fee and commission income earned		2,585,562,088	2,042,110,001
Cash payments to employees		(2,029,175,655)	(2,862,740,579)
Cash payments to suppliers		(27,750,466)	(296,786,444)
Interest/Divide paid		(5,326,546,118)	(3,276,740,754)
Receipts from other operating activities	41(a)	232,867,371	282,853,717
Payments for other operating activities	42(a)	(1,679,899,400)	(1,638,029,865)
<b>Operating profit before changes in operating assets &amp; liabilities (a)</b>		<b>3,896,972,091</b>	<b>2,754,246,899</b>
<b>Increase/Decrease in operating assets and liabilities</b>			
Purchase/sale of trading securities		(8,219,002,901)	(3,152,071,751)
Loans and advances to customers	43(a)	(16,385,477,947)	(2,754,059,326)
Other assets		(37,782,238)	6,043,451,432
Deposits from other banks		648,795,825	(2,182,302,804)
Deposits from customers		24,268,471,847	3,175,743,632
Other liabilities account of customers		54,865,543	3,384,168
Other liabilities	44(a)	(3,406,849,714)	(7,035,220,607)
<b>Cash flow from operating assets and liabilities (b)</b>		<b>1,172,925,962</b>	<b>2,552,787,609</b>
<b>Net cash flows from operating activities (a)-(b)</b>		<b>5,039,897,653</b>	<b>5,306,844,498</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of securities		527,131,102	762,754,100
Payments for purchase of securities		(3,744,872,250)	(3,334,932,967)
Purchase of property, plant & equipment		(263,763,230)	(3,816,631,136)
Sale of property, plant & equipment		1,265,244	4,381,636
Proceeds from non-banking assets			
Purchase/sale of subsidiary			
<b>Net cash flow from investing activities (c)</b>		<b>(3,525,621,128)</b>	<b>(5,481,827,807)</b>
<b>Cash flows from financing activities</b>			
Borrowing from other banks		11,523,116,771	9,272,414,111
Receipts from issuance of Non-Convertible Subordinated Bond			
Payments for redemption of Non-Convertible Subordinated Bond		(1,660,000,000)	(600,000,000)
Dividends paid		(507,523,440)	(425,625,010)
<b>Net cash flow from financing activities (d)</b>		<b>9,295,592,728</b>	<b>4,185,838,201</b>
<b>Net increase/(decrease) in cash and cash equivalents (e)=(a)-(b)-(c)+(d)</b>		<b>10,909,869,253</b>	<b>4,812,824,898</b>
Effects of exchange rate changes on cash & cash equivalent		794,025,109	983,743,631
Cash and cash equivalents at beginning period		16,054,229,279	10,650,806,726
<b>Closing cash and cash equivalents at end of period*</b>		<b>47,958,422,637</b>	<b>26,254,228,276</b>
<b>*Cash and cash equivalents</b>			
Cash in hand		2,301,460,728	2,872,071,278
Balance with Bangladesh Bank and its agent banks		17,537,864,830	14,551,722,890
Balance with other banks & financial institutions		22,456,553,288	18,148,719,557
Money at call on short notice		5,882,000,000	700,000,000
Prize Bond		3,000,700	3,095,800
<b>Total</b>		<b>47,958,422,637</b>	<b>26,254,228,276</b>
<b>Net Operating Cash Flow per Share (NOCFPS)</b>		<b>5.31</b>	<b>5.59</b>

The notes 1 to 31 and annexure A to M form an integral part of these financial statements.

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Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK  
LIMITED  
Head Office, Dhaka.

18 OCT 2022  
Sahabub Ahsan Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

18 OCT 2022  
Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
LIMITED

18 OCT 2022

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

**Dhaka Bank Limited**  
Balance Sheet  
As at 31 December 2021

	Notes	31.12.2021 Taka	31.12.2020 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3	19,836,425,645	17,403,230,921
Cash in hand (including foreign currencies)	3.1	2,301,351,729	2,872,298,728
Balance with Bangladesh Bank and its agent banks (including foreign currencies)	3.2	17,535,073,916	14,530,932,193
<b>Balance with other banks and financial institutions in Bangladesh</b>	4	22,211,641,162	18,817,117,989
Outside Bangladesh	4.1	20,076,318,983	18,079,122,946
Outside Bangladesh	4.2	2,134,722,179	2,497,995,043
<b>Money at call on short notice</b>	5	5,550,000,000	700,000,000
<b>Investments</b>	6	49,124,077,089	39,444,756,051
Government	6.1	28,096,716,827	22,983,972,429
Others	6.2	21,027,360,262	16,460,783,622
<b>Loans, advances and lease/financements</b>	7	215,458,643,693	198,640,473,920
Loans, Cash Credits, Overdrafts etc./Investments	7.1	212,295,159,510	196,134,423,047
Bills purchased and discounted	7.2	3,163,484,183	2,506,050,873
<b>Fixed assets including premises, furniture and fixtures</b>	9	8,954,869,250	9,020,772,040
<b>Other assets</b>	10	14,114,146,537	12,093,775,749
<b>Non-banking assets</b>	11	-	-
<b>Total Assets</b>		<b>325,391,203,372</b>	<b>295,337,226,676</b>
<b>LIABILITIES &amp; CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	12	44,565,190,826	32,999,166,033
<b>Deposits and other accounts</b>	13	238,417,348,446	205,666,982,569
Current Accounts and other Accounts		34,172,408,817	26,588,034,572
Bills Payable		2,291,072,255	2,432,845,100
Savings Bank Deposits		20,865,174,272	25,402,215,927
Term Deposits		181,188,693,102	151,223,877,060
<b>Non Convertible Subordinated Bond</b>	14	5,200,000,000	6,860,000,000
<b>Other liabilities</b>	15	34,926,816,025	31,878,923,089
<b>Total Liabilities</b>		<b>318,109,555,297</b>	<b>278,545,872,791</b>
<b>Capital/Shareholders' Equity</b>			
<b>Total Shareholders' Equity</b>		<b>28,241,648,075</b>	<b>18,792,353,885</b>
Reserve Capital	16.2	8,498,247,530	8,458,724,080
Statutory Reserve	17	6,086,264,187	5,263,438,240
Other Reserve	18	27,557,259	50,215,600
Surplus in Profit and Loss Account	19	1,500,779,109	1,554,786,965
<b>Total Liabilities and Shareholders' Equity</b>		<b>325,391,203,372</b>	<b>295,337,226,676</b>

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18 OCT 2022

Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
L I M I T E D

18 OCT 2022

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

**Dhaka Bank Limited**  
**Profit & Loss Account**  
For the year ended 31 December 2021

Notes	2021 Taka	2020 Taka
Interest income (profit) on investments	14,813,888,936	17,754,103,987
Interest (gain) profit on deposits and borrowings etc.	(10,064,221,644)	(23,065,406,572)
<b>Net interest income</b>	<b>4,749,667,292</b>	<b>3,718,454,290</b>
Investment income	5,445,847,915	3,553,892,577
Commission, exchange and brokerage	3,335,726,780	2,896,911,217
Other operating income	857,236,237	193,625,706
	<b>7,038,811,332</b>	<b>6,644,429,503</b>
<b>Total operating income (a)</b>	<b>11,558,478,623</b>	<b>10,364,823,893</b>
Salary and allowances	2,488,234,819	2,557,123,684
Rent, taxes, insurance, etc (fixed etc)	224,758,386	164,180,885
Legal expenses	36,583,338	37,702,564
Postage, stamps, telecommunication etc.	44,803,816	45,430,902
Stationery, printing, advertisement etc.	216,860,132	187,626,467
Chief Executive's salary and fees	11,745,000	8,999,999
Directors' fees	3,548,800	4,287,510
Auditors' fees	2,112,250	1,674,000
Depreciation and repairs of bank's assets	898,518,865	1,394,544,700
Other expenses	821,756,949	348,640,050
	<b>4,938,616,274</b>	<b>4,958,363,254</b>
<b>Total operating expenses (b)</b>	<b>6,627,842,049</b>	<b>5,206,342,639</b>
<b>Profit before provision and taxes (c = (a-b))</b>	<b>4,930,636,574</b>	<b>5,158,481,254</b>
Provision against loans and advances	2,021,974,892	1,933,307,384
Provision against good will intangible		(8,783,527)
Provision for diminution in value of investments		68,524,768
Other provisions	491,227,926	
	<b>2,513,203,818</b>	<b>2,004,628,295</b>
<b>Total provision (d)</b>	<b>4,114,126,692</b>	<b>3,181,934,343</b>
<b>Total Profit before taxes (e = (c-d))</b>	<b>816,509,882</b>	<b>2,076,546,911</b>
Provision for Taxation	2,052,437,984	1,151,940,726
Current tax	2,052,199,170	1,150,929,846
Deferred tax	21,237,814	(428,082,171)
<b>Net Profit after Taxation</b>	<b>3,891,834,002</b>	<b>873,576,059</b>
<b>Profit available for distribution</b>	<b>3,891,834,002</b>	<b>873,576,059</b>
Taxation in profit and loss account from previous year	1,514,780,941	974,330,206
Net profit for the period	<b>2,377,053,061</b>	<b>(100,754,147)</b>
	<b>3,170,588,604</b>	<b>3,064,379,824</b>
<b>Appropriations</b>		
Statutory Reserve	823,812,935	836,380,869
General Reserve	-	-
Dividends etc.	1,871,946,895	853,211,810
Start-up Fund	49,857,181	-
Surplus in profit and loss account	1,624,771,593	1,374,786,045
	<b>3,370,388,604</b>	<b>3,064,379,824</b>
<b>Earning per share (EPS)</b>	<b>2.16</b>	<b>2.14</b>

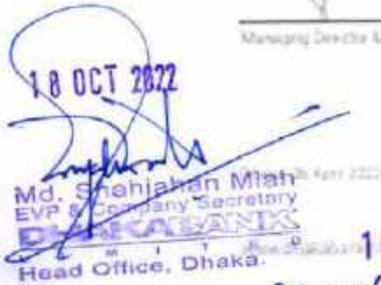
The notes 1 to 50 and annexure A to M form an integral part of these financial statements.

 Managing Director & CEO
  Director
  Director
  Chairman

As per our report of same date

 Auditor  
 AB Khatun, Chartered Accountant No. 529  
 Rahman Rahman Huq, Chartered Accountant  
 47/MG to Bangladesh, Firm Registration Number: 26/A  
 DUC: 2204282524019822

  
 Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited

  
 18 OCT 2022  
 Md. Shahjahan Miah  
 EVP & Company Secretary  
 Dhaka Bank Limited  
 Head Office, Dhaka.

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 Managing Director & CEO  
 Dhaka Bank Limited

18 OCT 2022  
 Md. Moniruzzaman  
 Managing Director  
 IDLC Investments Limited

18 OCT 2022

**Dhaka Bank Limited**  
**Cash Flow Statement**  
For the period ended 31 December 2021

Notes	2021 Taka	2020 Taka
<b>Cash flow from operating activities</b>		
Interest Profit receipts on cash	13,317,613,000	10,914,521,237
Interest Profit receipts on loan	10,440,004,800	(54,115,676,210)
Dividend receipts	100,000,000	40,000,000
Proceeds of sale providing written-off	122,000,000	20,000,000
Fee and commission receipts on cash	2,400,000,000	1,981,000,000
Gain/loss on sale of investments	(5,541,275,000)	(2,384,125,000)
Cash payments to suppliers	(2,000,000,000)	(1,714,400,000)
Income taxes paid	(3,373,177,000)	(3,864,864,000)
Receipts from other operating activities	271,000,000	390,000,000
Changes in other operating activities	(5,300,000,000)	(1,320,000,000)
<b>Operating profit before changes in operating assets &amp; liabilities (a)</b>	<b>2,678,666,900</b>	<b>2,491,737,387</b>
<b>Increase/Decrease in operating assets and liabilities:</b>		
Increase/Decrease of Trading securities	(2,811,265,718)	(4,000,000,000)
Loans and advances to customers	(6,798,000,778)	(3,021,960,000)
Other assets	70,000,000	6,000,000,000
Deposits from other banks	690,795,000	(2,101,000,000)
Deposits from customers	(4,311,900,000)	3,391,000,000
Other liabilities account of customers	14,865,000	1,380,000
Other liabilities	(1,100,000,000)	(1,000,000,000)
<b>Cash flow from operating assets and liabilities (b)</b>	<b>1,262,834,794</b>	<b>2,676,790,899</b>
<b>Net cash flows from/(used in) operating activities (a)-(b)</b>	<b>4,873,261,742</b>	<b>5,168,518,278</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of securities	10,000,000	200,000,000
Payment for purchase of securities	(2,794,072,250)	(2,000,000,000)
Purchase of property, plant & equipment	(245,110,000)	(300,000,000)
Gain of purchase plant & equipment	1,255,000	4,000,000
Proceeds from non-current assets		
Proceeds from sale of subsidiary		
<b>Net cash flow from investing activities (c)</b>	<b>(2,928,977,250)</b>	<b>(2,096,000,000)</b>
<b>Cash flow from financing activities</b>		
Borrowing from other banks	11,500,000,000	5,700,000,000
Receipts from issuance of Non-Convertible Subordinated Bond	1,000,000,000	(800,000,000)
Payments for redemption of Non-Convertible Subordinated Bond	(2,000,000,000)	(2,000,000,000)
Dividend paid		
<b>Net cash flow from financing activities (d)</b>	<b>10,500,000,000</b>	<b>4,900,000,000</b>
<b>Net increase/ (decrease) in cash and cash equivalents (e)=(a)+(c)+(d)</b>	<b>12,444,284,492</b>	<b>8,072,518,178</b>
Effect of exchange rate changes on cash & cash equivalent	794,223,000	500,000,000
Gain and cash equivalents at beginning period	26,173,000,000	17,900,000,000
<b>Closing Cash and cash equivalents at end of period*</b>	<b>49,411,507,492</b>	<b>26,472,518,178</b>
<b>*Closing cash &amp; cash equivalents</b>		
Cash in hand	2,000,000,000	1,000,000,000
Balance with Bangladesh Bank and its agent banks (1)	17,500,000,000	14,000,000,000
Balance with other banks & financial institutions	20,000,000,000	18,000,000,000
Money at call or short notice	10,000,000,000	10,000,000,000
Other bank	1,907,507,492	1,472,518,178
<b>Total</b>	<b>49,411,507,492</b>	<b>26,472,518,178</b>
<b>Net Operating Cash Flow per Share (NOCFPS)</b>	<b>5.13</b>	<b>5.44</b>

The notes 1 to 32 and annexure A to M form an integral part of these financial statements

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Audited Financial Statements of the Issuer is annexed with this Information Memorandum. Kindly check

**Annexure - 02**

18 OCT 2022  
Md. Shahjahan,  
EVP & Company Secretary  
DHAKABANK  
Head Office, Dhaka

18 OCT 2022  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKABANK  
Head Office, Dhaka

18 OCT 2022  
Emranul Haq  
Managing Director & CEO  
DHAKABANK

2  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

14. Brief Overview and Comparative Financial Statements

Consolidated Balance Sheet of Dhaka Bank Limited and its Subsidiaries

Dhaka Bank Limited and its Subsidiaries					
Consolidated Balance Sheet					
As at 31 December 2021 to 31 December 2017					
Particulars	amount in BDT million				
	31.12.2021	31.12.2020	31.12.2019	31.12.2018	31.12.2017
	Taka	Taka	Taka	Taka	Taka
<b>PROPERTY AND ASSETS</b>					
Cash	19,838.53	17,403.44	17,638.56	15,451.55	13,684.69
Cash in hand (Including foreign currencies)	2,301.46	2,872.31	2,950.36	2,422.38	1,839.94
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	17,537.07	14,531.12	14,688.19	13,029.17	11,844.75
<b>Balance with other banks and financial institutions</b>	<b>22,466.56</b>	<b>18,148.20</b>	<b>13,997.43</b>	<b>17,643.85</b>	<b>11,394.52</b>
In Bangladesh	20,331.84	15,150.20	10,036.26	15,929.92	10,190.84
Outside Bangladesh	2,134.72	2,998.00	3,961.16	1,713.92	1,203.68
<b>Money at call on short notice</b>	<b>5,650.00</b>	<b>700.00</b>	<b>11.30</b>	<b>11.30</b>	<b>11.30</b>
<b>Investments</b>	<b>52,359.06</b>	<b>42,360.85</b>	<b>39,732.54</b>	<b>30,641.90</b>	<b>26,040.50</b>
Government	38,596.72	32,980.97	30,443.13	22,009.92	19,706.42
Others	13,762.35	9,379.88	9,289.42	8,631.97	6,334.08
<b>Loans, advances and lease/investments</b>	<b>214,607.30</b>	<b>198,641.83</b>	<b>195,486.87</b>	<b>180,499.37</b>	<b>153,867.64</b>
Loans, Cash Credits, Overdrafts, etc./Investments	211,439.82	196,165.79	192,862.46	177,541.94	150,656.81
Bills purchased and discounted	3,167.48	2,476.04	2,624.41	2,957.43	3,210.83
<b>Fixed assets including premises, furniture and fixtures</b>	<b>8,974.91</b>	<b>9,033.04</b>	<b>5,087.74</b>	<b>4,915.96</b>	<b>4,269.38</b>
<b>Other assets</b>	<b>12,674.53</b>	<b>10,568.34</b>	<b>14,482.59</b>	<b>26,209.94</b>	<b>21,537.29</b>
<b>Non-banking assets</b>		<b>0.00</b>	<b>0.00</b>	<b>23.17</b>	<b>23.17</b>
<b>Total Assets</b>	<b>336,570.90</b>	<b>296,855.69</b>	<b>286,437.03</b>	<b>275,397.03</b>	<b>230,828.49</b>
<b>LIABILITIES &amp; CAPITAL</b>					
<b>Liabilities</b>					
<b>Borrowings from other banks, financial institutions and agents</b>	<b>44,590.75</b>	<b>33,057.63</b>	<b>27,845.22</b>	<b>26,793.73</b>	<b>21,633.55</b>
<b>Deposits and other Accounts</b>	<b>229,945.56</b>	<b>205,178.35</b>	<b>204,164.91</b>	<b>196,873.85</b>	<b>169,729.72</b>
Current Accounts and other Accounts	34,172.43	26,588.04	22,081.17	20,619.62	20,025.40
Bills Payable	2,210.07	2,452.86	2,101.74	2,845.25	2,826.17
Savings Bank Deposits	28,665.17	25,402.22	20,887.40	20,091.97	19,061.99
Term Deposits	164,897.89	150,735.24	159,094.60	153,317.01	127,816.15
<b>Non-convertible Subordinated Bond</b>	<b>5,200.00</b>	<b>6,800.00</b>	<b>7,400.00</b>	<b>8,000.00</b>	<b>3,000.00</b>
<b>Other liabilities</b>	<b>35,868.54</b>	<b>32,384.09</b>	<b>29,130.94</b>	<b>26,480.34</b>	<b>20,637.34</b>

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<b>Total Liabilities</b>	<b>315,604.85</b>	<b>277,420.08</b>	<b>268,541.07</b>	<b>258,147.92</b>	<b>215,000.61</b>
<b>Capital/Shareholders' Equity</b>					
<b>Equity attributable to equity holders of the parent company</b>	<b>20,965.97</b>	<b>19,435.55</b>	<b>17,895.89</b>	<b>17,249.05</b>	<b>15,827.82</b>
Paid-up Capital	9,496.25	8,958.72	8,532.12	8,125.83	7,222.96
Statutory Reserve	9,086.26	8,263.44	7,627.05	7,006.91	6,418.18
Other Reserve	81.46	104.41	118.16	698.94	684.34
Surplus in Profit and Loss account	2,302.00	2,108.97	1,618.56	1,417.37	1,502.35
Non-controlling interest	0.07	0.06	0.07	0.06	0.06
<b>Total Shareholders' Equity</b>	<b>20,966.04</b>	<b>19,435.61</b>	<b>17,895.96</b>	<b>17,249.11</b>	<b>15,827.88</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>336,570.90</b>	<b>296,855.69</b>	<b>286,437.03</b>	<b>275,397.03</b>	<b>230,828.49</b>

**Consolidated Profit and Loss Account of Dhaka Bank Limited and its Subsidiaries:**

Dhaka Bank Limited and its Subsidiaries					
Consolidated Profit & Loss Account					
As at 31 December 2021 to 31 December 2017					
amount in BDT million					
Particulars	2021	2020	2019	2018	2017
	Taka	Taka	Taka	Taka	Taka
Interest income/profit on investments	14,857.90	17,631.26	21,539.34	18,973.65	13,727.21
Interest paid/profit on deposits and borrowings, etc.	-10,397.50	-13,954.16	-17,034.27	-13,413.83	-10,339.60
<b>Net interest income</b>	<b>4,460.39</b>	<b>3,677.10</b>	<b>4,505.06</b>	<b>5,559.82</b>	<b>3,387.60</b>
Investment income	3,615.94	3,768.43	2,705.66	2,327.05	3,094.92
Commission, exchange and brokerage	3,517.74	2,760.60	3,485.49	2,966.95	2,997.01
Other operating income	258.59	194.89	276.17	202.64	236.73
	<b>7,392.27</b>	<b>6,723.93</b>	<b>6,467.32</b>	<b>5,496.64</b>	<b>6,328.66</b>
<b>Total operating income (a)</b>	<b>11,852.66</b>	<b>10,401.03</b>	<b>10,972.39</b>	<b>11,056.46</b>	<b>9,716.26</b>
Salary and allowances	2,526.37	2,593.74	2,359.09	2,227.84	2,221.63
Rent, taxes, insurance, electricity, etc.	340.33	173.32	513.75	674.27	649.44
Legal expenses	37.10	37.94	149.64	68.92	21.69
Postage, stamps, telecommunication, etc.	45.21	45.84	46.20	44.23	45.42
Stationery, Printing, Advertisement, etc.	219.72	190.02	167.89	177.89	150.12
Chief Executive's salary and fees	13.15	9.00	16.49	15.60	14.10
Directors' fees	4.38	5.23	5.43	4.48	5.02
Auditors' fees	3.39	2.04	1.85	1.80	1.78
Charges on Loan Losses	0.00	0.00	0.00	0.00	0.00
Depreciation and repairs of bank's assets	975.86	1,121.64	712.99	447.20	365.64
Contractual service charges	0.00	0.00	0.00	0.00	0.00

18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK  
Head Office, Dhaka

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Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
L I M I T E D  
Head Office, Dhaka

18 OCT 2022  
Emrul Huq  
Managing Director & CEO  
DHAKA BANK  
L I M I T E D

18 OCT 2022  
Md. Moziruzzaman  
Managing Director  
IDLC Investments Limited

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Information Memorandum of  
Dhaka Bank Perpetual Bond worth of BDT 2 Billion

Other expenses	840.71	853.65	813.61	733.04	776.67
<b>Total operating expenses (b)</b>	<b>5,006.20</b>	<b>5,032.41</b>	<b>4,786.94</b>	<b>4,395.27</b>	<b>4,251.50</b>
<b>Profit before provision and taxes (c = (a-b))</b>	<b>6,846.46</b>	<b>5,368.61</b>	<b>6,185.44</b>	<b>6,661.20</b>	<b>5,464.76</b>
Provision against loans and advances	2,122.91	2,181.02	3,029.48	3,159.66	2,153.98
Provision against good borrower	0.00	0.00	12.00	10.00	7.38
Provision for diminution in value of investments	0.00	-9.78	12.28	0.00	0.00
Other provisions	490.82	98.50	-50.88	460.85	283.97
<b>Total provision (d)</b>	<b>2,613.73</b>	<b>2,269.74</b>	<b>3,002.89</b>	<b>3,630.51</b>	<b>2,445.33</b>
<b>Total Profit before taxes (c-d)</b>	<b>4,232.73</b>	<b>3,098.87</b>	<b>3,182.56</b>	<b>3,030.69</b>	<b>3,019.43</b>
Provision for Taxation	2,096.26	1,110.77	1,558.99	1,621.06	1,410.68
Current tax	2,067.72	1,617.42	1,584.70	1,615.97	1,439.67
Deferred tax	28.54	-506.65	-25.71	5.09	-28.99
<b>Net Profit after Taxation</b>	<b>2,136.47</b>	<b>1,988.10</b>	<b>1,623.57</b>	<b>1,409.63</b>	<b>1,608.76</b>
<b>Net profit after tax attributable to:</b>					
Equity holders of DBL	2,136.46	1,988.11	1,623.56	1,409.62	1,608.74
Non-controlling interest	0.0081	-0.0042	0.0052	0.0051	0.01
	<b>2,136.47</b>	<b>1,988.10</b>	<b>1,623.57</b>	<b>1,409.63</b>	<b>1,608.76</b>
<b>Profit available for distribution</b>					
Surplus in profit and loss account from previous year	2,108.97	1,618.56	1,432.12	1,502.35	1,385.58
Net profit for the period	2,136.46	1,988.11	1,623.56	1,409.62	1,608.74
	<b>4,245.43</b>	<b>3,606.67</b>	<b>3,055.68</b>	<b>2,911.97</b>	<b>2,994.32</b>
<b>Appropriations</b>					
Statutory Reserve	822.83	636.39	620.14	588.73	567.84
General Reserve	0.00	0.00	0.00	0.00	-115.52
Investment Fluctuation Fund	4.70	8.10	4.40	3.00	7.80
Dividends etc.	1,075.05	853.21	812.58	902.87	1,031.85
Start-up Funds	40.86	0.00	0.00	0.00	0.00
Surplus in profit and loss account	2,302.00	2,108.97	1,618.56	1,417.37	1,502.35
	<b>4,245.43</b>	<b>3,606.67</b>	<b>3,055.68</b>	<b>2,911.97</b>	<b>2,994.32</b>

18 OCT 2022

Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
**DHAKABANK**  
L I M I T E D  
Head Office, Dhaka

18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
**DHAKABANK**  
L I M I T E D  
Head Office, Dhaka.

18 OCT 2022

Emranul Haq  
Managing Director & CEO  
**DHAKABANK**  
L I M I T E D

18 OCT 2022

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

**Consolidated Cash Flow Statement of Dhaka Bank Limited and its Subsidiaries:**

Dhaka Bank Limited and its Subsidiaries					
Consolidated Cash Flow Statement					
For the period ended 31 December 2021 to 31 December 2017					
amount in BDT million					
Particulars	2021	2020	2019	2018	2017
	Taka	Taka	Taka	Taka	Taka
<b>Cash flows from operating activities</b>					
Interest/Profit receipts in cash	17,396.05	20,698.75	22,886.98	19,781.78	16,174.74
Interest/Profit payments	-10,448.19	-14,091.99	-17,039.21	-13,003.05	-10,335.54
Dividend receipts	184.17	98.54	42.33	70.76	64.47
Recovery of loans previously written off	123.19	28.97	76.89	2,159.91	1,638.59
Fee and commission receipts in cash	2,585.55	2,043.51	2,302.35	41.11	49.20
Cash payments to employees	-2,539.51	-2,602.74	-2,372.56	-2,243.44	-2,235.73
Cash payments to suppliers	-317.75	-288.79	-365.59	-315.14	-239.85
Income taxes paid	-1,709.54	-1,776.76	-1,959.18	-1,656.33	-1,353.07
Receipts from other operating activities	272.87	282.96	294.20	195.92	239.81
Payments for other operating activities	-1,679.87	-1,638.21	-1,481.23	-1,471.11	-1,496.47
<b>(i) Operating profit before changes in operating assets &amp; liabilities</b>	<b>3,866.97</b>	<b>2,754.25</b>	<b>2,384.97</b>	<b>3,560.39</b>	<b>2,506.14</b>
<b>Increase/Decrease in operating assets and liabilities</b>					
Purchase/sale of trading securities	-6,239.06	-316.22	-327.44	-267.15	-369.52
Loans and advances to customers	-15,965.48	-3,154.96	-14,987.50	-26,631.41	-19,034.25
Other assets	-37.76	6,043.95	13,812.48	-2,855.29	-8,799.00
Deposits from other banks	698.80	-2,162.30	-6,213.07	1,977.31	5,568.15
Deposits from customers	24,068.41	3,175.74	13,504.13	25,166.81	7,404.62
Other liabilities account of customers	54.87	1.39	130.34	62.86	82.40
Other liabilities	-1,406.85	-1,033.80	-2,077.41	193.06	331.62
<b>(ii) Cash flow from operating assets and liabilities</b>	<b>1,172.93</b>	<b>2,553.80</b>	<b>3,841.54</b>	<b>-2,353.79</b>	<b>-14,815.97</b>
<b>Net cash flows from operating activities (a)= (i+ii)</b>	<b>5,039.90</b>	<b>5,308.04</b>	<b>6,226.51</b>	<b>1,206.60</b>	<b>-12,309.83</b>
<b>Cash flows from investing activities</b>					
Proceeds from sale of securities	531.15	760.15	1,236.72	1,181.73	665.17
Payment for purchase of securities	-3,794.87	-2,334.93	-8,726.56	-4,322.53	-1,895.88
Purchase of property, plant & equipment	-263.17	-3,910.63	-1,368.10	-985.55	-320.60
Sale of property, plant & equipment	1.27	4.38	8.96	11.57	2.49
Proceeds from non-banking assets	0.00	0.00	23.17	0.00	0.00
Purchase/sale of subsidiary	0.00	0.00	0.00	0.00	0.00
<b>Net cash flow from investing activities (b)</b>	<b>-3,525.62</b>	<b>-5,481.03</b>	<b>-8,825.81</b>	<b>-4,114.79</b>	<b>-1,548.81</b>
<b>Cash flows from financing activities</b>					

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EVP & Company Secretary  
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UCB Investment Limited

Information Memorandum of  
Dhaka Bank Perpetual Bond worth of BDT 2 Billion

Borrowing from other banks	11,533.12	5,212.41	1,051.49	5,160.18	10,136.68
Receipts from issuance of Non Convertible Subordinated Bond	0.00	0.00	0.00	5,000.00	0.00
Payments for redemption of Non Convertible Subordinated Bond	-1,600.00	-600.00	-600.00	0.00	-800.00
Dividends paid	-537.52	-426.61	-406.29	0.00	-687.90
<b>Net cash flow from financing activities (C)</b>	<b>9,395.59</b>	<b>4,185.81</b>	<b>45.19</b>	<b>10,160.18</b>	<b>8,648.77</b>
<b>Net increase/ (decrease) in cash and cash equivalents (a+b+c)</b>	<b>10,909.87</b>	<b>4,012.82</b>	<b>-2,554.11</b>	<b>7,251.99</b>	<b>-5,209.87</b>
Add: Effects of exchange rate changes on cash & cash equivalent	794.33	590.79	1,094.02	764.31	1,303.65
Add: Cash and cash equivalents at 01 January 2019	36,254.23	31,650.61	33,110.70	25,094.41	29,000.63
<b>Closing cash and cash equivalents at end of period*</b>	<b>47,958.42</b>	<b>36,254.23</b>	<b>31,650.61</b>	<b>33,110.70</b>	<b>25,094.41</b>
<b>*Cash and cash equivalents</b>					
Cash in hand	2,301.46	2,872.31	2,950.36	2,422.38	1,839.94
Balance with Bangladesh Bank and its agent bank(s)	17,537.07	14,531.12	14,688.19	13,029.17	11,844.75
Balance with other banks & Financial Institutions	22,466.56	18,148.20	13,997.43	17,643.85	11,394.52
Money at call on short notice	5,650.00	700.00	11.30	11.30	11.30
Prize Bond	3.33	2.60	3.33	4.01	3.89
<b>Total</b>	<b>47,958.42</b>	<b>36,254.23</b>	<b>31,650.61</b>	<b>33,110.70</b>	<b>25,094.41</b>

**Balance Sheet of Dhaka Bank Limited:**

Dhaka Bank Limited					
Balance Sheet					
As at 31 December 2021 to 31 December 2017					
amount in BDT million					
Particulars	31.12.2021	31.12.2020	31.12.2019	31.12.2018	31.12.2017
	Taka	Taka	Taka	Taka	Taka
<b>PROPERTY AND ASSETS</b>					
<b>Cash</b>	<b>19,838.43</b>	<b>17,403.33</b>	<b>17,638.45</b>	<b>15,451.45</b>	<b>13,684.59</b>
Cash in hand (Including foreign currencies)	2,301.36	2,872.21	2,950.25	2,422.28	1,839.84
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	17,537.07	14,531.12	14,688.19	13,029.17	11,844.75
<b>Balance with other banks and financial institutions</b>	<b>22,211.04</b>	<b>18,017.12</b>	<b>13,929.10</b>	<b>17,494.37</b>	<b>11,224.92</b>
In Bangladesh	20,076.32	15,019.12	9,967.93	15,780.45	10,021.24
Outside Bangladesh	2,134.72	2,998.00	3,961.16	1,713.92	1,203.68
<b>Money at call on short notice</b>	<b>5,650.00</b>	<b>700.00</b>	<b>11.30</b>	<b>11.30</b>	<b>11.30</b>
<b>Investments</b>	<b>49,124.08</b>	<b>39,444.76</b>	<b>36,681.76</b>	<b>27,620.00</b>	<b>23,181.79</b>
Government	38,596.72	32,980.97	30,443.13	22,009.92	19,706.42
Others	10,527.36	6,463.78	6,238.63	5,610.08	3,475.37
<b>Loans, advances and lease/investments</b>	<b>215,458.64</b>	<b>198,660.47</b>	<b>195,634.91</b>	<b>180,625.70</b>	<b>154,017.03</b>

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Md. Shahjahan Miral  
EVP & Company Secretary  
DHAKABANK  
Head Office, Dhaka.

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Chief Finance Officer, EVP & CFO  
DHAKABANK  
Head Office, Dhaka.

Enamul Haq  
Managing Director & CEO  
DHAKABANK

18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

2.5  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Information Memorandum of  
Dhaka Bank Perpetual Bond worth of BDT 2 Billion

Loans, Cash Credits, Overdrafts, etc./Investments	212,291.16	196,184.43	193,010.50	177,668.28	150,806.20
Bills purchased and discounted	3,167.48	2,476.04	2,624.41	2,957.43	3,210.83
Fixed assets including premises, furniture and fixtures	8,954.87	9,020.77	5,079.66	4,906.38	4,262.89
Other assets	14,114.15	12,090.78	16,034.23	27,843.75	23,047.16
Non-banking assets	0.00	0.00	0.00	23.17	23.17
<b>Total Assets</b>	<b>335,351.20</b>	<b>295,337.23</b>	<b>285,009.39</b>	<b>273,976.12</b>	<b>229,452.85</b>
<b>LIABILITIES &amp; CAPITAL</b>					
<b>Liabilities</b>					
Borrowings from other banks, financial institutions and agents	44,565.19	32,999.17	27,725.13	26,680.18	21,533.55
Deposits and other accounts	230,417.35	205,666.98	204,530.02	197,189.48	170,035.42
Current Accounts and other Accounts	34,172.43	26,588.04	22,081.17	20,619.62	20,025.40
Bills Payable	2,210.07	2,452.86	2,101.74	2,845.25	2,826.17
Savings Bank Deposits	28,665.17	25,402.22	20,887.40	20,091.97	19,061.99
Term Deposits	165,369.67	151,223.87	159,459.72	153,632.64	128,121.86
Non-Convertible Subordinated Bond	5,200.00	6,800.00	7,400.00	8,000.00	3,000.00
Other liabilities	34,926.82	31,078.92	28,143.63	25,490.48	19,638.63
<b>Total Liabilities</b>	<b>315,109.36</b>	<b>276,545.07</b>	<b>267,798.78</b>	<b>257,360.14</b>	<b>214,207.61</b>
<b>Capital/Shareholders' Equity</b>					
<b>Total Shareholders' Equity</b>	<b>20,241.85</b>	<b>18,792.15</b>	<b>17,210.61</b>	<b>16,615.98</b>	<b>15,245.25</b>
Paid-up Capital	9,496.25	8,958.72	8,532.12	8,125.83	7,222.96
Statutory Reserve	9,086.26	8,263.44	7,627.05	7,006.91	6,418.18
Other Reserve	27.56	55.21	77.06	662.24	650.64
Surplus in Profit and Loss account	1,631.78	1,514.78	974.39	821.00	953.47
<b>Total Liabilities and Shareholders' Equity</b>	<b>335,351.20</b>	<b>295,337.23</b>	<b>285,009.39</b>	<b>273,976.12</b>	<b>229,452.85</b>

**Profit and Loss Accounts of Dhaka Bank Limited**

Dhaka Bank Limited					
Profit & Loss Account					
For the year ended 31 December 2020 to 31 December 2016					
amount in BDT million					
Particulars	2021	2020	2019	2018	2017
	Taka	Taka	Taka	Taka	Taka
Interest income/profit on investments	14,913.89	17,714.11	21,590.11	18,985.33	13,714.93
Interest paid/profit on deposits and borrowings, etc.	-10,394.22	-13,995.65	-17,040.15	-13,408.59	-10,336.33
<b>Net interest income</b>	<b>4,519.67</b>	<b>3,718.45</b>	<b>4,549.96</b>	<b>5,576.74</b>	<b>3,378.60</b>
Investment income	3,445.85	3,553.93	2,567.84	2,199.99	2,884.49
Commission, exchange and brokerage	3,335.73	2,698.91	3,421.19	2,899.97	2,921.33
Revaluation Income (Exchange Gain)	0.00	0.00	0.00	0.00	0.00
Other operating Income	257.24	193.63	260.81	200.49	191.08
	<b>7,038.81</b>	<b>6,446.47</b>	<b>6,249.85</b>	<b>5,300.45</b>	<b>5,996.50</b>

18 OCT 2022  
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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Information Memorandum of  
Dhaka Bank Perpetual Bond worth of BDT 2 Billion

<b>Total operating income (a)</b>	<b>11,558.48</b>	<b>10,164.92</b>	<b>10,799.81</b>	<b>10,877.19</b>	<b>9,375.51</b>
Salary and allowances	2,488.23	2,557.12	2,315.08	2,184.30	2,179.49
Rent, taxes, insurance, electricity, etc.	334.76	166.13	495.70	657.70	634.45
Legal expenses	36.58	37.70	149.42	68.80	20.26
Postage, stamps, telecommunication, etc.	44.80	45.42	45.63	43.45	44.60
Stationery, Printing, Advertisement, etc.	216.86	187.63	165.09	175.81	148.20
Chief Executive's salary and fees	13.15	9.00	16.49	15.60	14.10
Directors' fees	3.55	4.29	4.22	3.58	3.85
Auditors' fees	2.11	1.68	1.45	1.40	1.38
Charges on loan losses	0.00	0.00		0.00	0.00
Depreciation and repairs of bank's assets	958.82	1,104.55	704.07	439.30	357.66
Repair & Maintenance of Bank's Assets	0.00	0.00	0.00	0.00	0.00
Contractual Services Charge	0.00	0.00	0.00	0.00	0.00
Other expenses	831.76	844.84	804.09	723.07	766.97
<b>Total operating expenses (b)</b>	<b>4,930.62</b>	<b>4,958.36</b>	<b>4,701.24</b>	<b>4,313.02</b>	<b>4,170.97</b>
<b>Profit before provision and taxes (c = (a-b))</b>	<b>6,627.86</b>	<b>5,206.56</b>	<b>6,098.57</b>	<b>6,564.17</b>	<b>5,204.54</b>
Provision against loans and advances	2,022.91	1,935.91	3,026.98	3,159.66	2,153.98
Provision against good borrower	0.00	0.00	12.00	10.00	7.38
Provision for diminution in value of investments	0.00	-9.78	9.78	0.00	0.00
Other provisions	490.82	98.50	-50.88	450.85	203.97
<b>Total provision (d)</b>	<b>2,513.73</b>	<b>2,024.63</b>	<b>2,997.89</b>	<b>3,620.51</b>	<b>2,365.33</b>
<b>Total Profit before taxes (c-d)</b>	<b>4,114.13</b>	<b>3,181.93</b>	<b>3,100.69</b>	<b>2,943.66</b>	<b>2,839.22</b>
Provision for Taxation	2,058.40	1,151.94	1,529.33	1,584.53	1,343.84
Current tax	2,037.11	1,580.02	1,554.12	1,580.32	1,372.86
Deferred tax	21.29	-428.08	-24.79	4.20	-29.02
<b>Net Profit after Taxation</b>	<b>2,055.73</b>	<b>2,029.99</b>	<b>1,571.36</b>	<b>1,359.13</b>	<b>1,495.37</b>
<b>Profit available for distribution</b>					
Surplus in profit and loss account from previous year	1,514.78	974.39	835.75	953.47	942.27
Net profit for the period	2,055.73	2,029.99	1,571.36	1,359.13	1,495.37
	<b>3,570.51</b>	<b>3,004.38</b>	<b>2,407.11</b>	<b>2,312.60</b>	<b>2,437.64</b>
<b>Appropriations</b>					
Statutory Reserve	822.83	636.39	620.14	588.73	567.84
General Reserve	0.00	0.00	0.00	0.00	-115.52
Dividends etc.	1,075.05	853.21	812.58	902.87	1,031.85
Start-up Fund	40.86	0.00	0.00	0.00	0.00
Surplus in profit and loss account	1,631.78	1,514.78	974.39	821.00	953.47
	<b>3,570.51</b>	<b>3,004.38</b>	<b>2,407.11</b>	<b>2,312.60</b>	<b>2,437.64</b>

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Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKABANK  
Head Office, Dhaka.

Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKABANK  
Head Office, Dhaka

Emranul Haq  
Managing Director & CEO  
DHAKABANK  
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18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

**Cash Flow Statement of Dhaka Bank Limited:**

Dhaka Bank Limited					
Cash Flow Statement					
For the period ended 31 December 2021 to 31 December 2017					
amount in BDT million					
Particulars	2021	2020	2019	2018	2017
	Taka	Taka	Taka	Taka	Taka
<b>Cash flow from operating activities</b>					
Interest/Profit receipts in cash	17,357.76	20,619.57	22,799.94	19,731.58	16,005.51
Interest/Profit payments	-10,444.90	-14,133.48	-17,045.08	-12,997.81	-10,332.27
Dividend receipts	108.36	46.06	42.33	5.57	10.41
Recovery of loans previously written off	123.19	28.97	76.89	2,092.94	1,518.32
Fee and commission receipts in cash	2,403.53	1,981.82	2,238.05	41.11	49.20
Cash payments to employees	-2,501.38	-2,566.12	-2,328.55	-2,199.91	-2,193.58
Cash payments to suppliers	-300.36	-272.43	-361.59	-289.46	-214.44
Income taxes paid	-1,677.18	-1,869.86	-1,918.64	-1,613.97	-1,290.32
Receipts from other operating activities	271.52	286.84	278.84	193.77	238.75
Payments for other operating activities	-1,670.08	-1,629.64	-1,446.69	-1,460.24	-1,485.61
<b>(i) Operating profit before changes in operating assets &amp; liabilities</b>	<b>3,670.47</b>	<b>2,491.73</b>	<b>2,335.50</b>	<b>3,503.57</b>	<b>2,305.98</b>
<b>Increase/Decrease in operating assets and liabilities:</b>					
Purchase/Sale of trading securities	-5,911.37	-450.64	-298.55	-103.95	11.67
Loans and advances to customers	-16,798.17	-3,025.57	-15,009.20	-26,608.67	-19,327.72
Other assets	19.80	6,034.91	13,803.20	-2,920.38	-8,773.91
Deposits from other banks	698.80	-2,162.30	-6,213.07	1,977.31	5,568.15
Deposits from customers	24,051.57	3,299.26	13,553.61	25,176.74	7,305.64
Other liabilities account of customers	54.87	1.39	130.34	62.86	82.40
Other liabilities	-912.66	-1,020.26	-1,989.29	147.55	306.44
<b>(ii) Cash flow from operating assets and liabilities</b>	<b>1,202.83</b>	<b>2,676.79</b>	<b>3,977.04</b>	<b>-2,268.54</b>	<b>-14,827.33</b>
<b>Net cash flows from/(used in) operating activities (a)= (i+ii)</b>	<b>4,873.30</b>	<b>5,168.52</b>	<b>6,312.53</b>	<b>1,235.02</b>	<b>-12,521.35</b>
<b>Cash flow from investing activities</b>					
Proceeds from sale of securities	522.35	759.88	1,236.72	1,181.73	665.17
Payment for Purchase of securities	-3,794.87	-2,334.93	-8,726.56	-4,322.53	-1,895.88
Purchase of property, plant & equipment	-245.12	-3,895.19	-1,366.45	-980.30	-319.72
Sale of property, plant & equipment	1.27	4.38	8.96	11.57	2.49
Proceeds from Non-banking assets	0.00	0.00	23.17	0.00	0.00
Purchase/sale of subsidiary	0.00	0.00	0.00	0.00	0.00
<b>Net cash flow from investing activities (b)</b>	<b>-3,516.37</b>	<b>-5,465.87</b>	<b>-8,824.16</b>	<b>-4,109.54</b>	<b>-1,547.94</b>
<b>Cash flow from financing activities</b>					

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Managing Director & CEO  
DHAKA BANK

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Managing Director  
IDLC Investments Limited

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Information Memorandum of  
Dhaka Bank Perpetual Bond worth of BDT 2 Billion

Borrowing from other banks	11,566.02	5,274.04	1,044.94	5,146.63	10,236.68
Receipts from issuance of Non-Convertible Subordinated Bond	0.00	0.00	0.00	5,000.00	0.00
Payments for redemption of Non-Convertible Subordinated Bond	-1,600.00	-600.00	-600.00	0.00	-800.00
Dividends paid	-537.52	-426.61	-406.29	0.00	-687.90
<b>Net cash flow from financing activities (c)</b>	<b>9,428.50</b>	<b>4,247.43</b>	<b>38.65</b>	<b>10,146.63</b>	<b>8,748.78</b>
<b>Net increase/ (decrease) in cash and cash equivalents (a+b+c)</b>	<b>10,785.43</b>	<b>3,950.08</b>	<b>-2,472.98</b>	<b>7,272.11</b>	<b>-5,320.51</b>
Effects of exchange rate changes on cash & cash equivalent	794.33	590.79	1,094.02	764.31	1,303.65
Opening cash & cash equivalent as at 1 January 2020	36,123.05	31,582.17	32,961.12	24,924.71	28,941.56
<b>Closing Cash and cash equivalents at end of period*</b>	<b>47,702.80</b>	<b>36,123.05</b>	<b>31,582.17</b>	<b>32,961.12</b>	<b>24,924.71</b>
<b>*Closing cash &amp; cash equivalents</b>					
Cash in Hand	2,301.36	2,872.21	2,950.25	2,422.28	1,839.84
Balance with Bangladesh Bank and its agent bank(s)	17,537.07	14,531.12	14,688.19	13,029.17	11,844.75
Balance with other banks & Financial Institutions	22,211.04	18,017.12	13,929.10	17,494.37	11,224.92
Money at call on short notice	5,650.00	700.00	11.30	11.30	11.30
Prize Bond	3.33	2.60	3.33	4.01	3.89
<b>Total</b>	<b>47,702.80</b>	<b>36,123.05</b>	<b>31,582.17</b>	<b>32,961.12</b>	<b>24,924.71</b>

## 15. Ratios for the Last 05 Accounting Year

Key ratios of Dhaka Bank Limited for the last three years is highlighted below:

Sl No.	Particulars	2021	2020	2019	2018	2017
1.	Current Ratio	0.76	0.76	0.81	0.83	0.93
2.	Quick Ratio	N/A	N/A	N/A	N/A	N/A
3.	Break-Even Point	N/A	N/A	N/A	N/A	N/A
4.	Debt to Equity Ratio	N/A	N/A	N/A	N/A	N/A
5.	Debt to Total Asset Ratio	N/A	N/A	N/A	N/A	N/A
6.	Accounts Receivable Turnover Ratio	N/A	N/A	N/A	N/A	N/A
7.	Gross Margin Ratio	N/A	N/A	N/A	N/A	N/A
8.	Operating Income Ratio	N/A	N/A	N/A	N/A	N/A
9.	Net Income Ratio	N/A	N/A	N/A	N/A	N/A
10.	Net Profit (Interest) Margin (NIM)	3.00	2.97	3.06	3.79	3.9
11.	Return on Assets (ROA) %	0.65	0.7	0.56	0.54	0.69
12.	Return on Avg. Investments (ROI)	7.78	9.34	7.99	8.66	12.97
13.	Net Operating Cash Flow per share (consolidated)	5.31	5.59	6.95	1.41	-17.04
14.	Return on Equity (ROE) %	10.53	11.28	9.28	8.18	9.21
15.	Earnings Per Share (EPS)	2.16	2.14	1.75	1.59	2.07

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Head Office, Dhaka

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Enamul Huq  
Managing Director & CEO  
DHAKA BANK LIMITED

18 OCT 2022  
Md. Maniruzzaman  
Managing Director  
IDLC Investments Limited

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Information Memorandum of  
Dhaka Bank Perpetual Bond worth of BDT 2 Billion

16.	NAV per Share	21.32	19.79	19.21	19.47	20.97
17.	NPL	3.32	3.13	4.74	4.99	5.98
18.	Capital to Risk Weighted Assets (CRAR) Ratio (consolidated)	14.66%	14.64%	16.33%	13.87%	11.93%
19.	Tier 1 Capital Ratio	9.19%	8.93%	8.64%	7.42%	8.02%
20.	Tier 2 Capital Ratio	5.46%	5.71%	7.68%	6.44%	3.91%

16. Credit rating report of the issue

**Credit Rating of the Issue:**

Date of Declaration	Valid Till	Rating Action	Long Term	Short Term	Rated By	Outlook
June 23, 2022	June 12, 2023	-	A+@	-	ECRL	Stable

**Credit Rating Report of the Issuer:**

Date of Declaration	Valid Till	Rating Action	Long Term	Short Term	Rated By	Outlook
April 08, 2022	April 07, 2023	-	AA	ST-2	ECRL	Stable

Credit Rating Report of the issue is annexed with this Information Memorandum. Kindly Check **Annexure – 03**

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Emdadul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

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17. Latest Default Matrix and Transition Matrix of CRC

ECRL Default Studies 2020

Default Summary by Rating Category

Year	Issuers as of 1st January	Default count (High Grade)	Default count (High Yield)	High grade default rate	High yield default rate	All corporate default rate
2011	223	0	0	0.0%	0.0%	0.0%
2012	834	0	0	0.0%	0.2%	0.2%
2013	1135	0	2	0.0%	0.0%	0.0%
2014	1428	0	0	0.0%	0.0%	0.0%
2015	875	0	0	0.0%	0.0%	0.0%
2016	388	0	1	0.0%	2.1%	0.1%
2017	750	1	0	0.4%	0.0%	0.1%
2018	878	0	0	0.0%	0.0%	0.0%
2019	953	0	1	0.0%	0.1%	0.1%
2020	1512	0	1	0.0%	0.1%	0.1%
Arithmetic Mean	n.a.	n.a.	n.a.	0.0%	0.5%	0.1%

Cumulative Default Rate by Rating Band

Rating band	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
AAA	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
A	0.1%	0.1%	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
BBB	0.0%	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%
BB	0.4%	0.6%	0.7%	0.7%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
B	0.0%	0.0%	0.0%	0.0%	0.0%	3.2%	3.2%	3.2%	3.2%	3.2%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
B & Lower	0.0%	0.0%	0.0%	0.0%	0.0%	3.1%	3.1%	3.1%	3.1%	3.1%
High Grade	0.1%	0.1%	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
High Yield	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
All Corporate	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%

Average Time (Month) to Default from Original Rating

Original Band	Defaulted Issuers	Average Months from Original Rating
AAA	0	n.a.
AA	0	n.a.
A	1	57
BBB	3	60
BB	2	30
B	0	n.a.
C	0	n.a.
**High Grade	1	57
**High Yield	5	48
All Corporate	6	49

\* High Grade represents AAA, AA & A ratings  
\*\* High Yield represents BBB, BB, B & C ratings

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UCB Investment Limited

**Rating Transition Matrix (2011 – 2020)**

**1-year cumulative rating transition matrix**

From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	98.4%	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	1.6%	98.6%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
A	0.0%	1.6%	96.1%	2.0%	0.1%	0.0%	0.0%	0.1%
BBB	0.0%	0.0%	1.9%	96.6%	1.5%	0.0%	0.0%	0.0%
BB	0.0%	0.0%	0.0%	13.3%	85.4%	0.8%	0.0%	0.6%
B	0.0%	0.0%	0.0%	0.0%	15.0%	85.0%	0.0%	0.0%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.0%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

**2-year cumulative rating transition matrix**

From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	96.3%	3.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	3.2%	96.1%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%
A	0.0%	3.5%	92.4%	3.8%	0.1%	0.0%	0.0%	0.1%
BBB	0.0%	0.1%	3.7%	83.5%	2.7%	0.1%	0.0%	0.0%
BB	0.0%	0.0%	0.3%	24.1%	73.2%	1.3%	0.0%	1.1%
B	0.0%	0.0%	0.0%	2.0%	25.6%	72.4%	0.0%	0.1%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.9%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

**3-year cumulative rating transition matrix**

From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	85.4%	4.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	4.7%	94.3%	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%
A	0.1%	5.0%	88.9%	5.5%	0.2%	0.0%	0.0%	0.2%
BBB	0.0%	0.2%	5.3%	90.7%	3.7%	0.1%	0.0%	0.0%
BB	0.0%	0.0%	0.7%	33.0%	66.1%	1.7%	0.0%	1.5%
B	0.0%	0.0%	0.0%	5.3%	32.7%	61.7%	0.0%	0.2%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.0%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

**4-year cumulative rating transition matrix**

From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	94.6%	6.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	6.2%	92.6%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%
A	0.2%	6.3%	85.6%	7.1%	0.3%	0.0%	0.0%	0.3%
BBB	0.0%	0.3%	6.8%	88.2%	4.5%	0.1%	0.0%	0.1%
BB	0.0%	0.0%	1.3%	40.2%	54.6%	2.0%	0.0%	1.9%
B	0.0%	0.0%	0.1%	9.5%	37.3%	52.7%	0.0%	0.4%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.0%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

**5-year cumulative rating transition matrix**

From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	92.6%	7.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	7.6%	90.3%	1.5%	0.1%	0.0%	0.0%	0.0%	0.0%
A	0.3%	7.6%	82.4%	8.6%	0.5%	0.0%	0.0%	0.3%
BBB	0.0%	0.4%	8.2%	85.9%	5.1%	0.2%	0.0%	0.1%
BB	0.0%	0.1%	2.0%	45.1%	47.5%	2.1%	0.0%	2.2%
B	0.0%	0.0%	0.3%	14.1%	39.9%	45.1%	0.0%	0.6%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.0%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

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Managing Director  
IDLC Investments Limited

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

## 18. Description of the Trustee:

IDLC Investments Limited, a leading investment bank of Bangladesh, is a wholly owned subsidiary of IDLC Finance Limited which is the largest multi-product multi-segment Non-Banking Financial Institution in Bangladesh. As one of the most respected financial brands in the industry, IDLC group serves from a diversified basket consisting of products from Corporate, SME, Consumer and Capital Market segments.

IDLC Finance commenced its merchant banking operations in 1999 and aligning with regulatory requirements, the merchant banking operation was transferred in 2011 to IDLC Investments Limited, a fully-owned subsidiary of IDLC Finance.

### Key Milestones

- 1998- Obtained merchant banking license
- 1999- Commenced merchant banking through participation in underwriting
- 2003- Managed first IPO as Issue Manager
- 2004- Commencement of Margin Loan Operations
- 2010- Managed 1st ever IPO in Book Building Method
- 2011 - Merchant Banking Division turned into separate company as IDLC Investments Limited, a wholly-owned subsidiary of IDLC
- 2016 - Launched 'EASY INVEST'- A Monthly Investment Scheme
- 2018- Received Euromoney Award for Excellence for its profitability, outstanding performance

### a. Functions of IDLC Investments Limited:

#### Major Products & Services

- Products
  - Margin Loan
  - Discretionary Portfolio Management
- Services
  - Corporate Advisory
  - Issue Management
  - Underwriting

### b. Board of Directors:

#### Matiul Islam Nowshad Chairman

Matiul Islam Nowshad is a seasoned management professional with over three decades of experience spanning three industrial segments- tea, textile and telecommunication, of which 18 years were spent in leadership roles at

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Managing Director & CEO  
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Managing Director  
IDLC Investments Limited

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Board and management council level within multinational, multi-cultural environment. His contributions have been recognized by CHRO Asia at 2014 World HRD Congress as the "50 Most Talented Global HR Leaders in Asia". In 2011, he was also awarded with "Best HR Leader" of the year award at World HRD Congress. His current organization, Robi Axiata Limited, has been recognized as "Best People Management Company" for consecutive four times in the years 2012, 2013, 2014 and 2015 and his personal contribution was duly recognized with milestone awards at Annual Axiata Group Awards Program. Prior to joining Robi, Mr. Nowshad served in Coats Bangladesh Limited in different managerial capacities including Human Resources Director. He was also a Board member of Coats plc subsidiaries; Coats Bangladesh Limited and Coats Crafts Bangladesh Limited for over a decade. Prior to joining Coats Bangladesh, he served in Deundi Tea Company (UK) Limited (then a subsidiary of REA Holdings plc) in various roles. Nowshad started his career with Surmah Valley Tea Plc. (then a subsidiary of Sime Darby Group). Mr. Nowshad has a Master's Degree in Business from Victoria University and is a Chartered Manager and Chartered fellow of the Chartered Management Institute, UK and Chartered Institute of Personnel and Development, UK. He has attended several general managements, functional and leadership development programs in renowned business schools.

**Asif Saad Bin Shams**  
**Shareholding Director**

Mr. Shams took over the role of Head of Credit and Collection of IDLC Finance Limited in 2009. He has over 21 years of experience in the banking sector. He started his career as PO in Eastern Bank Limited in 1996. Prior to joining IDLC, Mr. Shams served as Head of Policy & Risk Management in Standard Chartered Bank. He completed his Executive MBA from the University of Dhaka. He has a M. Com and B.Com from the University of Dhaka.

**M. Jamal Uddin**  
**Director**

Mr. Uddin became DMD & Head of Business of IDLC Finance Limited in 2015. He has over 22 years of experience in the banking sector. Mr. Uddin joined IDLC as a Management Trainee in 1994. Prior to his current role he has served as Head of Corporate Division since 2006 being responsible for the operations of Corporate and structured Finance Department with special focus on term financing and syndicated fund-raising for large local and multinational corporate houses of Bangladesh. He has done his BBA and MBA from International University (Karachi Campus), Missouri, USA.

**Md. Mesbah Uddin Ahmed**  
**Director**

Mr. Ahmed took over the role of Head of Corporate Division in 2015 and has over 21 years of experience in the corporate sector. He is a highly experienced leader with successful track record in Corporate Banking, Credit Risk Management and Sales/marketing activities for private enterprises especially in Banking and FIs. Mr. Ahmed joined IDLC in the Corporate Division in 2010 as Head of Structured Finance & Head of Corporate – Dhaka Region. Prior to joining IDLC, Mr. Ahmed served as Head of Syndication & Structured Finance in Dhaka Bank Limited. He started his career in Singapore Airlines in 1995 in Sales & Marketing. He stepped into the banking industry as a Credit Analyst through National Bank Limited and went on to work in One Bank Limited. He completed his MBA from London University of Technology and Research in 1998 and Master of Commerce in 1991.

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Managing Director  
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Managing Director & CEO  
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**Syed Javed Noor**  
Director

Mr. Noor is responsible for multiple teams comprising of SME, Wealth Management, Treasury, Strategy, Change Management, Corporate Advisory, and Venture Capital Initiative of IDLC Finance Limited from Sept 01, 2020. He also led the Home Loan team and Customer Experience Department till August 2020 in addition to other teams comprising of Treasury, Wealth Management, Change Management, Corporate Advisory, and Venture Capital Initiative. As of Oct 2020, he is managing portfolio BDT 159 Billion in multiple categories comprising of SME (Portfolio 30,570m), Wealth Management (Portfolio 67,995m), Treasury (Portfolio 59,932m including Asset & Liability), and Venture Capital Initiative (Portfolio 162m). He is also a Director of two subsidiaries of IDLC Group: IDLC Securities Limited and IDLC Investments Limited. He has over 20 years of experience in the Banking Sector. He started his career as Management Trainee in the Credit Division of Southeast Bank Limited in 2000. He joined IDLC Finance Limited in 2001 in the Corporate Division. Then he went on to serve Standard Chartered Bank in its Corporate Banking Division. Mr. Noor rejoined IDLC and worked in the Consumer Division prior to joining HSBC Bank where he worked as Head of Global Trade and Receivable Finance until 2016. Mr. Noor rejoined IDLC again in 2016 as Head of Consumer Division. Mr. Noor has an MBA from Institute of Business Administration, University of Dhaka, and Master of Pharmacy from University of Dhaka.

**Md. Moniruzzaman**  
Managing Director, Ex- Officio Member

Mr. Md. Moniruzzaman joined IDLC in 2009 for as Head of Merchant Banking and has been serving as Managing Director of IDLC Investments Limited since 2011. He has been working in the investment banking industry last 20 years. Prior to joining IDLC, he worked for global banking giant Citi as Financial Controller. He started his investment banking career at Swadesh Investment Management Limited as an Investment Analyst in 1998. He was the founding team member of Asset and Investment Management Services (AIMS) of Bangladesh Limited and AB Bank Merchant Banking Division. He had a short stint in Abrar Global Asset Managers in Malaysia. He is a Chartered Financial Analyst (CFA) with the CFA Institute, U.S.A. He is a business graduate of International Islamic University of Malaysia and holds an MBA from North South University. Currently he is serving as Vice President of CFA Society Bangladesh. He also acted as Vice President of Bangladesh Merchant Bankers Association earlier.

**c. Management Profile:**

Moniruzzaman, CFA	Managing Director
Rubayet-E-Ferdous	Chief Operating Officer
Abul Ahsan Ahmed	Head of Discretionary Portfolio Management
Sakhawat Hossain	Head of Finance & Control
Mahmud-Ur-Rashid	Assistant General Manager, Investment Banking
Saimon Mazid	Manager, Margin Loan
Shamima Akter Lovely	Head of HR, Capital Market Operations

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## 19. Due Diligence Certificate of the Trustee

Due Diligence Certificate of the trustee is annexed with this Information Memorandum. Kindly Check **Annexure – II**

## 20. Modus operandi of the issue

### The Issuance of Bond

Notwithstanding anything contained anywhere in the Trust Deed, the Bonds shall be issued in dematerialized form as per the CDBL Bye Laws and shall be listed with the respective stock exchanges complying with respective regulations of the stock exchange(s) in this regard as to be finalized and guided by the BSEC. The Issuer shall apply to the Central Depository Bangladesh Ltd (CDBL) for dematerialization of the allotted securities/bonds in order to enable the Bondholders to hold and transfer their respective units/bonds in dematerialized form.

The Bond shall be rated by a Credit Rating Company and its periodical surveillance rating shall be done by the said Credit Rating Company in line with the provisions of the Credit Rating Companies Rules, 1996 up to the full and final redemption or conversion of the issued securities.]

### Entitlement to treat Registered Holder as owner

The Register and/or the CDBL records shall be prima facie evidence of any matter in relation to the ownership of the Bonds. Each of the Issuer and the Trustee may deem and treat the registered holder of a Bond as the absolute owner of such Bond, free of any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate Holder of such Bond. All payments made to any such Holder shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable upon the Bonds.

### Application Procedure

The Bonds shall be distributed 90% through private placement and 10% under public issue. Each Investor (Bondholder) under private placement shall enter into a separate Subscription Agreement with respect to their investment with the Issuer and shall be bound by the terms and conditions set out in the Subscription Agreement and the Trust Deed containing in details of the rights and obligations of the Investor(s).

### Allotment

On the Date of Allotment, the Issuer shall allot and issue the Bonds in favour of the respective Bondholder. The Bonds will be allotted according to the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021.

### Refund

Not applicable at the time of Issuance. However, subject to receiving proper consent from the regulatory authorities Refund in relation to the subscription may be possible upon mutual agreement between the Issuer and each Bondholder.

### Transfer of Bonds

Bonds are transferable subject to the Terms and Conditions set out in this Trust Deed.

### Trading or listing with the stock exchange

The Bonds shall be listed with stock exchange(s) and the trading or listing procedure of the Bonds shall be allowed in accordance with and as per, instructions from the Bangladesh Securities and Exchange Commission (BSEC).

### Payments

#### Payment of Interest

- (a) The Issuer hereby covenants that from (and including) the Issue Date up to (but excluding) the Call Exercise Date as per Condition 7(C), the Issuer will pay to the Bondholders coupon on each Bond at the Interest Rate, provided however that all payment of interest shall be subject to having distributable profit after making payments to creditors senior to the Bondholders and Interest Range

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shall be proportionately adjusted based on such available distributable profits of the Issuer; provided further that obligation of the Issuer for making payment of coupon shall be subject to loss absorption obligation of the Bondholders as per clause 7(B)(d).

- (b) Trustee will notify the amount of the Interest Payment to the Issuer 10 (ten) days prior to any Interest Payment Date.
- (c) If the Issuer has written down any part of the Bond, until such part is written up, the Issuer may not (a) declare or pay a dividend on any of its ordinary shares or preference shares, or (b) redeem, purchase, reduce or otherwise acquire any of their respective ordinary shares, preference shares or other securities ranking, as to the right of repayment of principal *pari passu* with or junior to the Bondholders, provided however that, writing down a part of the Bonds shall not hinder rights of the Issuer to:
- (i) The re-capitalization of the Issuer;
  - (ii) The Issuer's right to make payments on other instruments ranking in senior to the Bondholders;
  - (iii) The Issuer's right to making distributions to shareholders for a period that extends beyond the point in time that coupon on the Bonds are resumed; and
  - (iv) The normal operation of the Issuer or any restructuring activity (including acquisitions/ disposals
- (d) Every payment by the Issuer to the Bondholders in respect of the interest payments under the Bonds shall be in satisfaction *pro tanto* of the covenant by the Issuer contained in this Condition and the obligations and liabilities of the Issuer with regard to that interest payment.

**Redemption Payments on exercise of Issuer's Call Option**

Upon issuance of Call-Option Exercise Notice as per Condition 8(A) hereunder, on the Call Exercise Date, the Issuer shall make payment of the principal and/or any accrued and unpaid Interest payments by transfer to the registered account of the Bondholder or by a BDT cheque drawn on a bank that processes payments in BDT mailed to the registered address of the Bondholder if it does not have a registered account. Interest on Bonds due on an Interest Payment Date will be paid to the holder shown on the Register at the close of business on the Record Date. For the purposes of this Condition, a Bondholder's "registered account" means the BDT account maintained by or on behalf of it with a bank that processes payments in BDT, details of which appear on the Register at the close of business, in the case of principal and interest due otherwise than on an Interest Payment Date, on the second Business Day before the due date for payment and, in the case of interest due on an Interest Payment Date, on the relevant Record Date, and a Bondholder's "registered address" means its address appearing on the Register at that time.

**Details of Conversion or exchange option exercise procedures**

Bonds are unsecured and contingent-convertible subject to the Terms and Conditions set out in this Trust Deed.

**Payments subject to applicable laws**

All payments in respect of the Bonds are subject in all cases to any applicable laws and regulations of Bangladesh, but without prejudice to the provisions of Condition 10 (Events of Default) of the trust deed. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

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**Default Interest Rate and Delay in Payment**

If the Issuer fails to pay any sum in respect of the Bonds within 30 days when the same becomes due and payable, Issuer shall pay Default Interest Rate for the default period.

**Stopping of Dividend Payment**

During any non-payment of the interest of the Bonds by the Issuer, the Issuer shall not, (i) declare or pay any dividends or distributions or redeem, purchase, acquire or make a liquidation payment on any of the Issuer's capital stock or (ii) make any payment of principal of or interest or premium, if any, on, or repay, repurchase or redeem, any debt securities of the Issuer (including other junior subordinated debt securities or other junior subordinated debt) or (iii) make any guarantee payments on any guarantee by the Issuer of the debt securities of any of its Subsidiaries (including under other guarantees of junior subordinated debt securities or other junior subordinated debt).

**Payment to Nominee**

If the Holder of a Bond is a natural person, he may appoint a nominee who shall on the death of the Holder of a Bond is entitled to receive money in relation to the Bond held in the name of the Bondholder in the Register. Bondholder shall inform the Trustee in the prescribed form the name of his nominee and upon receipt of such information the Trustee shall inform the CDBL to record the name of nominee in the Register and shall inform the Issuer. If the Holder of a Bond is more than one person each Holder of a Bond may appoint a nominee for himself who shall hold the Bond along with the percentage of share on the Bond by each nominee. Payment to the nominee on the Interest Payment Date on the death of the Bondholder shall be sufficient to discharge payment obligations of the Issuer to the respective Bondholder and it shall be responsibility of the nominee to distribute amongst the heirs of the deceased in accordance with applicable laws.

**21. Credit Enhancement**

- It is not applicable for the Perpetual Bond of Dhaka Bank Limited.

**22. Details of Fees Structure and Expenses**

Approximate total fees under Existing Rule are given below:  
(amount in BDT)

Fees for Public Offer	6,260,000
Fees for Private Offer	13,240,000
<b>Total</b>	<b>19,500,000</b>

**23. Additional Disclosures for IM Under Public Issue**

**i. Particulars of the Public Issue:**

Issuer	Dhaka Bank Limited (the "Bank"/ the "Issuer")
Name of the Instrument	Dhaka Bank Perpetual Bond
Issue Type	Unsecured, Contingent-Convertible, Fully paid up, Non-Cumulative, BASEL III compliant, Perpetual Debt instrument for inclusion in Additional Tier I Capital
Total Issue size	BDT 2,000,000,000/-
Mode of Issue	90% Private Placement and 10% Public Issue
Public Issue Size	BDT 200,000,000 (10% of the total issue)
Face Value/Issue Price	BDT 5,000/ (Five thousand taka only) per bond

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Number of Public Issue Unit	40,000 under public offer
Bonds per lot	01 Bond
Market Lot	01 Unit
Maturity Period/Tenor	The Bond is perpetual i.e. there is no maturity date and there are no step-ups or other incentives to redeem.
Major Terms and Features	As per Term Sheet disclosed in page no. 14 -18
Issue Manager	UCB Investment Limited
Underwriter	UCB Investment Limited
Credit Rating Company for the Issue	Emerging Credit Rating Limited
Auditor	Rahman Rahman Huq Chartered Accounts (KPMG in Bangladesh)

ii. Particulars of the Issuer:

Name & Address	Contact	Contact Person
Dhaka Bank Limited Head Office: Plot: CWS (C)-10, Bir Uttam A K Khandakar Road, Gulshan-01, Ward-19, Dhaka North City Corporation, Dhaka-1212.	Tel: +880258314424	Mr. Darashiko Khasru SEVP & CRO
	Phone: 01713017388	
	Fax: +88 0258314419	
	E-mail: darashiko.khasru@dhakabank.com.bd	
	Website: https://dhakabankltd.com/	

iii. Particulars of the Issue Manager:

Name & Address	Contact	Contact Person
UCB Investment Limited Bulus Center (17 <sup>th</sup> Floor), Plot: CWS (A)1, Road: 34, Gulshan Avenue, Dhaka- 1212	Tel: + 88 01927 111 555	Tanzim Alamgir Managing Director & CEO
	E-mail: <a href="mailto:tanzim.alamgir@ucb.com.bd">tanzim.alamgir@ucb.com.bd</a>	
	Website: <a href="http://www.ucb-investment.com">http://www.ucb-investment.com</a>	

iv. Particulars of the Underwriter:

Name & Address	Contact	Contact Person
UCB Investment Limited Bulus Center (17 <sup>th</sup> Floor), Plot: CWS (A)1, Road: 34, Gulshan Avenue, Dhaka- 1212	Tel: + 88 01927 111 555	Tanzim Alamgir Managing Director & CEO
	E-mail: <a href="mailto:tanzim.alamgir@ucb.com.bd">tanzim.alamgir@ucb.com.bd</a>	
	Website: <a href="http://www.ucb-investment.com">http://www.ucb-investment.com</a>	

v. Particulars of the Stock Exchanges/s in which the security to be listed:

Name & Address	Contact	Contact Person
Dhaka Stock Exchange Limited DSE Tower, Road: 21, House: 46 Nikunja, Dhaka-1229	Tel: 88 02 9564601, 88 02 9576210-18	Mrs. Souzia Afrin Librarian
	Fax: 88 02 9564727 88 02 9569755	
	E-mail: <a href="mailto:research@dsebd.org">research@dsebd.org</a>	
	Website: <a href="http://www.dsebd.org">www.dsebd.org</a>	

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## 24. Conditions imposed by the Commission in the Consent Letter:

### PART-A (General Conditions)

1. The Issuer shall ensure required all compliance of the Securities and Exchange Ordinance, 1969, the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021, Commission's Directive No. BSEC/CMRRCD/2009-193/19 dated 23 May, 2021, the Depository Act, 1999 and other securities Laws, Rules & Regulations for Debt Securities regarding processing of application, subscription, refund, allotment, listing and trading;
2. The Bank shall disseminate the above information to the Stock Exchanges within half an hour (30 minutes) of receipt of this letter;
3. The Bank shall ensure the compliance with BSEC Directive No. BSEC/CMRRCD/ 2009-193/19 dated May 23, 2021 & Directive No. BSEC/CMRRCD/ 2009-193/33 dated March 23, 2022 regarding issuance of the said Perpetual Bond;
4. This consent shall remain valid for 06 (Six) months for private offer and 03 (three) months for Public offer from the date of consent, failing which the permission will stand cancelled to the extent of un-subscribed portion;
5. The Issuer shall incorporate the revised credit rating report and all related information to the Information Memorandum before publication of the IM;
6. The Issuer shall not change or modify the submitted draft Information Memorandum, Trust Deed & Subscription Agreement after consent to issue the debt securities without prior approval of the Commission in this regard;
7. The Issuer shall disseminate approval of the Commission along with the purpose of the issue, amount and price of the bond etc. as price sensitive information, as prescribed by the Commission;
8. The Issuer shall execute the deed of trust as per Schedule-C as approved by the Commission in favour of the trustee and register the same under the Registration Act, 1908 (Act No. XVI of 1908) and shall submit a copy of the registered trust deed attested by the Chief Executive Officers of the Issuer and the trustee to the Commission;]
9. Auditors' report along with Audited Financial Statements of the issuer made up to a date not earlier than 270 days from the date of issue of the Information Memorandum (IM) and shall be incorporated in IM before opening of subscription;
10. Financial statements shall be prepared in accordance with International Accounting Standards (IAS) and audit thereof shall be conducted in accordance with the International Standards on Auditing (ISA), as adopted in Bangladesh. The financial statements shall be audited within 120 days from the date of ending of the financial year;
11. Annual General Meeting (AGM) of The Issuer shall be held in each year of the Gregorian Calendar;
12. A copy of audited financial statements and a copy of annual report and the minutes of annual general meeting shall be submitted to the Commission within 14 (fourteen) days of the completion of the audit or, as the case may be, holding of the annual general meeting;
13. The Issuer shall inform the Commission along with supporting documents and evidence about any change of its registered address, directors, managing director, business or any other material change that affects the affairs of the Issuer;

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14. The proceeds or fund of the bond shall be placed in a specified bank account, and utilization of such proceeds or fund shall also be made from the specified bank account;
15. The issuer shall submit a report on utilization of proceeds as well as implementation status to the Commission, the trustee, the issue manager(s) and to the stock exchange(s) as applicable, on half-yearly basis within 10 (ten) days of close of the half year, till full utilization of proceeds;
16. If there is any FDI or external debt, the issuer shall report it to Bangladesh Bank;
17. Approved information memorandum (IM) and Draft Deed of Trust shall be made available in the websites of the issuer, the Issue Manager and the Exchange(s), as applicable, till the closure of the subscription list;
18. After registration of the Deed of Trust under the Registration Act, 1908 (Act No. XVI of 1908), the registered Deed of Trust shall be made available in the websites of the Issuer, Trustee and the Issue Manager, and shall remain posted during the tenor of the debt security;
19. The Issuer shall pay, within 5 (five) working days of issuance of this letter, a fee at the rate of 0.10% on the total face value of securities to be issued through a bank draft or payment order issued in favour of the Bangladesh Securities and Exchange Commission. If the applicant fails to pay within the specified time, this consent shall be revoked;
20. The Commission may impose conditions/restrictions from time to time, as required. If the Issuer or the Issue Manager or the Trustee of the issue fails to comply with any of the conditions as stated in this consent letter, the Issuer or the Issue Manager or the Trustee of the issue would be subject to penal provisions under the Securities and Exchange Ordinance, 1969 or any other related securities laws.
21. The consent of the Commission to the issue or offer of the securities shall not absolve the responsibility of the issuer for the merit and accuracy of the offering;
22. This consent is based on submitted documents and published financial statements of the company which are considered to be correct in all material perspective; if any irregularities detected by further scrutiny by the Commission in future, the management of the concerned issuer, issue manager, credit rating company, auditor and any other person/entity involved in the process of furnishing such documents will be held responsible to the extent of their violation as per applicable securities laws;

**PART-B**  
**(Private Offer)**

1. The Issuer shall make offer of Unsecured, Contingent-Convertible, Perpetual, Floating rate Bond for Dhaka Bank Limited namely Dhaka Bank Perpetual Bond as part of Additional Tier-I Regulatory Capital of BDT 180.00 crore through Private Offer;
2. The applicants shall apply for a minimum 10,000 units (each unit of Tk. 5,000/-) which totalling of BDT 50,000,000 (Tk. five crore) or its multiples;
3. The subscription shall be received through the designated bank account of the Issuer during subscription period not less than 30 (thirty) days and not more than 180 (one hundred eighty) days for private offer;
4. Application process for private offer shall be prescribed by the issuer and made it available on Issuer's website;

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**PART-C**  
**(Public Offer)**

1. The Issuer shall make offer of Unsecured Conditional Convertible Perpetual Bond for Dhaka Bank Limited namely Dhaka Bank Perpetual Bond as part of Additional Tier-I Regulatory Capital of BDT 20.00 crore through Public Offer;
2. The issue manager(s) shall examine the issued Information Memorandum approved by the Commission. If any discrepancy is found, both the Issuer and the Issue Manager shall jointly communicate with the general applicants immediately, simultaneously endorsing copies thereof to the Commission and the Exchanges concerned;
3. The subscription shall be conducted through Electronic Subscription System (ESS) of the exchange(s) and subsequently made it available in the websites of the Issuer and the Exchange(s), as applicable, till the closure of the subscription;
4. The Information Memorandum, as approved by the Commission, shall be published by the Issuer, Issue Manager and the Exchange(s) as applicable in their own official websites, within 03 (three) working days from the date of the consent, and shall remain posted till the closure of the subscription list;
5. A notice regarding the publication of information memorandum in the websites mentioning web-addresses shall be circulated in the national daily newspaper at least one in Bangla and another in English within 7 (seven) working days from the date of this consent;
6. The applicants shall apply for a minimum 1 unit of Taka 5,000/- (Taka five thousand only) each or its multiples;
7. The Exchange(s) as applicable shall complete the listing procedure and start of trading of securities within 15 (fifteen) working from the closure of subscription period;
8. In case of over-subscription, the Exchange(s) as applicable shall refund excess amount to the applicants and send final allotment list through e-mail to the Allottees, Issuer and Issue Manager within 3 (three) working days for EI's and 11 (eleven) working days for GP from the closure of subscription period;
9. The Issuer shall issue allotment letters in the name s of all Allottees in electronic form with digital signatures and credit the allotted securities to the respective BO accounts on the basis of allotment data (BO ID and number of securities) via their CDBL VeDAS Terminal within 5 (five) working days of receipt of the final allotment list from the Exchange(s);
10. The Exchange(s) shall transfer the issue proceeds to the designated bank account of the Issuer before starting trading of the securities;
11. As per provision of the Depository Act, 1999 & Regulations made thereunder, the securities will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the depository system of Central Depository Bangladesh Limited (CDBL);
12. The Issuer shall submit statement of subscription received against issuance of securities along with bank statement(s) of the Bank's designated account to the Commission within 10 (ten) days of the closing of subscription list or upon receiving the issue proceeds in the designated account from the Exchange(s);
13. The Issuer shall submit the statement of subscription received from the underwriter(s) against undersubscribed securities along with bank statement to the Commission within 07 (seven) days of the expiry of subscription period;
14. The concerned Exchanges are authorized to settle any complaints and take necessary actions against any violation of any provision of the public offer application process within intimation to the Commission;

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Md. Shanjahan Miah  
EVP, Company Secretary  
DHAKABANK  
Head Office, Dhaka.

Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKABANK  
Head Office, Dhaka.

Emranul Haq  
74  
Managing Director & CEO  
DHAKABANK

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

15. The Issuer and the issue Manager shall ensure due compliance of all the above conditions and the listing regulations of the Exchange(s). Moreover, the Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the Bank;

**PART-D**  
**(Public Offer Application Process)**

**Step-1 (Applicant):**

1. An applicant for public issue of "Dhaka Bank Perpetual Bond" shall submit application/buy instruction within the cut-off date (i.e. the subscription closing date); Stock-Broker/ Merchant Banker where the applicant maintains customer account;
2. The application/buy instruction may be submitted in prescribed form or electronic form, which shall contain the Customer ID, Name, BO Account Number, Total Amount and Category of the Applicant;
3. Eligible Investors shall submit an application through the Electronic Subscription System (ESS) of the exchange(s) and deposit the full amount intended to subscribe by the method as determined by exchange(s);
4. The General Public and Non-Resident Bangladeshi (NRB) shall submit the application through the Stockbroker/ Merchant Banker where the applicant maintains customer account.

**Step-2 (Intermediary):**

5. The registered Stock Broker/Merchant Banker in the ESS shall:
  - a) Post the amount separately in the customer account equivalent to the application money;
  - b) Accumulate all the applications (Subscription Forms)/buy instructions received up to the cut-off date and transfer the amount to their respective Consolidated Customer Account;
6. The registered Stockbroker/Merchant Banker in the ESS shall prepare category wise lists of the applicants containing Customer ID, Name, BO Account Number and within 3 (three) working days from the cut-off date, upload to the ESS, the lists of applicants in electronic (text format with tilde '~' separator) format, deposit the full amount received from the applicants including Foreign investors by the method as determined by exchange(s).
7. The application (Subscription Form)/buy instructions shall be preserved by the Stock-Broker/Merchant Bankers up to 6 (six) months from listing of the securities with the exchange;
8. The Exchanges shall prepare a consolidated list of the applications and send the applicants' BO IDs in electronic (text) format to CDBL for verification on the next working day. CDBL shall verify the BO IDs as to whether the BO accounts of the applicants are active or not, verify more than two applications by an individual and verify more than two applications using same bank account;
9. On the next working day, CDBL shall provide the Exchanges with an updated database of the applicants containing BO Account Number, Name, Addresses, Parent s' Name and Joint Account information along with the verification report;
10. After receiving verification report and information from CDBL, the Exchanges shall scrutinize the applications, prepare lists of valid and invalid applications within 2 (two) working days;

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DHAKABANK  
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Head Office, Dhaka.

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Chief Finance Officer, EVP & CFO  
DHAKABANK  
L I M I T E D  
Head Office, Dhaka

Emranul Haq  
75  
Managing Director & CEO  
DHAKABANK  
L I M I T E D

Md. Maniruzzaman  
Managing Director  
IDLC Investments Limited

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

11. On the next working day, the Exchanges shall provide the Commission, Issuer and Issue Manager with the soft copy of subscription result;

**Step-3 (Issuer or Originator):**

12. The Issuer and issue manager shall post the final status of subscription on their websites within 6 (six) hours and on the websites of the Commission and Exchanges within 12 (twelve) hours of receiving information by the Commission and the Exchanges;
13. Within 2 (two) working days of receipt of the subscription result, the Issuer and Exchanges shall:
- Process pro-rata allotment of securities to the applicants under Public Offer.
  - Issuer shall issue allotment letters in the names of the Allottees in electronic format.
  - Issuer shall credit the allotted securities to the respective BO accounts on the basis of allotment data (BOID and number of securities) via their CDBL VeDAS Terminal.
  - Any fraction shall be considered to the nearest integer and accumulated fractional securities shall be allotted on a random basis.

**Step-4 (Intermediary)**

14. On the next working day, Exchanges shall:
- Remit the amount of allotted applicants to the Issuer's Bank Account opened for subscription purpose;
  - Distribute the information and allotment letters to the stock broker/Merchant Bankers concerned in electronic format with a request to refund the balance application money;
15. On the next working day of receiving the documents from the Exchanges, the Stockbrokers/Merchant Banker shall refund the excess application money in the customer accounts and inform the applicants about allotment of securities.

18 OCT 2022

  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKABANK  
Head Office, Dhaka

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022

  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKABANK  
Head Office, Dhaka

18 OCT 2022

  
Emranul Haq  
Managing Director & CEO  
DHAKABANK

18 OCT 2022

  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

25. Declaration and due diligence certificates as per Annexure(s)- I, II, III and IV:

Annexure- I

Declaration about the responsibility of the Managing Director & CEO of  
Dhaka Bank Limited in respect of the information memorandum

[Rule 4(2)(a)]

This information memorandum has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this information memorandum to enable the investors to make a well-informed decision for investment.

Place: Dhaka

Sd/-

Mr. Emranul Huq

Managing Director and CEO

Date:

18 OCT 2022

18 OCT 2022  
  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKABANK  
L I M I T E D  
Head Office, Dhaka.

18 OCT 2022  
  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKABANK  
L I M I T E D  
Head Office, Dhaka

18 OCT 2022  
  
Emranul Huq  
Managing Director & CEO  
DHAKABANK  
L I M I T E D

18 OCT 2022  
  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Annexure-II

[Rule 3(1)(m), 4(1)(c) and 4(2) (a)]

Due diligence certificate of the Trustee

IDLC Investments Limited

To

The Bangladesh Securities and Exchange Commission

**Sub: Issuance of 360,000 units under private placement and 40,000 units under public offer of Unsecured, Contingent-Convertible and Floating Rate Perpetual Bond of BDT 2,000,000,000 (Two Billion taka) each of BDT 5,000 of Dhaka Bank Limited.**

We, the under-noted trustee to the above-mentioned forthcoming issue, state as follows:

1. We, while act as trustee to the above-mentioned issue on behalf of the investors, have examined the draft Information Memorandum, legal and other documents and materials as relevant to our decision; and
2. On the basis of such examination and the discussions with the issuer, its directors and officers, and other agencies; independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

**WE CONFIRM THAT:**

- (a) all information and documents as are relevant to the issue have been received and examined by us and the draft IM, draft deed of trust and draft subscription agreement forwarded to the Commission has been approved by us;
- (b) we have also examined all documents of the assets to be charged with the trust and are satisfied that the assets bear the value, title and charge status as disclosed in the IM;
- (c) while examining the above documents, we find that all the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been complied with;
- (d) we shall act as trustee to the issue as mentioned above as per provisions of the deed of trust to be executed with the issuer or the originator, as applicable and shall assume the duties and responsibilities as described in the deed of trust and in the IM;
- (e) we shall also abide by the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and conditions imposed by the Commission as regards of the issue; and
- (f) the above declarations are unequivocal and irrevocable.

For Trustee

Sd/-  
Managing Director  
IDLC Investments Limited

Date:

18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKABANK  
L I M I T E D  
Head Office, Dhaka.

18 OCT 2022  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKABANK  
L I M I T E D  
Head Office, Dhaka.

18 OCT 2022  
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Emrahul Huq  
Managing Director & CEO  
DHAKABANK  
L I M I T E D

18 OCT 2022  
Md. Moziruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

**Annexure-III**

**Due diligence certificate by issue manager  
by  
UCB Investment Limited  
[Rule 4(2)(a)]**

To  
The Bangladesh Securities and Exchange Commission

**Sub: Issuance of 40,000 units under public offer of Unsecured, Contingent-Convertible and Floating Rate Perpetual Bond of BDT 200,000,000 (Two Hundred Million taka) each of BDT 5,000 of Dhaka Bank Limited**

Dear Sir,

We, the issue manager(s) to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above-mentioned issue, visited the premises of the issuer or originator and interviewed the chairperson, directors and key management personnel of the issuer or originator in connection with the finalization of the information memorandum pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer or originator, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer or originator.

**WE CONFIRM THAT:**

- (a) The information memorandum filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the government have been duly complied with;
- (c) The disclosures made in information memorandum are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Trust Act, 1882, the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the information memorandum are registered with the Commission and till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfil their underwriting commitments;

- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer or originator and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;

18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKABANK  
Head Office, Dhaka.

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Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKABANK  
L I M I T E D  
Head Office, Dhaka

18 OCT 2022  
Emranul Haq  
Managing Director & CEO  
DHAKABANK  
L I M I T E D

18 OCT 2022

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

(g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the information memorandum;

(h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well-informed decision;

(i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer or originator, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the issue of securities for any further inspection by the commission;

(j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 containing details such as the rule number, its text, the status of compliance, page numbers of the information memorandum where the rules have been complied with and our comments, if any;

(k) We also declare that we have managed any issue of securities of the following issuers including originators in the last 05 (five) years:

Serial No	Name of Issue	Year	Type of Issue	Issue Price (BDT)	Dividend/Repayment History	Category
01.	Sonali Paper & Board Mills Limited	2022	Rights Offer	10/-	Cash 20%, Stock 20% (CY: 2021)	A
02.	Meghna Insurance Company Limited	2022	IPO	10/-	N/A	N
03.	AIBL Mudaraba Perpetual Bond by Al-Arafah Islami Bank Limited	2021	Public Offer	5000/-	Profit rate: 7.87% p.a. (CY: 2021)	N
04.	SJIBL Mudaraba Perpetual Bond by Shahjalal Islami Bank Limited	2021	Public Offer	5000/-	Profit rate: 7.87% p.a. (CY: 2021)	N
05.	IBBL 2 <sup>nd</sup> Perpetual Mudaraba Bond By Islami Bank Bangladesh Limited	2021	Public Offer	5000/-	Profit Rate: 7.88% p.a. (CY: 2021)	N
06.	Premier Bank Perpetual Bond By The Premier Bank Limited	2021	Public Offer	5000/-	Coupon Rate: 9.99% p.a. (June 2022)	N
07.	Pubali Bank Perpetual Bond By Pubali Bank Limited	2021	Public Offer	5000/-	N/A	N

**For Issue Manager**

Place: Dhaka

Sd/-

Managing Director & CEO

UCB Investment Limited

Date:

18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK  
LIMITED  
Head Office, Dhaka.

18 OCT 2022  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

18 OCT 2022  
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Enamul Haq  
Managing Director & CEO  
DHAKA BANK  
LIMITED

18 OCT 2022  
Md. Moiruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Annexure - IV

Due diligence certificate by the underwriter

UCB Investment Limited  
[Rule 4(2)(a)]

To  
The Bangladesh Securities and Exchange Commission

Sub: Issuance of 40,000 units under public offer of Unsecured, Contingent-Convertible and Floating Rate Perpetual Bond of BDT 200,000,000 (Two Hundred Million taka) each of BDT 5,000 of Dhaka Bank Limited.

Dear Sir,

We, the under-noted underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

(1) We, while underwriting the above-mentioned issue on a firm commitment basis, have examined the draft information memorandum, other documents and materials as relevant to our underwriting decision; and

(2) On the basis of such examination and the discussions with the issuer or originator, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer or originator.

**WE CONFIRM THAT:**

(a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at BDT 1,000 Million and we have the capacity to underwrite a total amount of BDT 5,000,000,000 as per relevant legal requirements. We have committed to underwrite for up to BDT 40,000,000. for the upcoming issue.

(b) At present, the underwriting obligations are pending for us: N/A

(c) All information as are relevant to our underwriting decision have been received by us and the draft IM forwarded to the Commission has been approved by us;

(d) We shall subscribe and take up the un-subscribed securities against the above-mentioned issue within 15 (fifteen) days of calling up thereof by the issuer or originator; and

(e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter:

Sd/-  
Managing Director & CEO  
UCB Investment Limited

Date:

18 OCT 2022

  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022

  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKABANK  
Head Office, Dhaka.

18 OCT 2022

  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKABANK  
Head Office, Dhaka

18 OCT 2022

  
Emranul Haq  
Managing Director & CEO  
DHAKABANK

18 OCT 2022

  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

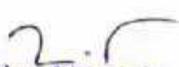
The Due Diligence Certificates are also annexed to this Information Memorandum as mentioned below:

- a) Declaration of the Management of the Issuer as per Rule 3 (1) (i) of Bangladesh Securities and Exchange Commission (Debt Securities) Rule 2021. Kindly Check Annexure-I
- b) Due Diligence Certificate of the Trustee [Rule 3(1)(m), 4(1)(c) and 4(2) (a)], is attached with this information memorandum. Kindly check Annexure – II
- c) Due diligence certificate to be furnished by issue manager in the information Memorandum [Rule 4(2)(a)] is attached with this information memorandum. Kindly check Annexure – III
- d) Due Diligence Certificate of the Underwriter/s [Rule 4(2)(a)] is annexed with this Information Memorandum. Kindly Check Annexure – IV

18 OCT 2022

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Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKABANK  
L I M I T E D  
Head Office, Dhaka.

  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022

  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKABANK  
L I M I T E D  
Head Office, Dhaka

18 OCT 2022

  
Emrul Huq  
Managing Director & CEO  
DHAKABANK  
L I M I T E D

18 OCT 2022

  
Md. Maniruzzaman  
Managing Director  
IDLC Investments Limited

## 26. Particulars of the Underwriter and Underwritten Amount

Name of the Underwriter	<b>UCB Investment Limited</b>
Legal status of the Underwriter	Private Limited Company registered under the Companies Act, 1994 (Act No.18 of 1994), and licensed Merchant Banker under the Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Regulations, 1996.
Details of contact information of the Underwriter	<b>Tanzim Alamgir</b> Managing Director & CEO UCB Investment Limited Mobile: + 88 01927 111 555 Email: tanzim.alamgir@ucb.com.bd
Name of the issue managed by the Underwriter	N/A
Underwritten Amount	BDT 40,000,000

## 27. Public Issue Application Procedure

### Step-1 (Applicant):

1. An applicant for public issue of "Dhaka Bank Perpetual Bond" shall submit application/buy instruction within the cut-off date (i.e. the subscription closing date); Stock-Broker/ Merchant Banker where the applicant maintains customer account;
2. The application/buy instruction may be submitted in prescribed form or electronic form, which shall contain the Customer ID, Name, BO Account Number, Total Amount and Category of the Applicant;
3. Eligible Investors shall submit an application through the Electronic Subscription System (ESS) of the exchange(s) and deposit the full amount intended to subscribe by the method as determined by exchange(s);
4. The General Public and Non-Resident Bangladeshi (NRB) shall submit the application through the Stockbroker/ Merchant Banker where the applicant maintains customer account.

### Step-2 (Intermediary):

5. The registered Stock Broker/Merchant Banker in the ESS shall:
  - a) Post the amount separately in the customer account equivalent to the application money;
  - b) Accumulate all the applications (Subscription Forms)/buy instructions received up to the cut-off date and transfer the amount to their respective Consolidated Customer Account;
6. The registered Stockbroker/Merchant Banker in the ESS shall prepare category wise lists of the applicants containing Customer ID, Name, BO Account Number and within 3 (three) working days from the cut-off date, 18 OCT 2022 upload to the ESS, the lists of applicants in electronic (text format with tilde '~' separator) format, deposit the full amount received from the applicants including Foreign investors by the method as determined by exchange(s).
7. The application (Subscription Form)/buy instructions shall be preserved by the Stock-Broker/Merchant Bankers up to 6 (six) months from listing of the securities with the exchange;

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Chief Finance Officer, EVP & CFO  
DHAKABANK  
L I M I T E D  
Head Office, Dhaka

18 OCT 2022  
Emrul Haq  
Managing Director & CEO  
DHAKABANK  
L I M I T E D

18 OCT 2022  
Md. Maniruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

8. The Exchanges shall prepare a consolidated list of the applications and send the applicants' BO IDs in electronic (text) format to CDBL for verification on the next working day. CDBL shall verify the BO IDs as to whether the BO accounts of the applicants are active or not, verify more than two applications by an individual and verify more than two applications using same bank account;
9. On the next working day, CDBL shall provide the Exchanges with an updated database of the applicants containing BO Account Number, Name, Addresses, Parent s' Name and Joint Account information along with the verification report;
10. After receiving verification report and information from CDBL, the Exchanges shall scrutinize the applications, prepare lists of valid and invalid applications within 2 (two) working days;
11. On the next working day, the Exchanges shall provide the Commission, Issuer and Issue Manager with the soft copy of subscription result;

**Step-3 (Issuer or Originator):**

12. The Issuer and issue manager shall post the final status of subscription on their websites within 6 (six) hours and on the websites of the Commission and Exchanges within 12 (twelve) hours of receiving information by the Commission and the Exchanges;
13. Within 2 (two) working days of receipt of the subscription result, the Issuer and Exchanges shall:
  - a) Process pro-rata allotment of securities to the applicants under Public Offer.
  - b) Issuer shall issue allotment letters in the names of the Allottees in electronic format.
  - c) Issuer shall credit the allotted securities to the respective BO accounts on the basis of allotment data (BOID and number of securities) via their CDBL VeDAS Terminal.
  - d) Any fraction shall be considered to the nearest integer and accumulated fractional securities shall be allotted on a random basis.

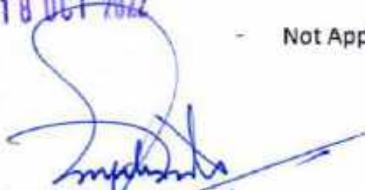
**Step-4 (Intermediary)**

14. On the next working day, Exchanges shall:
  - a) Remit the amount of allotted applicants to the Issuer's Bank Account opened for subscription purpose;
  - b) Distribute the information and allotment letters to the stock broker/Merchant Bankers concerned in electronic format with a request to refund the balance application money;
15. On the next working day of receiving the documents from the Exchanges, the Stockbrokers/Merchant Banker shall refund the excess application money in the customer accounts and inform the applicants about allotment of securities.

**28. Rights option/issue Application Procedure**

- Not Applicable

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Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKABANK  
Head Office, Dhaka.

18 OCT 2022

  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKABANK  
Head Office, Dhaka

  
Emranul Huq  
Managing Director & CEO  
DHAKABANK  
Head Office, Dhaka

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18 OCT 2022

  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022

  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

## 29. Private Offer Application Procedure

1. The Issuer shall make offer of Unsecured, Contingent-Convertible, Perpetual, Floating rate Bond for Dhaka Bank Limited namely Dhaka Bank Perpetual Bond as part of Additional Tier-I Regulatory Capital of BDT 180.00 crore through Private Offer;
2. The applicants shall apply for a minimum 10,000 units (each unit of Tk. 5,000/-) which totalling of BDT 50,000,000 (Tk. five crore) or its multiples;
3. The subscription shall be received through the designated bank account of the Issuer during subscription period not less than 30 (thirty) days and not more than 180 (one hundred eighty) days for private offer;
4. Application process for private offer shall be prescribed by the issuer and made it available on Issuer's website;

18 OCT 2022

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Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKABANK  
L I M I T E D  
Head Office, Dhaka.

18 OCT 2022

Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKABANK  
L I M I T E D  
Head Office, Dhaka

18 OCT 2022

Er. Enamul Haq  
Managing Director & CEO  
DHAKABANK  
L I M I T E D

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18 OCT 2022

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

## Annexure – 01

### Detailed Description and Information

As per Schedule A (part I)

**1. Particulars of issuer:**

Name:	Dhaka Bank Limited (the "Bank"/ the "Issuer")
Legal Status	Public Limited Company under the Companies Act, 1994 (Act No. 18 of 1994) and also is governed by the Banking Companies Act 1991 (Amendment up to 2018)
Details of contact information	<b>Darashiko Khasru</b> SEVP & CRO Plot: CWS (C)-10, Bir Uttam A K Khandakar Road, Gulshan-01, Ward-19, Dhaka-1212 <b>Email:</b> darashiko.khasru@dhakabank.com.bd <b>Cell:</b> 01713017388
Date of Incorporation	April 6, 1995
Date of Commencement of Business	July 5, 1995
Authorized Capital	BDT 10,000,000,000
Paid-up Capital	BDT 9,496,247,530
Total equity	BDT 20,966,044,139
Total Liabilities	BDT 315,604,851,674
Total Financial Obligations	N/A
Total Assets	BDT 336,570,895,813
Net Worth	BDT 20,966,044,139

**2. Particulars of Issue Manager:**

Name of the issue manager	UCB Investment Limited
Legal status of the issue manager	Private Limited Company registered under the Companies Act, 1994 (Act No.18 of 1994), and licensed Merchant Banker under the Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Regulations, 1996
Details of contact information	<b>Tanzim Alamgir</b> Managing Director & CEO UCB Investment Limited Mobile: + 88 01927 111 555 Email: tanzim.alamgir@ucb.com.bd
Name of the issue managed by the issue manager	<ol style="list-style-type: none"> <li>1. Sonali Paper &amp; Board Mills Ltd.</li> <li>2. Meghna Insurance Company Ltd.</li> <li>3. AIBL Mudaraba Perpetual Bond (Public Issue Portion)</li> <li>4. IBBL 2<sup>nd</sup> Mudaraba Perpetual Bond (Public Issue Portion)</li> <li>5. Premier Bank Perpetual Bond (Public Issue Portion)</li> <li>6. Pubali Bank Perpetual bond (Public Issue Portion)</li> </ol>

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Chief Finance Officer, EVP & CFO  
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**DHAKABANK**  
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Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

3. Particulars of Underwriter:

Name of the underwriter	UCB Investment Limited
Legal status of the underwriter	Private Limited Company registered under the Companies Act, 1994 (Act No.18 of 1994), and licensed Merchant Banker under the Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Regulations, 1996.
Details of contact information	<b>Tanzim Alamgir</b> Managing Director & CEO UCB Investment Limited Mobile: + 88 01927 111 555 Email: tanzim.alamgir@ucb.com.bd

4. Particulars of the issue:

Name of the Instrument	Dhaka Bank Perpetual Bond
Type of instruments to be issued	Unsecured, Contingent-Convertible, Fully paid up, Non-Cumulative, BASEL III compliant, Perpetual Debt instrument for inclusion in Additional Tier I Capital
Purpose of the Issue	To raise Additional Tier-1 Capital through issuance of Dhaka Bank Perpetual Bond in order to strengthen its capital base in accordance with Bangladesh Bank's Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework in line with Basel III). The funds being raised by the Bank through the mentioned Issue are not meant for financing any particular project. The Bank shall utilize the proceeds of the Issue for its regular business activities. The Bank shall not utilize proceeds of the Issue for any purpose which may be in contravention of the regulations/ guidelines/ norms issued by the Bangladesh Bank and Bangladesh Security Exchange and Commission where applicable.
Number of Securities and total size of the issue to be offered	Number of Bonds to be Issued: 360,000 under private placement and 40,000 under public offer  Issue Size: BDT 2,000,000,000  BDT 1,800,000,000 under private placement and BDT 200,000,000 under public issue
Face Value and Issue Price of securities	BDT 5,000/ (Five thousand taka only)
Coupon rate/ Rate of profit	Reference Rate + Coupon Margin
Rate of Return	Coupon Rate
Tenor:	Not Applicable. The Bonds shall be perpetual i.e. there is no maturity date and there are no step-ups or other incentives to redeem.
Details of conversion/exchange option features:	This Bond Contingent-Convertible in nature

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<b>Mode of Redemption:</b>	As per BASEL III guideline (Annex IV: Special Eligibility Criteria to qualify for additional Tier 1 Capital, a) this instrument is perpetual in nature i.e. there is no maturity date and there are no set-ups or other incentives to redeem unless and until it is eligible for call option criteria depicted in features section.
<b>Mode of option (call or put) if any</b>	Call Option: Can be exercised only after ten years of issuance, with prior approval from the Bangladesh Bank Put Option: Not Applicable
<b>Applicable Tax Rate:</b>	According to the laws of Bangladesh
<b>Default Protection Mechanism (details of credit enhancement) if any:</b>	This Bond is Unsecured in nature. No credit enhancement is applicable.
<b>Type of collateral securities being offered, if any:</b>	Unsecured
<b>Status of securities holders in case of priority of payment:</b>	Dhaka Bank Perpetual Bond is superior to the claims of investors in equity shares and perpetual non-cumulative preference shares, if any, of the bank whether currently outstanding or issued at any time in the future and subordinated to the claims of depositors, general creditors and subordinated debt of the Bank other than any subordinated debt qualifying as Additional Tier I Capital (as defined in the Basel III Guidelines) of the Bank. It is neither secured nor covered by a guarantee of the issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors.
<b>Period within which securities to be issued:</b>	As per the Consent Letter from BSEC
<b>Nature of tradability or listing in stock exchange(s):</b>	As per the Consent Letter from BSEC
<b>Others:</b>	
<b>Investors</b>	The following class of investors are eligible to participate in the offer: <ul style="list-style-type: none"> <li>Public Financial Institutions which are duly authorized to invest in Bonds as per Bangladesh Bank Regulations</li> <li>Mutual Funds, Insurance Companies, Scheduled Commercial Banks,</li> <li>Co-operative Banks, Regional Rural Banks authorized to invest in bonds/ debentures,</li> <li>Societies authorized to invest in bonds/debentures,</li> <li>Trusts authorized to invest in bonds/ debentures,</li> <li>Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/ debentures,</li> <li>Any other not mentioned in the list but is eligible to subscribe as per regulations by Bangladesh Bank.</li> </ul>
<b>Mode of Placement:</b>	90% of the issue size under Private Placement and 10% of the issue size under Public Offer
<b>Bonds per lot/ Minimum Subscription</b>	01(one) bond for Public Issue and 10,000 for Private Placement
<b>Reference Rate</b>	20-year Treasury-Bond rate

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	(Latest available rate of 20-year Treasury-Bond rate as published by Debt Management Department of Bangladesh Bank on the quotation day) *subject to Bangladesh Bank approval
Coupon Margin	2.00% p.a.
Quotation Day	Five (05) days before the first day of any period for which a coupon rate is to be determined
Coupon Range	<ul style="list-style-type: none"> <li>Coupon Ceiling: 10% p.a.</li> <li>Coupon Floor: 6% p.a. (subject to having available distributable profit)</li> </ul>
Coupon Discretion	The bank will have full discretion at all times to cancel distributions/payments to the bondholder
Exercise of Coupon Discretion	Any coupon payment will be distributed subject to having available distributable profit of the issuer
Coupon Payment Frequency	Semi-Annual
Late Payment	Issuer shall pay a late payment penalty of 2% (two per cent) higher than the Coupon Rate and be payable on the amount not paid on the due date till the date of actual payment unless exercise of coupon discretion is not in effect.
Business Day Convention/Effect of Holidays	<ul style="list-style-type: none"> <li>If any Coupon/ Interest Payment Date falls on a day that is not a Business Day, the payment shall be made by the Bank on the immediately succeeding Business Day.</li> <li>If the Call Option Due Date (also being the last Coupon Payment Date, in case Call Option is exercised) of the Bonds falls on a day that is not a Business Day, the Call Option Price shall be paid by the Bank on the immediately preceding Business Day along with interest accrued on the Bonds until but excluding the date of such payment.</li> </ul>
Late Redemption	Not Applicable. Since the instrument is perpetual in nature i.e. there is no maturity date; late redemption is not applicable unless and until it is eligible for call option criteria.
Claim Settlement in the event of Liquidation or Wind-up	<p>Claims of the investors on the bond are:</p> <ol style="list-style-type: none"> <li>Superior to the claims of investors in equity shares and perpetual non-cumulative preference shares, if any, of the bank whether currently outstanding or issued at any time in the future.</li> <li>subordinated to the claims of depositors, general creditors and subordinated debt of the Bank other than any subordinated debt qualifying as Additional Tier 1 Capital (as defined in the Basel III Guidelines) of the Bank;</li> <li>Is neither secured nor covered by a guarantee of the issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors.</li> </ol> <p>Notwithstanding anything to the contrary stipulated herein, the claims of the Bondholders shall be subject to the provisions of Loss Absorption in this terms and features.</p>

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Emranul Haq  
Managing Director & CEO  
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Md. Moiruzzaman  
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IDLC Investments Limited

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UCB Investment Limited

<b>Loss Absorption</b>	Any losses will be absorbed in the following manner:  Conversion to common shares at pre-specified trigger point as needed to reach the minimum consolidated CET-1 ratio as per Bangladesh Bank requirement (Currently of 4.50%).
<b>Loss Absorption Methodology</b>	CET-1 on Trigger Date will be considered to identify the shortfall percentage and it will be converted into common shares eventually. If a fractional share issuance arises upon conversion, the issuer will round the number of shares issuable, up to the next whole number. Fractional lot size will also be rounded to the next whole number.
<b>Trigger Point for Loss Absorption</b>	If the bank's consolidated CET-1 falls below Bangladesh Bank requirement (Currently of 4.50%) and stays below for 03 (Three) successive quarters; then, the 3rd quarter-end date of consecutive below-minimum CET-1 Ratio would be the Trigger-Point (date). Once the trigger point has been reached and exercised, the cycle will start again.
<b>Conversion Strike Price</b>	Average market price of the immediate 180 days or par value (currently BDT 10tk) whichever is higher.
<b>Payment Suspension Methodology</b>	In case of the event of exercise of loss absorption feature of the bond any coupon payment in between the trigger date and publication date of audited financials will be hold. The bondholder will not be eligible for the coupon payment if the same situation prevails (CET-1 (Consol) remains below the regulatory requirement of 4.5%) after the publication of audited financials.
<b>Conversion Notice</b>	In time of conversion Trustee shall notify the bondholders in accordance with not less than 2 business days prior to start of each conversion period of the commencement date and the final date of such conversion period. All notices are validly given if: <ul style="list-style-type: none"> <li>• Mailed to bondholders at their respective address in the register,</li> <li>• Published for three consecutive days in one English newspaper and one Bengali newspaper; each having wide circulation in Bangladesh,</li> <li>• Emailed to bondholders at their respective addresses set out in the Issuer Register provided that such notices will only be considered as validly given unless followed up with hard copies of the notices being mailed to the bondholders or published for three consecutive days in a leading newspaper as aforesaid.</li> </ul> Any such notice shall be deemed to have been given on the seventh day after being so mailed or on the later of the date of such publications.
<b>Events of Default</b>	Not Applicable.  It is further clarified that cancellation of discretionary payments/coupon shall not be deemed to be an event of default. The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.
<b>Common Equity Holders' Dividend Stopper Clause</b>	Dividend Stopper Clause will be applicable to these Bonds and it will stop common equity holders' dividend payments on common shares in the event the holders of the Bonds are not paid coupon. In the event the holders of the Bonds are not paid coupon, they shall not impede the full

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Managing Director  
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Managing Director & CEO  
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	discretion that Issuer has at all times to cancel distributions/payments on the Bonds, nor will they impede / hinder: (i) The Re-Capitalization of the Issuer. (ii) The Issuer's right to make payments on other instruments, where the payments on this other instrument were not also fully discretionary (iii) The Issuer's right to making distributions to shareholders for a period that extends beyond the point in time that coupon on the Bonds are resumed. The normal operation of the Issuer or any restructuring activity (including acquisitions/ disposals).
<b>Transferability/Liquidity</b>	Freely transferable in accordance with the provisions of the Deed of Trust.
<b>Governing Law</b>	The Bonds are governed by and shall be construed in accordance with the existing laws of Bangladesh.

**5. Particulars of the Trustee:**

Name of the Trustee	IDLC Investments Limited
Paid-up capital of the Trustee	BDT 2, 200 million
Net worth of the Trustee	BDT 3,162 million
Name of the issue where performing as Trustee	City Bank 2nd Subordinated Bond, Standard Bank 2nd Subordinated Debt, Paramount Textile Limited Zero Coupon Bond, United Commercial Bank 3rd Subordinated Bond, Tarasima Apparels Limited Zero Coupon Bond, City Bank Perpetual Bond, Standard Bank Limited Perpetual Bond

**6. Particulars of the Credit Rating Company:**

Name of the Credit Rating Company	Emerging Credit Rating Limited
Credit rating status of the issuer	Long Term Rating: AA Short Term Rating: ST-2 Valid From: April 08, 2022; Valid To: April 07, 2023
Credit Rating of the Issue	Long Term: A+B* Outlook: Stable Valid From: June 23, 2022; Valid To: June 22, 2023
Latest default rate of the rating company	0.1%
Average time to default of the rated category	49 Months
Rating Trigger	Not applicable

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Emrul Haq  
Managing Director & CEO  
DHAKA BANK  
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Md. Monnuzzaman  
Managing Director  
IDLC Investments Limited

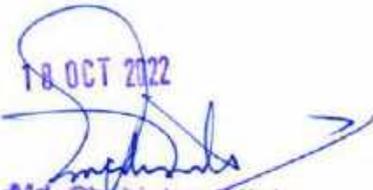
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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

## ANNEXURE – 02

(Auditor's Report along with audited financial statements)

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EV, EPR & Company Secretary  
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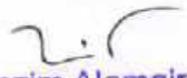
18 OCT 2022

  
Emraajul Haq  
Managing Director & CEO  
**DHAKABANK**  
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Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022

  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

# AUDITOR'S REPORT

## & AUDITED FINANCIAL STATEMENTS

The Financial Statements of Dhaka Bank Limited for the year ended on 31 December 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed.

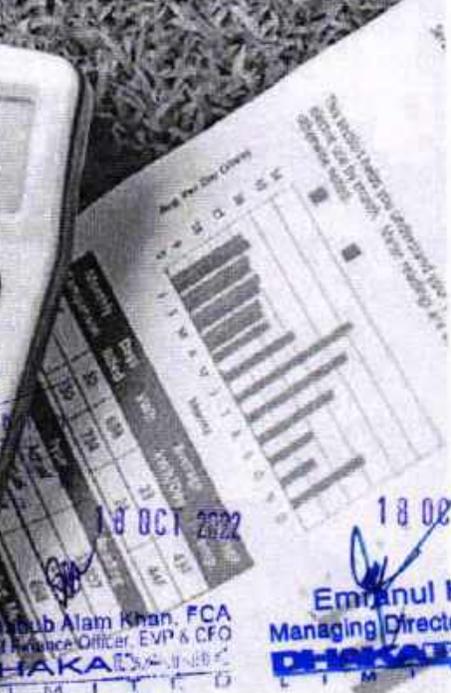
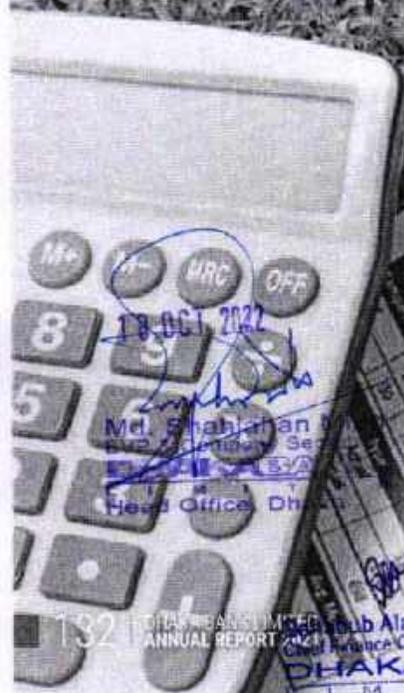
18 OCT 2022

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Md. Moniruzzaman  
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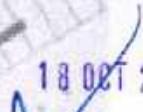
  
Tanzim Alamgir  
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Emranul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

# INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DHAKA BANK LIMITED

## Report on the Audit of the Consolidated and Separate Financial Statements

### Opinion

We have audited the consolidated financial statements of Dhaka Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of Dhaka Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2021 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated balance sheet of the Group and the separate balance sheet of the Bank as at 31 December 2021, and of its consolidated and separate profit and loss accounts and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.1.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the guidelines issued by Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### 1. Measurement of provision for loans and advances

See notes no. 2.1, 2.15.3, 7, 7(a), 7.10, 7.11, and 15.1 to the financial statements.

##### The key audit matter

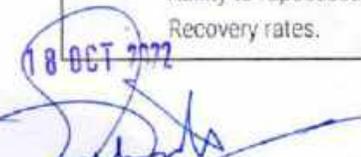
The process of estimating provision for loans and advances associated with credit risk is judgmental and complex. While estimating such provision certain judgmental factors need to be considered including:

- Future business performance of the borrower;
- Key assumptions relating to further business performance of the borrower;
- Market value of the collateral;
- Ability to repossess collateral; and
- Recovery rates.

##### How the matter was addressed in our audit

We tested the design and operating effectiveness of key controls focusing on the following:

- Credit monitoring and provisioning process;
- Identification of loss events, including early warning and default warning indicators; and
- Review of quarterly Classification of Loans (CL).

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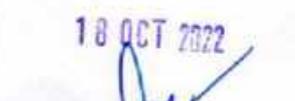
# INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DHAKA BANK LIMITED

1. Measurement of provision for loans and advances (continued)	
See notes no. 2.1, 2.15.3, 7, 7(a), 7.10, 7.11, and 15.1 to the financial statements.	
The key audit matter	How the matter was addressed in our audit
<p>Furthermore, these provisions are processed manually using the voluminous data extracted from the IT system of the Bank and following the instructions of Bangladesh Bank (the central bank of Bangladesh) issued from time to time.</p> <p>Due to high level of judgement involved and using some manual process in estimating the provision for loans and advances, we considered this to be a key audit matter.</p> <p>At year end the Group and Bank reported total gross loans and advances of BDT 214,607 million (2020: BDT 198,642 million) and BDT 215,459 million (2020: BDT 198,660 million) respectively and provision for loans and advances of BDT 14,289 million (2020: BDT 13,643 million) and BDT 14,045 million (2020: BDT 13,015 million) respectively.</p>	<p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> <li>Reviewed the adequacy of the Bank's general and specific provisions;</li> <li>Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; and</li> <li>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</li> </ul>
2. Loans and advances	
See notes no. 2.1, 2.15.3, 7, 7(a) to the financial statements.	
The key audit matter	How the matter was addressed in our audit
<p>Loans and advances are the main elements of financial statements of the Bank. Income of the Bank is mainly dependent on the portfolio of loans and advances. Management performance is highly dependent on the target achievement of loans and advances. Loan disbursement requires robust documentation followed by approval from appropriate level of authority.</p> <p>We have identified loans and advances as key audit matter because there is an inherent risk of fraud in disbursement of loans and advances by management to meet specific targets or expectations.</p>	<p>We tested the design and operating effectiveness of key controls focusing on credit appraisal, loan disbursement procedures and monitoring process of loans and advances. We have performed procedures to check whether the Bank has ensured appropriate documentation as per Bangladesh Bank regulations and the Bank's policy before disbursement of loans and advances. In addition, we have performed procedure to check whether the loans and advances are recorded completely and accurately and existed at the reporting date.</p> <p>Furthermore, we have assessed the appropriateness of disclosure against Bangladesh Bank guidelines.</p>

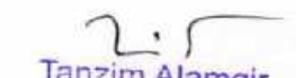
18 OCT 2022  
  
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**Tanzim Alamgir**  
 Managing Director & CEO  
 UCB Investment Limited

# INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DHAKA BANK LIMITED

3. IT systems and controls	
The key audit matter	How the matter was addressed in our audit
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and manual with automated (IT dependent) controls.</p> <p>We have focused on user access management, developer access to the production environment and changes to the IT environment. These are key to ensure that manual with automated controls and automated controls are operating effectively.</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). We have performed audit procedures to ensure that requests for access to systems were appropriately reviewed and authorised. We tested the Bank's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorisation. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p> <p>In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.</p>

## Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated and separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation of the consolidated financial statements of the Group and also

separate financial statements of the Bank that give a true and fair view in accordance with IFRSs as explained in note 2.1, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the management to ensure effective internal audit, internal control and risk management functions of the Group and 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.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern and disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

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**Sahabub Alam Khan, FCA**  
 Chief Finance Officer, EVP & CFO  
**DHAKA BANK LIMITED**  
 Head Office, Dhaka

**Md. Shahjahan Miah**  
 EY & Company Secretary  
**DHAKA BANK LIMITED**  
 Head Office, Dhaka.

**Emranul Haq**  
 Managing Director & CEO  
**DHAKA BANK LIMITED**

**Tanzim Alamgir**  
 Managing Director & CEO  
**UCB Investment Limited**

**Md. Moniruzzaman**  
 Managing Director  
**IDLC Investments Limited**

# INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DHAKA BANK LIMITED

## Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.

concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022

18 OCT 2022

2.1

# INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DHAKA BANK LIMITED

## Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules, 2020, the Bank Company Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section in forming the above opinion on the consolidated financial statements of the Group and the separate 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:
  - (a) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in the financial statements appeared to be materially adequate;
  - (b) 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;
- (iii) financial statements for the year ended 31 December 2021 of two subsidiaries namely Dhaka Bank Securities Limited and Dhaka Bank Investment Limited have been audited by ACNABIN Chartered Accountants and have been properly reflected in the consolidated financial statements;
- (iv) in our opinion, proper books of accounts as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (vi) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (vii) the expenditures incurred by the bank were for the purpose of the Bank's business for the year;
- (viii) 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 related guidance issued by Bangladesh Bank;
- (ix) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 2,150 person hours; and
- (xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

The engagement partner on the audit resulting in this independent auditor's report is Ali Ashfaq.

**Ali Ashfaq**

Partner, Enrolment no: 509  
Rahman Rahman Huq, Chartered Accountants  
Firm Registration Number: [N/A]

Dhaka, 26 April 2022.

DVC: 2204260509AS108232

18 OCT 2022

18 OCT 2022

Sahabub Alam Khan, FCA  
Chief Financial Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

www.dhakabank.com

18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka

18 OCT 2022  
Emmanuel Huq  
Managing Director & CEO  
DHAKA BANK LIMITED

2.1  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022  
Md. M. M. M. M. M.  
Managing Director & CEO  
IDLC Investments Limited

**Dhaka Bank Limited and its Subsidiaries**  
**Consolidated Balance Sheet**  
**As at 31 December 2021**

	Notes	31.12.2021 Taka	31.12.2020 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3(a)	<b>19,838,530,649</b>	<b>17,403,435,921</b>
Cash in hand (Including foreign currencies)	3.1(a)	2,301,460,729	2,872,313,228
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	3.2(a)	17,537,069,920	14,531,122,693
<b>Balance with other banks and financial institutions</b>	4(a)	<b>22,466,559,288</b>	<b>18,148,195,557</b>
In Bangladesh	4.1(a)	20,331,837,107	15,150,200,466
Outside Bangladesh	4.2(a)	2,134,722,181	2,997,995,091
<b>Money at call on short notice</b>	5(a)	<b>5,650,000,000</b>	<b>700,000,000</b>
<b>Investments</b>	6(a)	<b>52,359,063,988</b>	<b>42,360,850,681</b>
Government	6.1(a)	38,596,716,627	32,980,972,403
Others	6.2(a)	13,762,347,361	9,379,878,278
<b>Loans, advances and lease/investments</b>	7(a)	<b>214,607,304,713</b>	<b>198,641,827,366</b>
Loans, Cash Credits, Overdrafts etc./Investments	7.1(a)	211,439,820,530	196,165,786,543
Bills purchased and discounted	8(a)	3,167,484,183	2,476,040,823
<b>Fixed assets including premises, furniture and fixtures</b>	9(a)	<b>8,974,910,455</b>	<b>9,033,037,264</b>
<b>Other assets</b>	10(a)	<b>12,674,526,722</b>	<b>10,568,338,274</b>
<b>Non-banking assets</b>	11(a)	-	-
<b>Total Assets</b>		<b>336,570,895,815</b>	<b>296,855,685,063</b>
<b>LIABILITIES &amp; CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	12(a)	<b>44,590,746,254</b>	<b>33,057,630,083</b>
<b>Deposits and other Accounts</b>	13(a)	<b>229,945,560,865</b>	<b>205,178,353,093</b>
Current Accounts and other Accounts		34,172,428,617	26,588,039,572
Bills Payable		2,210,072,255	2,452,855,109
Savings Bank Deposits		28,665,174,772	25,402,215,927
Term Deposits	13.4(a)	164,897,885,221	150,735,242,485
<b>Non Convertible Subordinated Bond</b>	14	<b>5,200,000,000</b>	<b>6,800,000,000</b>
<b>Other liabilities</b>	15(a)	<b>35,868,544,558</b>	<b>32,384,092,776</b>
<b>Total Liabilities</b>		<b>315,604,851,677</b>	<b>277,420,075,952</b>
<b>Capital/Shareholders' Equity</b>			
<b>Equity attributable to equity holders of the parent company</b>		<b>20,965,972,653</b>	<b>19,435,545,309</b>
Paid-up Capital	16.2	9,496,247,530	8,958,724,090
Statutory Reserve	17	9,086,264,187	8,263,438,249
Other Reserve	18(a)	81,457,759	104,410,600
Surplus in Profit and Loss Account	19(a)	2,302,003,177	2,108,972,761
Non-controlling interest	19.1(a)	71,485	19,435,609,111
<b>Total Shareholders' Equity</b>		<b>20,966,044,138</b>	<b>19,435,609,111</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>336,570,895,815</b>	<b>296,855,685,063</b>

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**Dhaka Bank Limited and its Subsidiaries**  
**Consolidated Profit & Loss Account**  
**For the year ended 31 December 2021**

	Notes	2021 Taka	2020 Taka
Interest income/profit on investments	22(a)	14,857,899,527	17,631,263,869
Interest paid/profit on deposits and borrowings etc.	23(a)	(10,397,504,835)	(13,954,163,722)
<b>Net interest income</b>		<b>4,460,394,692</b>	<b>3,677,100,147</b>
Investment income	24(a)	3,615,937,843	3,768,428,694
Commission, exchange and brokerage	25(a)	3,517,743,459	2,760,604,581
Other operating income	26(a)	258,586,106	194,893,380
		<b>7,392,267,408</b>	<b>6,723,926,645</b>
<b>Total operating income (a)</b>		<b>11,852,662,099</b>	<b>10,401,026,792</b>
Salary and allowances	27(a)	2,526,368,655	2,593,743,577
Rent, taxes, insurance, electricity etc.	28(a)	340,328,218	173,322,685
Legal expenses	29(a)	37,101,435	37,936,064
Postage, stamps, telecommunication etc.	30(a)	45,205,612	45,839,163
Stationery, Printing, Advertisement etc.	31(a)	219,719,175	190,018,842
Chief Executive's salary and fees	32(a)	13,145,000	8,999,999
Directors' fees	33(a)	4,380,389	5,229,600
Auditors' fees	34(a)	3,386,750	2,035,500
Depreciation and repairs of bank's assets	35(a)	975,857,321	1,121,636,878
Other expenses	36(a)	840,709,579	853,650,925
<b>Total operating expenses (b)</b>		<b>5,006,202,133</b>	<b>5,032,413,233</b>
<b>Profit before provision and taxes (c = (a-b))</b>		<b>6,846,459,966</b>	<b>5,368,613,559</b>
Provision against loans and advances	37(a)	2,122,909,960	2,181,018,225
Provision against good borrower	15.2	-	-
Provision for diminution in value of investments	38(a)	-	(9,783,557)
Other provisions	39(a)	490,822,398	98,504,768
<b>Total provision (d)</b>		<b>2,613,732,358</b>	<b>2,269,739,436</b>
<b>Total Profit before taxes (c-d)</b>		<b>4,232,727,608</b>	<b>3,098,874,123</b>
Provision for Taxation		2,096,259,113	1,110,769,262
Current tax		2,067,715,624	1,617,418,601
Deferred tax		28,543,489	(506,649,339)
<b>Net Profit after Taxation</b>		<b>2,136,468,496</b>	<b>1,988,104,861</b>
<b>Net profit after tax attributable to:</b>			
Equity holders of DBL		2,136,468,422	1,988,109,050
Non-controlling interest		8,074	(4,189)
		<b>2,136,468,496</b>	<b>1,988,104,861</b>
<b>Profit available for distribution</b>			
Surplus in profit and loss account from previous year	19(a)	2,108,972,761	1,618,562,389
Net profit for the period		2,136,468,422	1,988,109,050
		<b>4,245,433,182</b>	<b>3,606,671,439</b>
<b>Appropriations</b>			
Statutory Reserve		822,825,936	636,386,869
General Reserve		4,700,000	8,100,000
Investment Fluctuation Fund		1,075,046,885	853,211,810
Dividends etc.		40,857,182	-
Start-up Fund		2,302,003,177	2,108,972,761
Surplus in profit and loss account		<b>4,245,433,182</b>	<b>3,606,671,439</b>
<b>Consolidated earning per share (CEPS)</b>		<b>2.25</b>	<b>2.09</b>

The notes 1 to 50 and annexures A to M form an integral part of these financial statements.

Managing Director & CEO

Director

Director

Chairman

As per our report of same date

Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited

Dhaka, 26 April 2022

Sahabub Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
 DHAKA BANK LIMITED  
 Head Office, Dhaka

Md. Shanjahan Miah  
 EV&A Company Secretary  
 DHAKA BANK  
 Head Office, Dhaka

Emranul Haq  
 Managing Director & CEO  
 DHAKA BANK

Ali Ashfaq, Partner, Enrolment no: 509  
 Rahman Rahman Huq, Chartered Accountants  
 KPMG in Bangladesh, Firm Registration Number: 173  
 DVC: 2204260509AS108220

Md. Moniruzzaman  
 Managing Director  
 UCB Investments Limited

18 OCT 2022

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**Dhaka Bank Limited and its Subsidiaries**  
**Consolidated Cash Flow Statement**  
**For the period ended 31 December 2021**

	Notes	2021 Taka	2020 Taka
<b>Cash flows from operating activities</b>			
Interest/Profit receipts in cash		17,396,053,994	20,698,749,389
Interest/Profit payments		(10,448,187,354)	(14,091,990,624)
Dividend receipts		184,169,098	98,540,088
Recovery of loans previously written off		123,190,654	28,972,109
Fee and commission receipts in cash		2,585,550,098	2,043,510,051
Cash payments to employees		(2,539,513,654)	(2,602,743,576)
Cash payments to suppliers		(317,750,404)	(288,786,446)
Income taxes paid		(1,709,540,718)	(1,776,760,756)
Receipts from other operating activities	41(a)	272,867,371	282,963,117
Payments for other operating activities	42(a)	(1,679,856,495)	(1,638,206,463)
<b>Operating profit before changes in operating assets &amp; liabilities (i)</b>		<b>3,866,972,591</b>	<b>2,754,246,889</b>
<b>Increase/Decrease in operating assets and liabilities</b>			
Purchase/sale of trading securities		(6,239,057,997)	(316,224,255)
Loans and advances to customers		(15,965,477,347)	(3,154,959,376)
Other assets	43(a)	(37,763,239)	6,043,951,850
Deposits from other banks		698,795,825	(2,162,302,804)
Deposits from customers		24,068,411,947	3,175,743,632
Other liabilities account of customers		54,865,547	1,389,168
Other liabilities	44(a)	(1,406,849,674)	(1,033,800,607)
<b>Cash flow from operating assets and liabilities (ii)</b>		<b>1,172,925,062</b>	<b>2,553,797,609</b>
<b>Net cash flows from operating activities (a)= (i+ii)</b>		<b>5,039,897,653</b>	<b>5,308,044,498</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of securities		531,151,102	760,154,595
Payment for purchase of securities		(3,794,872,252)	(2,334,932,967)
Purchase of property, plant & equipment		(263,165,223)	(3,910,631,126)
Sale of property, plant & equipment		1,265,244	4,381,696
Proceeds from non-banking assets		-	-
Purchase/sale of subsidiary		-	-
<b>Net cash flow from investing activities (b)</b>		<b>(3,525,621,129)</b>	<b>(5,481,027,801)</b>
<b>Cash flows from financing activities</b>			
Borrowing from other banks		11,533,116,171	5,212,414,111
Receipts from issuance of Non-Convertible Subordinated Bond		-	-
Payments for redemption of Non-Convertible Subordinated Bond		(1,600,000,000)	(600,000,000)
Dividends paid		(537,523,445)	(426,605,910)
<b>Net cash flow from financing activities (c)</b>		<b>9,395,592,726</b>	<b>4,185,808,201</b>
<b>Net increase/ (decrease) in cash and cash equivalents (a+b+c)</b>		<b>10,909,869,250</b>	<b>4,012,824,898</b>
Effects of exchange rate changes on cash & cash equivalent		794,325,109	590,793,651
Cash and cash equivalents at beginning period		36,254,228,278	31,550,609,728
<b>Closing cash and cash equivalents at end of period*</b>		<b>47,958,422,637</b>	<b>36,254,228,278</b>
<b>*Cash and cash equivalents</b>			
Cash in hand		2,301,460,729	2,872,313,228
Balance with Bangladesh Bank and its agent bank(s)		17,537,069,920	14,531,122,693
Balance with other banks & Financial Institutions		22,466,559,288	18,148,195,557
Money at call on short notice		5,650,000,000	700,000,000
Prize Bond		3,332,700	2,596,800
<b>Total</b>		<b>47,958,422,637</b>	<b>36,254,228,278</b>
<b>Net Operating Cash Flow per Share (NOCFPS)</b>		<b>5.31</b>	

The notes 1 to 50 and annexures A to M form an integral part of these financial statements.

18 OCT 2022

Sahabub Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
**DHAKA BANK LIMITED**  
 Head Office, Dhaka

18 OCT 2022

Md. Sahabuddin Wahid  
 Executive Secretary  
**DHAKA BANK LIMITED**  
 Head Office, Dhaka.

18 OCT 2022

Emranul Haq  
 Managing Director & CEO  
**DHAKA BANK LIMITED**

18 OCT 2022

Tanzim Alamgir  
 Managing Director & CEO  
**UCB Investment Limited**  
 18 OCT 2022

Md. Moniruzzaman  
 Managing Director  
**IDLC Investments Limited**

**Dhaka Bank Limited and its Subsidiaries**  
**Consolidated Statement of Changes in Equity**  
 For the year ended 31 December 2021

(Amount in Taka)

Particulars	Paid up capital	Statutory Reserve	General Reserve	Asset Revaluation Reserve	Investment revaluation reserve	Investment Fluctuation Fund	Non-controlling interest	Surplus in profit and loss account	Total Equity
<b>Balance as at 1 January 2021</b>	8,958,724,090	8,263,438,249	6,560,631	-	48,649,969	49,200,000	63,411	2,108,972,761	19,435,609,111
Surplus/deficit on account of revaluation of investments	-	-	-	-	(27,652,841)	-	-	-	(27,652,841)
Net profit for the period	-	-	-	-	-	-	-	2,136,468,496	2,136,468,496
Transfer to reserve	-	-	-	-	-	4,700,000	-	(4,700,000)	-
Stock dividend	537,523,440	-	-	-	-	-	-	(537,523,440)	-
Cash dividend	-	-	-	-	-	-	-	(537,523,445)	(537,523,445)
Changes in reserve	-	822,825,938	-	-	-	-	-	(822,825,938)	-
Start-up Fund	-	-	-	-	-	-	-	(40,857,182)	(40,857,182)
Non-controlling interest	-	-	-	-	-	-	8,074	(8,074)	-
<b>Balance as at 31 December 2021</b>	<b>9,496,247,530</b>	<b>9,086,264,187</b>	<b>6,560,631</b>	<b>-</b>	<b>20,997,128</b>	<b>53,900,000</b>	<b>71,485</b>	<b>2,302,003,177</b>	<b>20,966,044,138</b>

For the year ended 31 December 2020

(Amount in Taka)

Particulars	Paid up capital	Statutory Reserve	General Reserve	Asset Revaluation Reserve	Investment revaluation reserve	Investment Fluctuation Fund	Non-controlling interest	Surplus in profit and loss account	Total Equity
<b>Balance as at 01 January 2020</b>	8,532,118,190	7,627,051,380	6,560,631	-	70,495,379	41,100,000	67,600	1,618,562,389	17,895,955,570
Surplus/deficit on account of revaluation of investments	-	-	-	-	(21,845,410)	-	-	-	(21,845,410)
Net profit for the period	-	-	-	-	-	-	-	1,988,104,861	1,988,104,861
Transfer to reserve	-	-	-	-	-	8,100,000	-	(8,100,000)	-
Stock dividend	426,605,900	-	-	-	-	-	-	(426,605,900)	-
Cash dividend	-	-	-	-	-	-	-	(426,605,910)	(426,605,910)
Changes in reserve	-	636,386,869	-	-	-	-	-	(636,386,869)	-
Non-controlling interest	-	-	-	-	-	-	(4,189)	4,189	-
<b>Balance as at 31 December 2020</b>	<b>8,958,724,090</b>	<b>8,263,438,249</b>	<b>6,560,631</b>	<b>-</b>	<b>48,649,969</b>	<b>49,200,000</b>	<b>63,411</b>	<b>2,108,972,761</b>	<b>19,435,609,111</b>

18 OCT 2021

Sahabub Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
**DHAKA BANK LIMITED**  
 Head Office, Dhaka

Md. Shahjahan Miah  
 EVP & Company Secretary  
**DHAKA BANK LIMITED**  
 Head Office, Dhaka.

18 OCT, 2022  
 Emrapul Huq  
 Managing Director & CEO  
**DHAKA BANK LIMITED**

Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited

Md. Moniruzzaman  
 Managing Director  
 UCB Investments Limited  
 www.dhakabanktd.com

The notes to 50 and annexures A to G are an integral part of these financial statements.

18 OCT 2022

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**Dhaka Bank Limited**  
**Balance Sheet**  
As at 31 December 2021

	Notes	31.12.2021 Taka	31.12.2020 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3	19,838,425,649	17,403,330,921
Cash in hand (Including foreign currencies)	3.1	2,301,355,729	2,672,208,228
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	3.2	17,537,069,920	14,531,122,693
<b>Balance with other banks and financial institutions</b>	4	22,211,041,163	18,017,117,989
in Bangladesh	4.1	20,076,318,982	15,019,122,898
Outside Bangladesh	4.2	2,134,722,181	2,997,995,091
<b>Money at call on short notice</b>	5	5,650,000,000	700,000,000
<b>Investments</b>	6	49,124,077,080	39,444,756,051
Government	6.1	38,596,716,627	32,980,972,403
Others	6.2	10,527,360,453	6,463,783,648
<b>Loans, advances and lease/investments</b>	7	215,458,643,693	198,660,473,920
Loans, Cash Credits, Overdrafts etc./Investments	7.1	212,291,159,510	196,184,433,097
Bills purchased and discounted	8	3,167,484,183	2,476,040,823
<b>Fixed assets including premises, furniture and fixtures</b>	9	8,954,869,250	9,020,772,046
<b>Other assets</b>	10	14,114,146,537	12,090,775,749
<b>Non-banking assets</b>	11	-	-
<b>Total Assets</b>		<b>335,351,203,372</b>	<b>295,337,226,676</b>
<b>LIABILITIES &amp; CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	12	44,565,190,826	32,999,166,033
<b>Deposits and other accounts</b>	13	230,417,348,446	205,666,983,669
Current Accounts and other Accounts		34,172,428,617	26,588,039,572
Bills Payable		2,210,072,255	2,452,855,109
Savings Bank Deposits		28,665,174,772	25,402,215,927
Term Deposits		165,369,672,802	151,223,873,061
<b>Non Convertible Subordinated Bond</b>	14	5,200,000,000	6,800,000,000
<b>Other liabilities</b>	15	34,926,816,025	31,078,923,089
<b>Total Liabilities</b>		<b>315,109,355,297</b>	<b>276,545,072,791</b>
<b>Capital/Shareholders' Equity</b>			
<b>Total Shareholders' Equity</b>		<b>20,241,848,075</b>	<b>18,792,153,885</b>
Paid-up Capital	16.2	9,496,247,530	8,958,724,090
Statutory Reserve	17	9,086,264,187	8,263,438,249
Other Reserve	18	27,557,759	55,210,600
Surplus in Profit and Loss Account	19	1,631,778,599	1,514,780,946
<b>Total Liabilities and Shareholders' Equity</b>		<b>335,351,203,372</b>	<b>295,337,226,676</b>

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Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

18 OCT 2022  
Md. Shanjahan Miah  
EVP & Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka.

18 OCT 2022  
Enamul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
DHAKA BANK LIMITED  
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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022



**Dhaka Bank Limited**  
**Profit & Loss Account**  
For the year ended 31 December 2021

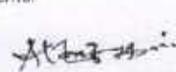
	Notes	2021 Taka	2020 Taka
Interest income/profit on investments	22	14,913,888,936	17,714,105,807
Interest paid/profit on deposits and borrowings etc.	23	(10,394,221,944)	(13,995,651,517)
<b>Net interest income</b>		<b>4,519,666,992</b>	<b>3,718,454,290</b>
Investment income	24	3,446,847,515	3,553,932,577
Commission, exchange and brokerage	25	3,335,726,780	2,698,911,317
Other operating Income	26	257,236,937	193,625,709
		<b>7,038,811,332</b>	<b>6,446,469,603</b>
<b>Total operating income (a)</b>		<b>11,558,478,323</b>	<b>10,164,923,893</b>
Salary and allowances	27	2,468,230,819	2,557,123,684
Rent, taxes, insurance, electricity etc.	28	334,758,386	166,130,685
Legal expenses	29	36,583,058	37,702,564
Postage, stamps, telecommunication etc.	30	44,803,816	45,420,902
Stationery, Printing, Advertisement etc.	31	216,860,162	187,626,962
Chief Executive's salary and fees	32	13,145,000	8,999,999
Directors' fees	33	3,548,800	4,287,610
Auditors' fees	34	2,110,250	1,679,000
Depreciation and repairs of bank's assets	35	958,818,995	1,104,549,790
Other expenses	36	831,756,999	844,840,059
		<b>4,930,616,274</b>	<b>4,958,361,254</b>
<b>Total operating expenses (b)</b>		<b>4,930,616,274</b>	<b>4,958,361,254</b>
<b>Profit before provision and taxes (c = (a-b))</b>		<b>6,627,862,049</b>	<b>5,206,562,639</b>
Provision against loans and advances	37	2,022,909,960	1,935,907,084
Provision against good borrower	15.2	-	-
Provision for diminution in value of investments	38	-	(9,783,557)
Other provisions	39	490,822,398	98,504,768
		<b>2,513,732,358</b>	<b>2,024,628,295</b>
<b>Total provision (d)</b>		<b>2,513,732,358</b>	<b>2,024,628,295</b>
<b>Total Profit before taxes (c-d)</b>		<b>4,114,129,692</b>	<b>3,181,934,343</b>
Provision for Taxation		2,058,402,034	1,151,943,775
Current tax	15.7	2,037,109,110	1,580,023,896
Deferred tax		21,292,924	(428,080,121)
		<b>2,055,727,658</b>	<b>2,029,990,568</b>
<b>Net Profit after Taxation</b>		<b>2,055,727,658</b>	<b>2,029,990,568</b>
<b>Profit available for distribution</b>			
Surplus in profit and loss account from previous year	19	1,514,780,946	974,389,056
Net profit for the period		2,055,727,658	2,029,990,568
		<b>3,570,508,604</b>	<b>3,004,379,624</b>
<b>Appropriations</b>			
Statutory Reserve		822,825,938	636,386,869
General Reserve		-	-
Dividends etc.		1,075,046,885	853,211,810
Start-up Fund		40,857,182	-
Surplus in profit and loss account		1,631,778,599	1,514,780,946
		<b>3,570,508,604</b>	<b>3,004,379,624</b>
<b>Earning per share (EPS)</b>	40	<b>2.16</b>	<b>2.14</b>

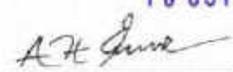
The notes 1 to 50 and annexures A to M form an integral part of these financial statements.

18 OCT 2022

  
Managing Director & CEO

  
Director

  
Director

  
Chairman

As per our report of same date

18 OCT 2022

  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

Dhaka, 26 April 2022

www.dhakabankltd.com

  
18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka.

Auditor

  
Ali Ashfaq, Partner, Enrolment no: 509  
Rahman Rahman Huq, Chartered Accountant  
KPMG in Bangladesh, Firm Registration Number: (N/A)  
DVC: 220760509AS108232  
18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
DHAKA BANK LIMITED  
ANNUAL REPORT 2021

  
18 OCT 2022  
Enamul Huq  
Managing Director & CEO  
DHAKA BANK LIMITED

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**Dhaka Bank Limited**  
**Cash Flow Statement**  
For the period ended 31 December 2021

	Notes	2021 Taka	2020 Taka
<b>Cash flow from operating activities</b>			
Interest/Profit receipts in cash		17,357,763,383	20,619,571,227
Interest/Profit payments		(10,444,904,452)	(14,133,478,419)
Dividend receipts		108,358,891	46,064,080
Recovery of loans previously written off		123,190,654	28,972,109
Fee and commission receipts in cash		2,403,533,419	1,981,816,786
Cash payments to employees		(2,501,375,819)	(2,566,123,683)
Cash payments to suppliers		(300,357,276)	(272,429,428)
Income taxes paid		(1,677,177,698)	(1,869,864,792)
Receipts from other operating activities	41	271,518,202	286,843,813
Payments for other operating activities	42	(1,670,082,326)	(1,629,644,307)
<b>Operating profit before changes in operating assets &amp; liabilities (i)</b>		<b>3,670,466,968</b>	<b>2,491,727,387</b>
<b>Increase/Decrease in operating assets and liabilities:</b>			
Purchase/Sale of trading securities		(5,911,365,718)	(450,641,120)
Loans and advances to customers		(16,798,169,774)	(3,025,566,901)
Other assets	43	19,801,314	6,034,905,901
Deposits from other banks		698,795,825	(2,162,302,804)
Deposits from customers		24,051,568,953	3,299,262,245
Other liabilities account of customers		54,865,547	1,389,168
Other liabilities	44	(912,661,353)	(1,020,255,599)
<b>Cash flow from operating assets and liabilities (ii)</b>		<b>1,202,834,794</b>	<b>2,676,790,890</b>
<b>Net cash flows from/(used in) operating activities (a)= (i+ii)</b>		<b>4,873,301,762</b>	<b>5,168,518,278</b>
<b>Cash flow from investing activities</b>			
Proceeds from sale of securities		522,351,102	759,877,870
Payment for Purchase of securities		(3,794,872,252)	(2,334,932,967)
Purchase of property, plant & equipment		(245,118,511)	(3,895,192,954)
Sale of property, plant & equipment		1,265,244	4,381,695
Proceeds from Non-banking assets		-	-
Purchase/sale of subsidiary		-	-
<b>Net cash flow from investing activities (b)</b>		<b>(3,516,374,417)</b>	<b>(5,465,866,354)</b>
<b>Cash flow from financing activities</b>			
Borrowing from other banks		11,566,024,793	5,274,038,649
Receipts from issuance of Non Convertible Subordinated Bond		-	-
Payments for redemption of Non Convertible Subordinated Bond		(1,600,000,000)	(600,000,000)
Dividends paid		(537,523,445)	(426,605,910)
<b>Net cash flow from financing activities (c)</b>		<b>9,428,501,348</b>	<b>4,247,432,740</b>
<b>Net increase/ (decrease) in cash and cash equivalents (a+b+c)</b>		<b>10,785,428,693</b>	<b>3,950,084,663</b>
Effects of exchange rate changes on cash & cash equivalent		794,325,109	590,793,651
Cash and cash equivalents at beginning period		36,123,045,710	31,582,167,396
<b>Closing Cash and cash equivalents at end of period*</b>		<b>47,702,799,512</b>	<b>36,123,045,710</b>
<b>*Closing cash &amp; cash equivalents</b>			
Cash in Hand		2,301,355,729	2,301,355,729
Balance with Bangladesh Bank and its agent bank(s)		17,537,069,920	14,531,122,693
Balance with other banks & Financial Institutions		22,211,041,163	18,017,117,989
Money at call on short notice		5,650,000,000	700,000,000
Prize Bond		3,332,700	2,596,800
<b>Total</b>		<b>47,702,799,512</b>	<b>36,123,045,710</b>
<b>Net Operating Cash Flow per Share (NOCFPS)</b>		<b>5.13</b>	<b>18 OCT 2022</b>

The notes 1 to 50 and an

18 OCT 2022  
Sahabur Aram Khan, FCA  
Chief Finance Officer, EVP & CFO  
**DHAKA BANK LIMITED**  
Head Office, Dhaka

18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
**DHAKA BANK LIMITED**  
Head Office, Dhaka.

18 OCT 2022  
Enamul Haq  
Managing Director & CEO  
**DHAKA BANK LIMITED**

18 OCT 2022  
Md. Md. Muzazzaman  
Managing Director  
IDLC Investments Limited

**Dhaka Bank Limited**  
Statement of Changes in Equity  
For the year ended 31 December 2021

Particulars	Paid up capital	Statutory Reserve	General Reserve	Asset Revaluation Reserve	Investment Revaluation Reserve	Surplus in profit and loss account	Total Equity
Balance as at 1 January 2021	8,958,724,090	8,263,438,249	6,560,631	-	48,649,969	1,514,780,946	18,792,153,885
Surplus/deficit on account of revaluation of investments	-	-	-	-	(27,652,841)	-	(27,652,841)
Net profit for the period	-	-	-	-	-	2,055,727,658	2,055,727,658
Stock dividend	537,523,440	-	-	-	-	(537,523,440)	-
Cash dividend	-	-	-	-	-	(537,523,445)	(537,523,445)
Start-up Fund	-	-	-	-	-	(40,857,182)	(40,857,182)
Changes in reserve	-	822,825,938	-	-	-	(822,825,938)	-
Balance as at 31 December 2021	9,496,247,530	9,086,264,187	6,560,631	-	20,997,128	1,631,778,599	20,241,848,075

**For the year ended 31 December 2020**

Particulars	Paid up capital	Statutory Reserve	General Reserve	Asset Revaluation Reserve	Investment Revaluation Reserve	Surplus in profit and loss account	Total Equity
Balance as at 01 January 2020	8,532,118,190	7,627,051,380	6,560,631	-	70,495,379	974,389,056	17,210,614,636
Surplus/deficit on account of revaluation of investments	-	-	-	-	(21,845,410)	-	(21,845,410)
Net profit for the year	-	-	-	-	-	2,029,990,568	2,029,990,568
Stock dividend	426,605,900	-	-	-	-	(426,605,900)	-
Cash dividend	-	-	-	-	-	(426,605,910)	(426,605,910)
Changes in reserve	-	636,386,869	-	-	-	(636,386,869)	-
Balance as at 31 December 2020	8,958,724,090	8,263,438,249	6,560,631	-	48,649,969	1,514,780,946	18,792,153,885

18 OCT 2022

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022

**Dhaka Bank Limited**  
**Liquidity Statement (Asset and Liability Maturity Analysis)**  
 As at 31 December 2021

Particulars	(Amount in Taka)					
	Up to 01 month	1 - 3 months	3 - 12 months	1 - 5 years	More than 5 years	Total
<b>Assets:</b>						
Cash in hand (including Balance with BB & its agents)	19,838,425,649	-	-	-	-	19,838,425,649
Balance with other banks and financial institutions	6,687,168,980	13,623,572,183	1,900,300,000	-	-	22,211,041,163
Money at call on short notice	5,650,000,000	-	-	-	-	5,650,000,000
Investment	3,332,700	7,723,807,833	7,104,408,030	13,061,152,998	21,231,375,519	49,124,077,080
Loans and Advances	43,229,308,492	34,591,167,761	61,492,450,422	40,711,558,994	35,434,158,024	215,458,643,693
Fixed assets including premises, furniture and fixtures	-	-	-	2,756,753,194	6,198,116,055	8,954,869,250
Other assets	588,814,576	-	1,315,107,007	10,436,456,877	1,773,768,077	14,114,146,536
Non-banking assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>75,997,050,397</b>	<b>55,938,547,777</b>	<b>71,812,265,459</b>	<b>66,965,922,064</b>	<b>64,637,417,675</b>	<b>335,351,203,372</b>
<b>Liabilities:</b>						
Borrowing from Bangladesh Bank, Other Banks, financial institutions and agents	(11,902,100,000)	(13,300,000)	(27,533,142,906)	(5,116,647,920)	-	(44,565,190,826)
Deposits & other accounts	(96,725,068,416)	(51,205,599,790)	(44,082,480,397)	(23,042,519,906)	(15,361,579,937)	(230,417,348,446)
Non Convertible Subordinated Bond	-	-	(1,600,000,000)	(3,600,000,000)	-	(5,200,000,000)
Other liabilities	(5,076,939,668)	-	(29,849,876,357)	-	-	(34,926,816,025)
<b>Total Liabilities</b>	<b>(113,704,108,083)</b>	<b>(51,218,899,790)</b>	<b>(103,065,499,660)</b>	<b>(31,759,167,826)</b>	<b>(15,361,579,937)</b>	<b>(315,109,355,297)</b>
<b>Net Liquidity Gap</b>	<b>(37,707,057,687)</b>	<b>4,719,647,987</b>	<b>(31,253,234,201)</b>	<b>35,206,754,238</b>	<b>49,275,737,738</b>	<b>20,241,848,075</b>
<b>Cumulative Liquidity Gap</b>	<b>(37,707,057,687)</b>	<b>(32,987,409,700)</b>	<b>(64,240,643,901)</b>	<b>(29,033,889,663)</b>	<b>20,241,848,075</b>	<b>-</b>

18 OCT 2022

Sahabub Alam Khan  
 Chief Finance Officer, EVP & CFO  
**DHAKA BANK LIMITED**  
 Head Office, Dhaka.

Md. Shahjahan Miah  
 EVP & Company Secretary  
**DHAKA BANK LIMITED**  
 Head Office, Dhaka.

18 OCT 2022  
 Emrahul Haq  
 Managing Director & CEO  
**DHAKA BANK LIMITED**

18 OCT 2022  
 Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited

18 OCT 2022  
 Md. Noniruzzaman  
 Managing Director  
 IDLC Investments Limited

**Dhaka Bank Limited and its Subsidiaries**  
**Notes to the Financial Statements**  
**as at and for the year ended 31 December 2021**

**1. Reporting entity - The Bank and its activities**

**1.1 Legal Status and nature of the entity**

Dhaka Bank Limited (the "Bank") was incorporated in Bangladesh as a Public Limited Company on 06 April 1995 under the Companies Act, 1994 and commenced commercial operation on 05 July 1995. The Bank went for public issue of shares on 25 November 1999 and its shares are listed with both the Stock Exchanges (Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.) of Bangladesh. Currently, it has 109 branches all over Bangladesh which includes 68 urban and 41 rural branches, two Offshore Banking Units at DEPZ & CEPZ, Chattogram, 3 SME Service Centers and 21 sub branches. Out of the above, 2 branches of the Bank are run under Islamic Shariah, with a working method substantially different from conventional branches. The Bank has two subsidiary companies in the name of Dhaka Bank Securities Limited and Dhaka Bank Investment Limited. The Bank has been holding 99.99% shares of Dhaka Bank Securities Limited (which has 6 branches in Dhaka, Chittagong and Sylhet) and Dhaka Bank Investment Limited. Moreover, the Bank has a dedicated philanthropic unit named Dhaka Bank Foundation, operating since 28 July 2004.

The registered office of the Bank is at Plot: CWS (C)-10, Bir Uttam A. K. Khandaker Road, Gulshan-1, Dhaka-1212, Bangladesh.

The consolidated financial statements of the Bank as at and for the year ended 31 December 2021 comprise the Bank and its subsidiaries (collectively the 'Group' and individually 'Group entities').

**1.2 Principal activities of The Bank**

The principal activities of the Bank are to provide wide array of financial products (loans and deposits) and services that includes all kinds of conventional and Islamic banking services to its customers. It offers corporate banking, retail banking, trade services, cash management, treasury, SME, retail, custodial and clearing services to its customers. These activities are conducted through its branches, SME service centres, sub branches, Islamic windows and vibrant alternative delivery channels (ATM booths, internet banking) in Bangladesh. The Bank also provides off-shore banking services through its Offshore Banking Units (OBU) and islami banking services through its Islamic Bank branch.

**1.3 Offshore Banking**

Offshore Banking Unit (OBU) is a separate business unit of the Bank, operates its business through a separate counter as governed under the rules and guidelines of Bangladesh Bank and a Policy for Offshore Banking Operation issued by Bangladesh Bank through BRPD circular no. 02, dated 25 February 2019 and BRPD circular letter no. 09 dated 27 May 2019. It gives loans (on and off-balance sheet exposures) and takes deposits in freely convertible foreign currencies to and from person/institution not resident in Bangladesh and Type-A (wholly foreign owned) units in EPZs in Bangladesh. It also gives long term finance to industrial units outside EPZs and Type-B and Type-C industrial units within the EPZs subject to compliance by the industrial units with the guidelines of Bangladesh Investment Development Authority (BIDA) and Bangladesh Bank. Besides, this unit provides bill discounting/financing facilities accepted by Authorised Dealer (AD) in Bangladesh against usance LCs in accordance with Bangladesh Bank (BB) guidelines. Currently, the Bank has two OBUs in DEPZ and CEPZ. The Bank obtained DEPZ Offshore Banking Unit permission vide letter no. BRPD (P)744(92)/2005-2181 dated 18 June 2005 and CEPZ Offshore Banking Unit permission vide letter no. BRPD (P-3)744(92)/2017-123 dated 05 January 2017. The Bank commenced the operation of its DEPZ Offshore Banking Unit with effect from 10 May 2006 and CEPZ Offshore Banking Unit with effect from 12 February 2017. Separate financial statements of Offshore Banking Units are shown in **Annexure-J**.

**1.4 Islamic Banking**

The Bank operates Islamic Banking in two branches designated for this purpose in complies with the rules of Islamic Shariah. A separate balance sheet, profit and loss account and a statement of profit rate on deposits (shown in Annexure 1) and the figures appearing in the annexure have been incorporated in the respective heads of these financial statements as recommended by the Central Shariah Board for Islamic Banks in Bangladesh. A separate division for Islamic Banking has

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 UCB Investment Limit

18 OCT 2022

Md. Manzuzaman  
 Managing Director  
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18 OCT 2022

Sahabub Alam Khan, FCA  
 Chief Financial Officer, EVP & CFO  
 DHAKA BANK  
 Head Office, Dhaka

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Md. Shahjahan Miah  
 EVP & Company Secretary  
 DHAKA BANK  
 Head Office, Dhaka.

Emranul Haq  
 Managing Director & CEO  
 DHAKA BANK

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been formed at Head Office to monitor and comply with the rules of Islamic Shariah and other Regulatory bodies. Separate financial statements of Islamic Banking Branch are shown in **Annexures-I(1)** and **Annexures-I(2)**.

### 1.5 SME service center

The main functions of SME Service Centers are to render services only for receiving application, disbursement, monitoring and recovery of SME/Retail loans. They also serve the customers for opening of account, payments of foreign remittance etc.

### 1.6 Sub-Branches

As per BRPD Circular No. 28 dated 27 December 2018, the Central Bank allowed all schedule banks for expanding its banking business in Bangladesh and providing banking services to the disadvantaged/rural people by providing extended financial services through opening of sub-branches. The sub-branches are meant to operate within the limited expenditure under the supervision of a nearby full-fledged branch of the bank. Sub-branches are functioning as a new dimension to the banking sector of Bangladesh at minimum cost with the same services/transactions just like any operational branch except foreign exchange transactions. In addition, transactions of the sub-branches are reflected on the balance sheet of the attached/mother branches. A Bank has to take permission from Bangladesh Bank for opening each sub-branch. Dhaka Bank Limited has already opened 21 sub-branches and will expand its network in days to come.

### 1.7 Central processing center (CPC)

Dhaka Bank Limited has established the Central Processing Center (CPC) for trade and credit operations. The center maintains its accounting records in the general ledger of the respective branches. The import/export related processing and credit operations are centrally controlled and monitored by the CPC for efficient and effective decision-making and reduction of cost.

### 1.8 Custodian Service

The Bank obtained permission to work as a security custodian from Bangladesh Securities and Exchange Commission vide its certificate no. SC-09/2006 dated 18 May 2006 under the Securities and Exchange Commission (Securities Custodial Service) Rules, 2003.

### 1.9 Subsidiaries of the Bank

The Bank has two subsidiaries. These are Dhaka Bank Securities Limited and Dhaka Bank Investment Limited. Details of the subsidiaries have been presented in note no. 1.9.1 to 1.9.2.

#### 1.9.1 Dhaka Bank Securities Limited (Former DBL Securities Limited)

As per decision of the 153rd meeting of the Board of Directors of Dhaka Bank Limited, a separate subsidiary company in the name of DBL Securities Limited was formed to carry out the stock broker and stock dealer activities of Capital Markets Services Division of the Bank. The Board of Directors of Dhaka Bank Limited in its 208th meeting renamed the subsidiary Company as "Dhaka Bank Securities Limited" instead of "DBL Securities Limited". Dhaka Bank subscribed Tk. 149,999,990 divided into 14,999,999 shares @Tk. 10 each with 99.99% of contribution to equity participation. Further, Tk. 1,350,000,000 were injected by Dhaka Bank Limited as fresh capital during the year 2011. 05 (five) new Directors were inducted in the Board of Dhaka Bank Securities Limited by transferring 05 (five) share certificates @Tk.10.00 each of Dhaka Bank Securities Limited held by Dhaka Bank Limited. Now, the total number of shareholding in Dhaka Bank Securities Limited is 208,700,056 shares after considering the stock dividend issued from 2011 to 2019.

The financial statements, audited by ACNABN, Chartered Accountants, have been enclosed in Annexure L.

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## 1.9.2 Dhaka Bank Investment Limited

As per approval of the Board of Directors of Dhaka Bank Limited in its 190th meeting, a separate subsidiary Company in the name and style of "Dhaka Bank Investment Limited" was formed with Authorized Capital of Tk. 2,000,000,000 and Paid-up Capital of Tk. 250,000,000, amongst other, to conduct Merchant Banking Activities, to act as Issue Manager, Securities Management and Brokerage, Custodian Service, Investment and Asset Management, Portfolio Management, Capital Market operation etc. Dhaka Bank Limited subscribed Tk.249,999,940 divided into 24,999,994 shares @Tk.10 each with 99.99% of contribution to Equity participation. The Company is yet to receive the license from Bangladesh Securities and Exchange Commission (BSEC) to commence its operation.

The financial statements, audited by ACNABIN, Chartered Accountants, have been enclosed in **Annexure M**.

## 2. Consolidated and separate financial statements

The separate financial statements of the Bank as at and for the year ended 31 December 2021 comprise those of Domestic Banking Unit (main operations) and Offshore Banking Unit (OBU), and the consolidated financial statements of the Group comprise those of 'the Bank' (parent company) and its subsidiaries. There were no significant changes in the nature of principal business activities of the Bank and the subsidiaries during the financial year. A summary of accounting principles and policies which have been applied consistently (unless otherwise stated), are set out below and in the notes of respective areas:

### 2.1 Basis of preparation of financial statements and statement of compliance

The separate financial statements of the Bank as at and for the year ended 31 December 2021 comprise those of Domestic Banking Unit (Main operations) and Offshore Banking Unit (OBU), and the consolidated financial statements of the group comprise those of 'the Bank' (parent company) and its subsidiaries. There were no significant changes in the nature of principal business activities of the Bank and the subsidiaries during the financial year.

The financial statements of the Bank are prepared in accordance with IFRSs (including IASs) and the requirements of the Bank Company (amendment) Act, 2013, the rules and regulations issued by Bangladesh Bank, the Companies Act, 1994, The Securities and Exchange Ordinance, 1969, Bangladesh Securities and Exchange Commission Act, 1993, Bangladesh Securities and Exchange Commission (Public Issues) Rules, 2020, Income Tax Ordinance and Rules, 1984, The Value Added Tax and Supplementary Duty Act, 2012, The Value Added Tax and Supplementary Duty Rules, 2016, Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE) and Central Depository Bangladesh Ltd. (CDBL) and Financial Reporting Act, 2015. In case any requirement of the Bank Company (amendment) Act, 2013, and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs (including IASs), 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 IFRS are mentioned in i to xvii.

In addition to foregoing directives and standards, the operation of Islamic Banking branches are accounted for in accordance with Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions, Bahrain, and BRPD circular no. 15, dated 09 November 2009. A separate balance sheet, profit and loss account and a statement of profit paid on deposits are shown in **Annexure-I(1)** and **Annexure-I(2)** and the figures appearing in the annexure have been incorporated in the related heads of these financial statements as recommended by the Central Shariah Board for Islamic Banks in Bangladesh.

#### i) Presentation of financial statements

**IFRS:** As per IAS 1, a complete set of financial statements comprises a statement of financial position, a statement of profit and loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 has also stated the entity to disclose assets and liabilities under current and non-current classification separately in its statement of financial position.

**Bangladesh Bank:** The presentation of these financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) and certain disclosures therein are guided by the First Schedule (section-38) of The Bank Company Act, 1991, and amendment thereon and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of Bangladesh Bank. In the prescribed format there is no option to present assets and liabilities under current and non-current classification.

**ii) Investment in shares, mutual fund and other securities**

**IFRS:** As per requirements of IFRS 9, classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit or loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003 investments in quoted and unquoted shares are revalued on the basis of year-end market price and Net Assets Value (NAV) of last audited balance sheet respectively. As such, provision is made for any loss arising from diminution in value of investments (portfolio basis); otherwise investments are recognised at costs.

**iii) Revaluation gain/loss on government securities**

**IFRS:** Government securities refer primarily various debt instruments which include both bonds and bills. As per requirements of IFRS 9 Financial Instruments, bonds can be categorised as "Amortised Cost (AC)" or "Fair Value Through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Bonds designated as Amortised Cost are measured at amortised cost method and interest income is recognised through profit and loss account. Any changes in fair value of bonds designated as FVTPL is recognised in profit and loss account. Any changes in fair value of bonds designated as FVOCI is recognised in other reserve as a part of equity.

As per requirements of IFRS 9, bills can be categorised either as "Fair Value Through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Any change in fair value of bills is recognised in profit and loss or other reserve as a part of equity respectively.

**Bangladesh Bank:** According to DOS circular no. 5 dated 26 May 2008 and further clarification in DOS circular no. 5 dated 28 January 2009, Government securities/bills are classified into Held for Trading (HFT) and Held to Maturity (HTM). HFT securities are revalued on the basis of mark to market and 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 is recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised and gains or losses on amortisation are recognised in other reserve as a part of equity.

**iv) Repo and reverse repo transactions**

**IFRS:** As per IFRS 9 when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan and the underlying asset continues to be recognised at amortised cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).

**Bangladesh Bank:** As per Department of Off-Site Supervision (DOS) Circular letter no. 06 dated 15 July 2010 and subsequent clarification in DOS circular no. 02 dated 23 January 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transaction and the financial asset is derecognised in the seller's books and recognised in the buyer's book.

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v) **Provision on loans and advances**

**IFRS:** As per IFRS 9 an entity shall recognise an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 months expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

**Bangladesh Bank:** As per BRPD circular no. 53 (30 December 2021), BRPD circular no. 52 (29 December 2021), BRPD circular no. 51 (29 December 2021), BRPD circular no. 50 (14 December 2021), BRPD circular no. 45 (04 October 2021), BRPD circular no. 19 (26 August 2021), BRPD circular no. 05 (24 March 2021), BRPD circular no. 13 (27 June 2021), BRPD circular no. 03 (31 January 2021), BRPD circular no. 56 (10 December 2020), BRPD circular no. 52 (20 October 2020), BRPD circular no. 16 (21 July 2020), BRPD circular no. 3 (23 April 2019), BRPD circular no. 1 (20 February 2018), BRPD circular no. 15 (27 September 2017), BRPD circular no. 16 (18 November 2014), BRPD circular no. 05 (29 May 2013), BRPD circular no. 19 (27 December 2012) and BRPD circular no. 14 (23 September 2012) 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. And specific provision (other than short-term agricultural and micro-credits) 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. Moreover, a provision for Short-Term Agricultural and Micro-Credits has to be provided for 'sub-standard' and 'doubtful' loans at the rate of 5%, 20% and a 100% provision for the 'bad/Loss' loans. Such provision policies are not specifically in line with those prescribed by IFRS 9.

vi) **Recognition of interest in suspense**

**IFRS:** Loans and advances to customers are generally classified at amortised cost as per IFRS 9 and interest income is recognised by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently becomes credit-impaired, the entity shall apply the effective interest rate to the amortised cost of these loans and advances.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified as impaired, 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 a liability in the balance sheet.

vii) **Other comprehensive income**

**IFRS:** As per IAS 1 Other Comprehensive Income (OCI) is a component of financial statements or the elements of Other Comprehensive Income are to be included in a Single Comprehensive Income (SCI) statement.

**Bangladesh Bank:** Bangladesh Bank has issued templates for financial statements which are required to 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 Comprehensive Income (SCI) 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.

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

In several cases, Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in IFRS 9. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be followed in the financial statements.

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**ix) Financial guarantees**

**IFRS:** As per IFRS 9, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtors fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The financial guarantees are subsequently measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognised less, income recognised in accordance with the principles of IFRS 15. 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 and letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin. As per BRPD circular no. 1 dated 3 January 2018 and BRPD circular no. 14 dated 23 September 2012, the Bank is required to maintain provision at 1% against gross off-balance sheet exposures.

**x) Cash and cash equivalents**

**IFRS:** Cash and cash equivalent items should be reported as cash item as per IAS 7.

**Bangladesh Bank:** Some highly liquid assets such as money at call on short notice, T-bills/T-bonds, prize bonds are not prescribed to be shown as cash and cash equivalents rather shown as face item in the balance sheet. However, in the cash flow statement, money at call and short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with BB and other banks.

**xi) Non-banking asset**

**IFRS:** No indication of non-banking asset is found in any IFRS.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, there is a separate balance sheet item named non-banking assets existed in the standard format. As per BRPD circular no. 22 dated 20 September 2021, there is separate guideline for accounting for Non-banking asset.

**xii) Cash flow statement**

**IFRS:** Cash flow statement can be prepared either direct method or indirect method as per IAS 7. 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 circular no 14 dated 25 June 2003, cash flows statement has been prepared following a mixture of direct and indirect methods.

**xiii) Balance with Bangladesh Bank: (Cash Reserve Ratio-CRR)**

**IFRS:** CRR maintained with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per IAS 7.

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

**xiv) Presentation of intangible asset**

**IFRS:** Intangible asset must be identified and recognised, and the disclosure must be given as per IAS 38.

**Bangladesh Bank:** There is no requirement for regulation of intangible assets in BRPD circular no. 14 dated 25 June 2003.

**xv) Off-balance sheet items**

**IFRS:** 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.

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xvi) **Disclosure of appropriation of profit**

**IFRS:** There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, an appropriation of profit should be disclosed in the face of profit and loss account.

xvii) **Loans, advances and lease/investments net of provision**

**IFRS:** Loans and advances/investments should be presented net of provisions.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 23 September 2012, provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

**2.2 Basis of measurement**

The financial statements of the Group have been prepared on historical cost basis except for the following:

- Government Treasury Bills and Bonds designated as 'Held for Trading (HFT)' are presented at value using mark to market concept with gain crediting to revaluation reserve; and
- Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' are carried at amortised cost.

**2.3 Going concern**

The accompanying financial statements have been prepared on a going concern assumption that the Bank will continue in operation over the foreseeable future. The Bank has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. Key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the bank continued to demonstrate a healthy trend for a couple of years. The Bank has been awarded AA in long term and ST-2 in short term by Emerging Credit Rating Limited. Rating details are shown in note 2.32. The management does not see any issue with respect to going concern due to the recent pandemic COVID-19. Besides, the management is not aware of any other material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern.

**2.4 Functional and presentation currency**

These financial statements are presented in Bangladesh Taka (Taka/Tk) which is the Bank's functional currency. Except as otherwise indicated, financial information presented in Taka has been rounded to the nearest integer.

**2.5 Use of judgments and estimates**

In preparing these consolidated financial statements in conformity with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), management has required to make judgments, estimates and assumptions that affect the application of bank's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The most critical estimates and judgments are applied to the following:

- Provision for loan and advances/investments- as explained in note 2.15.3;
- Employee benefit- as explained in note 2.23;
- Income tax- as explained in note 2.24;
- Deferred tax assets/liabilities- as explained in note 15.8; and
- Useful lives of depreciable assets regard to noncurrent assets- as stated in Annexure-D.

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However, underlying assumptions on estimates are reviewed on a going concern basis and revisions thereon are recognised in the period in which the estimates are revised. It is also required to disclose the contingent assets and liabilities at the date of the financial statements in accordance with the guidelines as prescribed by IAS 37: "Provisions, Contingent Liabilities and Contingent Assets".

#### **Provision**

Provisions are liabilities that are uncertain in timing or amount. Provisions are recognised in the following situations:

- the entity has a present (legal or constructive) obligation as a result of past events;
- probable out flow of resources to settle the obligation and the obligation can be measured reliably;
- it is more likely than not that outflow of resources will be required to settle the present obligation exists at the end of reporting period.

#### **Contingent Liability**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events. A contingent liability arises when some, but not all, of the criteria for recognizing a provision are met.

IAS 37 applies prudence by deeming a past event to give rise to a present obligation and an entity shall not recognise a contingent liability. However, if it is possible rather than probable that an obligation exists, a contingent liability will exist, not a provision in the financial statements. An entity shall disclose for each class of transaction of contingent liability at the end of the reporting period if the contingent liability is not remote.

#### **Contingent Assets**

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity. Contingent assets are never recognised rather they are disclosed in the financial statements when they arise.

### **2.6 Reporting period**

These financial statements cover one calendar year from 1 January 2021 to 31 December 2021.

### **2.7 Dividend**

Dividend on ordinary shares is recognised as a liability and deducted from retained earnings when they are approved by shareholders at the Annual General Meeting (AGM) of the Bank.

Dividend on ordinary shares for the year that is recommended by the Board of Directors after the balance sheet date for approval of shareholders at the Annual General Meeting are disclosed in note - 49 to the financial statements.

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### **2.8 Date of authorization**

The Board of Directors has authorised this financial statements for public issue on 26 April 2022.

  
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### **2.9 Cash flow statement**

The cash flow statement has been prepared in accordance with IAS 7 as well as considering the requirements specified in BRPD circular no. 14 dated 25 June 2003 issued by the Banking Regulation and Policy Department of Bangladesh Bank.

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### **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 is prepared principally in accordance with IAS-1 "Presentation of Financial Statements" and under the guidelines of Bangladesh Bank's BRPD Circular no. 14 dated 25 June 2003.

## 2.11 Liquidity statement

The liquidity statement of assets and liabilities as on the reporting date has been prepared on the following basis:

Particulars	Basis
Cash, balance with other banks and financial institutions, money at call and short notice, etc.	Stated maturity/observed behavioural trend.
Investments	Residual maturity term.
Loan and advance/investment	Repayment /maturity schedule and behavioural trend (non-maturity products)
Fixed assets	Useful life
Other assets	Realisation/amortisation basis
Borrowing from other banks and financial institutions	Maturity/repayment term
Deposits and other accounts	Maturity/behavioural trend (non-maturity products)
Other long term liabilities	Maturity term
Provisions and other liabilities	Settlement/adjustment schedule basis

## 2.12 Financial statements for Offshore Banking Unit (OBU)

Reporting currency of Offshore Banking Unit is US Dollar. However, foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per IAS 21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at period end mid rate of exchange as at 31 December 2021.

## 2.13 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements of the group and those of the Bank have been applied consistently except otherwise instructed by Bangladesh Bank as the prime regulator. Certain comparative amounts in the financial statements have been reclassified and rearranged to conform to the current year's presentation.

### Accounting policies of subsidiaries

The financial statements of subsidiaries (Dhaka Bank Securities Limited and Dhaka Bank Investment Limited) which are included in the Consolidated Financial Statements of the Group have been prepared using uniform accounting policies of the Bank (Parent) for transactions and other events in similar nature. There is no significant restriction on the ability of subsidiaries to transfer funds to the parent in the form of cash dividends or to repay loans and advances. All subsidiaries of the Bank have been incorporated in Bangladesh.

### 2.13.1 Accounting policy for IFRS 16: Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

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The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

### 2.13.2 Basis of consolidation

The consolidated financial statements include the financial statements of Dhaka Bank Limited and those of its two subsidiaries (Dhaka Bank Securities Limited and Dhaka Bank Investment Limited) prepared as at and for the year ended 31 December 2021. The consolidated financial statements have been prepared in accordance with IFRS 10 'Consolidated Financial Statements'.

Name of subsidiary	Ownership	Date of incorporation	Country of operation	Status	Regulator	Year/period closing
Dhaka Bank Securities Limited	99.99%	19-Jul-10	Bangladesh	Majority Owned	Bangladesh Securities and Exchange Commission (BSEC)	31 December
Dhaka Bank Investment Limited	99.99%	2-Dec-13	Bangladesh	Majority Owned	Bangladesh Securities and Exchange Commission (BSEC)	31 December

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### 2.13.3 Non-controlling interest

The Group elects to measure any non-controlling interests in the subsidiaries either:

- at fair value; or
- at their proportionate share of the acquired identifiable net assets, which are generally at fair value.

### 2.13.4 Transactions eliminated on consolidation

Intra-group balances and income and expenses arising from intra-group transactions are eliminated in preparing these consolidated financial statements.

### 2.14 Foreign currency transactions

According to IAS 21 "The Effects of Changes in Foreign Exchange Rates", transactions in foreign currencies are recorded in the functional currency at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the spot exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognised in the profit and loss statement.

### 2.15 Assets and basis of their valuation

#### 2.15.1 Cash and cash equivalents

Cash and cash equivalents include cash in hand, balances with Bangladesh Bank and its agent banks, balance with other banks and financial institutions, money at call on short notice and prize bonds.

#### 2.15.2 Investments

All investments (other than government treasury securities) are initially recognised at cost including acquisition charges associated with the investment. Premiums are amortised and discount accredited using the effective or historical yield method. Accounting treatment of government treasury bills and bonds (categorised as HFT and HTM) are made in accordance with Bangladesh Bank DOS Circular letter no. 05 dated 26 May 2008 and subsequent clarifications DOS Circular letter no. 05 dated 28 January 2009.

#### Held to Maturity

Investments which have 'fixed or determinable payments' and are intended to be held to maturity are classified as 'Held to Maturity'. These are measured at amortised cost at each year end by taking into account any discount or premium in acquisition. Any increase or decrease in value of such investments are booked under equity and in the profit and loss statement respectively.

#### Held for Trading

Investments classified in this category are acquired principally for the purpose of selling or repurchasing in the short term if designated as such by the management. After initial recognition, investments are mark to market weekly and any decrease in the present value is recognised in the Profit and Loss Account and any increase is booked to Revaluation Reserve Account as per DOS Circular no. 05 dated 28 January 2009.

### Investment in quoted shares

These securities are bought and held primarily for the purpose of selling them in future or held for dividend income. These are valued and reported at cost price as per Bangladesh Bank's guidelines. Booking of provision for investment in securities (gain/loss net off basis) are made as per DOS circular no. 4 dated 24 November 2011.

### Investment in unquoted shares

Investment in unquoted shares are recognised at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unquoted shares.

Investment Class	Initial Recognition	Measurement after initial recognition	Recording of changes
Government treasury securities-Held to Maturity (HTM)	Cost	Amortised cost	Increase in value of such investments is booked to equity, decrease to profit and loss account.
Government treasury securities-Held for Trading (HFT)	Cost	Fair value	Loss to Profit and Loss Account, gain to Revaluation Reserve.
Debenture/Bond	Face value	Face value	None
Shares (Quoted)*	Cost	Cost	Loss (net off gain) to profit and loss account but no unrealised gain booking.
Shares (Unquoted)*	Cost	Lower of cost or Net Asset Value (NAV)	Loss to profit and loss account but no unrealised gain booking.
Prize bond	Cost	Cost	None

\* Provision for shares against unrealised loss (net off gain) has been taken into account according to DOS circular no. 4 dated 24 November 2011 of Bangladesh Bank.

### Investment in Subsidiaries

Investments in subsidiaries are accounted for under the cost method of accounting in the Bank's financial statements in accordance with IAS 27 'Consolidated and Separate Financial Statements' and IFRS 10 'Consolidated Financial Statements'. Impairment of investment in subsidiaries (if any) the bank takes it into account as per the provision of IAS 36 'Impairment of Assets'.

### 2.15.3 Loans and advances/investments and provisions for loans and advances/investments

- Loans and advances of conventional banking/investments of Islamic Banking branches are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not sell in the normal course of business.
- At each balance sheet date and periodically throughout the year, the Bank reviews loans and advances to assess whether objective evidence that impairment of a loan or portfolio of loans has arisen supporting a change in the classification of loans and advances, which may result in a change in the provision required in accordance with BRPD circular no. 53 dated 30 December 2021, BRPD circular no. 52 dated 29 December 2021, BRPD circular no. 51 dated 29 December 2021, BRPD circular no. 50 dated 14 December 2021, BRPD circular no. 45 dated 04 October 2021, BRPD circular no. 19 dated 26 August 2021, BRPD circular no. 13 dated 27 June 2021, BRPD circular no. 05 dated 24 March 2021, BRPD circular no. 03 dated 31 January 2021, BRPD circular no. 56 dated 10 December 2020, BRPD circular no. 52 dated 20 October 2020, BRPD circular no. 16 dated 21 July 2020, BRPD circular no. 03 dated 21 April 2019, BRPD circular no. 01 dated 20 February 2018, BRPD circular no. 15 dated 27 September 2017, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 05 dated 29 May 2013, BRPD circular no. 19 dated 27 December 2012 and BRPD circular no. 14 dated 23 September 2012. The guidance in the circular follows a formulaic approach whereby specified rates are applied to the various categories of loans as defined in the circular. The provisioning rates are as follows:

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Types of loans and advances	Provision				
	STD	SMA	SS	DF	BL
Consumer:					
House building and professional	1.00% - 2.00%	1.00% - 2.00%	20.00%	50.00%	100.00%
Other than housing finance & professionals to setup business	2.00%	2.00%	20.00%	50.00%	100.00%
Provision for loan to broker house, merchant banks, stock dealers etc.	2.00%	2.00%	20.00%	50.00%	100.00%
Short-term agri-credit and micro credit	1.00%	1.00%	5.00%	5.00%	100.00%
Small and medium enterprise finance	0.25%	0.25%	20.00%	50.00%	100.00%
Cottage, micro and small credit (GMSME)	0.25%	0.25%	5.00%	20.00%	100.00%
Others	1.00%	1.00%	20.00%	50.00%	100.00%

BRPD circular no.14 (23 September 2012) as amended by BRPD circular no. 19 (27 December 2012) also provides scope for further provisioning based on qualitative judgments. In these circumstances, impairment losses are calculated on individual loans considered individually significant based on which specific provisions are raised. If the specific provisions assessed under the qualitative methodology are higher than the specific provisions assessed under the formulaic approach above, the higher of the two is recognised in liabilities under "Provision for loans and advances" with any movement in the provision charged/released in the profit and loss account. Classified loans are categorised into sub-standard, doubtful and bad/loss based on the criteria stipulated by Bangladesh Bank guideline.

- c) Loans and advances are written off to the extent that i) there is no realistic prospect of recovery and ii) against which legal cases are filed, where required and classified as bad/loss as per as per BRPD circular no. 02 dated 13 January 2003, BRPD circular no. 13 dated 07 November 2013 and BRPD circular no. 01 dated 06 February 2019 of Bangladesh Bank.

These write off however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such written off accounts are maintained and followed up.

- d) Amounts receivable on credit cards are included in advances to customers at the amounts expected to be recovered.

#### 2.15.4 Staff loan

House building and car loan are provided to the permanent staff at a subsidised rate. Criteria and detail of type wise staff loan are given below:

**House building loan:** A permanent staff completing 5 years (7 years for lateral staff) of service and all permanent staff from SPD can avail house building loan subject to getting approval from Managing Director, CEO and recommended by the concerned divisional head.

**Car loan:** All permanent staff from AVP can avail car loan subject to getting approval from Managing Director, CEO and recommended by the concerned divisional head.

#### 2.15.5 Fixed assets (property, plant and equipment)

##### Recognition and measurement

As per IAS 16 "Property, plant and equipment" Items of fixed assets excluding land are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land is carried at cost.

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Purchase of software that is integral to the related equipment is capitalised as part of that equipment.

Cost includes expenditure that are directly attributable to the acquisition of asset and bringing to the location and condition necessary for it to be capable of operating in the intended manner.

When significant parts of an item of fixed asset have different useful lives, they are accounted for as separate items (major components) of fixed assets.

The gain or loss on disposal of an item of fixed asset is determined by comparing the proceeds from disposal with the carrying amount of the item of fixed asset, and is recognised in other income/other expenses in profit or loss account.

### Subsequent costs

The cost of replacing a component of an item of fixed asset is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The carrying amount of the replaced parts is derecognised. The costs of the day to day servicing of fixed assets are recognised in the profit and loss account as incurred.

### Depreciation

Depreciation on fixed assets are recognised in the profit and loss statement on straight line method over its estimated useful lives. In case of acquisition of fixed assets, depreciation is charged from the month of acquisition whereas depreciation on disposed off fixed assets are charged up to the month prior to the disposal. Asset category wise depreciation rates for the current and comparative periods are as follows:

Category of assets	Rate of depreciation
Land	Nil
Building & Renovation	2.5%
Furniture and fixtures	10%
Office Appliances & Equipment	20%
Computer	20%
Software	10%
Motor Vehicle	20%

### 2.15.6 Non-banking assets

Non-banking assets were acquired by the entity due to failure of borrowers to repay the loan in time taken against mortgaged property. The Bank was awarded absolute ownership on few mortgaged properties (mostly land) through the verdict of honourable court under section 33 (7) of the Artha Rin Adalat Ain, 2003. The value of the properties has been recognised in the financial statements as non-earning assets on the basis of third party valuation report. As per BRPD circular no.22 dated 20 September 2021, there is separate guideline for accounting for Non-banking asset.

### 2.15.7 Provisions for other assets

BRPD Circular no.14 (25 June 2001) requires a provision of 100% on other assets which are outstanding for one year and above. The Bank maintains provisions in line with this circular unless it assesses there is no doubt of recovery on items of other assets in which case no provision is kept.

### 2.15.8 Intangible assets and its amortisation

Intangible assets comprise separately identifiable intangible items arising from the use of Flexcube Universal Banking System (UBS) from Oracle Financial Services Software Limited. Intangible assets are recognised at cost. Intangible assets with definite useful life are amortised using the straight line method over its estimated useful economic life.

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### 2.15.9 Reconciliation of inter-bank and inter-branch account

Account with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may impact the financial statements significantly. Unreconciled entries/balances in the case of inter-branch transactions on the reporting date are not material.

### 2.16 Liabilities and basis of their valuation

#### 2.16.1 Tier-II Subordinated Bond

Tier-II Subordinated Bond includes fund raised from several banks, financial institutions and other organization through issuance of 7 (seven) years Bonds for Taka 3,000 million during 2016 and 7 (Seven) years Bonds for Taka 5,000 million during 2018. Details are shown in note 14.

#### 2.16.2 Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents includes refinance from Bangladesh Bank against agro-based credit, SME and EDF Loan etc., interest-bearing borrowings against securities from Bangladesh Bank, call borrowing from other banks and borrowing from other multilateral organisations. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in note 12.

#### 2.16.3 Deposits and other accounts

Deposits and other accounts include non interest-bearing current deposit redeemable at call, interest bearing on demand and short-term deposits, savings deposit and fixed deposit. These items are brought into financial statement at the gross value of outstanding balance. Details are shown in note 13.

#### 2.16.4 Provision for liabilities

As per IAS 37, provisions are recognised when it is probable that an outflow of economic benefits will be required to settle a current legal or constructive obligation as a result of past events and a reliable estimate can be made of the amount of the obligation.

#### 2.16.5 Provision for Off-balance sheet exposure

As per BRPD circular no. 14 dated 23 September 2012, the Bank has recognised 1% General Provision on the following off balance sheet exposures as defined in BRPD circular no. 10 dated 24 November 2002, considering the exemption as provided through BRPD circular no. 01 dated 03 January 2018, BRPD circular no. 7 dated 21 June 2018, BRPD circular no. 13 dated 18 October 2018, BRPD circular no. 02 dated 25 February 2019, BRPD circular no. 09 dated 27 May 2019.

- Acceptances & Endorsements;
- Letters of Guarantee; and
- Irrevocable Letters of Credit.

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#### 2.16.6 Provisions on balances with other banks and financial institutions (Nostro accounts)

Provision for unsettled transactions on nostro accounts is made as per Foreign Exchange Policy Department (FEPD) circular no. FEPD (FEMO) / 01/2005-677 dated 13 September 2005 of Foreign Exchange Policy Department (FEPD) of Bangladesh Bank and reviewed semi-annually by our management along with duly certified by the external auditor. On the reporting date, the Bank has no unsettled transactions outstanding for more than 3 months and no provision has been made in this regard.

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### 2.16.7 Provision for rebate to good borrower

Previously commercial banks were required to maintain provision of rebate amount (@10% of interest charged against loans to good borrowers) identified on the basis of prescribed guidelines stated in BRPD circular no. 06 dated 19 March 2015 and BRPD circular Letter no. 03 dated 16 February 2016 for onward rebate to the recognised good borrowers. However, Bangladesh Bank during 2020 issued another circular BRPD circular no. 14 dated 18 June 2020, wherein it is mentioned that from 2020 banks need not to provide any rebate to good borrowers. Hence, during 2020, no further good borrowers' provision was accounted for in the financial statements.

### 2.16.8 Other liabilities

Other liabilities comprise items such as provision for loans and advances/investments, provision for taxation, interest payable, interest suspense, accrued expenses, lease obligation etc. Other liabilities are recognised in the balance sheet according to the guidelines of Bangladesh Bank, Income Tax Ordinance, 1984 and internal policy of the Bank.

## 2.17 Capital/Shareholders' equity

### 2.17.1 Authorised capital

Authorised capital is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association to issue (allocate) among shareholders. This amount can be changed by shareholders' approval upon fulfilment of relevant provisions of the Companies Act, 1994. Part of the authorised capital usually remains unissued. The part of the authorised capital already issued to shareholders is referred to as the issued share capital of the Bank.

### 2.17.2 Paid up capital

Paid up capital represents total amount of shareholders' capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding-up of the Bank, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

### 2.17.3 Statutory reserve

Statutory reserve has been maintained at the rate of 20% of profit before tax in accordance with provisions of section 24 of The Bank Company Act, 1991 and amendment thereon such transfer shall continue until the reserve balance equals its paid up capital together with the share premium.

### 2.17.4 Revaluation reserve for government securities

Revaluation reserve for government securities arises from the revaluation of treasury bills, Bangladesh Bank bills and treasury bonds (HFT and HTM) in accordance with the DOS Circular no. 5 dated 26 May 2008 and DOS(SR) 1153/120/2010 dated 8 December 2010.

### 2.17.5 Capital management

The Bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve the following objectives:

- To comply with the capital requirements set by the regulators;
- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- To maintain a strong capital base to support the development of its business.

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Capital is managed in accordance with the Board approved Capital Management Planning. Senior management develops the capital strategy and oversee the capital management planning of the Bank. The Bank's finance, treasury and risk management divisions are key participators in implementing the Bank's capital strategy and managing capital. Capital is managed using both regulatory capital measures and internal matrix.

## 2.18 Revenue recognition

### 2.18.1 Interest income

Interest on loans and advances is calculated on daily product basis. Based on product features, interest is accrued or charged to customers' accounts on monthly/quarterly basis.

In accordance with BRPD circular no. 14 dated 23 September 2012, as amended by BRPD circular No. 19 dated 27 December 2012 and BRPD circular no. 56 dated 10 December 2020, interest accrued on sub-standard loans and doubtful loans are credited to an "Interest Suspense Account" which is included within "Other liabilities". Interest from loans and advances ceases to be accrued when they are classified as bad/loss. It is then kept in interest suspense in a memorandum account.

### 2.18.2 Profit on investment (Islamic Banking)

Mark-up on investment is taken into income account proportionately from profit receivable account. Overdue charge/compensation on classified investments are transferred to profit suspense account instead of income account.

### 2.18.3 Investment income

Income on investments are recognised on accrual basis. Investment income includes discount on treasury bills and Bangladesh Bank bills, interest on treasury bonds and fixed deposit with other banks. Capital gain on investments in shares are also included in investment income. Capital gain is recognised when it is realised.

### 2.18.4 Fees and commission income

The Bank earns commission and fee income from a diverse range of service provided to its customers. Commission and fee income is accounted for as follows:

- income earned on the execution of a significant act is recognised as revenue when the act is completed
- income earned from services provided is recognised as revenue as the services are provided
- commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

## 2.19 Interest paid on subordinated bond, borrowing and other deposits (Conventional banking)

Interest paid and other expenses are recognised on accrual basis.

## 2.20 Profit shared on deposits (Islamic banking)

Profit shared to mudaraba deposits are recognised on accrual basis.

## 2.21 Dividend income

Dividend income is recognised when the right to receive income is established. Dividends are presented under investment income.

## 2.22 Others

### Foreign exchange gain/ loss

Exchange income includes all gain and losses from foreign currency day to day transactions, conversions and revaluations of non monetary items.

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## 2.23 Employee benefits

### 2.23.1 Provident Fund

Provident Fund benefits are given to the permanent staff of the Bank in accordance with the registered Provident Fund rules. The Commissioner of Income Tax, Taxes Zone-5, Dhaka, has approved the Provident Fund as a recognised fund within the meaning of section 2(52) read with the provisions of part - B of the First Schedule of Income Tax Ordinance, 1984. The recognition took effect on 1 July 1996. The Provident Fund is operated by a Board of Trustees consisting of 7 members of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription to the Provident Fund. The Bank also contributes equal amount to the Provident Fund. Contributions made by the Bank are charged as expense and the Bank bears no further liability. Interest earned from the investments is credited to the members' account on yearly basis. By Law, the Provident fund is duly audited by Mak & Co., Chartered Accountants.

### 2.23.2 Gratuity Fund

Gratuity Fund benefits are given to the staff of the Bank in accordance with the approved Gratuity Fund rules. National Board of Revenue has approved the Gratuity Fund as a recognised gratuity fund with effect from 25 April 2006. The Gratuity Fund is operated by a Board of Trustee consists of 10 members of the Bank. Provision for gratuity is made annually covering all its permanent eligible employees. A valuation of gratuity scheme is regularly carried out by a professional Actuarial & Pension Consultants, M/S Z. Halim & Associates to assess the adequacy of the liabilities provided for the scheme as per IAS 19 "Employee Benefits". On continuing fund basis valuation, the Bank has been maintaining adequate provision against gratuity scheme. By Law, the Gratuity fund is duly audited by Mak & Co., Chartered Accountants.

### 2.23.3 Superannuation fund

The Bank operates a Superannuation Fund Trust by a Board of Trustees consisting of ten members at present. The death-cum survival benefits are given to the employees as per the eligibility narrated in the Trust Rules. The fund got recognition from the National Board of Revenue (NBR) with effect from 1 January 2001 under section 3 & 4 of part- A of first schedule of Income Tax Ordinance, 1984. During the year 2017, Dhaka Bank Limited had appointed an actuary and the Bank contributes to the fund annually as per Superannuation Fund Rules of the Bank. The Bank has conducted an actuarial valuation for the said Superannuation Fund and contributions to the fund are maintained as per actuary report. By Law, the superannuation fund is duly audited by Mak & Co., Chartered Accountants.

Moreover, in the Bank, performance bonus provision is there, which is distributed among the employees on the basis of individual employee's yearly performance with a view to recognise welfare of the employees and reward their participation and contribution to the company.

## 2.24 Tax expense

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the profit and loss statement except to the extent that it relates to items recognised directly in equity.

### 2.24.1 Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Details are shown in note 15.7.

### 2.24.2 Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences:

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- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future;

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### 2.24.3 Tax exposures

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Bank to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

### 2.25 Impairment of non-financial assets

The carrying amounts of the Group's and the Bank's non-financial assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its Cash Generating Unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses (if any) recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 2.26 Earnings per share

The Group and the Bank present basic and diluted Earnings Per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees. No diluted earnings per share is required to be calculated for the period.

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## 2.27 Compliance with International Financial Reporting Standards (IFRS)

Name of the standards	IFRS Ref.	Implementation status by the Bank
First-time Adoption of International Financial Reporting Standards	IFRS-1	Not applicable
Share based Payment	IFRS-2	Not applicable
Business Combinations	IFRS-3	Not applicable
Insurance Contracts	IFRS-4	Not applicable
Non-current Assets Held for Sale and Discontinued Operations	IFRS-5	Not applicable
Exploration for and Evaluation of Mineral Resources	IFRS-6	Not applicable
Financial Instruments: Disclosures	IFRS-7	Applied with some departure (note 2.1)
Operating Segments	IFRS-8	Applied with some departure (note 2.30)
Financial Instruments	IFRS-9	Applied with some departure (note 2.1)
Consolidated Financial Statements	IFRS-10	Applied
Joint Arrangements	IFRS-11	Not applicable
Disclosure of Interest in Other Entities	IFRS-12	Applied
Fair Value Measurement	IFRS-13	Applied with some departure (note 2.1)
Regulatory Deferral Accounts	IFRS-14	Not applicable
Revenue from contract with customers	IFRS-15	Applied
Leases	IFRS-16	Applied
Presentation of Financial Statements	IAS-1	Applied with some departure (note 2.1)
Inventories	IAS-2	Not Applicable
Statement of Cash Flows	IAS-7	Applied with some departure (note 2.1)
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
Events After the Reporting Period	IAS-10	Applied
Construction Contracts	IAS-11	Not Applicable
Income Taxes	IAS-12	Applied
Property, Plant and Equipment	IAS-16	Applied
Employee Benefits	IAS-19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	IAS-20	Not Applicable
The Effects of Changes in Foreign Exchange Rates	IAS-21	Applied
Borrowing Costs	IAS-23	Not Applicable
Related Party Disclosures	IAS-24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS-26	Not Applicable
Separate Financial Statements	IAS-27	Applied
Investments in Associates and Joint Ventures	IAS-28	Not Applicable
Financial Reporting in Hyperinflationary Economies	IAS-29	Not Applicable
Financial Instruments: Presentation	IAS-32	Applied with some departure (note 2.1)
Earnings Per Share	IAS-33	Applied
Interim Financial Reporting	IAS-34	Applied
Impairment of Assets	IAS-36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied
Intangible Assets	IAS-38	Applied
Investment Property	IAS-40	Not Applicable
Agriculture	IAS-41	Not Applicable

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

In order to comply with certain specific rules and regulations of Bangladesh Bank which are different to IAS/IFRS, some of the requirements specified in these IAS/IFRSs are not applied. Refer to note 2.1 for such recognition and measurement differences that are most relevant and material to the Bank and the Group.

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Managing Director  
IDLC Investments Limited

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Md. Shahjahan Miah  
EVP & Company Secretary  
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Enamul Haq  
Managing Director & CEO  
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The Standard regards a retirement benefit plan as a reporting entity separate from the employers of the participants in the plan. Therefore, it is not applicable for the Bank's annual report as it is the employer and not the retirement benefit plan itself.

The objective of IAS 34 is to prescribe the minimum content of an interim financial report and to prescribe the principles for recognition and measurement in complete or condensed financial statements for an interim period and hence it is not applicable for annual financial statements. However, the Bank being a listed entity in Dhaka and Chittagong Stock Exchanges regularly publishes Interim Financial Report complying with IAS 34.

## 2.28 Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted, however, the Bank has not early adopted the other new or amended standards in preparing these financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Bank's financial statements:

- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37);
- Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Reference to Conceptual Framework (Amendments to IFRS 3);
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1); and
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts.

## 2.29 Offsetting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when, and only when, the group has a legal right to set off the recognised amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a group of similar transactions such as in the group's trading activity.

## 2.30 Segment reporting

The Group and the Bank have no identified operating segment and as such presentation of segment reporting is not made in the financial statements as per IFRS 8. However business segments wise limited disclosures are furnished in note 48.

Inter-segment transactions are generally based on inter-branch fund transfer measures as determined by the management. Income, expenses, assets and liabilities are specifically identified with individual segments. Based on such allocation, segment balance sheet as on 31 December 2021 and segment profit and loss account for the year ended 31 December 2021 have been prepared.

## 2.31 Materiality and aggregation

Each material class of similar items has been presented separately in the financial statements. Items of dissimilar nature also have been presented separately unless they are immaterial in accordance with IAS 1 'Presentation of Financial Statements'.

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Emranul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED  
Head Office, Dhaka

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Tanzim Alamgir  
Managing Director & CEO  
UGB Investment Limited

### 2.32 Credit rating of the Bank

As per BRPD circular no. 6 dated 5 July 2006, the Bank has done its credit rating by Emerging Credit Rating Limited based on the financial statements as at and for the year ended 31 December 2020. The following ratings have been awarded:

Particulars	Periods	Date of Rating	Long term	Short term	Rating Valid
Entity Rating	January to December 2020	18-May-21	AA	ST-2	7-Apr-22
Entity Rating	January to December 2019	30-Jun-20	AA	ST-2	7-Apr-21
Entity Rating	January to December 2018	29-May-19	AA	ST-2	7-Apr-20
Entity Rating	January to December 2017	23-May-18	AA	ST-2	7-Apr-19

### 2.33 Related party disclosures

A party is related to the company if:

- (i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the company; has an interest in the company that gives it significant influence over the company; or has joint control over the company;
- (ii) the party is an associate;
- (iii) the party is a joint venture;
- (iv) the party is a member of the key management personnel of the Company or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the company.

Details of the related party disclosures presented in **Annexure-G**.

### 2.34 Events after reporting period

As per IAS-10 "Events after Reporting Period" events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of events can be identified:

- (a) adjusting events after the reporting period (those that provide evidence of conditions that existed at the end of the reporting period); and
- (b) non adjusting events after the reporting period (those that are indicative of conditions that arose after the reporting period).

Details of the Events after reporting period presented in note no. 49.

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DHAKA BANK LIMITED  
Head Office, Dhaka

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Emrul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

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Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

		31.12.2021 Taka	31.12.2020 Taka
<b>3. Cash</b>			
Cash in hand	(Note: 3.1)	2,301,355,729	2,872,208,228
Balance with Bangladesh Bank and its agent bank(s)	(Note: 3.2)	17,537,069,920	14,531,122,693
		<b>19,838,425,649</b>	<b>17,403,330,921</b>
<b>3(a) Consolidated Cash</b>			
Dhaka Bank Limited	(Note: 3)	19,838,425,649	17,403,330,921
Dhaka Bank Securities Limited		105,000	105,000
Dhaka Bank Investment Limited		-	-
		<b>19,838,530,649</b>	<b>17,403,435,921</b>
<b>3.1 Cash in hand</b>			
In local currency		2,265,868,323	2,748,390,355
In foreign currencies		35,487,406	123,817,873
		<b>2,301,355,729</b>	<b>2,872,208,228</b>
Cash in hand (local currency) includes balance of cash held at Automated Teller Machine (ATM).			
<b>3.1(a) Consolidated Cash in hand</b>			
Dhaka Bank Limited	(Note: 3.1)	2,301,355,729	2,872,208,228
Dhaka Bank Securities Limited		105,000	105,000
Dhaka Bank Investment Limited		-	-
		<b>2,301,460,729</b>	<b>2,872,313,228</b>
<b>3.2 Balance with Bangladesh Bank and its agent bank(s)</b>			
Balance with Bangladesh Bank			
In local currency		16,918,545,903	9,564,386,285
Conventional		16,406,522,671	9,162,202,735
Al-Wadiah current account		512,023,232	402,183,550
In foreign currencies		484,099,742	4,728,202,077
		17,402,645,645	14,292,588,362
Balance with Sonali Bank as agent of Bangladesh Bank		134,424,275	238,534,331
		<b>17,537,069,920</b>	<b>14,531,122,693</b>
As per Bangladesh Bank circulars/guidelines, balance with Bangladesh Bank is a part of cash and cash equivalent regardless of any restriction. However, to meet up the foreign currency liabilities of the bank, the cover fund against the liabilities has been kept and booked in Bangladesh Bank FC Clearing account as well as Nostro Bank Accounts.			
<b>3.2(a) Consolidated Balance with Bangladesh Bank and its agent bank(s)</b>			
Dhaka Bank Limited	(Note: 3.2)	17,537,069,920	14,531,122,693
Dhaka Bank Securities Limited		-	-
Dhaka Bank Investment Limited		-	-
		<b>17,537,069,920</b>	<b>14,531,122,693</b>
<b>3.3 Statutory deposits</b>			
Cash Reserve Ratio and Statutory Liquidity Ratio have been calculated and maintained as per Section 33 of The Bank Company Act, 1991 and amendment thereon and MPD Circular no. 4, dated 1 December 2010, MPD Circular no. 2 dated 10 December 2013, MPD Circular no. 1 dated 23 June 2014, MPD Circular no. 1 dated 03 April 2018 and MPD Circular no. 3 dated 9 April 2020.			
<b>3.3.1 Cash Reserve Ratio (CRR)</b>			
<b>Conventional Banking</b>			
<b>Bi-weekly Requirement</b>			
<b>(4.00% of Average Demand and Time Liabilities)</b>			
Required Reserve		7,658,465,235	7,921,941,424
Actual reserve maintained		9,579,659,466	8,499,063,407
<b>Surplus</b>		<b>1,921,194,231</b>	<b>577,121,983</b>
Required		4.00%	4.00%
Maintained		5.00%	4.29%

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18 OCT 2022

Ershadul Haque  
Managing Director & CEO  
DHAKA BANK LIMITED

DHAKA BANK LIMITED  
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**Daily Requirement**  
(3.50% of Average Demand and Time Liabilities)

Required Reserve  
Actual reserve maintained

**Surplus**

**Required**  
**Maintained**

**Islamic Banking**

**Bi-weekly Requirement**  
(4.00% of Average Demand and Time Liabilities)

Required Reserve  
Actual reserve maintained

**Surplus**

**Required**  
**Maintained**

**Daily Requirement**

(3.50% of Average Demand and Time Liabilities)

Required Reserve  
Actual reserve maintained

**Surplus**

**Required**  
**Maintained**

**3.3.2 Statutory Liquidity Ratio (SLR)**

**Conventional Banking**

(13% of Average Demand & Time Liabilities)

Required Reserve  
Actual reserve maintained

**Surplus**

**Required**  
**Maintained**

**Islamic Banking**

(5.50% of Average Demand and Time Liabilities)

Required Reserve  
Actual reserve maintained

**Surplus**

**Required**  
**Maintained**

**Held for Statutory Liquidity Ratio (Conventional)**

Cash in hand  
Balance with Bangladesh Bank and its agent Bank(s) over CRR  
Government Securities (excluding Assured Liquidity Support)

**Held for Statutory Liquidity Ratio (Islamic)**

Cash in hand  
Balance with Bangladesh Bank and its agent Bank(s) over CRR  
Government Securities (excluding Assured Liquidity Support)

	31.12.2021 Taka	31.12.2020 Taka
Required Reserve	6,671,023,088	6,907,354,534
Actual reserve maintained	16,345,847,762	9,571,412,316
<b>Surplus</b>	<b>9,674,824,674</b>	<b>2,664,057,782</b>
<b>Required</b>	<b>3.50%</b>	<b>3.50%</b>
<b>Maintained</b>	<b>8.58%</b>	<b>4.85%</b>
Required Reserve	407,797,140	342,734,304
Actual reserve maintained	501,465,007	444,276,492
<b>Surplus</b>	<b>93,667,867</b>	<b>101,542,188</b>
<b>Required</b>	<b>4.00%</b>	<b>4.00%</b>
<b>Maintained</b>	<b>4.92%</b>	<b>5.19%</b>
Required Reserve	356,822,498	299,892,516
Actual reserve maintained	512,023,232	402,183,550
<b>Surplus</b>	<b>155,200,734</b>	<b>102,291,034</b>
<b>Required</b>	<b>3.50%</b>	<b>3.50%</b>
<b>Maintained</b>	<b>5.02%</b>	<b>4.69%</b>
Required Reserve	25,673,495,835	26,379,259,140
Actual reserve maintained	49,039,435,077	36,921,011,515
<b>Surplus</b>	<b>23,365,939,242</b>	<b>10,541,752,375</b>
<b>Required</b>	<b>13.00%</b>	<b>13.00%</b>
<b>Maintained</b>	<b>24.83%</b>	<b>18.20%</b>
Required Reserve	560,721,068	471,259,668
Actual reserve maintained	818,304,794	876,661,478
<b>Surplus</b>	<b>257,583,726</b>	<b>405,401,810</b>
<b>Required</b>	<b>5.50%</b>	<b>5.50%</b>
<b>Maintained</b>	<b>8.03%</b>	<b>10.23%</b>
Cash in hand	2,262,777,026	2,828,965,996
Balance with Bangladesh Bank and its agent Bank(s) over CRR	8,858,774,124	1,887,639,917
Government Securities (excluding Assured Liquidity Support)	37,917,883,927	32,204,405,602
<b>49,039,435,077</b>	<b>36,921,011,515</b>	
Cash in hand	38,578,702	43,242,231
Balance with Bangladesh Bank and its agent Bank(s) over CRR	104,226,092	59,449,246
Government Securities (excluding Assured Liquidity Support)	675,500,000	773,970,000
<b>818,304,794</b>	<b>876,661,477</b>	

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Dhaka Bank Limited has maintained the above SLR and CRR requirement based on weekly average total demand and time liabilities (ATDTL) of the base month which is two months back of the reporting month.

As per DDS Circular No. 05 dated 26 May 2008, all the Government treasury bond and bill will be open for SLR requirement and Dhaka Bank Limited has maintained the minimum SLR as per said circular.

### 3.4 Maturity grouping of cash

On Demand  
Upto 1 month  
Over 1 month but not more than 3 months  
Over 3 months but not more than 6 months  
Over 6 months but not more than 1 year  
Over 1 year but not more than 5 years  
Over 5 years

### 4. Balance with other banks and financial institutions

In Bangladesh (Note: 4.1)  
Outside Bangladesh (Note: 4.2)

### 4(a) Consolidated Balance with other banks and financial institutions

In Bangladesh (Note: 4.1(a))  
Outside Bangladesh (Note: 4.2(a))

### 4.1 In Bangladesh

#### Current Deposits

Sonali Bank Limited  
Janata Bank Limited  
Standard Chartered Bank (Visa Settlement)  
Agrani Bank Limited  
Islami Bank Bangladesh Limited  
United Commercial Bank Limited  
ICB Islamic Bank Limited

#### Special Notice Deposits (SND)

Janata Bank Limited  
Dutch Bangla Bank Limited  
Sonali Bank Limited  
AB Bank Limited  
Agrani Bank Limited  
National Bank Limited

#### Fixed Deposits

##### Commercial Banks

Shahjalal Islami Bank Limited  
Islami Bank Bangladesh Ltd  
National Bank Limited  
The City Bank Limited  
Al Arafah Islami Bank Ltd  
Trust Bank Ltd  
NCC Bank Ltd  
Modhumoti Bank Ltd  
Midland Bank Ltd Bank Ltd  
AB Bank Limited  
Jamuna Bank Ltd  
Blended with OBU

	31.12.2021 Taka	31.12.2020 Taka
	19,838,425,649	17,403,330,921
	-	-
	-	-
	-	-
	-	-
	-	-
	19,838,425,649	17,403,330,921
	20,076,318,982	15,019,122,898
	2,134,722,181	2,997,995,091
	22,211,041,163	18,017,117,989
	20,331,837,107	15,150,200,466
	2,134,722,181	2,997,995,091
	22,466,559,288	18,148,195,557
	62,036,375	69,229,980
	570,462	50,552,204
	17,466,885	6,479,653
	30,704,194	28,474,328
	10,384,349	10,942,258
	2,892,977	183,667
	11,300,000	11,300,000
	135,455,242	177,162,090
	188,475	10,422,150
	29,090,112	7,190,432
	76,167	74,380
	1,702,413	692,678
	16,747	23,988
	189,826	5,157,180
	31,263,740	23,560,808
	858,000,000	678,400,000
	3,861,000,000	4,240,000,000
	-	1,000,000,000
	1,029,600,000	-
	429,000,000	-
	2,960,100,000	-
	257,400,000	-
	42,900,000	-
	171,600,000	-
	1,000,000,000	-
	1,500,000,000	-
	10,254,770,010	7,363,952,300
	22,364,370,010	13,282,352,300
	10,254,770,010	7,363,952,300
	12,109,600,000	5,918,400,000

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Managing Director & CEO  
DHAKA BANK

**Financial Institutions**

Phoenix Finance and Investment Limited  
 Prime Finance  
 National Housing  
 IDLC Finance Limited  
 IPDC Finance Limited

31.12.2021 Taka	31.12.2020 Taka
100,000,000	100,000,000
300,000,000	300,000,000
-	500,000,000
3,300,000,000	2,000,000,000
4,100,000,000	6,000,000,000
<b>7,800,000,000</b>	<b>8,900,000,000</b>
<b>20,076,318,982</b>	<b>15,019,122,898</b>

**4.1(a) Consolidated in Bangladesh**

Dhaka Bank Limited  
 Dhaka Bank Securities Limited  
 Dhaka Bank Investment Limited

(Note: 4.1)

Less: Intercompany transaction

20,076,318,982	15,019,122,898
416,013,610	291,705,962
311,292,096	328,002,182
20,803,624,688	15,638,831,042
471,767,581	488,630,576
<b>20,331,837,107</b>	<b>15,150,200,466</b>

**4.2 Outside Bangladesh (Nostro Accounts)**

**Current Deposits**

Standard Chartered Bank, New York  
 Mashreq Bank, New York  
 Habib American Bank, OBU  
 J P Morgan AG, OBU  
 Indusind Bank Mumbai, OBU  
 Standard Chartered Bank, OBU  
 Commerz Bank, Frankfurt (USD)  
 Habib American Bank  
 Wells Fargo Bank  
 JP Morgan Chase Bank  
 Standard Chartered Bank, Mumbai  
 Sonali Bank  
 AB Bank  
 Nepal Bangladesh Bank  
 Sampath Bank  
 Bhutan National Bank  
 Bank of Bhutan  
 Habib Metropolitan Bank Ltd.  
 ICICI Bank Limited  
 Mashreq Bank, Mumbai  
 United Bank of India, Kolkata (ACUD)  
 Axis Bank Ltd, India  
 Union Bank of Switzerland  
 Commerz Bank, Frankfurt (EURO)  
 Standard Chartered Bank, Frankfurt  
 Unicredit S.P.A.  
 United Bank of India, Kolkata (EURO)  
 Commerz Bank, Frankfurt (AUD)  
 Standard Chartered Bank, Japan  
 Standard Chartered Bank, London  
 Commerz Bank, Frankfurt (CAD)  
 Al-Rajhi Bank, Saudi Arabia

247,019,185	731,711,536
153,994,977	90,119,514
834,220,549	894,897,924
28,504,693	-
625,974	-
156,863,148	-
76,261,188	16,318,682
88,129,834	71,240,513
82,312,237	84,399,542
123,829,726	279,787,620
165,538,855	28,460,059
34,951,430	11,596,230
99,744,603	132,353,363
29,434,404	23,846,355
15,535,982	8,122,946
7,719,526	7,629,555
5,314,266	5,252,328
46,775,527	3,379,253
47,291,371	164,532,945
141,693,556	119,466,144
105,578,686	93,322,587
63,618,199	94,242,667
6,825,872	14,288,958
3,178,347	4,878,482
14,525,093	33,540,934
7,742,671	4,131,878
3,808,086	2,586,751
4,909,468	8,104,382
22,335,286	33,989,472
3,806,447	25,923,668
10,659,671	9,764,003
1,973,404	96,800
<b>2,134,722,181</b>	<b>2,997,995,091</b>

(Details are given in Annexure - A)

In order to meet up the foreign currency liabilities of the bank, the cover fund against the liabilities has been kept and booked in Nostro Bank Accounts as well as Bangladesh Bank Foreign Currency Clearing account. All balances of the bank's Nostro Accounts have been reconciled.

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Emranul Haq  
 Managing Director & CEO  
 DHAKA BANK LIMITED

Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited

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**4.2(a) Consolidated Outside Bangladesh (Nostro Accounts)**

Dhaka Bank Limited	(Note: 4.2)	2,134,722,181	2,997,995,091
Dhaka Bank Securities Limited		-	-
Dhaka Bank Investment Limited		-	-

31.12.2021 Taka	31.12.2020 Taka
2,134,722,181	2,997,995,091
<b>2,134,722,181</b>	<b>2,997,995,091</b>

**4.3 Account-wise/grouping of balance with other banks and financial institutions**

Current Deposits		2,270,177,423	3,175,157,181
Short-Notice Deposits		31,253,740	23,560,808
Fixed Deposits		19,909,600,000	14,818,400,000

2,270,177,423	3,175,157,181
31,253,740	23,560,808
19,909,600,000	14,818,400,000
<b>22,211,041,163</b>	<b>18,017,117,989</b>

**4.4 Maturity grouping of balances with other banks and financial institutions**

On demand		138,268,980	4,753,809,629
Upto 1 month		6,548,900,000	8,900,088,372
Over 1 month but not more than 3 months		13,623,572,183	1,845,440,335
Over 3 months but not more than 6 months		1,900,300,000	2,517,779,653
Over 6 months but not more than 1 year		-	-
Over 1 year but not more than 5 years		-	-
Over 5 years		-	-

138,268,980	4,753,809,629
6,548,900,000	8,900,088,372
13,623,572,183	1,845,440,335
1,900,300,000	2,517,779,653
-	-
-	-
<b>22,211,041,163</b>	<b>18,017,117,989</b>

**5. Money at call on short notice**

With banking companies	(Note: 5.1)	-	-
With non-banking financial institutions	(Note: 5.2)	5,650,000,000	700,000,000

-	-
5,650,000,000	700,000,000
<b>5,650,000,000</b>	<b>700,000,000</b>

**5(a) Consolidated Money at call on short notice**

Dhaka Bank Limited	(Note: 5)	5,650,000,000	700,000,000
Dhaka Bank Securities Limited		-	-
Dhaka Bank Investment Limited		-	-

5,650,000,000	700,000,000
-	-
-	-
<b>5,650,000,000</b>	<b>700,000,000</b>

**5.1 With banking companies**

ICB Islamic Bank Limited

ICB Islamic Bank Limited has been repaying their liabilities phase by phase under "The Oriental Bank Limited (Reconstruction) Scheme, 2007 as per Bangladesh Bank instructions vide Ref : BRPD(R-1)651/9(10)2007-446 dated 02.08.2007. **The outstanding amount of Tk.1.13 Crore now presented under the head "Balance with other banks and financial institutions".**

-	-
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**5.2 With non-banking financial institutions**

Industrial Development Leasing Co. of Bangladesh  
IPDC  
DBH

5,000,000,000	700,000,000
150,000,000	-
500,000,000	-
<b>5,650,000,000</b>	<b>700,000,000</b>

**5.3 Maturity grouping of money at call & short notice**

On demand		5,650,000,000	700,000,000
Up to 1 month		-	-
Over 1 month but not more than 3 months		-	-
Over 3 months but not more than 6 months		-	-
More than 6 months but less than 1 year		-	-
More than 1 years		-	-

5,650,000,000	700,000,000
-	-
-	-
-	-
-	-
<b>5,650,000,000</b>	<b>700,000,000</b>

18 OCT 2022  
Md. Mohiruzzaman  
Managing Director  
IDLC Investment Limited  
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18 OCT 2022  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
Head Office, Dhaka

18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK  
Head Office, Dhaka

18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
IDLC Investment Limited  
18 OCT 2022  
Emrahul Haque  
Managing Director & CEO  
DHAKA BANK LIMITED  
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		31.12.2021 Taka	31.12.2020 Taka
<b>6. Investments</b>			
Government securities	(Note: 6.1)	38,596,716,627	32,980,972,403
Other investments	(Note: 6.2)	10,527,360,453	6,463,783,648
		<b>49,124,077,080</b>	<b>39,444,756,051</b>
<b>6(a) Consolidated Investments</b>			
Dhaka Bank Limited	(Note: 6)	49,124,077,080	39,444,756,051
Dhaka Bank Securities Limited		3,234,986,908	2,916,094,630
Dhaka Bank Investment Limited		-	-
		<b>52,359,063,988</b>	<b>42,360,850,681</b>
<b>6.1 Government securities</b>			
Bangladesh Bank Bills	(Note: 6.1.1)	-	2,999,741,000
Treasury bonds	(Note: 6.1.2)	36,551,383,927	29,204,664,603
Government Islamic Bond		100,000,000	773,970,000
Government Ijarah Sukuk		1,942,000,000	-
Prizebond		3,332,700	2,596,800
		<b>38,596,716,627</b>	<b>32,980,972,403</b>
<b>6.1(a) Consolidated Government securities</b>			
Dhaka Bank Limited	(Note: 6.1)	38,596,716,627	32,980,972,403
Dhaka Bank Securities Limited		-	-
Dhaka Bank Investment Limited		-	-
		<b>38,596,716,627</b>	<b>32,980,972,403</b>
<b>6.1.1 Bangladesh Bank bills</b>			
182 days Treasury Bills		-	2,000,004,000
364 days Treasury Bills		-	999,737,000
		-	<b>2,999,741,000</b>
<b>6.1.2 Treasury Bonds</b>			
2 years Bangladesh Government Treasury Bond		1,658,708,254	2,554,889,657
5 years Bangladesh Government Treasury Bond		6,083,589,483	6,988,965,775
10 years Bangladesh Government Treasury Bond		20,552,129,087	11,257,670,617
15 years Bangladesh Government Treasury Bond		7,760,769,347	8,176,505,032
20 years Bangladesh Government Treasury Bond		496,187,756	226,633,522
		<b>36,551,383,927</b>	<b>29,204,664,603</b>
<b>6.2 Other investments</b>			
Investment in shares	(Note: 6.2.1)	3,332,360,453	903,783,648
Investment in subordinated bonds	(Note: 6.2.2)	4,545,000,000	5,560,000,000
Investment in Commercial Paper	(Note: 6.2.3)	-	-
Investment in Perpetual Bond	(Note: 6.2.4)	1,650,000,000	-
Investment on Beximco Green Sukuk al Istisna'a		1,000,000,000	-
		<b>10,527,360,453</b>	<b>6,463,783,648</b>
<b>6.2(a) Consolidated Other investments</b>			
Dhaka Bank Limited	(Note: 6.2)	10,527,360,453	6,463,783,648
Dhaka Bank Securities Limited		3,234,986,908	2,916,094,630
Dhaka Bank Investment Limited		-	-
		<b>13,762,347,361</b>	<b>9,379,878,278</b>

18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK  
LIMITED  
Head Office, Dhaka.

18 OCT 2022  
Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
LIMITED

18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

**6.2.1 Shares**

Quoted (Publicly Traded)  
Unquoted

(Details are given in **Annexure - B**)

**6.2.2 Investment in subordinated bonds**

Mutual Trust Bank Limited (MTBL)  
Mercantile Bank Limited  
The City Bank Limited  
One Bank Limited  
Bank Asia Limited  
Shahjalal Islami Bank Limited  
Trust Bank Limited  
Dutch Bangla Bank Limited  
Islami Bank Bangladesh Limited  
Southeast Bank Limited  
Eastern Bank Limited  
United Commercial Bank Limited

MTBL Subordinated Bond - date of purchase was 16.02.2017 and redemption started from 16.02.2020; Mercantile Bank Subordinated Bond - date of purchase was on 29.06.2014 and redemption started from 30.06.2017; The City Bank Limited Subordinated Bond - date of purchase was on 12.12.2018 and redemption started from 21.12.2021; One Bank Limited Subordinated Bond - date of purchase was on 27.10.2016 and redemption started from 27.10.2019 (30 Crore); One Bank Limited Subordinated Bond - date of purchase was on 12.12.2018 and redemption will be started on 12.06.2023 (30 Crore); Bank Asia Limited Subordinated Bond - date of purchase was on 23.04.2017 and redemption started from 23.04.2020; Shajalal Islami Bank Limited Subordinated Bond - date of purchase was on 19.12.2018 and redemption started on 19.12.2021; Trust Bank Limited Subordinated Bond - date of purchase was on 19.12.2018 and redemption started on 19.12.2021; Dutch Bangla Bank Limited Subordinated Bond - date of purchase was on 24.12.2018 and redemption started on 24.12.2021; Islami Bank Bangladesh Limited Subordinated Bond - date of purchase was on 24.12.2018 and redemption started on 24.12.2021; Southeast Bank Limited Subordinated Bond - date of purchase was on 27.10.2016 and redemption started from 27.10.2019; Eastern Bank Limited Subordinated Bond - date of purchase was on 09.07.2019 and redemption will be started from 09.07.2022; United Commercial Bank Limited Subordinated Bond - date of purchase was on 29.09.2020 and redemption will be started from 29.09.2023.

As per DOS Circular no. 02 dated 16 September 2013 and subsequent DOS Circular no. 03 dated 20 December 2015 of Bangladesh Bank, the total market value of investment in the capital market of any Bank cannot be exceeded 25% of the total amount of paid up capital, share premium account, statutory reserve and surplus in profit and loss account of the Bank. In compliance with the guidelines of the Bangladesh Bank, the portfolio exposure of Dhaka Bank Limited is 17.10% as of December 31, 2021.

**6.2.3 Investment in Commercial Paper**

**6.2.4 Investment in Perpetual Bond**

UCBL Perpetual Bond  
IDLC Bank Perpetual Bond

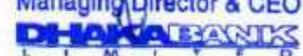
31.12.2021 Taka	31.12.2020 Taka
382,360,453	383,783,648
2,950,000,000	520,000,000
<b>3,332,360,453</b>	<b>903,783,648</b>
540,000,000	720,000,000
485,000,000	60,000,000
420,000,000	500,000,000
450,000,000	480,000,000
400,000,000	600,000,000
400,000,000	500,000,000
400,000,000	500,000,000
400,000,000	500,000,000
400,000,000	500,000,000
300,000,000	450,000,000
200,000,000	200,000,000
550,000,000	550,000,000
<b>4,545,000,000</b>	<b>5,560,000,000</b>
650,000,000	
1,900,000,000	
<b>1,650,000,000</b>	

18 OCT 2022

18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investment Limited  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

18 OCT 2022  
Md. Shujahan Miah  
EVP, Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka

18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited  
DHAKA BANK LIMITED  
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**6.5 Maturity Grouping of Investments**

On demand  
 Over 2 Days but not more than 3 Months  
 Over 3 months but not more than 6 months  
 More than 6 months but less than 1 year  
 Over 1 year but not more than 5 years  
 Over 5 years

31.12.2021 Taka	31.12.2020 Taka
3,332,700	2,596,800
7,723,807,833	4,934,288,772
1,773,420,682	1,573,239,235
5,330,987,347	1,415,554,796
13,061,152,998	19,671,963,023
21,231,375,519	11,847,113,423
<b>49,124,077,080</b>	<b>39,444,756,051</b>

**7. Loans, advances and lease/investments including Bills purchased and discounted**

Loans, Cash Credits, Overdrafts etc./Investments  
 Bills purchased and discounted

(Note: 7.1)  
 (Note: 8)

212,291,159,510	196,184,433,097
3,167,484,183	2,476,040,823
<b>215,458,643,693</b>	<b>198,660,473,920</b>

**7(a) Consolidated Loans, advances and lease/investments including Bills purchased and discounted**

Dhaka Bank Limited  
 Dhaka Bank Securities Limited  
 Dhaka Bank Investment Limited

(Note: 7)

215,458,643,693	198,660,473,920
1,592,249,192	1,675,516,118
-	-
217,050,892,885	200,335,990,038
2,443,588,172	1,694,162,672
<b>214,607,304,713</b>	<b>198,641,827,366</b>

Less: Intercompany transaction

**7.1 Loans, Cash Credits, Overdrafts etc./Investments Broad category-wise breakup**

In Bangladesh  
 Secured Overdraft/Quard  
 Cash Credit/Murabaha  
 House Building Loan  
 Transport Loan  
 Term Loan  
 Loan Against Trust Receipt  
 Payment Against Documents  
 Loan Against Accepted Bills  
 Packing Credit  
 Lease Finance/Izara  
 Credit Card  
 Retail Loan  
 Other Loans

43,019,298,700	45,752,452,894
3,857,711,227	4,747,225,883
2,472,707,440	2,463,978,311
2,589,917,253	2,682,665,695
77,953,099,115	74,165,342,679
4,636,697,923	7,100,952,948
18,730,970	47,375,574
1,541,388,680	3,710,400,391
661,934,660	491,971,931
4,906,934,466	5,608,293,536
708,596,415	589,253,554
1,035,055,899	1,067,291,206
68,889,066,762	47,757,228,495
212,291,159,510	196,184,433,097

Outside Bangladesh

<b>212,291,159,510</b>	<b>196,184,433,097</b>
------------------------	------------------------

**7.1(a) Consolidated Loans, Cash Credits, Overdrafts etc./Investments**

Dhaka Bank Limited  
 Dhaka Bank Securities Limited  
 Dhaka Bank Investment Limited

(Note: 7.1)

212,291,159,510	196,184,433,097
1,592,249,192	1,675,516,118
213,883,408,702	197,859,949,215
2,443,588,172	1,694,162,672
<b>211,439,820,530</b>	<b>196,165,786,543</b>

Less: Intercompany transaction

<b>211,439,820,530</b>	<b>196,165,786,543</b>
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18 OCT 2022

Md. Moniruzzaman  
 Managing Director  
 IDLO Investment Limited

Sahabub Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
**DHAKA BANK**  
 LIMITED  
 Head Office, Dhaka

18 OCT 2022  
 Md. Shahidul Miah  
 EVP & Company Secretary  
**DHAKA BANK**  
 LIMITED  
 Head Office, Dhaka.

18 OCT 2022  
 Emrul Huda  
 Managing Director & CEO  
**DHAKA BANK**  
 LIMITED

Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited

18 OCT 2022

	31.12.2021 Taka	31.12.2020 Taka
<b>7.2 Residual maturity grouping of loans including bills purchased and discounted</b>		
Repayable on demand	21,290,361,885	38,221,537,150
Up to 1 month	21,938,946,607	12,877,828,824
Not more than 3 months	34,591,167,761	24,782,561,312
More than 3 months but not more than 6 months	37,482,093,400	29,437,997,413
More than 6 months but not more than 1 year	24,010,357,022	21,317,981,939
More than 1 year but not more than 5 years	40,711,558,994	48,495,834,570
More than 5 years	35,434,158,024	23,526,732,712
	<b>215,458,643,693</b>	<b>198,660,473,920</b>
<b>7.3 Investment in lease/izara finance</b>		
Lease rental receivable within 1 year	1,889,602,214	2,167,251,432
Lease rental receivable more than 1 year	3,564,072,565	4,321,541,403
<b>Total lease/izara rental receivable</b>	<b>5,453,674,779</b>	<b>6,488,792,835</b>
Less: unearned interest/profit receivable	546,740,313	880,499,299
<b>Net investment in lease/izara finance</b>	<b>4,906,934,466</b>	<b>5,608,293,536</b>
<b>7.4 Product wise loans and advances</b>		
Loans	165,414,149,583	145,684,754,320
Cash Credits	3,857,711,227	4,747,225,883
Overdrafts	43,019,298,700	45,752,452,894
Bills purchased and discounted (Note: 8)	3,167,484,183	2,476,040,823
	<b>215,458,643,693</b>	<b>198,660,473,920</b>
<b>7.5 Loans on the basis of significant concentration including bills purchased &amp; discounted</b>		
a. Advances to allied concerns of directors (Note: 7.5.1)	60,379,810	84,057,146
b. Advances to Chief Executive		
c. Advances to other senior executives		
d. <u>Advances to customer's group:</u>		
Agriculture loan	3,530,982,759	2,245,928,541
Commercial lending	11,429,072,979	17,943,495,079
Export financing	16,850,248,179	12,854,979,529
Consumer credit scheme	4,569,278,537	4,649,775,619
Small and Medium Enterprise (SME)	25,862,162,669	15,564,781,725
Staff Loan	1,303,399,516	1,334,265,376
Others	151,852,519,245	143,983,190,905
	<b>215,458,643,693</b>	<b>198,660,473,920</b>
<b>7.5.1</b> The amount represents loan in the name of existing directors & related parties of the bank. Details are provided in <b>Annexure-G</b> .		
<b>7.6 Advances to customers for more than 10% of Bank's total capital</b>		
<b>Total capital of the Bank</b>		
Number of Customers	27	18
Amount of outstanding loans and advances*	124,540,224,000	76,725,296,000
Amount of classified loans and advances		
Measures taken for recovery		

\*The amount represents the sum of total loans and advances (both funded and non funded) to each customer exceeding 100% of total capital of the Bank as at December 2021.

(Details are given in Annexure - C) 18 OCT 2022

18 OCT 2022  
Md. Mpniruzzaman  
Managing Director  
18 OCT 2022

Sahabuddin Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka

18 OCT 2022  
Emrul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

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**7.7 Industry-wise loans, advances and lease/investments**

Agricultural
Pharmaceuticals
Textile & Garment
Chemical
Food & Allied
Transport & Communication
Electronics & Automobile
Housing & Construction
Engineering & Metal Industries including Ship Breaking
Energy & Power
Service
Others

31.12.2021 Taka	31.12.2020 Taka
3,530,982,759	2,245,928,541
2,442,609,619	2,829,775,434
51,901,680,790	48,484,611,372
7,355,278,187	8,535,216,554
10,495,144,171	10,463,998,030
4,872,941,704	4,972,673,698
9,912,394,776	10,108,418,099
20,236,080,710	19,449,027,665
19,284,999,698	19,112,373,004
8,371,590,892	6,741,724,693
16,191,527,959	14,293,188,682
60,853,412,428	51,423,538,138
<b>215,458,643,693</b>	<b>198,660,473,920</b>

**7.8 Geographical location-wise (division) distribution**

**Urban**

Dhaka Region
Chattagram Region
South Region
North Region
Sylhet Region
Other

162,895,276,459	153,579,096,066
33,912,846,808	27,213,258,341
1,933,982,193	1,897,247,144
3,259,541,826	3,263,767,971
887,094,550	1,018,296,744
734,585,905	
<b>203,624,327,741</b>	<b>186,971,666,266</b>

**Rural**

Dhaka Region
Chattagram Region
South Region
North Region
Sylhet Region
Other

9,129,347,194	8,688,932,580
1,040,358,106	1,127,391,619
1,596,544,282	1,806,985,698
66,066,370	65,497,757
<b>11,834,315,952</b>	<b>11,688,807,654</b>
<b>215,458,643,693</b>	<b>198,660,473,920</b>

**7.9 Sector-wise loans, advances and lease/investments**

Government & Autonomous bodies
Financial Institutions (Public & Private)
Private Sector

-	-
27,515,549,308	16,940,276,115
187,943,094,385	181,720,197,805
<b>215,458,643,693</b>	<b>198,660,473,920</b>

**7.10 Classification of loans, advances and lease/investments**

**Unclassified**

Standard
Special Mention Account*

202,552,511,548	186,251,433,408
5,761,477,564	6,181,951,517
<b>208,313,989,112</b>	<b>192,433,384,925</b>

**Classified**

Sub-standard
Doubtful
Bad or loss

392,444,639	416,183,441
55,649,818	154,793,956
6,696,560,124	5,656,111,599
<b>7,144,654,581</b>	<b>6,227,088,995</b>
<b>215,458,643,693</b>	<b>198,660,473,920</b>

\*Unclassified Loans and Advances includes Loans under stay orders from the Honourable High Court Division of the Supreme Court of Bangladesh.

In the year 2021, no loans and advances/investments were downgraded in compliance with BPRD circular no. 04 dated 19 March 2020, BRPD circular no. 13 dated 15 June 2020 and BRPD circular no. 17 dated 28 September 2020. Interest charged during the year on non-performing loans and advances/Investment has added with non-performing loans and advances/investment.

18 OCT 2022

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Managing Director  
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Md. Shahjahan Miah  
EVP & Company Secretary  
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Head Office, Dhaka

Emrul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

DHAKA BANK LIMITED  
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7.11 A) Provision required for loans and advances

Status	Base for Provision	Rate %
<b>Unclassified</b>		
Unclassified	15,160,628,786	0.25
Unclassified	135,487,308,226	1
Unclassified	2,354,907,153	1.25
Unclassified	877,708,277	1.75
Unclassified	19,780,014,001	2
Unclassified	993,017,718	2.75
Unclassified	2,084,016,806	3
Unclassified	8,058,114,087	4
Unclassified	17,125,313	5
Unclassified	213,569,659	20
Unclassified	1,222,018,691	21
Unclassified	1,933,375,899	22
Unclassified	240,919,103	22.5
Unclassified	425,245,251	23
Unclassified	2,110,706,751	50
Unclassified	840,338,587	51
Unclassified	4,572,919,051	100
Special Mention account	197,477,730	0.25
Special Mention account	996,613,519	1
Special Mention account	101,227,115	1.25
Special Mention account	3,167,977	1.75
Special Mention account	707,775,381	2
Special Mention account	53,323,818	2.75
Special Mention account	612,997,353	3
Special Mention account	5,243,103	4
Special Mention account	277,393	5
Special Mention account	1,052,567,235	50
Special Mention account	-	51
Special Mention account	28,335,449	52.5
Special Mention account	1,114,821,589	53
Special Mention account	94,178,788	100
<b>Classified:</b>		
Sub-Standard	88,350,038	5
Sub-Standard	30,521,287	6
Sub-Standard	35,273,125	20
Sub-Standard	8,395,527	21
Sub-Standard	-	50
Sub-Standard	5,790,801	100
Doubtful	129,014	5
Doubtful	4,370,959	20
Doubtful	2,536,198	21
Doubtful	8,773,581	50
Doubtful	126,058	51
Doubtful	4,938,590	100
Bad or loss	3,561,444,956	100

31.12.2021 Taka	31.12.2020 Taka
37,901,572	37,984,465
1,354,873,082	1,126,661,732
29,436,339	63,824,050
15,359,895	-
395,600,280	747,581,781
27,307,987	-
62,520,504	2,245,911
322,324,563	-
856,266	-
42,713,932	-
256,623,925	-
425,342,698	47,642,746
54,206,798	-
97,806,408	-
1,055,353,376	1,148,331,169
428,572,679	185,363,546
824,874,422	3,206,590,886
493,694	83,833
9,966,136	404,842
1,265,339	6,206,956
55,440	-
14,155,508	28,191,564
1,466,405	-
18,389,921	-
209,724	-
13,870	-
526,283,617	1,545,303,971
-	22,872,464
14,876,110	-
590,855,442	-
94,178,788	1,422,225
<b>6,703,884,720</b>	<b>8,170,712,141</b>
4,417,502	2,021,990
1,831,277	-
7,054,625	24,354,364
496,466,434	-
-	26,938,047
5,790,801	309,238
6,451	98,267
874,192	4,095,050
532,602	-
4,386,790	783,768
64,289	-
4,938,590	13,052,334
6,814,786,211	7,421,770,849
<b>7,341,149,764</b>	<b>7,493,423,907</b>
14,045,034,484	15,664,136,048
14,045,034,484	13,015,300,276
-	2,648,835,772
-	-
<b>28,133,697</b>	<b>30,163,697</b>

Required provision for loans & advances

Total provision maintained

Provision will be maintained in future

Excess / short provision as at 31 December

Provision for good borrower

Provision for good borrower has been kept following the BRPD Circular No. 06, dated 19 March 2015 & BRPD Circular Letter No. 03, dated 16 February 2016.

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Chief Finance Officer, EVP & CFO  
IDLC Investments Limited  
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Head Office, Dhaka

Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK  
Head Office, Dhaka

Emranul Haq  
Managing Director & CEO  
DHAKA BANK

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

C) Provision required for Off-Balance Sheet Exposures

Status	Base for Provision	Rate %
Acceptances and Endorsements	64,281,656,460	1
Letter of Credit	52,467,266,855	1
Letter of Guarantee	4,861,132,448	0.5
	1,371,922,126	0.75
	39,583,079,785	1

Required provision

Total Provision Maintained

Excess/(Short) Provision as at 31 December

31.12.2021 Taka	31.12.2020 Taka
642,816,564.60	439,830,781
524,672,668.55	241,247,385
24,305,662.24	-
10,289,415.95	-
395,830,797.85	426,014,546
<b>1,597,915,109</b>	<b>1,107,092,712</b>
1,597,915,109	1,107,092,712
-	-

7.12 Securities against loans including bills purchased & discounted

a. Secured

Collateral of movable / immovable assets  
Local Banks & Financial Institutions guarantee  
Foreign Banks Guarantee  
Export documents  
Government Guarantee

Fixed Deposits Receipts

Own FDR  
FDR of Other Banks

Personal Guarantee  
Corporate Guarantee  
Other Securities  
Government bonds

118,084,517,594	128,666,270,357
-	-
1,501,133,187	4,350,719,777
-	-
4,303,372,876	1,564,454,856
213,330,509	114,168,097
25,702,509,166	17,895,598,328
-	-
62,564,679,321	44,305,423,165
-	-
212,369,542,653	196,896,634,580
3,089,101,040	1,763,839,340
<b>215,458,643,693</b>	<b>198,660,473,920</b>

b. Unsecured

7.13 Particulars of Loans, advances and lease/investments

- Loans considered good in respect of which the banking company is fully secured;
- Loans considered good against which the banking company holds no security other than the debtor's personal guarantee;
- Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtors;
- Loans adversely classified; provision not maintained there against;
- Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons;\*
- Loans due from companies or firms in which the directors of the banking company have interests as directors, partners or managing agents or in case of private companies as members;
- 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;\*
- 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 have interests as directors, partners or managing agents or in the case of private companies as members;
- Due from banking companies;
- Amount of classified loan on which interest has not been charged, should be mentioned as follows:
  - Decrease / increase in provision;
  - Amount realized against loan previously written off;\*\*
  - Amount of provision kept against loan classified as 'bad/loss' on the date of preparing the balance sheet;
  - Interest creditable to the Interest Suspense A/c;
  - Cumulative amount of the written off loan;\*\*\*

118,084,517,594	128,666,270,357
25,702,509,166	17,895,598,328
4,516,703,385	1,678,622,953
-	-
1,364,379,435	1,418,322,522
60,979,920	84,057,146
1,383,133,144	1,418,322,522
79,733,628	84,057,146
-	-
1,029,734,208	1,478,610,590
167,322,238	51,333,611
6,814,786,211	7,421,770,849
-	-
1043,059,200	6,661,118,721

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Md. Moniruzzaman  
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LIMITED  
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Md. Shanjahan Miah  
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Head Office, Dhaka

Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
LIMITED

Tanzim Alamgir  
Managing Director & CEO  
DHAKA BANK  
LIMITED

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		31.12.2021 Taka	31.12.2020 Taka
<b>9(a) Consolidated Fixed assets including premises, furniture and fixtures</b>			
Dhaka Bank Limited	(Note: 9)	8,954,869,250	9,020,772,046
Dhaka Bank Securities Limited		20,041,205	12,265,218
Dhaka Bank Investment Limited		-	-
		<b>8,974,910,455</b>	<b>9,033,037,264</b>
<b>10. Other Assets</b>			
Investment in shares of subsidiary companies	(Note: 10.1)	1,749,999,880	1,749,999,880
Stationery, stamps, printing materials etc.		9,091,651	21,659,096
Advance rent	(Note: 10.1.a)	51,861,227	55,891,646
Prepaid expenses against advertisement		24,813,346	29,494,752
Interest/Profit accrued and other receivable	(Note: 10.2)	1,050,940,740	679,677,565
Security deposit		23,768,197	22,596,991
Preliminary, formation, Work-in-progress, renovation expenses and prepaid expenses	(Note: 10.3)	188,625,655	182,527,344
Branch adjustments	(Note: 10.4)	(20,225,612)	(84,217,768)
Suspense account	(Note: 10.5)	168,073,533	204,318,674
Others	(Note: 10.6)	10,857,197,920	9,228,827,569
		<b>14,114,146,537</b>	<b>12,090,775,749</b>
<b>10(a) Consolidated Other assets</b>			
Dhaka Bank Limited	(Note: 10)	14,114,146,537	12,090,775,749
Dhaka Bank Securities Limited		353,666,193	271,187,749
Dhaka Bank Investment Limited		13,674,861	13,335,645
		<b>14,481,487,591</b>	<b>12,375,299,143</b>
Less: Inter-company transactions			
Investment in Dhaka Bank Securities Limited		1,499,999,940	1,499,999,940
Investment in Dhaka Bank Investment Limited		249,999,940	249,999,940
Stock dividend from Dhaka Bank Securities Limited		-	-
Receivable from Dhaka Bank Investment Limited		1,173,725	1,173,725
Receivable from Dhaka Bank Securities Limited		55,787,264	55,787,264
		<b>1,806,960,869</b>	<b>1,806,960,869</b>
		<b>12,674,526,722</b>	<b>10,568,338,274</b>
<b>10.1 Investment in shares of subsidiary companies</b>			
Dhaka Bank Securities Limited	(Note: 1.9.1)	1,499,999,940	1,499,999,940
(99.99% owned subsidiary company of DBL)			
Dhaka Bank Investment Limited	(Note: 1.9.2)	249,999,940	249,999,940
(99.99% owned subsidiary company of DBL)			
		<b>1,749,999,880</b>	<b>1,749,999,880</b>

Shareholding in Dhaka Bank Securities Limited as at 31 December 2021 was 208,700,056 shares after considering the stock dividend issued from 2011 to 2019.

**10.1.a** Advance rent up to 2021 Tk. 196,681,442 has been considered with right of use assets (ROU) as per IFRS 16.

**10.2 Interest accrued and other receivable**

Amount represents interest/profit accrued on loans/investment but not collected, commission & brokerage receivable on shares and debenture and other income receivable etc.

**10.3** The amount represents payment in advance against opening of new branches, various types of insurance premiums, legal expenses, software maintenance etc. The advance for work-in-progress of Head Office Building at Gulshan now presented as "work-in-progress land & building" under the head Fixed assets including premises, furniture and fixtures.

**10.4 Branch adjustment**

Branch adjustment account represents outstanding amount of Inter-Branch and Head Office transactions at the Balance Sheet date.

**10.5 Suspend account**

Suspend Account represents advance paid against renovation of different branches which is Capital Expenditure and will be adjusted after receiving the final bills.

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	31.12.2021 Taka	31.12.2020 Taka
<b>10.6 Others</b>		
Advance Tax (Note: 10.6.1)	9,961,378,004	8,284,200,306
Deferred Tax Assets (Note: 15.8)	475,078,872	496,371,796
Account receivable others (Note: 10.6.2)	420,741,043	448,255,467
	<b>10,857,197,920</b>	<b>9,228,827,569</b>
<b>10.6.1 Advance Tax</b>		
Opening Balance	8,284,200,306	6,414,335,515
Add: Paid during the year	1,677,177,698	1,869,864,792
	9,961,378,004	8,284,200,306
Less: Adjustment during the year		
	<b>9,961,378,004</b>	<b>8,284,200,306</b>
<b>10.6.2 Account receivable others</b>		
Receivable against Bangladesh/Paribar Sanchaya Patra	138,995,596	255,356,419
Fees receivable	76,253,558	61,632,925
Receivable from share sale proceeds		
Dividend receivable	33,776,470	3,639,296
Finance to AD branches for Local Documentary Bill Purchased (Note: 10.6.2.a)	29	29
Finance to AD branches for Import Bill Discounting (Note: 10.6.2.b)	(1)	(1)
Protestation account	3,012,677	3,012,677
ATM settlement account	(232,960)	(38,453,022)
Receivable from exchange houses	1,235,824	1,669,271
Excise duty receivable	110,738,861	104,436,884
Receivable from Dhaka Bank Investment Limited	1,173,725	1,173,725
Receivable from Dhaka Bank Securities Limited	55,787,264	55,787,264
	<b>420,741,043</b>	<b>448,255,467</b>
<b>10.6.2.a</b> In accordance with the FE Circular no.03 dated 04 February 2013 of Bangladesh Bank, the amount represents bills discounted to facilitate the exporters of the country.		
<b>10.6.2.b</b> In accordance with the BRPD Circular no.28 dated 05 September 2010 of Bangladesh Bank, Dhaka Bank Limited's Offshore Banking Unit (OBU) has been financing the importers who import at usance basis through Bank's Authorised Dealer (AD) branches.		
<b>10.7 Income generation grouping of Other assets</b>		
<b>Income generating</b>		
Investment in shares of subsidiary companies	1,749,999,880	1,749,999,880
Account receivable others		
Finance to AD branches for Local Documentary Bill Purchased	29	29
Finance to AD branches for Import Bill Discounting	(1)	(1)
	<b>1,749,999,908</b>	<b>1,749,999,908</b>
<b>Non-income generating</b>		
Stationery, stamps, printing materials etc.	9,091,651	21,659,096
Advance rent	61,861,227	55,891,646
Prepaid expenses against advertisement	24,813,346	29,494,752
Interest/Profit accrued and other receivable	1,050,940,740	679,677,565
Security deposit	23,768,197	22,596,991
Preliminary, formation, work in progress, renovation expenses and prepaid expenses	188,625,655	182,527,344
Branch adjustments	(20,225,612)	(84,217,768)
Suspense account	168,073,533	204,318,674
Advance tax paid	9,961,378,004	8,284,200,306
Deferred Tax Assets	475,078,872	496,371,796
Account receivable others		
Receivable against Bangladesh/Paribar Sanchaya Patra	138,995,596	255,356,419
Protestation account	3,012,677	3,012,677
Receivable from exchange houses	1,235,824	1,669,271
Receivable from Dhaka Bank Investment Limited	1,173,725	1,173,725
Receivable from Dhaka Bank Securities Limited	55,787,264	55,787,264
Fees receivable	76,253,558	61,632,925
Excise Duty Receivable	110,738,861	104,436,884
Dividend Receivable	33,776,470	3,639,296
ATM settlement account	(232,960)	(38,453,022)
	<b>12,364,146,628</b>	<b>10,340,775,841</b>
	<b>14,111,146,537</b>	<b>12,090,775,749</b>

18 OCT 2022

Md. Mohiruzzaman  
 Managing Director  
 18 OCT 2022  
 Head Office, Dhaka

Sahabub Alam Khan, FCA  
 Chief Financial Officer, EVP & CFO  
 18 OCT 2022  
 Head Office, Dhaka

Md. Shahjahan Miah  
 EVP & Company Secretary  
 18 OCT 2022  
 Head Office, Dhaka

Emrul Haq  
 Managing Director & CEO  
 18 OCT 2022  
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Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited

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	31.12.2021 Taka	31.12.2020 Taka
<b>11. Non-banking assets</b>		
Land and Building	-	-
<b>11(a) Consolidated Non-banking assets</b>		
Dhaka Bank Limited (Note: 11)	-	-
Dhaka Bank Securities Limited	-	-
Dhaka Bank Investment Limited	-	-
<b>12. Borrowings from other banks, financial institutions and agents</b>		
In Bangladesh (Note: 12.1)	29,669,117,782	23,640,778,197
Outside Bangladesh	14,896,073,044	9,358,387,836
	<b>44,565,190,826</b>	<b>32,999,166,033</b>
<b>12.1 In Bangladesh</b>		
<b>Call Borrowing</b>		
Sonali Bank Limited	-	1,000,000,000
Rupali Bank Limited	-	2,000,000,000
IFIC Bank Limited	-	1,900,000,000
Agrani Bank Limited	-	1,090,000,000
Bank Asia	2,000,000,000	-
Southeast Bank Limited	1,200,000,000	-
Prime Bank	1,200,000,000	-
United Commercial Bank Limited	1,900,000,000	-
Uttara Bank Limited (SND)	3,500,000,000	1,400,000,000
	<b>9,800,000,000</b>	<b>7,390,000,000</b>
<b>Term Borrowing</b>		
Term Borrowing (DBU to OBU)	10,254,770,010	7,363,952,300
Uttara Bank Limited	-	169,600,000
Trust Bank Ltd	986,700,000	-
One Bank Ltd	257,400,000	-
Shahjalal Islami Bank Ltd	858,000,000	-
Borrowing from SME Foundation	13,300,000	-
	<b>12,370,170,010</b>	<b>7,533,552,300</b>
Less: Inter Unit (OBU)	10,254,770,010	7,363,952,300
	<b>11,915,400,000</b>	<b>7,559,600,000</b>
<b>Bangladesh Bank refinance</b>		
Small and Medium Enterprise	669,616,417	324,025,517
Syndication	2,042,682,122	2,358,187,247
Export Development Fund	11,855,445,469	10,002,880,135
FSSP Fund	112,007,976	111,857,419
Stimulus Fund	3,073,965,796	3,284,227,879
	<b>17,753,717,782</b>	<b>16,081,178,197</b>
<b>Total</b>	<b>29,669,117,782</b>	<b>23,640,778,197</b>
<b>Outside Bangladesh</b>		
Bank Muscat, Oman	3,003,000,000	2,120,000,000
Nabil Bank, Nepal	783,588,900	720,800,000
Siddhartha Bank Limited	588,904,500	-
Caixa Bank	858,000,000	848,000,000
RAK Bank	-	1,028,641,000
Indusind Bank	858,000,000	339,200,000
NMB Bank	858,000,000	-
Habib Bank	-	918,452,827
Standard Chartered	2,402,400,000	1,630,750,501
JPMorgan	858,000,000	1,752,543,508
Doha Bank	858,000,000	-
The C. Bank Doha Qatar	429,000,000	-
AKA Ausfuhrkredit	3,399,179,644	-
	<b>14,896,073,044</b>	<b>9,358,387,836</b>
	<b>44,565,190,826</b>	<b>32,999,166,033</b>

Dhaka Bank Limited received Investment Bond's Fund from Bangladesh Bank against Mudaraba Term Deposit Receipt (MTDR) as per Bangladesh Bank Circular no. FRTMD (PDS)-146/2004-15 dated 15.09.2004.

18 OCT 2022  
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Managing Director  
IDLC Investments Limited

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Head Office, Dhaka

18 OCT 2022  
Emerald Huq  
Managing Director & CEO  
DHAKA BANK LIMITED

18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
DHAKA BANK LIMITED

18 OCT 2022

31.12.2021  
Taka

31.12.2020  
Taka

12.2 Disclosure regarding Outstanding Repo on 31 December 2021

Sl. No.	Counterparty Name	Agreement date	Reversal date	Amount in Taka
1	-	-	-	-

12.3 Disclosure regarding Outstanding Reverse Repo on 31 December 2021

Sl. No.	Counterparty Name	Agreement date	Reversal date	Amount in Taka
1	MIDLANDBK	28 Decemeber 2021	01 April 2022	138,520,108
2	MIDLANDBK	28 Decemeber 2021	01 April 2022	232,952,194
3	MIDLANDBK	28 Decemeber 2021	01 April 2022	582,380,485
4	MIDLANDBK	28 Decemeber 2021	01 April 2022	103,320,307
5	MIDLANDBK	28 Decemeber 2021	01 April 2022	311,742,305
6	MIDLANDBK	28 Decemeber 2021	01 April 2022	133,503,845
7	NBL	29 Decemeber 2021	01 May 2022	1,502,419,758
8	JAMUNABK	29 Decemeber 2021	01 March 2022	2,003,787,362
9	MIDLANDBK	29 Decemeber 2021	01 May 2022	672,594,397
10	MIDLANDBK	29 Decemeber 2021	01 May 2022	594,156,941
11	MIDLANDBK	29 Decemeber 2021	01 May 2022	293,669,038

12.4 Disclosure regarding Overall transaction of Repo and Reverse Repo during 2021

Sl. No.	Counterparty Name	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year
<b>Securities sold under Repo</b>				
1	With Bangladesh Bank	-	-	-
2	With other Banks & Fis	257,855,410	1,892,851,775	663,851,159
<b>Securities purchased under Reverse Repo</b>				
1	From Bangladesh Bank	-	-	-
2	From other Banks & Fis	103,320,307	2,003,787,362	1,052,951,669

12.5 Analysis by security

Secured (assets pledge as security for liabilities)  
Unsecured

Secured (assets pledge as security for liabilities)	44,565,190,826	32,999,166,033
Unsecured	44,565,190,826	32,999,166,033
<b>12.6 Repayment pattern</b>		
Repayable on demand	9,800,000,000	7,390,000,000
Repayable on maturity	34,765,190,826	25,609,166,033
	<b>44,565,190,826</b>	<b>32,999,166,033</b>
<b>12.7 Maturity grouping</b>		
Repayable on demand	9,800,000,000	7,390,000,000
Repayable within 1 month	2,102,100,000	169,600,000
Over 1 month but within 3 months	13,300,000	-
Over 3 month but within 6 months	112,007,976	111,857,419
Over 6 months but within 1 year	27,421,134,930	19,685,293,488
Over 1 year but within 5 years	5,116,647,920	5,642,415,126
	<b>44,565,190,826</b>	<b>32,999,166,033</b>

18 OCT 2022

18 OCT 2022

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Enamul Haq  
Managing Director & CEO  
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Tanzim Alamgir  
Managing Director & CEO  
IDCB Investment Bank Limited

		31.12.2021 Taka	31.12.2020 Taka
<b>12(a) Consolidated Borrowings from other banks, financial institutions and agents</b>			
Dhaka Bank Limited	(Note: 12)	44,565,190,826	32,999,166,033
Dhaka Bank Securities Limited		2,469,143,600	1,752,626,722
Dhaka Bank Investment Limited		-	-
		47,034,334,426	34,751,792,755
Less: inter company transaction		2,443,588,172	1,694,162,672
		<b>44,590,746,254</b>	<b>33,057,630,083</b>
<b>13. Deposits and other accounts</b>			
Current Accounts and other Accounts	(Note: 13.1)	34,172,428,617	26,588,039,572
Bills Payable	(Note: 13.2)	2,210,072,255	2,452,855,109
Savings Bank Deposits	(Note: 13.3)	28,665,174,772	25,402,215,927
Term Deposits	(Note: 13.4)	165,369,672,802	151,223,873,061
		<b>230,417,348,446</b>	<b>205,666,983,669</b>
<b>Non-interest bearing accounts</b>			
<b>13.1 Current Accounts and other Accounts</b>			
Current account		21,413,607,385	15,158,599,682
Foreign currency deposits		709,708,660	464,311,813
Margin under Letter of Credit		2,172,042,129	2,138,549,727
Margin under Letter of Guarantee		2,175,585,977	1,566,903,446
Deposits awaiting disposal		6,655,106	6,601,660
Sundry deposit	(Note: 13.1.1)	7,694,829,360	7,253,073,244
		<b>34,172,428,617</b>	<b>26,588,039,572</b>
<b>13.1.1 Sundry deposit</b>			
F.C held against Back to Back L/C		6,770,323,307	6,620,973,053
Sundry creditors		859,777,565	564,251,815
Unclaimed deposits		49,863,228	53,690,367
Security deposits		14,865,260	14,158,009
		<b>7,694,829,360</b>	<b>7,253,073,244</b>
<b>13.2 Bills Payable</b>			
Pay order		2,138,966,358	2,219,084,331
Demand draft		71,105,897	233,770,778
		<b>2,210,072,255</b>	<b>2,452,855,109</b>
<b>Total Non-interest bearing accounts</b>		<b>36,382,500,872</b>	<b>29,040,894,681</b>
<b>Interest bearing Account</b>			
<b>13.3 Savings Bank Deposits</b>			
Savings account		27,834,881,770	24,437,603,929
Mudaraba savings accounts		830,293,002	964,611,998
		<b>28,665,174,772</b>	<b>25,402,215,927</b>
<b>13.4 Term Deposits</b>			
Special Notice Deposits		30,557,754,773	20,337,434,438
Unclaimed Dividend Account		13,777,169	36,106,527
Fixed Deposits		105,774,839,230	99,188,405,050
Deposit Pension Scheme		27,917,440,800	31,425,298,763
Gift Cheque		36,575,166	35,464,836
Non-Resident Foreign Currency Deposit (NFCD)		1,069,285,664	201,163,447
		<b>165,369,672,802</b>	<b>151,223,873,061</b>

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Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Sahabul Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA INVESTMENTS LIMITED  
Head Office, Dhaka.

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Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka.

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Tanzim Alamgir  
Managing Director & CEO  
DHAKA BANK LIMITED  
UCB Investment Limited

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**13.4(a) Consolidated Term deposits**

Dhaka Bank Limited  
Dhaka Bank Securities Limited  
Dhaka Bank Investment Limited

Less: Inter company transaction

**Total Interest bearing Account**

**Total Deposits and other accounts**

**13.5 Deposits and Other Accounts**

Deposits from Banks  
Deposits from Customers

**Deposits from Banks**

Current Deposits and other Accounts  
Savings Bank/Mudaraba  
Special Notice Deposits  
Fixed Deposits

**Deposits from Customers**

**i) Current Deposits and Other Accounts**

Current Account  
Foreign Currency Deposits  
Margin under Letter of Credit  
Margin under Letter of Guarantee  
Deposits Awaiting Disposal  
Sundry Deposit

**ii) Bills Payable**

Pay Order  
Demand Draft

**iii) Savings Deposits**

Savings Account  
Mudaraba Savings Accounts

**iv) Term Deposits**

Special Notice Deposits  
Unclaimed Dividend Account  
Fixed Deposits  
Deposit Pension Scheme  
Gift Cheque  
Non Resident Foreign Currency Deposit (NFCD)

	31.12.2021 Taka	31.12.2020 Taka
	165,369,672,802	151,223,873,061
	165,369,672,802	151,223,873,061
	471,787,581	488,630,576
	<b>164,897,885,221</b>	<b>150,735,242,485</b>
	<b>194,034,847,574</b>	<b>176,626,088,988</b>
	<b>230,417,348,446</b>	<b>205,666,983,669</b>
	5,756,437,539	5,057,641,714
	224,660,910,907	200,609,341,955
	<b>230,417,348,446</b>	<b>205,666,983,669</b>
	74,971,995	289,477,160
	3,184,989	2,511,777
	5,678,280,555	4,765,652,778
	<b>5,756,437,539</b>	<b>5,057,641,715</b>
	21,413,607,385	15,158,599,682
	709,708,660	464,311,813
	2,172,042,129	2,138,549,727
	2,175,585,977	1,566,903,446
	6,655,106	6,601,660
	7,694,829,360	7,253,073,244
	<b>34,172,428,617</b>	<b>26,588,039,572</b>
	2,138,956,358	2,219,084,331
	71,105,897	233,770,778
	<b>2,210,072,255</b>	<b>2,452,855,109</b>
	27,834,881,770	24,437,603,929
	755,321,007	675,134,838
	<b>28,590,202,777</b>	<b>25,112,738,767</b>
	30,554,569,784	20,334,922,660
	13,777,169	36,106,527
	100,096,558,675	94,422,752,274
	27,917,440,800	31,425,298,763
	36,575,166	35,464,836
	1,069,285,664	201,163,447
	<b>159,688,207,258</b>	<b>146,455,708,506</b>
	<b>224,660,910,907</b>	<b>200,609,341,954</b>

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Md. Monirul Karim  
Managing Director  
IDLC Investments Limited

Sahabul Alam Khan, FCA  
Chief Financial Officer, EVP & CFO  
**DHAKA BANK LIMITED**  
Head Office, Dhaka

Md. Shahidul Miah  
EVP & Company Secretary  
**DHAKA BANK LIMITED**  
Head Office, Dhaka

Emranul Haque  
Managing Director & CEO  
**DHAKA BANK LIMITED**

Tanzim Alamgir  
Managing Director & CEO  
IDLC Investments Limited

**13.6 Payable on Demand and Time Deposits**

**a) Demand Deposits**

Current Account  
Savings Deposits (10%)  
Foreign Currency Deposits  
Margin under Letter of Credit  
Margin under Letter of Guarantee  
Deposits Awaiting Disposal  
Sundry Deposit  
Bills Payable

**b) Time Deposits**

Savings Deposits (90%)  
Special Notice Deposits  
Fixed Deposits  
Deposit Pension Scheme  
Gift Cheque  
Non Resident Foreign Currency Deposit (NFCD)

**13.7 Maturity grouping of deposits and other accounts**

**Other than Bank Deposits**

Payable on demand  
Payable within 1 month  
Over 1 month but within 3 months  
Over 3 months but within 6 months  
Over 6 months but within 1 year  
Over 1 year but within 5 years  
Over 5 years but within 10 years

**Inter-bank deposits**

Payable within 1 month  
Over 1 month but within 3 months  
Over 3 months but within 6 months

**13.8 Sector wise Deposits**

Government  
Public Sector  
Private sector

**13 (a) Consolidated Deposits and other accounts**

Dhaka Bank Limited  
Dhaka Bank Securities Limited  
Dhaka Bank Investment Limited

(Note: 13)

Less: Inter company transaction

	31.12.2021 Taka	31.12.2020 Taka
<b>13.6 Payable on Demand and Time Deposits</b>		
<b>a) Demand Deposits</b>		
Current Account	21,413,607,385	15,158,599,682
Savings Deposits (10%)	2,866,517,477	2,540,221,593
Foreign Currency Deposits	709,708,660	464,311,813
Margin under Letter of Credit	2,172,042,129	2,138,549,727
Margin under Letter of Guarantee	2,175,585,977	1,566,903,446
Deposits Awaiting Disposal	6,655,106	6,601,660
Sundry Deposit	7,694,829,360	7,253,073,244
Bills Payable	2,210,072,255	2,452,855,109
	<b>39,249,018,349</b>	<b>31,581,116,274</b>
<b>b) Time Deposits</b>		
Savings Deposits (90%)	25,798,657,295	22,861,994,334
Special Notice Deposits	30,671,531,942	20,373,540,965
Fixed Deposits	105,774,839,230	99,188,405,050
Deposit Pension Scheme	27,917,440,800	31,425,298,763
Gift Cheque	36,575,166	35,464,836
Non Resident Foreign Currency Deposit (NFCD)	1,069,285,664	201,163,447
	<b>191,168,330,097</b>	<b>174,085,867,395</b>
	<b>230,417,348,446</b>	<b>205,666,983,669</b>
<b>13.7 Maturity grouping of deposits and other accounts</b>		
<b>Other than Bank Deposits</b>		
Payable on demand	36,419,076,038	29,076,359,517
Payable within 1 month	60,227,835,394	45,684,931,401
Over 1 month but within 3 months	51,205,599,790	50,339,220,414
Over 3 months but within 6 months	12,801,399,947	12,584,805,104
Over 6 months but within 1 year	25,602,799,895	25,169,610,207
Over 1 year but within 5 years	23,042,519,906	22,652,649,186
Over 5 years but within 10 years	15,361,679,937	15,101,766,124
	<b>224,660,910,907</b>	<b>200,609,341,954</b>
<b>Inter-bank deposits</b>		
Payable within 1 month	78,156,984	291,988,937
Over 1 month but within 3 months	-	-
Over 3 months but within 6 months	5,678,280,555	4,765,652,778
	<b>5,756,437,539</b>	<b>5,057,641,715</b>
	<b>230,417,348,446</b>	<b>205,666,983,669</b>
<b>13.8 Sector wise Deposits</b>		
Government	2,402,754,596	1,858,867,029
Public Sector	9,723,324,991	10,720,086,285
Private sector	218,291,268,859	193,088,030,355
	<b>230,417,348,446</b>	<b>205,666,983,669</b>
<b>13 (a) Consolidated Deposits and other accounts</b>		
Dhaka Bank Limited	230,417,348,446	205,666,983,669
Dhaka Bank Securities Limited	-	-
Dhaka Bank Investment Limited	-	-
	<b>230,417,348,446</b>	<b>205,666,983,669</b>
Less: Inter company transaction	471,787,581	488,630,576
	<b>229,945,560,865</b>	<b>205,178,353,093</b>

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Md. Moniruzzaman

Managing Director

IDLC Investments Limited

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Shahab Alam Khan, FCA

Chief Finance Officer, EVP & CFO

DHAKA BANK LIMITED

Head Office, Dhaka

18 OCT 2022

Md. Shahban Miah

EVP & Company Secretary

DHAKA BANK LIMITED

Head Office, Dhaka

18 OCT 2022

Emrul Haq

Managing Director & CEO

DHAKA BANK LIMITED

Head Office, Dhaka

18 OCT 2022

Tanzim Alamgir

Managing Director & CEO

UB Investment Limited

DHAKA BANK LIMITED

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		<b>31.12.2021 Taka</b>	<b>31.12.2020 Taka</b>
<b>ii) The movement in general provision on unclassified loans:</b>			
Provision held at the beginning of the year		5,521,876,369	6,935,511,818
Provision no longer required	(-)	(588,768,641)	(259,684,159)
Additional provision against Special General Provision-COVID-19	(+)	191,828,459	421,482,565
Additional provision except Special General Provision-COVID-19	(+)	1,578,948,532	(1,575,433,855)
<b>Provision held at the end of the year</b>		<b>6,703,884,719</b>	<b>5,521,876,369</b>
		<b>14,045,034,484</b>	<b>13,015,300,276</b>
<b>15.2 Provision for Good Borrower</b>			
Opening Balance		30,163,697	34,523,697
Add: Addition during the year		-	-
Less: Disbursement during the year		2,030,000	4,360,000
		<b>28,133,697</b>	<b>30,163,697</b>
<b>15.3 Provision for Off-Balance Sheet Exposures</b>			
Opening balance		1,107,092,712	1,128,587,944
Add: Addition during the year		490,822,398	(21,495,232)
		<b>1,597,915,109</b>	<b>1,107,092,712</b>
Bank has made provision @ 1.00% on off balance sheet exposure (i.e. Acceptance & Endorsement, Letter of Credit and Letter of Guarantee) as per BRPD Circular no. 14 dated 23 September 2012 from current year's profit.			
<b>15.4 Interest Suspense Account</b>			
Balance at the beginning of the year		2,694,392,204	2,630,075,425
Amount transferred to "Interest Suspense" A/c during the year	(+)	1,866,484,447	1,476,100,894
Amount recovered from "Interest Suspense" A/c during the year	(-)	(1,305,450,967)	(1,402,559,391)
Amount written off during the year	(-)	(9,457,026)	(9,224,724)
<b>Balance at the end of the year</b>		<b>3,245,968,658</b>	<b>2,694,392,204</b>
<b>15.5 Provision against expenses</b>			
Provision for Audit fees		2,110,250	1,679,000
Provision for House Rent, Bonus, Utility, Risk Premium etc.		23,056,835	148,943,108
Provision for Promotional Expenses for Exchange Houses		620,059	576,459
Provision for Superannuation Fund		18,681,000	43,268,000
Provision for gratuity fund		81,360,000	161,630,000
Provision for Travel Passage		9,757,600	22,459,531
		<b>135,585,744</b>	<b>378,556,098</b>
<b>15.6 Provision for other assets</b>			
Balance at the beginning of the year		13,544,445	13,765,000
Less: Adjustment during the year		-	(220,555)
Add: Addition during the year		-	-
		<b>13,544,445</b>	<b>13,544,445</b>
<b>15.7 Provision for current tax</b>			
Opening Balance		8,882,170,853	7,302,146,957
Add: Provision made during the year		2,037,109,110	1,580,023,896
		10,919,279,963	8,882,170,853
Less: Adjustment during the year		-	-
		<b>10,919,279,963</b>	<b>8,882,170,853</b>
<b>The charge for taxation is based upon profit for the year comprises:</b>			
Current tax on taxable income		2,037,109,110	1,580,023,896
Adjustment for prior year		-	-
		<b>2,037,109,110</b>	<b>1,580,023,896</b>
Net deferred tax liability/(asset) originated for temporary differences		21,292,924	(428,080,121)
Income tax on profit		<b>2,058,402,034</b>	<b>1,151,943,775</b>

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Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Sahab Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

Md. Shanjahan Miah  
EVP & Company Secretary  
DHAKA BANK  
LIMITED  
Head Office, Dhaka.

18 OCT 2022  
Emmanuel Hud  
Managing Director & CEO  
DHAKA BANK

Tanzim Alamgir  
Managing Director & CEO  
DHAKA BANK  
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Provision for current tax of Taka 2,037,109,110 has been accounted for as prescribed by Finance Act, of the accounting profit of the Bank after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance, 1984.

Income Tax Assessment for the years from 1995 to 2006 have since been completed and Bank got Tax Clearance Certificate up to 2006 (Assessment year 2007-2008) from the income tax authority. But under section 120 of Income Tax Ordinance, 1984, the assessment for the year 2004, 2005 and 2006 had been re-opened and the Bank had filed appeal to the Honorable High Court against the additional demand. The Bank has also filed appeal against the assessment order for the year 2007, 2008, 2009, 2010, 2011 to the Honorable High Court. The Bank received Tax Clearance Certificate for the year 2012, 2013, 2014, 2015, 2016 & 2017. But under section 120 of income Tax Ordinance 1984, the assessment for the year 2014 had been re-opened at 07.01.2019 and the file is under tribunal. And for the year 2018 & 2019 tax assessment have been completed but both files are in appeal. For 2020, tax return has been submitted and assessment is running. For 2021, tax return will be submitted within the stipulated time.

Corporate tax position of the bank has been shown in **Annexure-H**.

#### 15.7.1 Reconciliation of effective tax rate

	2021		2020	
	%	Taka	%	Taka
Profit before income tax as per profit and loss account		4,114,129,692		3,181,934,343
Income tax as per applicable tax rate	37.50%	1,542,798,634	37.50%	1,193,225,379
<b>Factors affecting the tax charge for current year</b>				
Non deductible expenses	8.81%	362,468,777	13.55%	431,247,566
Inadmissible expenses/provisions	22.91%	942,649,634	23.86%	759,235,611
Admissible expenses	-11.53%	(474,486,657)	-11.83%	(376,408,710)
Tax exempted income	-4.76%	(195,881,663)	-8.96%	(284,954,201)
Tax savings from reduced tax rates	-2.93%	(120,697,472)	-4.18%	(133,158,617)
Tax savings from reduced tax rates for dividend	-0.46%	(18,962,806)	-0.25%	(8,061,214)
Tax loss/(savings) from reduced tax rates for capital gain	-0.02%	(728,299)	-0.01%	(219,667)
Income from gain on sale of fixed assets	0.00%	(51,038)	-0.03%	(892,251)
Last year adjustment	0.00%	-	0.00%	-
<b>Total income tax expenses</b>	<b>49.51%</b>	<b>2,037,109,110</b>	<b>49.66%</b>	<b>1,580,023,896</b>

#### 15.7(a) Consolidated Provision for Current Tax

Dhaka Bank Limited  
Dhaka Bank Securities Limited  
Dhaka Bank Investment Limited

(Note: 15.7)

31.12.2021 Taka	31.12.2020 Taka
10,919,279,963	8,882,170,853
139,288,139	138,157,100
9,936,117	33,573,201
<b>11,068,504,219</b>	<b>9,053,901,155</b>

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Md. Moniruzzaman  
Managing Director  
Dhaka Bank Limited  
Dhaka Bank Investment Limited

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Emranul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited  
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### 15.9 Other Account Payable

3 month and 5 years Bangladesh/Sanchay Patra & BB Foreign Invest. Bond	
Application, Processing, Membership & Utilisation Fee	
Adjusting Account Credit	
Export Proceeds Suspense	
Finance from Bill Discounting OBU	(Note: 15.9.1)
Compensation Income of Islamic Banking operations	(Note: 15.9.2)
ATM settlement account	
Import Payment Suspense	
Provision for Start-up Fund	(Note: 15.9.3)
Lease liabilities as per IFRS 16	(Note: 15.9.4)

31.12.2021 Taka	31.12.2020 Taka
13,810,851	22,461,037
11,141,407	9,238,099
267,563,948	281,645,895
1,394,366,598	1,350,040,208
126,874,870	598,077,481
33,494,850	101,920,001
83,899,818	(3,310,545)
850,145,501	615,146,617
40,857,182	-
1,194,373,882	1,071,258,139
<b>4,016,528,906</b>	<b>4,046,476,931</b>

**15.9.1** Authorised Dealer Branches maintained cover fund through Offshore Banking Unit (OBU) to further facilitate the exporters in accordance with FE Circular no.03 dated 04 February 2013 of Bangladesh Bank.

**15.9.2** The amount represents profits on various overdue Investments of Islamic Banking operations which has been maintained as per Shariah Principle.

#### 15.9.3 Provision for Start-up Fund

- 1% of net profit on audited FS 2020
- 1% of net profit on audited FS 2021

20,299,906	-
20,557,277	-
<b>40,857,182</b>	<b>-</b>

Following Bangladesh Bank circular no.04 dated 29 March 2021, circular no. 04 dated 19 April 2021 and circular Letter no. 05 dated 26 April 2021 of SME & Special Programs Department (SMESPD), Bank need to built up a fund within 5 (five) years from 2021 from 1% of their net profit (based on audited financial statements) to distribute in favor of the 'Start-Up' entrepreneurs. The fund transfer process from net profit will have to start mandatorily at the time of yearly accounts finalization from December 2020.

**15.9.4** Refer to Note 2.13.1 implementation of IFRS 16 and its relevant assumptions and disclosures for the relevant accounting policy.

### 16 Share capital

#### 16.1 Authorised Capital

1,000,000,000 ordinary shares of Tk.10 each

<b>10,000,000,000</b>	<b>10,000,000,000</b>
-----------------------	-----------------------

The Bank increased its authorized capital from Tk 6,000 million to Tk 10,000 million by passing a special resolution in the Bank's 4th Extra Ordinary General Meeting (EGM) held on 04 July 2010.

#### 16.2 Issued, Subscribed and Paid-up Capital

895,872,409 ordinary shares ( 2020: 895,872,409 ordinary shares of Tk. 10.00 each) of Tk.10.00 each

8,958,724,090	8,532,118,190
---------------	---------------

53,752,344 ordinary shares \* of Tk.10.00 each

537,523,440	426,605,900
-------------	-------------

<b>9,496,247,530</b>	<b>8,958,724,090</b>
----------------------	----------------------

\*The Bank increased its paid up capital through issuance of 6% Bonus shares i.e. 53,752,344 ordinary shares of Tk.10.00 each on 15/07/2021.

The denomination of the face value of share was fixed at Tk. 10.00 per share instead of Tk. 100.00 per share by passing a special resolution in the 4th EGM of the Bank held on July 04, 2010.

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Managing Director & CEO  
UCB Investment Limited  
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Emranul Huq  
Managing Director & CEO  
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### 16.3 Initial Public Offer (IPO)

Out of the total issued, subscribed and paid up capital of the bank 1,320,000 Ordinary shares of Tk.100 each amounting to Tk.132,000,000 was raised through public offering of shares held in 24 February 2000.

### 16.4 Right Issue

The Bank has increased its paid up capital twice by issuance of 2R:5 and 1R:2 right share at par on 15 April 2003 and 30 November 2005 respectively.

### 16.5 History of Paid-up Capital

Year	Declaration	No. of share	Value in Capital (Tk.)	Cumulative (Tk.)
1995	Initial Capital	1,000,000	100,000,000	100,000,000
1996	10% Stock Dividend	100,000	10,000,000	110,000,000
1997	20% Stock Dividend	220,000	22,000,000	132,000,000
1998	9% Stock, 10% Cash Dividend & IPO	118,800	11,880,000	275,880,000
1999	25% Cash	-	-	275,880,000
2000	25% Cash & 10% Stock Dividend	275,880	27,588,000	303,468,000
2001	25% Cash & 25% Stock Dividend	758,670	75,867,000	379,335,000
2002	20% Cash & (15,17,340 nos. right shares)	15,17,340	151,734,000	531,069,000
2003	15% Cash & 25% stock Dividend	1,327,672	132,767,200	663,836,200
2004	35% Stock & 1R:2	5,642,608	564,260,800	1,228,097,000
2005	5% Stock Dividend	614,048	61,404,800	1,289,501,900
2006	10% Cash & 20% Stock Dividend	2,579,003	257,900,300	1,547,402,300
2007	25% Stock Dividend	3,868,505	386,850,500	1,934,252,875
2008	15% Cash & 10% Stock Dividend	1,934,252	193,425,200	2,127,678,200
2009	25% Stock Dividend	5,319,195	531,919,500	2,659,597,800
2010	35% Stock Dividend	9,308,592	93,085,920	3,590,457,030
2011	5% Cash & 30% Stock Dividend	107,713,710	1,077,137,100	4,667,594,130
2012	16% Stock Dividend	74,681,506	746,815,060	5,414,409,190
2013	17% Cash & 5% stock Dividend	27,072,045	270,720,450	5,685,129,640
2014	14% Cash & 10% Stock Dividen	56,851,296	568,512,960	6,253,642,600
2015	6% Cash & 10% Stock Dividend	62,536,426	627,900,686	6,879,006,860
2016	10% Cash & 5% Stock Dividend	34,395,033	722,295,720	7,222,957,200
2017	12.5% Stock Dividend	90,286,965	812,582,685	8,125,826,850
2018	5% Cash & 5% Stock Dividend	40,629,134	853,211,819	8,532,118,190
2019	5% Cash & 5% Stock Dividend	42,560,590	895,872,409	8,949,247,530
2020	6% Cash & 6% Stock Dividend	58,751,344	949,624,753	9,496,247,530

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Md. Moriruzzaman  
Managing Director  
IDLC Investments Limited

Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

18 OCT 2022

Md. Shahabun Miah  
EVP & Company Secretary  
DHAKA BANK  
Head Office, Dhaka.

18 OCT 2022

Emmanuel H  
Managing Director & CEO  
DHAKA BANK

DHAKA BANK LIMITED  
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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

16.6 Percentage of shareholding

Particulars	31.12.2021		31.12.2020	
	% of holdings	Value of Shares (Tk.)	% of holdings	Value of Shares (Tk.)
<b>1. Local Ownership</b>				
Government	-	-	-	-
Bank/Financial Institutions	13.8779	1,317,874,730	12.8567	1,151,801,640
Sponsors	41.1168	3,904,554,350	41.1171	3,683,564,190
General Public	41.2339	3,915,683,600	42.4367	3,801,778,740
Mutual Fund	0.4879	46,330,880	0.6682	59,864,080
Unit Funds	2.2111	209,966,930	1.6239	145,479,890
ICB Account Holders	0.1065	10,110,370	0.0760	6,808,250
ICB Head office (Investors A/c)	0.0429	4,077,990	0.0454	4,064,550
ICB Mutual Fund	0.0176	1,674,800	0.0234	2,100,000
ICB Unit Fund	0.2015	19,131,860	0.1033	9,254,460
ICB AMCL Unit Fund	0.0369	3,504,620	0.0363	3,256,250
Non-Resident Bangladeshi (NRB)	0.0826	7,843,830	0.2551	22,850,420
ICB Asset Management Company Ltd.	0.1580	15,000,000	0.1699	15,225,000
ICB Investors A/C, Local Office	0.0948	9,000,000	0.1127	10,096,840
ICB Capital Management Limited	0.1782	16,923,570	0.2852	25,554,210
ICB AMCL First Mutual Fund	0.1534	14,570,000	0.1894	16,971,010
Other Investor's A/C	-	-	-	-
	<b>100.0000</b>	<b>9,496,247,530</b>	<b>99.9993</b>	<b>8,958,669,530</b>
<b>2. Foreign Ownership</b>				
Financial Company	-	-	0.0006	54,560
Individual Investors	-	-	-	-
	<b>-</b>	<b>-</b>	<b>0.0006</b>	<b>54,560</b>
	<b>100.00</b>	<b>9,496,247,530</b>	<b>100.00</b>	<b>8,958,724,090</b>

16.7 Classification of shareholders by holding

Holdings	31.12.2021		31.12.2020	
	No. of share holders	Number of Shares	No. of share holders	Number of Shares
1 to 500 shares	8,995	1,422,715	9,749	1,584,010
501 to 5,000 shares	9,372	17,196,999	9,371	17,420,792
5,001 to 10,000 shares	1,519	10,984,987	1,537	10,662,695
10,001 to 20,000 shares	878	12,593,744	1,019	14,261,397
20,001 to 30,000 shares	316	7,854,237	338	8,264,908
30,001 to 40,000 shares	169	5,954,114	201	7,003,540
40,001 to 50,000 shares	106	4,898,560	121	5,504,256
50,001 to 100,000 shares	231	16,505,090	262	18,175,490
100,001 to 1,000,000 shares	277	83,378,836	300	85,980,259
1000001 to above shares	125	788,835,471	119	727,015,062
	<b>21,988</b>	<b>949,624,753</b>	<b>23,017</b>	<b>895,872,409</b>

Md. Montuzzaman  
Managing Director & CEO  
IDLC Investments Limited

Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
LIMITED  
Head Office, Dhaka

Md. Shahjahan Miah  
EVP & Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka

Emranul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

Tanzim Alamgir  
Managing Director & CEO  
UCS Investment Limited

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16.8 Name of the Directors and their shareholdings as on 31 December

Sl. No.	Name of Directors	2021		2020	
		No. of shares	Value of share (Tk.)	No. of shares	Value of share (Tk.)
1	Mr. Abdul Hai Sarker	21,659,028	216,590,280	20,433,046	204,330,460
2	Mr. Jashim Uddin	18,994,921	189,949,210	17,919,737	179,197,370
3	Mr. Altaf Hossain Sarker	26,483,568	264,835,680	24,984,499	249,844,990
4	Mrs. Rokshana Zaman	23,263,191	232,631,910	21,946,408	219,464,080
5	Mr. Reshadur Rahman	32,609,209	326,092,090	30,763,405	307,634,050
6	Mr. Tahidul Hossain Chowdhury	19,072,123	190,721,230	17,992,569	179,925,690
7	Mr. Amir Ullah	18,994,749	189,947,490	17,919,575	179,195,750
8	Mr. Abdullah Al Ahsan	18,996,379	189,963,790	17,921,114	179,211,140
9	Mr. Mohammed Hanif	28,926,152	289,261,520	27,288,823	272,888,230
10	Mr. Khondoker Monir Uddin	27,271,941	272,719,410	25,728,247	257,282,470
11	Mrs. Rakhi Das Gupta	18,993,431	189,934,310	17,918,332	179,183,320
12	Mr. Md. Aman Ullah Sarker	18,994,753	189,947,530	17,919,579	179,195,790
13	Mr. Mirza Yasser Abbas	34,975,142	349,751,420	32,995,417	329,954,170
14	Mrs. Manara Khandaker	19,028,344	190,283,440	17,951,269	179,512,690
15	Mr. M.A. Yussouf Khan	Nil	Nil	Nil	Nil
16	Mr. A.S. Salahuddin Ahmed	Nil	Nil	Nil	Nil
17	Mr. Ahbab Ahmad	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>328,262,931</b>	<b>3,282,629,320</b>	<b>327,601,511</b>	<b>3,276,015,110</b>

16.9 Capital to Risk Weighted Assets Ratio (CRAR) as per BASEL III

**Tier-I Capital (going - concern capital)**

**Common Equity Tier-I Capital (CET 1)**

Paid up Capital  
Statutory Reserve  
General Reserve  
Surplus in Profit and Loss Account

**Less : Regulatory Adjustment**

Deferred Tax Assets (DTA)  
Book value of Goodwill and value of all other Intangible Assets\*\*  
(Written down value of Software which is treated as Intangible Assets)

**Additional Tier-I Capital (AT 1)**

**Total Tier-I Capital**

**Tier-II Capital (gone concern capital)**

General Provision (Note - 16.9.1)  
Asset Revaluation Reserve (50%) (Note-18.2)  
Revaluation Reserve for HTM & HFT Securities (50%) (Note - 16.9.2)  
Non-Convertible Subordinated Bond (Note-16.9.3)

**Less : Regulatory Adjustment**

**Total Tier-II Capital**

**A. Total Eligible Capital**

	31.12.2021 Taka	31.12.2020 Taka
Paid up Capital	9,496,247,530	8,958,724,090
Statutory Reserve	9,086,264,187	8,263,438,249
General Reserve	6,560,631	6,560,631
Surplus in Profit and Loss Account	1,631,778,599	1,514,780,946
<b>Total</b>	<b>20,220,850,947</b>	<b>18,743,503,916</b>
Deferred Tax Assets (DTA)	294,764,036	496,371,796
Book value of Goodwill and value of all other Intangible Assets**	493,451,057	534,506,775
<b>Total</b>	<b>19,432,635,854</b>	<b>17,712,625,345</b>
Additional Tier-I Capital (AT 1)	-	-
<b>Total Tier-I Capital</b>	<b>19,432,635,854</b>	<b>17,712,625,345</b>
General Provision	8,301,799,828	6,628,969,081
Asset Revaluation Reserve (50%)	-	-
Revaluation Reserve for HTM & HFT Securities (50%)	-	-
Non-Convertible Subordinated Bond	3,600,000,000	4,674,795,524
<b>Total</b>	<b>11,901,799,828</b>	<b>11,303,764,604</b>
Less : Regulatory Adjustment	-	-
<b>Total Tier-II Capital</b>	<b>11,901,799,828</b>	<b>11,303,764,604</b>
<b>A. Total Eligible Capital</b>	<b>31,334,435,682</b>	<b>29,016,389,949</b>

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Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA  
Head Office, Dhaka

18 OCT 2022

Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA  
Head Office, Dhaka.

Emranul Haque  
Managing Director & CEO  
DHAKA BANK

Tanzim Alamgir  
Managing Director & COO  
DHAKA BANK  
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	31.12.2021 Taka	31.12.2020 Taka
<b>B. Risk Weighted Assets</b>		
Credit Risk		
Balance sheet business	157,705,928,113	149,846,797,831
Off-Balance sheet business	36,597,189,957	31,205,773,016
	<b>194,303,118,070</b>	<b>181,052,570,848</b>
Market Risk	3,105,991,084	2,695,900,024
Operational Risk	16,489,525,111	16,088,997,723
<b>Total Risk-weighted Assets</b>	<b>213,898,634,265</b>	<b>199,837,468,594</b>
<b>C. Required Capital on Risk Weighted Assets</b>	<b>26,737,329,283</b>	<b>24,979,683,574</b>
<b>D. Capital Surplus / (Shortfall) [A-C]</b>	<b>4,597,106,399</b>	<b>4,036,706,375</b>
<b>Total Capital Ratio (%)*</b>	<b>14.65%</b>	<b>14.52%</b>

Capital Requirement	2021		2020	
	Required (%)	Held (%)	Required (%)	Held (%)
Tier-I Capital (going concern capital)	8.50%	9.08%	8.50%	8.85%
Tier-II Capital (gone concern capital)	4.00%	5.56%	4.00%	5.66%
<b>Total</b>	<b>12.50%</b>	<b>14.65%</b>	<b>12.50%</b>	<b>14.52%</b>

\* CRAR has been calculated as per the return submitted to Bangladesh Bank.

- 16.9.1** As per Risk Based Capital Adequacy Guideline for Banks under BASEL-III, 2014, the Tier 2 Capital under heading "General Provision" was limited to the actual amount of General Provision or 1.25% of Credit Risk Weighted Assets, which is lower. In subsequent BRPD Circular Letter no. 05 dated 31 May 2016, full amount of General Provision is allowed to be treated as part of Tier-II Capital.
- 16.9.2** As per risk based capital adequacy guidelines for banks under BASE-III, the revaluation reserve for assets and securities will diminish at 20% per year on the base amount of 31 December 2014 so that the whole revaluation reserve amount will not get capital treatment after the end of five years (starting from January 2015).
- 16.9.3** As per the risk based capital adequacy guidelines in line with Base-III issued in December 2014 by Bangladesh Bank, the amount of subordinated debt in the regulatory capital will have to be reduced (amortized) in the last 05 (five) years of the bond's life by 20% from the amount of the instrument. Dhaka Bank Limited 2nd Subordinated Bond amounting Tk. 3,000,000,000 was issued on May, 2016 which is treated as Supplementary Capital (Tier- II). The tenure of the bond is 7 years. Hence, the reduction of the bond amount from regulatory capital has started from May 2019. Also DBL 3rd Subordinated Bond amounting Tk. 5,000,000,000 was issued on August, 2018 which is treated as Supplementary Capital (Tier- II). The tenure of the bond is 7 years. Hence, the reduction of the bond amount from regulatory capital has started from August 2021.

Capital to Risk weighted Assets Ratio (CRAR) has been calculated as per risk based capital adequacy guidelines in line with BASEL-III issued in December 2014, DOS Circular no. 02 dated 04 April 2015 & BRPD Circular no. 05 dated 31 May 2016 on reporting CRAR & leverage ratio by Bangladesh Bank.

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Md. Moziruzzaman  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka

Emranul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED  
Head Office, Dhaka

16.9(a) Consolidated Capital to Risk Weighted Assets Ratio (CRAR) as per BASEL III

**Tier-I Capital (going - concern capital)**

**Common Equity Tier-I Capital (CET 1)**

Paid up Capital  
 Minority Interest  
 Statutory Reserve  
 General Reserve  
 Surplus in Profit and Loss Account

	31.12.2021 Taka	31.12.2020 Taka
Paid up Capital	9,496,247,530	8,958,724,090
Minority Interest	71,485	63,411
Statutory Reserve	9,086,264,187	8,263,438,249
General Reserve	6,560,631	6,560,631
Surplus in Profit and Loss Account	2,302,003,177	2,108,972,761
<b>Total</b>	<b>20,891,147,010</b>	<b>19,337,759,142</b>

**Less : Regulatory Adjustment**

Book value of Goodwill and value of all other Intangible Assets\*\*  
 (\*\*Written down value of Software which is treated as Intangible Assets)  
 Deferred Tax Assets (DTA)

Book value of Goodwill and value of all other Intangible Assets**	493,451,057	534,506,775
Deferred Tax Assets (DTA)	368,245,111	496,371,796
<b>Total</b>	<b>20,029,450,842</b>	<b>18,306,880,571</b>

**Additional Tier-I Capital (AT 1)**

**Total Tier-I Capital**

<b>Total</b>	<b>20,029,450,842</b>	<b>18,306,880,571</b>
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**Tier-II Capital (gone concern capital)**

General Provision  
 Asset Revaluation Reserve (50%) (Note-18.2)  
 Revaluation Reserve for HTM & HFT Securities (50%)  
 Non-Convertible Subordinated Bond (Note-16.9.1)

General Provision	8,301,799,828	6,628,969,081
Asset Revaluation Reserve (50%)	-	-
Revaluation Reserve for HTM & HFT Securities (50%)	-	-
Non-Convertible Subordinated Bond	3,600,000,000	5,086,818,746
<b>Total</b>	<b>11,901,799,828</b>	<b>11,715,787,827</b>

**Less : Regulatory Adjustment**

**Total Tier-II Capital**

<b>Total</b>	<b>11,901,799,828</b>	<b>11,715,787,827</b>
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**A. Total Eligible Capital**

<b>Total</b>	<b>31,931,250,670</b>	<b>30,022,668,398</b>
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**B. Risk Weighted Assets**

**Credit Risk**

Balance sheet business  
 Off-Balance sheet business

Balance sheet business	157,346,809,684	151,857,847,515
Off-Balance sheet business	36,597,189,957	31,205,773,016
<b>Total</b>	<b>193,943,999,641</b>	<b>183,063,620,532</b>

**Market Risk**

**Operational Risk**

Market Risk	7,098,392,616	5,549,974,232
Operational Risk	16,840,954,739	16,453,151,997

**Total Risk-weighted Assets**

<b>Total</b>	<b>217,883,346,996</b>	<b>205,066,746,760</b>
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**C. Required Capital on Risk Weighted Assets**

<b>Total</b>	<b>27,235,418,375</b>	<b>25,633,343,345</b>
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**D. Capital Surplus / (Shortfall) [A-C]**

<b>Total</b>	<b>4,695,832,296</b>	<b>4,389,325,053</b>
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**Total Capital Ratio (%)\***

<b>Total</b>	<b>14.66%</b>	<b>14.64%</b>
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Md. Moniruzzaman  
 Managing Director  
 IDLC Investments Limited

Sahabub Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
 DHAKA BANK  
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18 OCT 2022

Md. Shahjahan Miah  
 EVP & Company Secretary  
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 Head Office, Dhaka.

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Emranul Haq  
 Managing Director & CEO  
 DHAKA BANK

Tanzim Alamgi  
 Managing Director & CI  
 UCB Investment Limi

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Capital Requirement	2021		2020	
	Required (%)	Held (%)	Required (%)	Held (%)
Tier-I Capital (going concern capital)	8.50%	9.19%	8.50%	8.93%
Tier-II Capital (gone concern capital)	4.00%	5.46%	4.00%	5.71%
<b>Total</b>	<b>12.50%</b>	<b>14.66%</b>	<b>12.50%</b>	<b>14.64%</b>

\* CRAR has been calculated as per the return submitted to Bangladesh Bank.

Capital to Risk weighted Assets Ratio (CRAR) has been calculated as per risk based capital adequacy guidelines in line with BASEL-III issued in December 2014, DOS Circular no. 02 dated 04 April 2015 & BRPD Circular no. 05 dated 31 May 2016 on reporting CRAR & leverage ratio by Bangladesh Bank.

**17. Statutory Reserve**

Opening balance  
Add: Addition during the year

31.12.2021 Taka	31.12.2020 Taka
8,263,438,249	7,627,051,380
822,825,938	636,386,869
<b>9,086,264,187</b>	<b>8,263,438,249</b>

As per Section 24 of The Bank Company Act, 1991 and amendment thereon, every scheduled bank is required to build up statutory reserve and before declaring dividend, will transfer profit equivalent to 20.0% of PBT to the said reserve until the sum of the said reserve and share premium account becomes equal to the paid up capital.

**18. Other Reserve**

General reserve (Note 18.1)  
Assets revaluation reserve (Note 18.2)  
Investment revaluation reserve (Note 18.3)

6,560,631	6,560,631
20,997,128	48,649,969
<b>27,557,759</b>	<b>55,210,600</b>

**18(a) Consolidated other Reserve**

Dhaka Bank Limited  
Dhaka Bank Securities Limited  
Dhaka Bank Investment Limited

27,557,759	55,210,600
53,900,000	49,200,000
<b>81,457,759</b>	<b>104,410,600</b>

**18.1 General Reserve**

Opening balance  
Add: Addition during the year

6,560,631	6,560,631
6,560,631	6,560,631
<b>6,560,631</b>	<b>6,560,631</b>

Less: Transfer to Capital Account for issue of Bonus Shares

As per Rule, Bonus share/cash dividend may be issued out of surplus of the profit of the year if there is any shortfall, that may be covered from General Reserve Account as per approval of the Board of Directors of the bank.

**18.2 Assets Revaluation Reserve**

Opening balance  
Less: Adjustment for reversal

6,560,631	6,560,631
<b>6,560,631</b>	<b>6,560,631</b>

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Tanzim Alamgir  
Managing Director & CEO  
IDLC Investment Limited

18 OCT 2022

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Md. Moniruzzaman  
Managing Director & CEO  
IDLC Investments Limited

Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

Md. Shehban Miah  
EVP & Company Secretary  
DHAKA BANK  
Head Office, Dhaka.

Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
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**18.3 Investment Revaluation Reserve**  
**Revaluation Reserve for HTM Securities**

Opening balance  
 Add: Addition during the year  
 Less: Adjustment during the year  
 Closing balance

**Revaluation Reserve for HFT Securities**

Opening balance  
 Add: Addition during the year  
 Less: Adjustment during the year  
 Closing balance

Interest income of HTM and HFT securities transferred to Revaluation Reserve Account as per Bangladesh Bank DOS Circular no. 05 dated 26 May 2008 of which 50% of revaluation reserve for HTM & HFT used to be treated as Supplementary Capital. Now as per BASEL-III accord, capital treatment of the same is being diminished by 20% each year.

**19. Surplus in profit and loss account**

Opening balance  
 Add: Post-tax profit for the year  
     Transferred from general reserve  
     Prior year Adjustment made during the year

Less: Transfer to statutory reserve  
     Start-up Fund  
     Stock dividend  
     Cash dividend

**19(a) Consolidated Surplus in profit and loss account (attributable to equity holders of DBL)**

Opening balance  
 Add: Post-tax profit for the period  
     Transferred from general reserve  
     Adjustment made during the period

Less: Transfer to statutory reserve  
     Start-up Fund  
     Transfer to investment fluctuation fund  
     Stock dividend  
     Cash dividend  
     Stock dividend paid by subsidiary

**19.1(a) Non-controlling interest**

Opening balance  
 Add: Addition for the year from Dhaka Bank Securities Limited  
 Addition for the year from Dhaka Bank Investment Limited

	31.12.2021 Taka	31.12.2020 Taka
Opening balance	38,351,544	70,495,379
Add: Addition during the year	730,174	-
Less: Adjustment during the year	(18,084,590)	(32,143,835)
Closing balance	20,997,128	38,351,544
Opening balance	10,298,425	-
Add: Addition during the year	23,905,234	10,298,425
Less: Adjustment during the year	(34,203,659)	-
Closing balance	-	10,298,425
	<b>20,997,128</b>	<b>48,649,969</b>
Opening balance	1,514,780,946	974,389,056
Add: Post-tax profit for the year	2,055,727,658	2,029,990,568
Transferred from general reserve	-	-
Prior year Adjustment made during the year	-	-
	3,570,508,604	3,004,379,624
Less: Transfer to statutory reserve	822,825,938	636,386,869
Start-up Fund	40,857,182	-
Stock dividend	537,523,440	426,605,900
Cash dividend	537,523,445	426,605,910
	1,938,730,005	1,489,598,679
	<b>1,631,778,599</b>	<b>1,514,780,946</b>
Opening balance	2,108,972,761	1,618,562,389
Add: Post-tax profit for the period	2,136,460,422	1,988,109,050
Transferred from general reserve	-	-
Adjustment made during the period	-	-
	4,245,433,183	3,606,671,439
Less: Transfer to statutory reserve	822,825,938	636,386,869
Start-up Fund	40,857,182	-
Transfer to investment fluctuation fund	4,700,000	8,100,000
Stock dividend	537,523,440	426,605,900
Cash dividend	537,523,445	426,605,910
Stock dividend paid by subsidiary	-	-
	1,943,430,005	1,497,698,679
	<b>2,302,003,177</b>	<b>2,108,972,761</b>
Opening balance	63,411	67,600
Add: Addition for the year from Dhaka Bank Securities Limited	7,331	(5,624)
Addition for the year from Dhaka Bank Investment Limited	743	1,435
	<b>71,485</b>	<b>63,411</b>

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18 OCT 2022  
 Md. Moniruzzaman  
 Managing Director  
 IDLC Investments Limited

18 OCT 2022  
 Sahabub Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
 DHAKA BANK  
 LIMITED  
 Head Office, Dhaka

Md. Shahjahan Miah  
 EVP, Company Secretary  
 DHAKA BANK  
 LIMITED  
 Head Office, Dhaka

18 OCT 2022  
 Emranul Haque  
 Managing Director & CEO  
 DHAKA BANK  
 LIMITED

Tanzim Alamgir  
 Managing Director & CFO  
 DHAKA BANK  
 LIMITED

DHAKA BANK  
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**22. Interest income/profit on investments**

	2021 Taka	2020 Taka
Term Loan	7,641,239,588	8,917,218,005
Overdrafts	4,360,104,969	5,004,605,046
Loan against Trust Receipt	550,521,534	865,881,792
Packing Credits	46,835,007	41,005,762
Cash Credits/Bai-Muajjal	387,292,330	612,841,884
Payment against Documents	3,667,731	7,514,738
House Building Loan	182,427,706	204,795,650
Transport Loan	221,124,064	250,747,861
Syndicate Loan	506,764,774	443,768,179
Lease Rental/Izara	488,790,324	587,516,623
Credit Card	73,278,875	82,106,937
<b>Total Interest / profit &amp; Rental Income on loans &amp; advances</b>	<b>14,462,046,902</b>	<b>17,028,002,478</b>
Call Lending and Fund Placement with banks	433,161,209	627,020,489
Accounts with Foreign Banks	18,680,825	59,082,840
	<b>14,913,888,936</b>	<b>17,714,105,807</b>

**22(a) Consolidated Interest income/profit on investments**

Dhaka Bank Limited	(Note: 22)	14,913,888,936	17,714,105,807
Dhaka Bank Securities Limited		93,199,651	104,426,658
Dhaka Bank Investment Limited		-	-
		15,007,088,587	17,818,532,465
Less: Intercompany transaction		149,189,060	187,268,596
		<b>14,857,899,527</b>	<b>17,631,263,869</b>

**23. Interest paid/profit on deposits and borrowings etc.**

Savings Account including Mudaraba		506,610,090	556,603,904
Special Notice Deposit		797,741,642	706,346,301
Term Deposits		4,442,901,726	7,277,332,921
Deposits under Scheme		2,970,191,112	3,073,711,655
Call Borrowing & Fund Placement		39,058,111	72,776,069
Non-convertible Subordinate Bond		459,405,478	692,228,767
Repurchase Agreement (REPO)		207,205	100,029,233
Overseas Accounts charges		27,886,309	19,304,510
HTM / HFT Securities		658,753,518	787,276,871
Others	(Note: 23.1)	491,466,753	710,041,286
		<b>10,394,221,944</b>	<b>13,995,651,517</b>

**23.1 Others**

Interest paid on NFCB		11,218,057	4,550,015
Interest/profit paid against Refinance from Bangladesh Bank		252,879,157	357,703,717
Interest paid on Gift Cheque		597,093	463,796
Interest paid on Excel Account		569,637	531,514
Interest on Finance Bill Rediscounting		-	14,488,326
Interest on Fund Borrowing-OBU		225,202,809	332,303,918
Treasury Bond Premium	(Note: 23.1.a)	-	-
		<b>491,466,753</b>	<b>710,041,286</b>

**23.1.a** Treasury Bond Premium expenses reflects the amount of interest accrued up to the date of purchase of the Treasury Bond. This amount has been paid at the time of purchase of the Bond.

18 OCT 2022  
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IDLC Investments Limited

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Head Office, Dhaka

18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka

18 OCT 2022  
Emranul Haque  
Managing Director & CEO  
DHAKA BANK LIMITED

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

DHAKA BANK LIMITED  
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		<b>2021 Taka</b>	<b>2020 Taka</b>
<b>23(a) Consolidated Interest / Profit Paid On Deposits &amp; Borrowings etc.</b>			
Dhaka Bank Limited	(Note: 23)	10,394,221,944	13,995,651,517
Dhaka Bank Securities Limited		165,919,205	171,862,865
Dhaka Bank Investment Limited		-	-
		10,560,141,149	14,167,514,382
Less: Inter company transaction		162,636,314	213,350,660
		<b>10,397,504,835</b>	<b>13,954,163,722</b>
<b>24. Investment income</b>			
Interest on Treasury bills / bonds		2,335,608,812	2,244,298,107
Profit on Govt. Islamic Bond		40,628,913	19,479,368
Capital Gain on Government Securities		522,351,102	759,877,870
Interest on Commercial Papers		-	-
Interest on Subordinated Bond & perpetual Bond		438,899,897	484,213,152
Dividend on Shares		108,358,891	46,064,080
		<b>3,445,847,615</b>	<b>3,553,932,577</b>
<b>24(a) Consolidated Investment income</b>			
Dhaka Bank Limited	(Note: 24)	3,445,847,615	3,553,932,577
Dhaka Bank Securities Limited		170,090,228	214,496,107
Dhaka Bank Investment Limited		-	-
		<b>3,615,937,843</b>	<b>3,768,428,684</b>
<b>25. Commission, exchange and brokerage</b>			
Commission on Letter of Credit		964,595,708	615,510,609
Commission on Letter of Guarantee		283,123,010	252,572,109
Commission on Remittance/Bills		130,512,953	99,682,592
Processing Fee Consumer Loan		41,569,993	54,180,645
Other Comm/ Fees (Clearing, cash tr., risk prem., utilisation fee etc.)		862,857,703	874,314,543
Rebate from Foreign Bank outside Bangladesh		20,530,156	16,488,468
Commission & Fee on Credit Card		100,343,896	69,067,821
Exchange gain including gain from foreign currency dealings		932,193,361	717,094,530
		<b>3,335,726,780</b>	<b>2,698,911,317</b>
<b>25(a) Consolidated Commission, exchange and brokerage</b>			
Dhaka Bank Limited	(Note: 25)	3,335,726,780	2,698,911,317
Dhaka Bank Securities Limited		182,016,679	61,693,264
Dhaka Bank Investment Limited		-	-
		<b>3,517,743,459</b>	<b>2,760,604,581</b>
<b>26. Other operating income</b>			
Other Income on Credit Card and ATM		29,942,018	27,165,450
Incidental charges		54,879,858	103,415,628
Swift charge recoveries		33,690,913	17,910,370
Locker rent		12,488,800	11,252,687
Capital gain on sale of shares	(Note: 26.1)	2,648,361	798,789
Profit from sale of fixed assets		396,333	4,110,666
Recovery from written off loans		123,190,654	28,972,109
		<b>257,236,937</b>	<b>193,625,709</b>
<b>26.1 Capital gain on sale of shares</b>			
Sale proceeds of Shares		4,794,246	1,453,439
Less: Cost of Shares		2,145,885	654,650
		<b>2,648,361</b>	<b>798,789</b>

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		2021 Taka	2020 Taka
<b>26(a) Consolidated other operating income</b>			
Dhaka Bank Limited	(Note: 26)	257,236,937	193,625,709
Dhaka Bank Securities Limited		1,349,169	1,037,671
Dhaka Bank Investment Limited		13,447,254	26,312,064
		272,033,360	220,975,444
Less: Inter company transaction		13,447,254	26,082,064
		<b>258,586,106</b>	<b>194,893,380</b>
<b>27. Salary and allowances</b>			
Basic salary		852,348,750	840,425,918
Allowances		1,125,710,872	1,117,284,663
Bonus & ex-gratia		179,788,552	165,059,905
Leave fare assistance		145,215,031	146,570,070
Bank's contribution to superannuation fund		18,681,000	43,268,000
Bank's contribution to gratuity fund		81,360,000	161,630,000
Bank's contribution to provident fund		85,126,614	82,884,128
		<b>2,488,230,819</b>	<b>2,557,123,684</b>
<b>27(a) Consolidated Salary and allowances</b>			
Dhaka Bank Limited	(Note: 27)	2,488,230,819	2,557,123,684
Dhaka Bank Securities Limited		37,412,552	36,619,893
Dhaka Bank Investment Limited		725,284	-
		<b>2,526,368,655</b>	<b>2,593,743,577</b>
<b>28. Rent, taxes, insurance, electricity etc.</b>			
Office rent	(Note: 28.1)	102,006,327	(46,556,567)
Electricity and lighting		74,717,404	72,351,005
Regulatory charges		17,355,795	10,547,329
Insurance		140,678,860	129,788,918
		<b>334,758,386</b>	<b>166,130,685</b>
<b>28.1 Office rent</b>			
Less: Reversal of rent expenses due to depreciation and interest expenses under IFRS 16 "Leases"		509,080,909	503,188,723
		407,074,582	549,745,290
		<b>102,006,327</b>	<b>(46,556,567)</b>
<p>While implementing IFRS 16 Leases, the Bank recorded interest expense on lease liabilities and depreciation on right of use assets instead of charging rental expense (excluding VAT) against those rental premises that have been treated as right of use assets and presented in the balance sheet under IFRS 16.</p> <p>Lease concession for application of practical expedient for Covid-19 as per IFRS 16 have been adjusted with office rent.</p>			
<b>28(a) Consolidated Rent, taxes, insurance, lighting etc.</b>			
Dhaka Bank Limited	(Note: 28)	334,758,386	166,130,685
Dhaka Bank Securities Limited		5,569,832	7,192,000
Dhaka Bank Investment Limited		-	-
		<b>340,328,218</b>	<b>173,322,685</b>
<b>29. Legal expenses</b>			
Legal expenses		13,945,735	18,257,329
Other professional fees		22,637,323	19,445,235
		<b>36,583,058</b>	<b>37,702,564</b>

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Md. Moinuzzaman  
Managing Director  
IDLC Investments Limited

Sahabuddin Khan, FCA  
Chief Finance Officer, EVP & CFO  
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Head Office, Dhaka

Md. Shahjahan Miah  
EVP & Company Secretary  
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Head Office, Dhaka.

Emrul Haque  
Managing Director & CEO  
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LIMITED

Tanzim Alamgir  
Managing Director  
DHAKA BANK  
LIMITED  
UCB Investment Limited

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		<b>2021 Taka</b>	<b>2020 Taka</b>
<b>29(a) Consolidated Legal expenses</b>			
Dhaka Bank Limited	(Note: 29)	36,583,058	37,702,564
Dhaka Bank Securities Limited		32,250	233,500
Dhaka Bank Investment Limited		486,127	-
		<b>37,101,435</b>	<b>37,936,064</b>
<b>30. Postage, stamps, telecommunication etc.</b>			
Stamps, postage & courier		5,440,947	4,382,152
Telephone charges		7,630,833	7,621,184
Fax, internet & radio link charges		31,732,036	33,417,566
		<b>44,803,816</b>	<b>45,420,902</b>
<b>30(a) Consolidated Postage, stamps, telecommunication etc.</b>			
Dhaka Bank Limited	(Note: 30)	44,803,816	45,420,902
Dhaka Bank Securities Limited		401,796	418,261
Dhaka Bank Investment Limited		-	-
		<b>45,205,612</b>	<b>45,839,163</b>
<b>31. Stationery, Printing, Advertisement etc.</b>			
Table stationery		16,011,537	13,815,073
Printing stationery		54,868,425	50,988,031
Security stationery		16,630,816	12,424,130
Computer stationery		29,510,662	23,292,426
Advertisement		99,838,712	87,107,302
		<b>216,860,152</b>	<b>187,626,962</b>
<b>31(a) Consolidated Stationery, Printing, Advertisement etc.</b>			
Dhaka Bank Limited	(Note: 31)	216,860,152	187,626,962
Dhaka Bank Securities Limited		2,859,023	2,391,880
Dhaka Bank Investment Limited		-	-
		<b>219,719,175</b>	<b>190,018,842</b>
<b>32. Chief Executive's salary and fees</b>			
Basic salary		9,345,000	6,673,332
House rent allowances		720,000	616,000
Living allowances		360,000	308,000
Medical allowances		120,000	102,667
Bonus		2,600,000	1,300,000
		<b>13,145,000</b>	<b>8,999,999</b>
<b>32(a) Consolidated Chief executive's salary and fees</b>			
Dhaka Bank Limited	(Note: 32)	13,145,000	8,999,999
Dhaka Bank Securities Limited		-	-
Dhaka Bank Investment Limited		-	-
		<b>13,145,000</b>	<b>8,999,999</b>
<b>33. Directors' fees</b>			
Directors fees		3,513,600	4,190,140
Fees related to Shariah Council Meeting		35,200	96,800
Board/Executive Committee / Shariah Council Meeting Expenses		-	670
		<b>3,548,800</b>	<b>4,287,610</b>
As per Bangladesh Bank's Circular, BRPD Circular no. 11, dated 4 October 2015, each director was entitled to have Taka 8,000 as honorarium for attending each meeting.			
<b>33(a) Consolidated Directors' fees</b>			
Dhaka Bank Limited	(Note: 33)	3,548,800	4,287,610
Dhaka Bank Securities Limited		831,589	941,990
Dhaka Bank Investment Limited		-	-
		<b>4,380,389</b>	<b>5,229,600</b>

18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
DHAKA BANK LIMITED  
10 LC Investment Limited

18 OCT 2022  
Sahabuddin Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
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Head Office, Dhaka

18 OCT 2022  
Md. Shahjahan Miah  
BVP & Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka.

18 OCT 2022  
Emranul Haq  
Managing Director & CEO  
DHAKA BANK

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Tanzim Alamgir  
Managing Director & CEO  
10 LC Investment Limited

	2021 Taka	2020 Taka
<b>34. Auditor's fees</b>	<b>2,110,250</b>	<b>1,679,000</b>
<b>34(a) Consolidated Auditor's fees</b>		
Dhaka Bank Limited (Note: 34)	2,110,250	1,679,000
Dhaka Bank Securities Limited	1,207,500	287,500
Dhaka Bank Investment Limited	69,000	69,000
	<b>3,386,750</b>	<b>2,035,500</b>
<b>35. Depreciation and repairs of bank's assets</b>		
<b>Depreciation &amp; Amortization</b>		
Building	18,667,708	17,022,768
Furniture & Fixture	39,276,436	40,056,691
Office Appliance & Equipment	183,594,148	176,166,278
Computer	17,559,473	17,463,420
Software	85,683,356	73,508,496
Motor Vehicle	47,107,784	57,672,535
Right of use assets (ROU) as per IFRS 16 Annexure D	373,177,065	539,856,449
	<b>765,065,970</b>	<b>921,746,637</b>
<b>Repair &amp; Maintenance:</b>		
Office Premises	37,635,316	27,538,113
Office Equipment	33,930,853	22,242,448
Office Furniture	2,496,969	1,609,240
Motor Vehicle	12,920,488	9,761,351
Computer and accessories	2,382,633	3,521,162
Software (AMC)	104,386,756	118,130,839
	<b>193,753,025</b>	<b>182,803,153</b>
	<b>958,818,995</b>	<b>1,104,549,790</b>
<b>35(a) Consolidated Depreciation and repairs of bank's assets</b>		
Dhaka Bank Limited (Note: 35)	958,818,995	1,104,549,790
Dhaka Bank Securities Limited	17,038,326	17,087,088
Dhaka Bank Investment Limited	-	-
	<b>975,857,321</b>	<b>1,121,636,878</b>
<b>36. Other Expenses</b>		
Contractual service charge (own & third party)	357,347,578	355,374,129
Fuel Costs	23,938,057	19,087,092
Entertainment (canteen & other)	22,707,969	19,096,477
AGM & Conference expense	86,564	2,905,302
Donation	166,314,424	174,340,654
Subscription	5,298,869	5,132,564
Travelling expenses	7,270,987	8,640,404
Conveyance	12,837,236	11,863,435
Branch opening expenses	985,699	759,588
Godown expenses	1,971,120	1,986,059
Training expenses	3,831,812	4,647,498
Bond issue expenses	600,000	615,752
Books and papers	534,452	2,447,839
WASA charges	7,091,905	5,404,989
Staff uniform	3,600,026	3,088,162
Potted plants	2,239,912	1,806,317
Business development & promotion	29,818,562	22,576,175
Reuters charges	2,871,886	2,542,448
Fees and expenses for credit card	60,764,179	48,726,622
ATM network service charges	20,836,297	35,636,063
Dhaka Bank Foundation	41,556,867	32,140,751
Interest expense for lease liability as per IFRS 16	59,252,599	86,021,739
	<b>831,756,999</b>	<b>844,840,059</b>

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DHAKA BANK

Ianzim Alamgir  
Managing Director & CEO  
DHAKA BANK  
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**36.1 Fund for Dhaka Bank Foundation**

Opening balance
Add: Addition during the year
Less: Transferred to DBL Foundation Trustee Account
Closing balance

2021 Taka	2020 Taka
32,140,751	31,320,090
41,556,867	32,140,751
(32,140,751)	(31,320,090)
<b>41,556,867</b>	<b>32,140,751</b>

Dhaka Bank Limited has been contributing towards Dhaka Bank Foundation since 2003, @1% on pre-tax profit (i.e. profit after provision for loans and other provisions) as per the decision of the Executive Committee of the Board of Directors.

**36(a) Consolidated Other Expenses**

Dhaka Bank Limited
Dhaka Bank Securities Limited
Dhaka Bank Investment Limited

(Note: 36)

831,756,999	844,840,059
8,682,380	7,620,166
270,200	1,190,700
<b>840,709,579</b>	<b>853,650,925</b>

**37. Provision against loans & advances**

On classified loans & advances
On classified loans & advances (Special General Provision-COVID-19)
On unclassified loans & advances (Special General Provision-COVID-19)
On unclassified loans & advances (except Special General Provision-COVID-19)

251,717,178	3,089,858,374
415,791	-
191,828,459	421,482,565
1,578,948,532	(1,575,433,855)
<b>2,022,909,960</b>	<b>1,935,907,084</b>

**37(a) Consolidated Provision against loans & advances**

Dhaka Bank Limited
Dhaka Bank Securities Limited
Dhaka Bank Investment Limited

2,022,909,960	1,935,907,084
100,000,000	245,111,141
-	-
<b>2,122,909,960</b>	<b>2,181,018,225</b>

**38. Provision for diminution in value of investments****In quoted shares**

Opening balance
Less: Adjustment during the year
Add: Addition during the year
Closing balance

-	-
-	(9,783,557)
-	-
-	<b>(9,783,557)</b>

**Unquoted**

-	-
-	<b>(9,783,557)</b>

**38(a) Consolidated Provision for diminution in value of investments**

Dhaka Bank Limited
Dhaka Bank Securities Limited
Dhaka Bank Investment Limited

-	(9,783,557)
-	-
-	-
-	<b>(9,783,557)</b>

**39. Other provisions**

Provision for off balance sheet items
Provision for other assets
Provision for Incentive bonus

(Note: 39.1)

(Note: 15.6)

490,822,398	(21,495,232)
-	-
-	120,000,000
<b>490,822,398</b>	<b>98,504,768</b>

**39.1 Provision against Off Balance Sheet exposures**

On off balance sheet exposures
--------------------------------

Bank has made provision @ 1.00% on off balance sheet exposure (i.e. Acceptance & Endorsement, Letter of Credit & Letter of Guarantee) as per BRPD Circular number 14 dated 23.09.2012 on the amount of profit.

490,822,398	(21,495,232)
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Managing Director & CEO  
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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited  
dhakabankltd.com

**39(a) Consolidated Other provisions**

Dhaka Bank Limited  
 Dhaka Bank Securities Limited  
 Dhaka Bank Investment Limited

(Note: 39)

2021 Taka	2020 Taka
490,822,398	98,504,768
-	-
-	-
<b>490,822,398</b>	<b>98,504,768</b>

**40. Earnings per share (EPS)**

Net profit after taxation  
 Number of ordinary shares outstanding

**Earnings per share (EPS)-Restated**

2,055,727,658	2,029,990,568
949,624,753	949,624,753
<b>2.16</b>	<b>2.14</b>

Earnings Per Share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 31 December 2021 as per International Accounting Standards (IAS 33). According to IAS-33, EPS for the year ended 31 December 2020 was restated for the issues of bonus shares (for 2020) in 2021.

**40(a) Consolidated Earnings per share (CEPS)**

Net profit after taxation  
 Less: Non-controlling interest  
 Net profit attributable to the shareholders of parent company

Number of ordinary shares outstanding

**Consolidated Earnings per share (CEPS)-Restated**

2,136,468,496	1,988,104,861
8,074	(4,189)
<b>2,136,460,422</b>	<b>1,988,109,050</b>
949,624,753	949,624,753
<b>2.25</b>	<b>2.09</b>

**41. Receipts from other operating activities**

Exchange earnings  
 Other operating income

**Non Operating Income**

137,868,252	126,300,879
133,649,950	160,542,934
<b>271,518,202</b>	<b>286,843,813</b>
-	-
<b>271,518,202</b>	<b>286,843,813</b>

**41(a) Consolidated Receipts from other operating activities**

Dhaka Bank Limited  
 Dhaka Bank Securities Limited  
 Dhaka Bank Investment Limited  
 Less: Intercompany Transactions

(Note: 41)

271,518,202	286,843,813
1,349,169	1,037,671
13,447,254	26,312,064
286,314,625	314,193,548
13,447,254	26,082,064
<b>272,867,371</b>	<b>288,111,484</b>

**42. Payments for other operating activities**

Rent, Taxes, Insurance, Lighting etc.  
 Directors' fees & Meeting expenses  
 Repair of bank's assets  
 Other expenses

Dhaka Bank Foundation

741,832,968	715,875,975
3,548,800	4,287,610
193,753,025	182,803,156
772,504,400	758,918,320
<b>1,711,639,193</b>	<b>1,661,785,058</b>
(41,556,867)	(32,140,751)
<b>1,670,082,326</b>	<b>1,629,644,307</b>

18 OCT 2022  
 Md. Moniruzzaman  
 Managing Director  
 IDLC Investments Limited

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 Chief Finance Officer, EVP & CFO  
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 Head Office, Dhaka

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 Md. Shahjahan Miah  
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 Head Office, Dhaka.

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 Emranul Haque  
 Managing Director & CEO  
 DHAKA BANK

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 Tanzim Alamgir  
 Managing Director & CEO  
 CB Investment Limited

**42(a) Consolidated Payments for other operating activities**

Dhaka Bank Limited	(Note: 42)
Dhaka Bank Securities Limited	
Dhaka Bank Investment Limited	

2021 Taka	2020 Taka
1,670,082,326	1,629,644,307
9,513,969	8,562,156
270,200	1,190,700
<b>1,679,866,495</b>	<b>1,639,397,163</b>

**43. Other Assets**

Stationery, stamps, printing materials etc.
Advance rent and advertisement
Security deposit
Preliminary, formation, work in progress and organization expenses, renovation/development expenses and prepaid expenses.
Branch adjustments
Suspense account
Other assets

9,091,651	21,659,096
283,356,015	134,401,948
23,768,197	22,596,991
188,625,655	182,527,344
(20,225,612)	(84,217,768)
168,073,533	204,318,674
420,741,043	448,255,467
<b>1,073,430,482</b>	<b>929,541,752</b>

**(Increase) / decrease during the year**

<b>19,801,314</b>	<b>6,034,905,901</b>
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**43(a) Consolidated Other Assets**

Dhaka Bank Limited	(Note: 43)
Dhaka Bank Securities Limited	
Dhaka Bank Investment Limited	

19,801,314	6,034,905,901
(58,581,785)	9,310,243
1,117,232	1,107,825
<b>(37,763,239)</b>	<b>6,045,323,969</b>

**(Increase) / decrease during the year**

**44. Other liabilities**

Provision against expenses
Provision for other assets
Interest suspense account
Other account payable

135,585,744	258,556,098
13,544,445	13,544,445
3,245,968,658	2,694,392,204
2,781,297,842	2,975,218,792
<b>6,176,396,689</b>	<b>5,941,711,539</b>

Amount transferred to DBL Foundation Trustee Account  
Adjustment of Loss on shares from Provision for decrease in value of Investment

(32,140,751)	(31,320,090)
--------------	--------------

Rebate disbursed to Good Borrowers  
Adjustment of Loan from Provision

(2,030,000)	(4,360,000)
(993,175,752)	(457,296,495)

**Increase/(decrease) during the year**

<b>(912,661,353)</b>	<b>(1,020,255,599)</b>
----------------------	------------------------

**44(a) Consolidated Other Liabilities**

Dhaka Bank Limited	(Note: 44)
Dhaka Bank Securities Limited	
Dhaka Bank Investment Limited	

(912,661,353)	(1,020,255,599)
(465,920,809)	(12,340,344)
(28,267,512)	115,000
<b>(1,406,849,674)</b>	<b>(1,032,480,943)</b>

**(Increase) / decrease during the year**

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Tanzim Alamgir  
Managing Director & CEO  
ICB Investment Limited

#### 45 Reconciliation statement of cash flows from operating activities

Net profit after taxation

Addition of:

Depreciation

Provision (Tax)

Provision (loans and others)

Increase in interest payable

Decrease in interest receivable

Prior year adjustment made during the year

IFRS 16 effect

Deduction:

Effects of exchange rate changes on cash & cash equivalent

Proceeds from sale of fixed assets

Proceeds from sale of securities

Increase in interest receivable

Income taxes paid

Operating profit before changes in operating assets and liabilities

#### 46 Calculation of Net Operating Cash Flow per share (NOCFPS)

Net cash flow from operating activities (Solo)

Net cash flow from operating activities (consolidated)

Number of ordinary shares outstanding

Net Operating Cash Flow per share (NOCFPS)-Solo

Net Operating Cash Flow per share (NOCFPS)-Consolidated

#### 47 Calculation of Net Asset value per share (NAVPS)

Shareholders' Equity (Solo)

Shareholders' Equity (Consolidated)

Number of ordinary shares outstanding

Net Asset value per share (NAVPS)-Solo

Net Asset value per share (NAVPS)-Consolidated

	2021 Taka	2020 Taka
Net profit after taxation	2,055,727,658	2,029,990,568
Addition of:		
Depreciation	755,055,970	921,746,637
Provision (Tax)	2,058,402,034	1,151,943,775
Provision (loans and others)	2,555,289,225	2,056,769,046
Increase in interest payable	-	-
Decrease in interest receivable	(50,682,518)	(137,826,902)
Prior year adjustment made during the year	-	-
IFRS 16 effect	(347,821,983)	(463,723,551)
Deduction:		
Effects of exchange rate changes on cash & cash equivalent	(794,325,109)	(590,793,651)
Proceeds from sale of fixed assets	(396,333)	(4,110,666)
Proceeds from sale of securities	(522,851,102)	(759,877,870)
Increase in interest receivable	(371,263,175)	157,474,793
Income taxes paid	(1,677,177,698)	(1,859,864,792)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>3,670,466,968</b>	<b>2,491,727,387</b>
Net cash flow from operating activities (Solo)	4,873,301,762	5,168,518,278
Net cash flow from operating activities (consolidated)	5,039,897,653	5,308,044,498
Number of ordinary shares outstanding	949,624,753	949,624,753
Net Operating Cash Flow per share (NOCFPS)-Solo	<b>5.13</b>	<b>5.44</b>
Net Operating Cash Flow per share (NOCFPS)-Consolidated	<b>5.31</b>	<b>5.59</b>
Shareholders' Equity (Solo)	20,241,848,075	18,792,153,885
Shareholders' Equity (Consolidated)	20,956,044,138	19,435,609,111
Number of ordinary shares outstanding	949,624,753	949,624,753
Net Asset value per share (NAVPS)-Solo	<b>21.32</b>	<b>19.79</b>
Net Asset value per share (NAVPS)-Consolidated	<b>22.08</b>	<b>20.47</b>

#### 48 Segment Reporting

(Figure in '000)

Particulars	Conventional Banking	Islamic Banking	Off-Shore Banking Unit (OBU)	Dhaka Bank Securities Limited (DBSL)	Dhaka Bank Investment Limited (DBIL)	Total
Total Operating Income	10,422,959	576,566	558,953	280,737	13,447	11,852,662
Allocated Expenses	4,836,040	79,806	14,770	74,035	1,551	5,006,202
Operating Profit (Before Tax & Provision)	5,586,919	496,760	544,183	206,701	11,897	6,846,460
Total Provision (Loans/Advances & Others)	2,141,970	-	371,763	100,000	-	2,613,732
Profit Before Tax	3,444,949	496,760	172,420	106,701	11,897	4,232,727
Provision for Income Tax	2,058,402	-	-	33,396	4,461	2,096,259
Net Profit	1,386,547	496,760	172,420	73,305	7,435	2,136,468
Segment Assets	288,375,950	14,764,792	27,488,125	5,617,062	324,967	336,570,896
Segment Liabilities	288,375,950	14,764,792	27,488,125	5,617,062	324,967	336,570,896

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Managing Director & CEO  
DHAKA BANK LIMITED

Tanzim Alamgir  
Managing Director & CEO  
DHAKA BANK LIMITED

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#### 49 Events after reporting period

Board of Directors in its 419th meeting held on 26 April 2022 decided to recommend 12% Cash dividend subject to approval of shareholders and regulatory authorities.

#### 50 General

##### 50.1 Core risk management

BRPD circular no.17 (7 October 2003) and BRPD circular no. 4 (5 March 2007) require banks to put in place an effective risk management system. Bangladesh Bank monitors the progress of implementation of these guidelines through its on-site inspection teams through routine inspection. The risk management systems in place at the Bank are discussed below.

##### 50.1.1 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.

The Bank has segregated duties of the officers/executives, involved in credit related activities. Separate Corporate/SME/Retail divisions have been formed at Head Office which are entrusted with the duties of maintaining effective relationship with customers, marketing of credit products, exploring new business opportunities etc. Moreover, credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate units have been formed within the Credit Risk Management (CRM) Division. These are (a) Credit Risk Management Unit (b) Central Processing Center and (c) Special Assets Management Division to Credit Monitoring and Recovery. Credit Risk Management Unit is entrusted with the duties of maintaining asset quality, assessing risk in lending, sanctioning credit, formulating policy/strategy for lending operation etc. For retail lending, a separate Retail Unit is there, for SME their is a separate SME unit and for Agriculture, there is also a separate Agriculture Division to assess risk, approve and monitor those loans.

A thorough risk assessment is done before sanction of any credit facility at Credit Risk Management Units. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the credit facility etc. The assessment process starts at the relationship level and ends at Credit Risk Management Unit when it is approved/declined by the competent authority. Credit approval authority has been delegated to the individual executives. Proposals beyond their delegation are approved/declined by the Executive Committee and/or the Board of Directors of the Bank.

In determining Single borrower/Large loan limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted at regular intervals to ensure compliance of Bank's and Regulatory policies. Loans are classified as per Bangladesh Bank's guidelines.

##### 50.1.2 Asset liability management risk

For better management of asset and liability risk, the Bank has an established Assets Liability Committee (ALCO) which meets at least once a month. The members of ALCO as at 31 December 2021 were as follows

Managing Director & Chief Executive Officer  
Additional Managing Director  
DMD - Credit Risk Management  
DMD - Operations  
Chief Risk Officer  
Chief Financial Officer  
Head of Liability & Cash Management  
Head of IT  
Head of Treasury  
Head of Credit Risk Management  
Head of Retail  
Head of Islamic Banking Division

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The ALCO's primary function is to formulate policies and guidelines for the strategic management of the bank using pertinent information that has been provided through the ALCO process together with knowledge of the individual businesses managed by members of the committee. ALCO regularly reviews the Bank's overall asset and liability position, forward looking asset and liability pipeline, overall economic position, the Banks' liquidity position, capital adequacy, balance sheet risk, interest risk and makes necessary changes in its mix as and when required.

The Bank maintains specified liquidity and funding ratio limits to ensure financial flexibility to cope with unexpected future cash demands. ALCO monitors the liquidity and funding ratios on an ongoing basis and ascertains liquidity requirements under various stress situations. In order to ensure liquidity against all commitments, the Bank reviews the behaviour patterns of liquidity requirements. The Bank has an approved Liquidity Contingency Plan (LCP) which is reviewed and updated on an annual basis by ALCO. All regulatory requirements including CRR, SLR and RWA are reviewed by ALCO.

### 50.1.3 Foreign exchange risk

Foreign exchange risk is defined as the potential change in earnings due to change in market prices. The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance requirements.

Treasury Department independently conducts the transactions and the back office of treasury is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at Mark-to-Market rate as determined by Bangladesh Bank at the month-end. The Bank maintains various nostro accounts in order to conduct operations in different currencies including TK. The senior management of the Bank sets limits for handling nostro account transactions. All Nostro accounts are reconciled on a monthly basis and outstanding entries beyond 30 days are reviewed by the management for its settlement.

As at 31 December, if there is any debit entry unreconciled for 3 months or more, provision is kept in accordance with FEPD circular no. 677 (13 September 2005).

### 50.1.4 Internal control and compliance

Effective internal controls are the foundation of safe and sound banking. A properly designed and consistently enforced system of operational and financial internal control helps a bank's management safeguard the Bank's resources, produce reliable financial reports and comply with laws and regulations. Effective internal control also reduces the possibility of significant errors and irregularities and assists in their timely detection when they do occur.

Internal Control and Compliance (ICC) operates independently as a division consisting three units (Audit & Inspection, Monitoring and Compliance) with prime responsibility to determine risks by evaluating overall Business, Operations & Credit Portfolios of the Bank. The key objective of ICC is to assist and guide in all aspects of the bank using adequate resources for identification of weaknesses and taking appropriate measures to overcome the same to be a compliant bank.

ICC has a unique reporting line to the Bank's Board of Directors through the Audit Committee and to the Managing Director & CEO. Thus, it acts as a bridge between the board and the Bank's management. An effective organisational structure has been established by exercising durable Internal Control culture within the Bank.

### 50.1.5 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. For mitigating the risks, the Bank has a designated Head of Internal Control & Compliance at Head Office and Compliance Officers at branches who independently review the transactions of the accounts to verify suspicious transactions. Manuals for prevention of money laundering have been established and Transaction Profile has been introduced. Training is continuously given to all the category of Officers and Executives for developing awareness and skill for identifying suspicious activities/transactions.

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### 50.1.6 Information technology

Relevant hardware, software and networking equipment is in place to support operations of online branches, internet banking, SMS service, call centre, Tele Banking, POS and ATM network. These devices are providing superior performance resulting in better end-user satisfaction. To ensure uninterrupted and smooth customer service in all branches and SME centres, IT division continuously work on performance tuning for database and application, networking and server hardware on regular basis. Continuous investments are going on to do the necessary upgradation on hardware and software to increase the Bank's centralised online banking and other peripheral service requirements.

### 50.2 Audit committee

According to BRPD circular no.12 (23 December 2002), all banks are advised to constitute an audit committee comprising members of the Board. The audit committee will assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the Bank. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Bank's process for monitoring compliance with laws and regulations and its own code of business conduct.

The Bank, being a listed entity bank, have a board of directors from whom to select an audit committee. The Audit Committee of the Board of Directors consist of four members of the Board which meets on a regular basis with the senior management of the Bank, and with the internal and external auditors to consider and review the nature and scope of the reviews and the effectiveness of the systems of internal control and compliance as well as the financial statements of the Bank. All audit reports issued by internal and external auditors and all inspection/audit reports issued by Bangladesh Bank are sent to the Audit Committee.

#### 50.2.1 Particulars of audit committee

Pursuant to the BRPD Circular no. 12 dated 23 December 2002, the Audit Committee of the Board of Directors as at 31 December 2021 consisted of the following 5 members of the Board:

Name	Status with bank	Status with committee	Educational qualification
Mr. Mohammad Abu Yussouf Khan	Independent Director	Chairman	Bachelor of Arts
Mr. Abdullah Al Ahsan	Director	Member	M.Com
Mr. Tahidul Hossain Chowdhury	Director	Member	Bachelor of Arts
Mr. Md. Aman Ullah Sarker	Director	Member	Masters of Arts
Mr. A. S. Salahuddin Ahmed	Independent Director	Member	M.Sc. (DU); PGDIM(Netherlands)

#### 50.2.2 Meetings held by the Audit Committee with senior management to consider and review the Bank's Financial Statements:

During the period under review the Audit Committee held several meetings to oversee/review various functions including reviewing the quarterly financial statements in compliance with the Bangladesh Bank circulars.

##### Meetings held by the committee during the year by date:

- 101th Audit Committee Meeting held on 02 February 2021
- 102th Audit Committee Meeting held on 04 May 2021
- 103th Audit Committee Meeting held on 10 June 2021
- 104th Audit Committee Meeting held on 19 August 2021
- 105th Audit Committee Meeting held on 24 October 2021

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### 50.2.3 Steps taken for implementation of an effective internal control procedure of the Bank:

Through circular, the Audit Committee places its report regularly to the Board of Directors of the Bank mentioning its review results and recommendations on internal control system, compliance of rules and regulations and establishment of good governance within stipulated time.

### 50.3 Interest rate risk

Interest rate risk may arise either from trading portfolio or from non-trading portfolio. The trading portfolio of the Bank consists of Government treasury bills and bonds of different maturities. Interest rate risk arises from mismatch between the future yield of an asset and their funding cost. Asset Liability Committee (ALCO) monitors the interest rate movement on a regular basis and Treasury Division actively manages the Balance Sheet gap profitably on a regular basis.

### 50.4 Equity risk

Equity risk arises from movement in market value of equities held. The risks are monitored by Special Banking Wing under a well designed policy framework. The total market value of equities held was higher than the total cost price at the balance sheet date (Annexure-B).

### 50.5 Operational risk

Operational risk may arise from error and fraud due to lack of internal control and compliance. Management through Internal Control and Compliance Division controls operational procedure of the Bank. Internal Control and Compliance Division undertakes periodic and special audit of the branches and departments at the Head Office for review of the operation and compliance of statutory requirements. The Audit Committee of the Board subsequently reviews the reports of the Internal Control and Compliance Division.

### 50.6 Implementation of BASEL-III

BASEL-III reforms are the response of BASEL Committee on Banking Supervision (BCBS) to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spill over from the financial sector to the real economy.

The Committee introduced transitional arrangements to implement the new standards that help to ensure that the banking sector can meet the higher capital standards through reasonable earnings retention and capital raising while still supporting lending to the economy. In line with the BASEL framework, Bangladesh Bank issued transitional arrangements for BASEL-III implementation in Bangladesh. The phase-in arrangements for BASEL-III implementation in Bangladesh has been effective from 1 January 2015 in accordance with BRPD circular no. 18 dated 21 December 2014.

#### Internal Capital Adequacy Assessment Process (ICAAP)

Internal Capital Adequacy Assessment Process (ICAAP) represents the Bank's own assessment of its internal capital requirements. The Bank's approach to calculating its own internal capital requirement has been to take the minimum capital required for credit risk, market risk and operational risk under Pillar-I as the starting point, assess whether this is sufficient to cover those risks and then identify other risks (Pillar-II) and assess prudent level of capital to meet them.

The assessment is undertaken using time series of data and Bangladesh Bank's guidelines on Risk Based Capital Adequacy to assess the likelihood of occurrence and potential impact. Purposes of Internal Capital Adequacy Assessment Process are to:

i) **inform the Board of Directors about**

- assessing risks
- initiatives to mitigate identified risks
- capital requirement to support the operations in light of identified risks

comply with Bangladesh Bank's requirement.

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## 50.7 Exchange rates

The assets and liabilities as at 31 December in foreign currencies have been converted to TK at the following rates:

	2021 Taka	2020 Taka
USD 1 =	85.80	84.80
GBP 1 =	116.16	114.33
AUD 1 =	61.94	64.52
EUR 1 =	97.19	103.97
CHF 1 =	93.39	95.83
JPY 1 =	0.74	0.82
SAR 1 =	22.72	22.49
SGD 1 =	64.31	64.00

## 50.8 Credit rating of the Bank

As per the BRPD instruction circular no. 6 dated 5 July 2006, the Bank has done its credit rating by Emerging Credit Rating Limited based on the financial statements dated 31 December 2020.

Particulars	Date of Rating	Long term	Short term	Rating Valid
Entity Rating	18-May-21	AA	ST-2	7-Apr-22
		Very strong capacity & very high quality	Strong capacity for timely repayment	

## 50.9 Number of employees

The number of employees engaged for the whole year or part thereof who received a total remuneration of TK 36,000 p.a. or above were 1,571 at the end of December 2021 (1,568 in 2020).

## 50.10 Impact of COVID 19:

The spread of coronavirus globally has led the World Health Organization (WHO) to classify it as a pandemic on 11 March 2020 and like most of the other countries, Bangladesh Government has also taken restrictive measures to contain its further spread affecting free movement of people and goods. The events that occurred due to the pandemic are currently fast evolving with the extent of the impact on the economy resulting in adjusting the financial statements (as necessary). Though the full measurement of the impact of the events after the reporting date is difficult to estimate at this stage, management is of the view that the Bank will not be adversely affected by this pandemic as the Bank is not experiencing or likely to experience any significant change in its business activity. Considering the nature of the Bank's business, management is of the view that there is no significant event that cast doubt on its ability to continue as a going concern. Currently, the Bank also has adequate resources to continue in operation for the foreseeable future.

Though as at the date of these financial statements, no material impact has been identified by management on the Bank's financial position, results of operations and cash flows, management has decided to continuously monitor, evaluate and measure the impacts on the operations of the Bank by remaining alert to the changing situations.

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**50.11 Highlights on the overall activities of the Bank**

Sl No.	Particulars	31.12.2021	31.12.2020
1	Paid up Capital	9,496,247,530	8,958,724,090
2	Total Capital	31,334,435,682	29,016,389,949
3	Capital surplus / (deficit) (Note - 16.9)	4,597,106,399	4,036,706,375
4	Total Assets	335,351,203,372	295,337,226,676
5	Total Deposits	230,417,348,446	205,666,983,669
6	Total Loans and Advances	215,458,643,693	198,660,473,920
7	Total Contingent Liabilities and Commitments	191,376,959,350	130,877,238,636
8	Credit Deposit Ratio (%)	78.29	83.28
9	Percentage of classified loans against total loans and advances (%)	3.32	3.13
10	Profit after tax and provision	2,055,727,658	2,029,990,568
11	Amount of classified loans during the year	7,144,654,581	6,227,088,995
12	Provisions kept against classified loans	7,341,149,764	7,493,423,907
13	Provision surplus / (deficit)	-	-
14	Cost of fund [deposit cost & overhead cost] (%)	6.25	7.85
15	Interest earning Assets	283,025,597,232	247,417,504,983
16	Non-interest earning Assets	52,325,606,140	47,919,721,693
17	Return on Investment (ROI) [%]	7.78	9.34
18	Return on Assets (ROA) [%]	0.65	0.70
19	Income from Investments	3,445,847,615	3,553,932,577
20	Earning per Share (Taka)	2.16	2.14
21	Price Earning Ratio (Times)	6.47	5.57

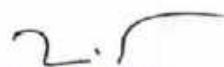
**50.12** Previous year's figures have been rearranged, wherever necessary, to conform with the current year's presentation.

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## Dhaka Bank Limited Currency wise Balances with Nostro Accounts As at 31 December 2021

Name of the bank	Location	Name of currency	2021			2020		
			Amounts in foreign currency	Conversion rate	Equivalent amounts in Taka	Amounts in foreign currency	Conversion rate	Equivalent amounts in Taka
Standard Chartered Bank	New York	USD	2,879,011	85.80	247,019,185	8,628,674	84.80	731,711,536
Mashreq Bank	New York	USD	1,794,813	85.80	153,994,977	1,052,730	84.80	90,119,514
Habib American Bank, OBU	New York	USD	3,895,344	85.80	334,220,549	10,553,042	84.80	894,897,974
J P Morgan AG, OBU	New York	EUR	293,292	97.19	28,504,693	-	-	-
Indusind Bank Mumbai, OBU	ACU	USD	7,296	85.80	625,974	-	-	-
Standard Chartered Bank, OBU	New York	USD	1,828,242	85.80	156,863,148	-	-	-
Commerz Bank	Frankfurt	USD	888,825	85.80	76,261,188	192,437	84.80	16,318,682
Habib American Bank	USA	USD	1,027,154	85.80	88,129,834	840,100	84.80	71,240,513
Wells Fargo Bank N.A.	New York	USD	959,350	85.80	82,312,237	995,278	84.80	84,399,542
J P Morgan Chase Bank NA	USA	USD	1,443,237	85.80	123,829,726	3,299,382	84.80	279,787,620
Standard Chartered Bank	Mumbai	ACUD	1,929,357	85.80	165,538,855	335,614	84.80	28,460,059
Sonali Bank	Kolkata	ACUD	407,359	85.80	34,951,430	136,748	84.80	11,596,230
AB Bank	Mumbai	ACUD	1,162,525	85.80	99,744,603	1,560,889	84.80	132,363,363
Nepal Bangladesh Bank	Nepal	ACUD	343,058	85.80	29,434,404	281,207	84.80	23,846,355
Sempath Bank	Srilanka	ACUD	181,071	85.80	15,535,882	95,789	84.80	8,122,946
Bhutan National Bank	Bhutan	ACUD	89,971	85.80	7,719,526	89,971	84.80	7,629,555
Bank of Bhutan	Bhutan	ACUD	61,938	85.80	5,314,266	61,938	84.80	5,252,328
Habib Metropolitan Bank Ltd.	Pakistan	ACUD	545,169	85.80	46,775,527	39,850	84.80	3,379,253
ICICI Bank Limited	India	ACUD	551,181	85.80	47,291,371	1,940,247	84.80	164,532,945
Mashreq Bank	Mumbai	ACUD	1,651,440	85.80	141,693,556	1,408,799	84.80	119,466,144
United Bank Of India	Kolkata	ACUD	1,230,521	85.80	105,578,686	1,100,502	84.80	93,322,587
Axis Bank Ltd, India	Mumbai	ACUD	741,471	85.80	63,618,199	1,111,352	84.80	94,242,667
Union Bank of Switzerland	Switzerland	CHF	73,092	93.39	6,825,872	149,108	95.83	14,288,958
Commerz Bank	Frankfurt	EURO	32,703	97.19	3,178,347	46,923	103.97	4,878,482
Standard Chartered Bank	Frankfurt	EURO	149,452	97.19	14,525,093	322,608	103.97	33,540,934
UniCredit S.P.A.	Milano	EURO	79,666	97.19	7,742,671	39,742	103.97	4,131,878
United Bank Of India	KOLKATA	EURO	39,182	97.19	3,808,056	24,880	103.97	2,586,751
Commerz Bank	Frankfurt	AUD	79,263	61.94	4,909,488	125,614	64.52	8,104,382
Standard Chartered Bank	Japan	JPY	30,064,997	0.74	22,335,286	41,653,765	0.82	33,989,472
Standard Chartered Bank	London	GBP	32,769	116.16	3,806,447	225,747	114.33	25,923,668
Commerz Bank	Frankfurt	CAD	159,757	56.72	10,659,671	148,021	55.96	9,764,003
Ai-Rajhi Bank	Saudi Arabia	SAR	86,875	22.72	1,973,404	4,304	22.49	96,800
<b>Total</b>					<b>2,134,722,181</b>			<b>2,997,995,091</b>

As per Bangladesh Bank Circular No. FEPO/FEMO/01/2005-677 dated 13 September 2005, the books of accounts of nostro account are reconciled and there exist no unreconciled entries that may affect financial statements significantly.

Md. Shahjahan Miah  
EVP & Company Secretary  
Dhaka Bank Limited  
Head Office, Dhaka.

18 OCT 2022

Md. Moniruzzaman  
Managing Director & CEO  
IDLC Investments Limited  
Dhaka

18 OCT 2022

Emranul Haq  
Managing Director & CEO  
Dhaka Bank

18 OCT 2022

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

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**Dhaka Bank Limited**  
**Investment in Shares**  
**As at 31 December 2021**

(Amount in Taka)

Name of the Company	Face Value	No. of Shares	Average Cost Price	Total Cost Price	Market price per Share	Total Market Value
<b>Quoted</b>						
ACMELAB	10	500,000	52.00	26,000,000	86.50	43,250,000
IFICBANK	10	42,107,483	8.45	355,810,843	16.90	711,616,463
SBAC Bank	10	54,661	10.05	549,610	15.20	830,847
<b>Unquoted</b>						
Shanta First Income Unit Fund	10	18,936,550	10.56	200,000,000		200,000,000
Ace Alliance Power Ltd.	10	6,000,000	10	60,000,000		60,000,000
City Sugar Industries Limited	100,000	5,000	100,000	500,000,000		500,000,000
Flamingo Fashions Limited	100	1,900,000	100	190,000,000		190,000,000
United Ashuganj Energy Ltd.	10	200,000,000	10	2,000,000,000		2,000,000,000
<b>Total</b>				<b>3,332,360,453</b>		<b>3,705,697,310</b>

The cost price of investment in shares represents the book value as on 31.12.2021 being ordinary shares of different companies purchased from primary and secondary markets.

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 Managing Director  
 IDLC Investments Limited

**Dhaka Bank Limited**  
**Details information on advances**  
**More than 10 % of bank's total capital (Funded & Non-funded)**

(Based on Capital of BDT 3,133.44 Crore)

(Taka in Thousand)

Sl. No.	Name of the Client	Outstanding as on 31.12.2021		Total
		Funded	Non funded	
1	BSRM GROUP	739,872	7,222,724	7,962,596
2	ARMANA GROUP	2,799,009	3,945,662	6,744,671
3	MEGHNA GROUP	80	5,883,189	5,883,269
4	NEW ASIA GROUP	4,548,867	942,623	5,491,490
5	BANGLA TRAC	1,510,256	3,706,081	5,216,337
6	KABIR GROUP	3,147,478	1,906,026	5,053,504
7	ABUL KHAIR GROUP	9,760	5,010,581	5,020,341
8	KARNAFULY GROUP	1,662,470	3,200,554	4,863,024
9	BASHUNDHARA GROUP	1,540,709	3,282,276	4,822,985
10	E ENGINEERING GROUP	2,926,632	1,891,539	4,818,171
11	PAKIZA GROUP	3,364,102	1,374,144	4,738,246
12	DOREEN GROUP	3,656,137	899,329	4,555,466
13	BULK GROUP	375	4,453,986	4,454,361
14	UTTARA GROUP	713,387	3,661,515	4,374,902
15	UNITED GROUP	508,774	3,744,331	4,253,105
16	RANCON GROUP	1,580,366	2,639,918	4,220,284
17	EXPERIENCE GROUP	941,482	3,152,586	4,094,068
18	GAZI GROUP	1,208,033	2,844,934	4,052,967
19	STERLING GROUP	884,627	3,159,734	4,044,361
20	CONFIDENCE GROUP	640,690	3,264,660	3,905,350
21	T.K. GROUP	2,167,319	1,702,268	3,869,587
22	MIR GROUP	2,637,560	1,183,902	3,821,462
23	KDS GROUP	1,496,250	2,313,006	3,809,256
24	PRAN-RFL GROUP	1,530,301	2,258,343	3,788,644
25	ACI GROUP	2,943,841	772,295	3,716,136
26	NDE GROUP	947,364	2,633,651	3,581,015
27	HABIB GROUP	3,384,511	115	3,384,626
<b>Total</b>		<b>47,490,252</b>	<b>77,049,972</b>	<b>124,540,224</b>

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Md. Shehbazan Miah  
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**Dhaka Bank Limited**  
**Schedule of Fixed Assets including premises, furniture & fixtures**  
**As at 31 December 2021**

Asset Group	Cost (Tk)			Rate of Depreciation (%)	Depreciation (Tk)			Book Value (Tk)
	Opening Balance of cost as on 1 January 2021	Additions during the year	Adjustment (Sale/Discard)		Closing Balance of cost as on 31 December 2021	Charge during the year	Adjustment (Sale/Discard)	
Land	2,301,877,536	2,356,777,969		4,658,655,505	-	-	-	4,658,655,505
Building & Renovation	680,910,718	789,571,438		1,470,482,156	18,667,708	-	151,039,473	1,319,442,683
Furniture & Fixtures	554,129,270	215,948,281	4,096,016	766,981,535	39,276,436	3,535,619	416,346,905	350,634,630
Office Appliances & Equipment	1,518,487,073	422,566,110	7,683,185	1,933,369,997	183,594,148	7,375,162	1,336,674,506	596,695,492
Computer	254,582,899	82,247,592	19,391,459	317,439,032	17,559,473	19,390,968	211,828,420	105,610,612
Software	777,301,689	44,627,638		821,929,327	85,683,356	-	328,478,270	493,451,057
Motor Vehicle	319,630,096	20,154,173		339,784,269	47,107,784	-	259,839,758	79,944,511
Right of use assets (ROU)	1,909,135,234	454,913,574		2,364,048,808	373,177,065	-	1,082,592,441	1,281,456,367
Work-in-progress - land & building	3,756,753,084	31,061,004	3,718,835,594	58,978,394	-	-	-	58,978,394
<b>Total 2021</b>	<b>12,072,807,599</b>	<b>4,418,867,778</b>	<b>3,750,006,354</b>	<b>12,741,669,023</b>	<b>765,065,970</b>	<b>30,301,749</b>	<b>3,786,799,773</b>	<b>8,954,869,250</b>
<b>Total 2020</b>	<b>7,213,241,543</b>	<b>4,863,130,085</b>	<b>3,564,028</b>	<b>12,072,807,599</b>	<b>921,746,637</b>	<b>3,292,998</b>	<b>3,052,035,553</b>	<b>9,020,772,046</b>

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 Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited

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## Dhaka Bank Limited

### Recovery of loans previously written-off during the year 2021

(Amount in Taka)

Sl. No.	Name of Borrowers	Amount written-off	Amount of Provision kept at the time of written-off	Suit Value	Amount recovered after loan written-off
<b>Corporate Loan</b>					
1	Ahnaf & Co.	17,855,447	15,742,193	20,846,469	550,000
2	Dusk Construction & Builder	8,011,789	-	10,456,954	6,480,000
3	Featherlite Ltd.	84,783,950	71,099,585	90,556,329	22,000,000
4	Anudip Autos Limited	43,767,825	32,747,739	40,257,537	29,590,000
5	Green Arrow International	7,496,151	4,725,784	5,949,104	1,600,000
6	Apex Jersey Ltd.	315,010,235	78,974,051	335,879,386	12,000,000
7	Gonoshasthaya Antibiotic Ltd.	71,628,580	60,192,640	75,998,182	6,500,000
8	Parisha Trade System Ltd.	70,247,889	56,126,471	66,577,867	2,590,000
9	Siddique Traders	176,337,598	51,321,139	150,287,087	1,000,000
10	Monirul Cottage Industries	8,199,283	1,945,140	7,750,000	5,750,000
11	Rafique Traders	36,192,872	25,193,206	40,017,149	3,500,000
12	Maya Furniture	241,972	172,979	268,068	20,000
13	Udayan Construction	10,511,900	8,071,170	10,840,000	10,510,000
14	Anar Impex	2,421,470	363,221	3,106,211	2,220,000
15	Orchid Travels and Tours	56,970,536	40,360,887	51,260,000	5,000,000
16	A. Zaman & Brothers	46,085,076	35,810,467	62,880,000	2,690,000
17	Excel Trade Fair	3,101,382	1,711,230	3,752,335	2,850,000
18	CPM Blue Online Ltd.	7,944,405	7,633,088	9,765,400	2,000,000
19	Sahabuddin Enterprise	23,008,327	12,097,114	20,780,000	22,880,000
20	Asian Spool Industries Ltd.	75,457,338	23,738,429	149,090,000	10,000,000
21	Ahasan Ullah Bricks	9,571,323	1,435,698	12,060,000	1,250,000
22	Surjamukhi Garments	639,175	582,504	977,671	640,000
<b>Sub Total</b>		<b>1,075,484,523</b>	<b>530,044,735</b>	<b>1,169,355,749</b>	<b>151,620,000</b>
<b>Retail Loan</b>					
1	Various Client	57,574,016	33,543,531	82,883,220	15,702,238
<b>Sub Total</b>		<b>57,574,016</b>	<b>33,543,531</b>	<b>82,883,220</b>	<b>15,702,238</b>
<b>Grand Total</b>		<b>1,133,058,539</b>	<b>563,588,266</b>	<b>1,252,238,969</b>	<b>167,322,238</b>

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IDLC Investments Limited

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Tanzim Alamgir  
Managing Director & CEO  
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Annexure-F

## Dhaka Bank Limited

### Details of borrowers for written-off loan during the year 2021

(Amount in Taka)

Sl. No.	Name of Borrowers	Amount written-off	Amount of Interest Suspense kept at the time of written-off	Amount of Provision kept at the time of written-off	Suit Value
<b>Corporate &amp; SME Loan</b>					
1	Diamond Spinning Mills Ltd.	8,745,616	-	8,745,616	1,029,502,396
2	New Lovely Garments	493,053	35,921	397,132	574,323
3	Shirna Varities Store	1,512,255	705,286	806,969	2,502,267
4	Bangladesh Industrial Finance Company Ltd.	64,928,973	5,456,135	59,472,839	77,837,078
5	A.K. Enterprise	74,010,251	826,618	73,183,633	101,961,757
6	HDF Textiles Ltd.	232,320,331	2,433,066	229,887,265	303,845,323
<b>Sub Total</b>		<b>381,950,479</b>	<b>9,457,026</b>	<b>372,493,454</b>	<b>1,516,323,144</b>
<b>Retail Loan</b>					
(Amount in Taka)					
Sl. No.	Type of Loans	Amount written-off	Amount of Interest Suspense kept at the time of written-off	Amount of Provision kept at the time of written-off	Suit Value (in million)
		-	-	-	-
		-	-	-	-
		-	-	-	-
<b>Sub Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>		<b>381,950,479</b>	<b>9,457,026</b>	<b>372,493,454</b>	<b>1,516,323,144</b>

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DHAKA BANK LIMITED  
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## Dhaka Bank Limited

### Related Party Disclosures

A. i) Name of the Directors and their interest in the Bank as on 31 December 2021:

SI No	Name of Directors	Designation	% of interest as on 31 December 2021
1	Mr. Abdul Hai Sarker	Chairman	2.281
2	Mr. Jashim Uddin	Vice-Chairman	2.000
3	Mrs. Rokshana Zaman	Director	2.450
4	Mr. Altaf Hossain Sarker	Director	2.789
5	Mr. Reshadur Rahman	Director	3.434
6	Mr. Tahidul Hossain Chowdhury	Director	2.008
7	Mr. Khondoker Monir Uddin	Director	2.872
8	Mr. Amir Ullah	Director	2.000
9	Mr. Abdullah Al-Ahsan	Director	2.000
10	Mr. Mohammed Hanif	Director	3.046
11	Mrs. Rakhi Das Gupta	Director	2.000
12	Mr. Mirza Yasser Abbas	Director	3.583
13	Mr. Md. Aman Ullah Sarker	Director	2.000
14	Mrs. Manoara Khandaker	Director	2.004
15	Mr. M.A. Yussouf Khan	Independent Director	Nil
16	Mr. A.S.Salahuddin Ahmed	Independent Director	Nil
17	Mr. Ahab Ahmad	Independent Director	Nil

ii) Name of the Directors and their interest in the Bank as on 31 December 2020:

SI No	Name of Directors	Designation	% of interest as on 31 December 2020
1	Mr. Abdul Hai Sarker	Chairman	2.281
2	Mr. Abdullah Al-Ahsan	Vice-Chairman	2.000
3	Mrs. Rokshana Zaman	Director	2.450
4	Mr. Altaf Hossain Sarker	Director	2.789
5	Mr. Reshadur Rahman	Director	3.434
6	Mr. Tahidul Hossain Chowdhury	Director	2.008
7	Mr. Khondoker Monir Uddin	Director	2.872
8	Mr. Amir Ullah	Director	2.000
9	Mr. Jashim Uddin	Director	2.000
10	Mr. Mohammed Hanif	Director	3.046
11	Mrs. Rakhi Das Gupta	Director	2.000
12	Mr. Mirza Yasser Abbas	Director	3.583
13	Mr. Md. Aman Ullah Sarker	Director	2.000
14	Mrs. Manoara Khandaker	Director	2.004
15	Mr. M.A. Yussouf Khan	Independent Director	Nil
16	Mr. Md. Muzibur Rahman	Independent Director	Nil
17	Mr. A.S.Salahuddin Ahmed	Independent Director	Nil

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Tanzim Alamgi  
Managing Director & CEO  
UCB Investment Limited

ii) Name of Directors and their interest in different entities as on 31 December 2021

Sl. No.	Name	Status with the Bank	Name of the firms/Companies in which they have interest	Status in the interested entities
1	Mr. Abdul Hai Sarker	Chairman	Shohagpur Textile Mills Ltd.	Chairman & CEO
			Purbani Fabrics Ltd.	Chairman & CEO
			Karim Textiles Ltd.	Chairman & CEO
			Purbani Traders.	Proprietor
			Purbani Yarn Dyeing Ltd.	Chairman & CEO
			Karim Spinning Mills Ltd.	Chairman & CEO
			Purbani Synthetic Spinning Ltd.	Chairman & CEO
			Purbani Rotor Spinning Ltd.	Chairman & CEO
			Purbani Fisheries	Proprietor
			Purbani Fashion Ltd.	Chairman & CEO
			Purbani Agro Processing Ltd.	Chairman & CEO
			Purbani Lifestyle Ltd.	Director
2	Mr. Jashim Uddin	Vice Chairman	Impel Shares & Securities Ltd.	Chairman
			Rafid Enterprise	Proprietor
			HURDCO International School Ltd.	Director
			Dhaka Imperial Hospital Ltd.	Shareholder
3	Mr. Reshadur Rahman	Director	Dhaka Bank Securities Ltd.	Chairman
			Trade Hub Bangladesh Ltd.	Chairman
			RR Aviation Ltd.	Chairman
			RR Holdings Ltd.	Chairman & Managing Director
			RNPG Alliance	Managing Partner
			RR Trading & Co.	Proprietor
			RR Shipping Lines	Proprietor
			National Traders	Proprietor
			Alliance Infrastructure Engineering Pvt. Ltd.	Shareholder
			Alliance Deep Sea Fishing Ltd.	Shareholder
			Alliance Bags Ltd.	Shareholder
			Quality Breeders Ltd.	Shareholder
Quality Grains Ltd.	Shareholder			
4	Mrs. Rokshana Zaman	Director	Dhaka Enterprise	Proprietress
			M/s. Manehor Fisheries	Proprietress
			Maksuda Cargo Vessel	Proprietress
			Maksuda 1 Cargo Vessel	Proprietress
			Dhaka Bank Securities Limited	Director
5	Mr. Altaf Hossain Sarker	Director	Rahmat Textiles Ltd.	Managing Director
			Rahmat Knit Dyeing & Finishing Ltd.	Managing Director
			China Plastic (BD) Ltd.	Chairman & Managing Director
			Rahmat Fashion Wear Ltd.	Director
			Rahmat Rotors Ltd.	Chairman
			Dhaka Bank Securities Ltd.	Director

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Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Sababub Alam Khan, FCA  
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Md. Wahidul Hossain Miah  
EVP & Company Secretary  
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Sl. No.	Name	Status with the Bank	Name of the firms/Companies in which they have interest	Status in the interested entities
6	Mr. Mohammed Hanif	Director	Hanif Steels Ltd.	Managing Director
			Hanif Spinning Mills Ltd.	Managing Director
			National Foundry & Engineering Works (Pvt.) Ltd.	Managing Director
			Hanif Maritime Limited	Managing Director
7	Mr. Tahidul Hossain Chowdhury	Director	Riotex Ltd.	Chairman
			Jerat Fashion Ltd.	Managing Director
			Jerat Shirt Ltd.	Chairman
			Central Hospital Ltd.	Director
			HURDCO International School Ltd.	Director
			Hotel Victory Ltd.	Managing Director
			Dhaka Bank Investment Ltd.	Director
8	Mr. Khondoker Monir Uddin	Director	Shanta Washing Plant Ltd.	Managing Director
			STS Holdings Limited	Managing Director
			GDS Chemical (Bangladesh) Pvt. Ltd.	Managing Director
			Universal Business Machines Limited	Managing Director
			STS Capital Limited	Managing Director
			Shanta Holdings Limited	Managing Director
			Shanta Medical Center Ltd.	Managing Director
			Shanta Capital Management Ltd.	Managing Director
			Shanta Securities Ltd.	Managing Director
Shanta Technologies Ltd.	Chairman			
9	Mr. Amir Ullah	Director	Dhaka Bank Investment Ltd.	Director
10	Mr. Abdullah Al Ahsan	Director	Aroma Poultry Ltd.	Director
			Aroma Fisheries Ltd.	Director
11	Mr. Md. Aman Ullah Sarker	Director	Rahmat Spinning Mills Ltd.	Managing Director
			Logos Apparels Ltd	Chairman
			Belkuchi Spinning Mills Ltd.	Chairman
			Rahmat Sweaters (BD) Ltd.	Chairman
			Shahi Products	Partner
12	Mr. Mirza Yasser Abbas	Director	Mirza Enterprise	Executive
			Dhaka Bank Investment Ltd.	Director
			Predictable Process Ltd.	Managing Director
			LOUD Limited	Chairman
13	Mrs. Manoara Khandaker	Director	Total Pack & Packaging	Proprietress
			Bari & Pack Plastic Ltd.	Director
14	Mrs. Rakhi Das Gupta	Director	Uniroyal Securities Ltd.	Chairman
15	Mr. Mohammad Abu Yussouf Khan	Independent Director	-	-
16	Mr. A.S. Salahuddin Ahmed	Independent Director	-	-
17	Mr. Ahabab Ahmad	Independent Director	-	-

w) Share issued to Directors & Executives without consideration or exercisable at discount: Nil

v) Related party Transactions: Tk. 66,743,320.13

vi) Lending Policies to related parties:

and no lending to related parties is effected as per requirements of Section 27 (1) of The Bank Company Act, 1991, and amendment thereon.

vii) During the period 1 January 2021 to 31 December 2021, the Bank concluded business deals with the following directors/organisations in which the directors had interest:

18 OCT 2022  
 Md. Moniruzzaman  
 Managing Director  
 IDLC Investments Limited  
 Sahabuddin Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
 DHAKA BANK LIMITED  
 Head Office, Dhaka

18 OCT 2022  
 Md. Shahjahan Miah  
 EVPC, Deputy Secretary  
 DHAKA BANK LIMITED  
 Office, Dhaka

18 OCT 2022  
 Emranul Haq  
 Managing Director & CEO  
 DHAKA BANK LIMITED

18 OCT 2022  
 Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited  
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Name	Relationship	Nature of Transactions	Balance at 31.12.2021
JASHIM UDDIN	Guarantor	Credit facility	1,229,495
RESHADUR RAHMAN	PROPRIETOR	Credit facility	35,268,342
ABDUL HAI SARKER	DIRECTOR	Credit facility	109
AMIR ULLAH	DIRECTOR	Credit facility	20,263
ABDULLAH AL AHSAN	DIRECTOR	Credit facility	5,080,980
TAHIDUL HOSSAIN CHOWDHURY	DIRECTOR	Credit facility	115
JASHIM UDDIN	DIRECTOR	Credit facility	142
MOHAMMED HANIF	DIRECTOR	Credit facility	115
MIRZA YASSER ABBAS	DIRECTOR	Credit facility	444,624
A S SALAHUDDIN AHMED	INDEPENDENT DIRECTOR	Credit facility	110
MONOARA KHANDAKER	PROPRIETOR	Credit facility	12,078,468
AMIR ULLAH	DIRECTOR	Credit facility	12,520,557
<b>Any Other Related Parties</b>			<b>66,743,320</b>

SUBSIDIARIES			
Name	Relationship	Nature of transactions	Balance at 31.12.2021
Dhaka Bank Securities Limited	Subsidiary	Deposit	160,495,485
Dhaka Bank Investment Limited	Subsidiary	Deposit	311,292,096
Dhaka Bank Securities Limited	Subsidiary	Credit Facility	2,443,588,172
Dhaka Bank Securities Limited	Subsidiary	Investment	1,499,999,940
Dhaka Bank Investment Limited	Subsidiary	Investment	249,999,940
Dhaka Bank Investment Limited	Subsidiary	Account receivable	1,173,725
Dhaka Bank Securities Limited	Subsidiary	Account receivable	55,787,264
Dhaka Bank Securities Limited	Subsidiary	Interest income	144,106,479
Dhaka Bank Securities Limited	Subsidiary	Interest expense	5,082,581
Dhaka Bank Investment Limited	Subsidiary	Interest expense	13,447,254

viii) Business other than Banking business with any related concern of the Directors as per Section 18(2) of The Bank Company Act, 1991, and amendment thereon:

#### Lease agreement:

1. Lease agreement for Uttara Branch was executed with Mrs. Rokshana Zaman (Director of the Bank) & Mr. Hasanuzzaman (son of Mrs. Rokshana Zaman, Director of the Bank).
2. Lease agreement for Data Recovery Center-HO & Retail Business Center-HO were executed with Mrs. Rokshana Zaman (Director of the Bank) & Tanveen Zaman (Daughter of Mrs. Rokshana Zaman, Director of the Bank).
3. Lease agreement for Shahjahanpur Branch of the Bank was executed with Mr. Mirza Abbas Uddin Ahmed, Lessor, who is the father of Mr. Mirza Yasser Abbas, Director of the Bank.
4. Lease agreement for Dhaka Bank Training Institute Hostel & Central Godown(925/B, Shahidbagh, Dhaka) of the Bank was executed with Mr. Mirza Abbas Uddin Ahmed, Lessor, who is the father of Mr. Mirza Yasser Abbas, Director of the Bank.
5. Lease agreement for Central Godown (532/4, Shahidbagh, Dhaka) of the Bank was executed with Ms. Shahida Mirza Pashu, Lessor, who is the aunt of Mr. Mirza Yasser Abbas, Director of the Bank.

#### Service provider:

6. Omni Technologies, a service provider company which provides various sorts of services to the Bank and Mr. Hasanuzzaman is Director in its board who is the son of Mrs. Rokshana Zaman, Director of the Bank.

Investments in the Securities of Directors and their related concern. Nil

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Tanzim Alamgir  
Managing Director & CEO  
IDLC Investment Limited

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Sahabub Alam Khan, FCA  
Company Officer, EVP & CFO  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

Md. Svehshan Miah  
EVP & Company Secretary  
DHAKA BANK  
LIMITED  
Head Office, Dhaka.

Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
LIMITED  
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## Dhaka Bank Limited

### Statement of Tax Position

As at 31 December 2021

Sl. No.	Assessment Year	Income Year	Latest amount of tax assessed by tax authority	Present Status
1	2005-2006	2004	279,283,553	Re-opened U/S:120 Filed Appeal to Honorable High Court
2	2006-2007	2005	331,227,509	Re-opened U/S:120 Filed Appeal to Honorable High Court
3	2007-2008	2006	472,195,169	Re-opened U/S:120 Filed Appeal to Honorable High Court
4	2008-2009	2007	903,317,788	Filed Appeal to Honorable High Court
5	2009-2010	2008	1,047,311,318	Filed Appeal to Honorable High Court
6	2010-2011	2009	1,157,121,534	Filed Appeal to Honorable High Court
7	2011-2012	2010	1,338,468,847	Filed Appeal to Honorable High Court
8	2012-2013	2011	1,465,747,928	Filed Appeal to Honorable High Court Case no 28 of 2015
9	2013-2014	2012	874,087,065	Case settle after CT Appeal /Tax Clearance Certificate received
10	2014-2015	2013	959,854,165	Case settle after CT Appeal /Tax Clearance Certificate received
11	2015-2016	2014	1,170,165,870	Case settle after DCT Level & Tax Clearance Certificate received but file Re-open U/s 120 date 15.01.2019 by showing additional income Tk. 55,416,887/- and tax claim 27,529,530/- and file is in tribunal.
12	2016-2017	2015	1,086,383,035	After 1st Appeal as per revised order due tax paid and apply for tax clearance certificate.
13	2017-2018	2016	1,463,073,057	Assessment completed & due tax paid & tax clearance certificate received in time
14	2018-2019	2017	1,497,654,717	Assessment completed & due tax paid & tax clearance certificate received in time
15	2019-2020	2018	1,856,472,490	Assessment completed & filed appeal to the appellate commissioner (1st appeal)
16	2020-2021	2019	1,737,445,278	Assessment completed & filed appeal to the appellate commissioner (1st appeal)
17	2021-2022	2020	-	Income tax return submitted to the LTU and assessment running
18	2022-2023	2021	-	Income tax return will be submitted within stipulated time.

Note:

Although it appears from the above disclosure that the Bank have tax file open in different years for various grounds mainly for interpretation of laws and the treatment. The appeal filed at different years from Commissioner of Taxes Appeal to Honorable High Court Division. Where, the Bank did not received proper judgement through appeal from tax department, the Bank preferred appeal to Honorable High Court Division. Under the appeals filed so far, the Bank has both refund claim from tax of office and tax claim from tax department as well. However, the Bank are reviewing all pending tax claim every year and the Company believes that its provision for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of law and prior experience.

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Md. Moniruzzaman  
Managing Director

DLC Investments Limited  
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Sahabub Alam Khan, FCA  
Finance Officer, EVP & CFO  
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LIMITED  
Head Office, Dhaka

Md. Shahjahan Miah  
EVP & Company Secretary  
**DHAKA BANK**  
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Head Office, Dhaka

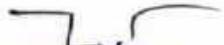
Emranul Haq  
Managing Director & CEO  
**DHAKA BANK**  
LIMITED

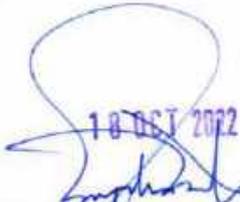
18 OCT 2022  
Tanjim Alamgir  
Managing Director & CEO  
UCB Investment Limited  
dhakabank.com

# ISLAMIC BANKING

Dhaka Bank Ltd. has been providing Islamic Banking Services through two of its Branches to adhere to the Islamic values & integrity. Now a days DBL has been providing Islamic Banking Services to the interested Customers from all the conventional Branches through online from Islamic Banking Branches. DBL is the pioneer in establishing Shari'ah-based Banking Operations through Islamic Banking Branches in the country.

18 OCT 2022

  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

  
18 OCT 2022  
Md. Shehbazan Milah  
Executive Secretary  
Dhaka Bank Ltd.  
Head Office, Dhaka

  
18 OCT 2022  
Enamul Haq  
Managing Director & CEO  
Dhaka Bank Ltd.  
Head Office, Dhaka

  
18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investors Limited

  
18 OCT 2022  
Sahabuddin Khan, FCA  
Chief Executive Officer & CFO  
Dhaka Bank Ltd.  
Head Office, Dhaka

DHAKA BANK LTD.  
LIMITED  
Head Office, Dhaka

DHAKA BANK LTD.  
LIMITED  
Head Office, Dhaka

## Dhaka Bank Limited

### Distribution of Profit under Islamic Banking Operation

Dhaka Bank has been operating two Islamic Banking branches in complying with the rules of Islamic Shariah which absolutely prohibits receipts of and payments of interest in any form. The modus operandi of these two branches is totally different from other conventional branches. A separate balance sheet and income statement are being maintained as recommended by the Central Shariah Board for Islamic Banking in Bangladesh.

#### Final Rates on Mudaraba Deposit Products of Islamic Banking for the period from January to December 2021

Dhaka Bank Limited has successfully completed the business period from January to December 2021 and declared final profit rates on various Mudaraba Deposits Accounts to the depositors.

The final rates of various Mudaraba Deposits Accounts of Banks as per approved weight age for the period from January to December 2021 have come up lower than declared provisional profit rates of Mudaraba Deposits Accounts.

As Final rates of Mudaraba Savings Deposit Account, Mudaraba SND Deposit Account for Banks, Mudaraba Short Notice Deposit Accounts, Mudaraba Term Deposit 36 Months, 24 Months, 12 Months, 6 Months, 3 Months, 1 Month, Mudaraba Term Deposit-Bank, Mudaraba Hajj Saving Scheme, Mudaraba Double Deposit Scheme & Mudaraba Deposit Pension Scheme come up lower than declared provisional profit rates as per approved weightage. We declared provisional profit rates of Mudaraba Deposit Accounts as final rates for the year-2021 considering present market position.

Sl. No.	Type of Deposit	Weightage	Final Rate
			For the period From January to December 2021
1	Mudaraba Savings Deposit	0.28	1.62%
2	Mudaraba Savings Deposit For Bank	0.33	1.68%
3	Mudaraba Short Notice Deposit	0.55	2.50%
4	Mudaraba Term Deposit Account		
	36 Months	1.1	5.05%
	24 Months	1.1	5.05%
	12 Months	1.05	4.80%
	6 Months	1.05	4.80%
	3 Months	1.05	4.80%
	1 Months	0.44	2.00%
5	Mudaraba Hajj Savings Scheme	1.1	5.04%
6	Mudaraba Deposit Double Scheme	1.36	6.21%
7	Mudaraba Deposit Pension Scheme	1.25	5.71%

Md. Shehbazan Mish  
EVP & Company Secretary  
Dhaka Bank Limited  
Head Office, Dhaka.

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Sahabuddin Khan, FCA  
Chief Finance Officer, EVP & CFO  
Dhaka Bank Limited  
Head Office, Dhaka

Emranul Haq  
Managing Director & CEO  
Dhaka Bank Limited

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

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**Dhaka Bank Limited (Islamic Banking)**  
**Balance Sheet**  
 As at 31 December 2021

	Notes	31.12.2021 Taka	31.12.2020 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	1	<b>550,601,934</b>	<b>445,425,781</b>
Cash in hand (including foreign currencies)	1.1	38,578,702	43,242,231
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	1.2	512,023,232	402,183,550
<b>Balance with other banks and financial institutions</b>	2	-	-
In Bangladesh	2.1	-	-
Outside Bangladesh	2.2	-	-
<b>Money at call on short notice</b>	3	-	-
<b>Investment in securities</b>	4	<b>675,500,000</b>	<b>773,970,000</b>
Government	4.1	675,500,000	773,970,000
Others	4.2	-	-
<b>Investments</b>	5	<b>5,582,418,900</b>	<b>6,005,994,357</b>
Bai Muajjal, murabaha, HPSM, izara etc.	5.1	5,576,776,044	5,998,213,819
IBPI	6	5,642,856	7,780,538
<b>Fixed assets including premises, furniture and fixtures</b>	7	<b>33,718,894</b>	<b>56,627,295</b>
<b>Other assets</b>	8	<b>7,922,552,750</b>	<b>3,355,943,354</b>
<b>Non-banking assets</b>	9	-	-
<b>Total Assets</b>		<b>14,764,792,478</b>	<b>10,637,960,787</b>
<b>LIABILITIES &amp; CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	10	-	<b>96,740,633</b>
<b>Deposits and other accounts</b>	11	<b>13,784,960,619</b>	<b>9,673,307,316</b>
Current accounts & other accounts		588,808,828	441,143,664
Bills payable		18,484,448	19,033,316
Savings bank deposits		830,293,002	964,611,998
Term deposits		12,347,374,341	8,248,518,338
<b>Non Convertible Subordinated Bond</b>	12	-	-
<b>Other liabilities</b>	13	<b>483,071,366</b>	<b>636,114,457</b>
<b>Total Liabilities</b>		<b>14,268,031,985</b>	<b>10,406,162,406</b>
<b>Capital/Shareholders' Equity</b>			
<b>Total Shareholders' Equity</b>		<b>496,760,493</b>	<b>231,798,381</b>
Paid-up capital		-	-
Statutory reserve		-	-
Other reserve		-	-
Surplus in profit and loss account		496,760,493	231,798,381
<b>Total Liabilities &amp; Shareholders' Equity</b>		<b>14,764,792,478</b>	<b>10,637,960,787</b>

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Sahabub Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
 www.dhaka-bank.com  
**DHAKA BANK**  
 LIMITED  
 Head Office, Dhaka

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Md. Shahjahan Miah  
 EVP & Company Secretary  
**DHAKA BANK**  
 LIMITED  
 Head Office, Dhaka

18 OCT 2022

Emranul Haq  
 Managing Director & CEO  
**DHAKA BANK**  
 LIMITED

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Tanzim Alamgir  
 Managing Director & CEO  
**UCB Investment Limited**  
 231,798,381

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Md. Moniruzzaman  
 Managing Director  
**DHAKA BANK**  
 ANNUAL REPORT 2021  
 UCB Investment Limited

**Off-Balance Sheet Items**

**Contingent liabilities**

- Acceptances and endorsements
- Irrevocable Letters of Credit
- Letter of guarantee
- Bills for collection
- Other contingent liabilities

**Other commitments**

- Documentary credit 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

**Total off-balance sheet items including contingent liabilities**

Notes	31.12.2021 Taka	31.12.2020 Taka
14	<b>4,270,172,454</b>	<b>3,458,798,911</b>
	1,223,595,993	511,071,266
	607,943,302	880,675,240
	169,272,973	110,635,983
	23,034,627	24,700,251
	2,246,325,559	1,931,716,171
	-	-
	-	-
	-	-
	-	-
	<b>4,270,172,454</b>	<b>3,458,798,911</b>

These financial statements should be read in conjunction with the annexed notes 1 to 29.

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Md. Shahjahan Miah  
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DHAKA BANK LIMITED  
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18 OCT 2022

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

**Dhaka Bank Limited (Islamic Banking)**  
**Profit & Loss Account**  
**For the year ended 31 December 2021**

	Notes	2021 Taka	2020 Taka
Profit on investments	15	993,734,630	988,554,501
Profit paid on deposits and borrowings etc.	16	(536,958,942)	(726,328,542)
<b>Net Interest Income</b>		<b>456,775,688</b>	<b>262,225,959</b>
Income from Investment	17	36,683,708	19,479,368
Commission & exchange earnings	18	44,854,276	28,140,961
Other Operating Income	19	38,252,320	3,438,581
		<b>119,790,304</b>	<b>51,058,910</b>
<b>Total operating income (a)</b>		<b>576,565,993</b>	<b>313,284,869</b>
Salary and allowances	20	32,350,797	31,118,912
Rent, taxes, insurance, electricity etc.	21	10,147,126	(14,625,748)
Legal expenses	22	543,315	238,110
Postage, stamps, telecommunication etc.	23	502,301	425,992
Stationery, printing, advertisement etc.	24	1,033,310	1,056,919
Chief executive's salary and fees	25	-	-
Directors' fees	26	35,200	97,470
Auditors' fees	27	-	-
Depreciation and repairs of Bank's assets	28	25,687,159	48,409,565
Other expenses	29	9,506,291	14,765,268
<b>Total operating expenses (b)</b>		<b>79,805,500</b>	<b>81,486,488</b>
<b>Profit before provision &amp; Taxes (c = (a-b))</b>		<b>496,760,493</b>	<b>231,798,381</b>

These financial statements should be read in conjunction with the annexed notes 1 to 29.

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Md. Shahjahan Miah  
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18 OCT 2022

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 Managing Director & CEO  
 UCB Investment Limited

**Dhaka Bank Limited (Islamic Banking)**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

	31.12.2021 Taka	31.12.2020 Taka
<b>1. Cash</b>		
Cash in hand (Note: 1.1)	38,578,702	43,242,231
Balance with Bangladesh Bank and its agent bank(s) (Note: 1.2)	512,023,232	402,183,550
	<b>550,601,934</b>	<b>445,425,781</b>
<b>1.1 Cash in hand</b>		
In local currency	37,763,602	42,597,327
In foreign currencies	815,100	644,904
	<b>38,578,702</b>	<b>43,242,231</b>
Cash in hand (local currency) includes balance of cash held at Automated Teller Machine (ATM)		
<b>1.2 Balance with Bangladesh Bank and its agent bank(s)</b>		
Balance with Bangladesh Bank		
In local currency	512,023,232	402,183,550
Conventional		
Al-Wadiah current account	512,023,232	402,183,550
In foreign currencies		
	512,023,232	402,183,550
Balance with Sonali Bank as agent of Bangladesh Bank	<b>512,023,232</b>	<b>402,183,550</b>
<b>2. Balance with other banks and financial institutions</b>		
In Bangladesh (Note: 2.1)	-	-
Outside Bangladesh (Note: 2.2)	-	-
<b>2.1 In Bangladesh</b>		
<b>Current Deposits</b>		
	-	-
<b>Special Notice Deposits (SND)</b>		
	-	-
<b>Fixed Deposits</b>		
<b>Commercial Banks</b>		
	-	-
<b>Financial Institutions</b>		
	-	-

18 OCT 2022  
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 LIMITED

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 IDLC Investments Limited

18 OCT 2022  
 Tanzim Alamgir  
 Managing Director & CEO  
 UBS Investment Bank Limited

2.2 Outside Bangladesh (Nostro Accounts)  
Current Deposits

3. Money at call on short notice

With banking companies

(Note: 3.1)

With non-banking financial institutions

(Note: 3.2)

3.1 With banking companies

3.2 With non-banking financial institutions

4. Investment in securities

Government securities

(Note: 4.1)

Other investments

(Note: 4.2)

4.1 Government securities

Bangladesh Bank bills

(Note: 4.1.1)

Treasury bonds

(Note: 4.1.2)

Government islamic bond

Prize bond

4.1.1 Bangladesh Bank bills

7 days Bangladesh Bank Bills

91 days Treasury Bills

182 days Treasury Bills

364 days Treasury Bills

4.1.2 Treasury Bonds

2 years Bangladesh Government Treasury Bond

5 years Bangladesh Government Treasury Bond

10 years Bangladesh Government Treasury Bond

15 years Bangladesh Government Treasury Bond

20 years Bangladesh Government Treasury Bond

4.2 Other investments

Investment in shares

(Note: 4.2.1)

Investment in subordinated bonds

(Note: 4.2.2)

Investment in Commercial Paper

(Note: 4.2.3)

	31.12.2021 Taka	31.12.2020 Taka
2.2 Outside Bangladesh (Nostro Accounts) Current Deposits	-	-
3. Money at call on short notice	-	-
With banking companies	-	-
With non-banking financial institutions	-	-
3.1 With banking companies	-	-
3.2 With non-banking financial institutions	-	-
4. Investment in securities	-	-
Government securities	675,500,000	773,970,000
Other investments	-	-
	<b>675,500,000</b>	<b>773,970,000</b>
4.1 Government securities	-	-
Bangladesh Bank bills	-	-
Treasury bonds	675,500,000	773,970,000
Government islamic bond	-	-
Prize bond	-	-
	<b>675,500,000</b>	<b>773,970,000</b>
4.1.1 Bangladesh Bank bills	-	-
7 days Bangladesh Bank Bills	-	-
91 days Treasury Bills	-	-
182 days Treasury Bills	-	-
364 days Treasury Bills	-	-
4.1.2 Treasury Bonds	-	-
2 years Bangladesh Government Treasury Bond	-	-
5 years Bangladesh Government Treasury Bond	-	-
10 years Bangladesh Government Treasury Bond	-	-
15 years Bangladesh Government Treasury Bond	-	-
20 years Bangladesh Government Treasury Bond	-	-
4.2 Other investments	-	-
Investment in shares	-	-
Investment in subordinated bonds	-	-
Investment in Commercial Paper	-	-

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Managing Director & CEO  
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DHAKA BANK LIMITED  
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4.2.1 Shares

Quoted (Publicly Traded)  
Unquoted

4.2.2 Investment in subordinated bonds

4.2.3 Investment in Commercial Paper

5. Investments

Bai Muajjal, murabaha, HPSM, izara etc.  
IBPI

(Note: 5.1)  
(Note: 6)

5.1 Bai Muajjal, murabaha, HPSM, izara etc.

Broad category-wise breakup

In Bangladesh

Murabaha (Purchase Order)  
Murabaha (Term Financing)  
MPI Trust Receipt  
Murabaha Import Bill (PAD)  
Bai Muajjal  
Ijara (Lease Financing) (Note-5.3)  
Shirkatul Mulk (Hire Purchase)  
Other investments

Outside Bangladesh

5.2 Residual maturity grouping of investments including

IBPI

Repayable on Demand  
Not more than 3 months  
More than 3 months but not more than 6 months  
More than 6 months but not more than 1 year  
More than 1 year but not more than 5 years  
More than 5 years

5.3 Investment in lease/izara finance

Lease rental receivable within 1 year  
Lease rental receivable more than 1 year

Total lease/izara rental receivable

Less: unearned interest/profit receivable

Net investment in lease/izara finance

	31.12.2021 Taka	31.12.2020 Taka
4.2.1 Shares	-	-
4.2.2 Investment in subordinated bonds	-	-
4.2.3 Investment in Commercial Paper	-	-
5. Investments		
Bai Muajjal, murabaha, HPSM, izara etc.	5,576,776,044	5,998,213,819
IBPI	5,642,856	7,780,538
	<b>5,582,418,900</b>	<b>6,005,994,357</b>
5.1 Bai Muajjal, murabaha, HPSM, izara etc.		
Broad category-wise breakup		
In Bangladesh		
Murabaha (Purchase Order)	718,702,872	405,305,737
Murabaha (Term Financing)	742,432,713	1,568,939,041
MPI Trust Receipt	366,070,499	480,186,113
Murabaha Import Bill (PAD)	-	-
Bai Muajjal	1,669,696,173	2,213,955,905
Ijara (Lease Financing) (Note-5.3)	751,844,225	711,021,723
Shirkatul Mulk (Hire Purchase)	358,647,302	430,433,737
Other investments	969,382,260	188,371,564
	5,576,776,044	5,998,213,819
Outside Bangladesh	-	-
	<b>5,576,776,044</b>	<b>5,998,213,819</b>
5.2 Residual maturity grouping of investments including IBPI		
Repayable on Demand	1,678,136,318	2,257,493,302
Not more than 3 months	401,837,755	888,588,005
More than 3 months but not more than 6 months	837,500,630	761,815,072
More than 6 months but not more than 1 year	484,399,030	154,644,958
More than 1 year but not more than 5 years	1,199,348,596	779,054,916
More than 5 years	981,196,572	1,164,398,103
	<b>5,582,418,900</b>	<b>6,005,994,357</b>
5.3 Investment in lease/izara finance		
Lease rental receivable within 1 year	249,858,717	230,809,377
Lease rental receivable more than 1 year	613,498,716	676,216,633
Total lease/izara rental receivable	863,357,433	907,034,565
Less: unearned interest/profit receivable	111,513,208	196,012,842
Net investment in lease/izara finance	<b>751,844,225</b>	<b>711,021,723</b>

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2.5

Tanzim Alamg  
Managing Director & C  
Investment Lim

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**5.4 Investments under the following broad categories**

Investments  
Bai Murabaha/ Bai Muajjal

Bills Purchased and discounted

(Note: 6)

**5.5 Investments on the basis of significant concentration including IBPI**

- a. investments to allied concerns of Directors
- b. Investments to Chief Executive
- c. Investments to Other Senior Executives
- d. Investments to Customer's Group:

Agriculture investments  
Commercial lending  
Export financing  
Consumer credit scheme  
Special Program Investments (SME)  
Staff investments  
others

**5.6 Industry-wise investments**

Agricultural  
Pharmaceuticals  
Textile & Garment  
Chemical  
Food & allied  
Transport & Communication  
Electronics & Automobile  
Housing & Construction  
Engineering & Metal Industries including Ship Breaking  
Energy & Power  
Service  
Others

**5.7 Geographical location-wise (division) distribution**

**Urban**

Dhaka Region  
Chattagram Region  
South Region  
North Region  
Sylhet Region

**Rural**

Dhaka Region  
Chattagram Region  
South Region  
North Region  
Sylhet Region

	31.12.2021 Taka	31.12.2020 Taka
Investments	3,299,560,031	3,304,071,802
Bai Murabaha/ Bai Muajjal	2,277,216,013	2,694,142,017
	5,576,776,044	5,998,213,819
Bills Purchased and discounted	5,642,856	7,780,538
	<b>5,582,418,900</b>	<b>6,005,994,357</b>
a. investments to allied concerns of Directors	-	-
b. Investments to Chief Executive	-	-
c. Investments to Other Senior Executives	-	-
d. <u>Investments to Customer's Group:</u>		
Agriculture investments	97,158,750	104,607,950
Commercial lending	-	114,103,104
Export financing	-	82,878,317
Consumer credit scheme	86,054,543	449,815,644
Special Program Investments (SME)	484,144,066	21,999,320
Staff investments	20,747,042	5,232,590,023
others	4,894,314,499	-
	<b>5,582,418,900</b>	<b>6,005,994,357</b>
Agricultural	-	-
Pharmaceuticals	-	-
Textile & Garment	917,453,553	1,253,039,322
Chemical	636,843,724	652,586,877
Food & allied	227,972,952	231,368,715
Transport & Communication	13,803,664	11,098,065
Electronics & Automobile	20,055,000	14,705,250
Housing & Construction	463,756,999	462,421,888
Engineering & Metal Industries including Ship Breaking	1,515,003,022	1,604,043,924
Energy & Power	322,241,229	327,625,050
Service	605,482,184	292,698,675
Others	859,806,573	1,156,406,593
	<b>5,582,418,900</b>	<b>6,005,994,357</b>
Urban		
Dhaka Region	3,765,229,503	4,087,237,397
Chattagram Region	1,817,189,397	1,918,756,960
South Region	-	-
North Region	-	-
Sylhet Region	-	-
	<b>5,582,418,900</b>	<b>6,005,994,357</b>
Rural		
Dhaka Region	-	-
Chattagram Region	-	-
South Region	-	-
North Region	-	-
Sylhet Region	-	-
	<b>5,582,418,900</b>	<b>6,005,994,357</b>

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Tanzim Alamgir  
Managing Director & CEO  
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Md. Moniruzzaman  
Managing Director  
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**5.8 Sector-wise investments**

Government & Autonomous bodies  
 Financial Institutions (Public & Private)  
 Private Sector

31.12.2021 Taka	31.12.2020 Taka
-	-
-	-
5,582,418,900	6,005,994,357
<b>5,582,418,900</b>	<b>6,005,994,357</b>

**5.9 Classification of investments**

**Unclassified**

Standard  
 Special Mention Account

4,806,993,011	5,203,277,197
71,716,960	-
<b>4,878,709,971</b>	<b>5,203,277,197</b>

**Classified**

Sub-Standard  
 Doubtful  
 Bad or loss

14,585,573	-
-	-
689,123,357	802,717,160
<b>703,708,929</b>	<b>802,717,160</b>
<b>5,582,418,900</b>	<b>6,005,994,357</b>

**5.10 A) Provision required for investments**

**Status**

**Rate %**

**Unclassified**

Unclassified 0.25, 1, 1.25, 1.75, 2.3 & 100  
 Special Mention account 0.25, 1 & 2

295,342,099	531,040,596
1,039,895	-
<b>296,381,994</b>	<b>531,040,596</b>

**Classified:**

Sub-Standard 20  
 Doubtful  
 Bad or loss 100

437,567	-
637,591,654	354,186,656
<b>638,029,221</b>	<b>354,186,656</b>

Required provision for investments 934,411,215  
 Total provision maintained 934,411,215

934,411,215	885,227,251
934,411,215	885,227,251

**Excess/short provision as at 31 December**

**B) Provision for good borrower**

**C) Provision required for Off-Balance Sheet Exposures**

Status	Base for Provision	Rate %
Acceptances and Endorsements	1,223,595,993	1
Letter of Credit	607,943,302	1
Letter of Guarantee	169,272,973	1

**Required provision**

Total Provision Maintained 20,008,123

12,235,960	5,110,713
6,079,433	8,806,752
1,692,730	1,106,360
<b>20,008,123</b>	<b>15,023,825</b>
20,008,123	15,023,825

**Excess/(Short) Provision as at 31 December**

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 UCB Investment Limited

5.11 Securities against investments including IBPI

a. Secured

Collateral of movable/immovable assets  
Local Banks & Financial Institutions guarantee  
Foreign Banks Guarantee  
Export documents  
Government Guarantee

Fixed Deposits Receipts

Own FDR  
FDR of Other Banks  
Personal Guarantee  
Corporate Guarantee  
Other Securities  
Government bonds

b. Unsecured

6. IBPI

In Bangladesh  
Outside Bangladesh

6.1 Maturity grouping of IBPI

Payable within 1 month  
Over 1 month but less than 3 months  
Over 3 months but less than 6 months  
6 months or more

7. Fixed assets including premises, furniture and fixtures

Cost

Land  
Building  
Furniture and fixture including office decoration  
Office appliances and equipment  
Computer  
Software  
Bank's vehicle  
Right of use assets (ROU) as per IFRS 16

Less: Accumulated depreciation

	31.12.2021 Taka	31.12.2020 Taka
	4,766,767,553	4,615,974,609
	-	-
	5,642,856	7,780,538
	-	-
	268,327,747	-
	-	-
	120,138,276	39,118,161
	-	-
	421,542,468	1,343,121,048
	-	-
	5,582,418,900	6,005,994,356
	(0)	0
	<b>5,582,418,900</b>	<b>6,005,994,357</b>
	-	-
	5,642,856	7,780,538
	<b>5,642,856</b>	<b>7,780,538</b>
	-	-
	2,421,173	1,969,826
	2,268,678	5,810,711
	953,005	-
	-	-
	<b>5,642,856</b>	<b>7,780,538</b>
	-	-
	-	-
	7,049,830	7,034,510
	22,312,495	20,504,229
	3,572,636	3,979,487
	421,959	421,959
	2,850,375	2,850,375
	95,455,299	95,455,299
	131,662,594	130,245,858
	97,943,700	73,618,563
	<b>33,718,894</b>	<b>56,627,295</b>
	<b>18 OCT 2022</b>	<b>18 OCT 2022</b>

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10.1 In Bangladesh  
Call Borrowing

Term Borrowing

Bangladesh Bank refinance

Small and Medium Enterprise  
Syndication  
Green Banking  
Export Development Fund  
FSSP Fund  
Mudaraba Refinance  
Stimulus Fund

Total

10.2 Outside Bangladesh

11. Deposits and other accounts

Current and other accounts (Note: 11.1)  
Bills payable (Note: 11.2)  
Savings deposits (Note: 11.3)  
Term deposits (Note: 11.4)

Non-profit bearing accounts

11.1 Current and other accounts

Current account  
Foreign currency deposits  
Margin under Letter of Credit  
Margin under Letter of Guarantee  
Deposits awaiting disposal  
Sundry deposit (Note: 11.1.1)

11.1.1 Sundry deposit

F.C held against Back to Back L/C  
Sundry creditors  
Unclaimed deposits  
Risk fund  
Security deposits  
Advance lease rent

	31.12.2021 Taka	31.12.2020 Taka
10.1 In Bangladesh		
Call Borrowing	-	-
Term Borrowing	-	-
Bangladesh Bank refinance		
Small and Medium Enterprise	-	-
Syndication	-	-
Green Banking	-	-
Export Development Fund	-	96,740,633
FSSP Fund	-	-
Mudaraba Refinance	-	-
Stimulus Fund	-	-
Total	-	96,740,633
10.2 Outside Bangladesh	-	-
11. Deposits and other accounts		
Current and other accounts (Note: 11.1)	588,808,828	441,143,664
Bills payable (Note: 11.2)	18,484,448	19,033,316
Savings deposits (Note: 11.3)	830,293,002	964,611,998
Term deposits (Note: 11.4)	12,347,374,341	8,248,518,338
	<b>13,784,960,619</b>	<b>9,673,307,316</b>
Non-profit bearing accounts		
11.1 Current and other accounts		
Current account	421,365,720	238,963,510
Foreign currency deposits	49,744	209,383
Margin under Letter of Credit	140,657,804	152,542,742
Margin under Letter of Guarantee	9,589,366	9,628,224
Deposits awaiting disposal	-	-
Sundry deposit (Note: 11.1.1)	17,146,194	39,799,805
	<b>588,808,828</b>	<b>441,143,664</b>
11.1.1 Sundry deposit		
F.C held against Back to Back L/C	2,296,208	37,107,618
Sundry creditors	14,019,980	1,710,064
Unclaimed deposits	830,006	982,122
Risk fund	-	-
Security deposits	-	-
Advance lease rent	17,146,194	39,799,805

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Managing Director & CEO  
IDLC Investment Limited

	31.12.2021 Taka	31.12.2020 Taka
<b>11.2 Bills payable</b>		
Pay order	18,484,448	19,033,316
Demand draft	-	-
	<b>18,484,448</b>	<b>19,033,316</b>
<b>Total Non-profit bearing accounts</b>	<b>607,293,276</b>	<b>460,176,980</b>
<b>Profit bearing Account</b>		
<b>11.3 Savings deposits</b>		
Savings account	-	-
Mudaraba savings accounts	830,293,002	954,611,998
	<b>830,293,002</b>	<b>964,611,998</b>
<b>11.4 Term deposits</b>		
Special Notice Deposits	783,153,073	303,898,544
Fixed Deposits	10,704,886,908	7,001,137,301
Deposit Pension Scheme	859,100,360	943,302,993
Gift Cheque	234,000	179,500
Non Resident Foreign Currency Deposit (NFCD)	-	-
	<b>12,347,374,341</b>	<b>8,248,518,338</b>
<b>Total profit bearing Account</b>	<b>13,177,667,343</b>	<b>9,213,130,336</b>
<b>Total Deposits and other accounts</b>	<b>13,784,960,619</b>	<b>9,673,307,316</b>
<b>12. Non Convertible Subordinated Bond</b>	-	-
<b>13. Other Liabilities</b>		
Accrued profit	34,013	1,766,082
Provision on loans and advances	-	-
Provision for Good Borrower	-	-
Provision for Off-Balance Sheet Exposure	-	-
Profit Suspense Account	416,749,393	481,553,617
Provision against Expenses	-	-
Provision for decrease in value of investments	-	-
Provision for Other Assets	-	-
Provision for Current Tax	-	-
Deferred tax liability	-	-
Tax deducted at source & payable	6,316,347	-
Excise Duty Payable	9,848,470	8,117,570
Other Account Payable	80,123,144	140,712,329
	<b>483,071,366</b>	<b>636,114,457</b>

(Note: 13.1)

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**13.1 Other Account Payable**

3 month and 5 years Bangladesh/Sanchay Patra & BB Foreign Invest. Bond  
 Application, Processing, Membership & Utilisation Fee  
 Adjusting Account Credit  
 Export Proceeds Suspense  
 Finance from Bill Discounting OBU  
 Compensation income of Islamic Banking operations  
 ATM settlement account  
 Import Payment Suspense  
 Baina against Non-Banking Assets  
 Leased liabilities as per IFRS 16

**14 Contingent Liabilities**

**Acceptance & Endorsement**

**Letters of Credit**

Usance/Defer Letter of Credit  
 Sight Letter of Credit  
 Back to Back Letter of Credit  
 BD-Sight (EDF)  
 Back to Back - Local

**Letters of Guarantee**

Bid Bond  
 Performance Bond  
 Counter Guarantee  
 Other Guarantee  
 Shipping Guarantee

**Bills for Collection**

Local Bills for Collection  
 Foreign Bills for Collection

**Other contingent liabilities**

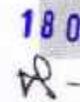
Bangladesh/Pratirakhkha/Paribar Sanchay Patra  
 ICB Unit Certificate  
 Forward Exchange Position  
 US Investment & Premium Bond  
 Contingent profit Suspense

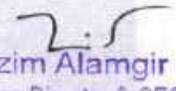
	31.12.2021 Taka	31.12.2020 Taka
	-	-
	32,075	27,375
	1,175,125	1,319,899
	344,058	-
	40,011	39,545
	15,790,616	84,223,791
	-	-
	-	-
	-	-
	32,741,259	55,101,719
	<b>50,123,144</b>	<b>140,712,329</b>
	<b>1,223,595,993</b>	<b>511,071,266</b>
	<b>607,943,302</b>	<b>880,675,240</b>
	133,600,965	774,281,000
	474,342,337	106,394,240
	-	-
	-	-
	<b>169,272,973</b>	<b>110,635,983</b>
	18,101,059	760,000
	27,964,763	29,001,418
	-	-
	93,221,834	66,914,365
	27,985,317	13,960,200
	-	-
	<b>23,034,627</b>	<b>24,700,251</b>
	21,152,374	22,839,936
	1,882,253	1,860,315
	-	-
	<b>2,246,325,559</b>	<b>1,931,716,171</b>
	-	-
	-	-
	2,246,325,559	1,931,716,171
	<b>4,270,172,454</b>	<b>3,458,798,911</b>

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 Managing Director  
 DLC Investments Limited

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 Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited

**15. Profit on investments**

Term investment  
 Bai Muajjal  
 Investment against imported Merchandise/Murabaha  
 Investment against Trust Receipt  
 Packing Credits  
 Bai-Muajjal  
 Payment against Documents  
 House Building investment  
 Transport investment  
 Syndicate investment  
 Lease Rental/Izara  
 Credit Card

**Total profit & Rental Income on investments**

Call Lending and Fund Placement with banks  
 Inter Branch Profit received

**16. Profit paid on deposits and borrowings etc.**

Savings Account including Mudaraba  
 Special Notice Deposit  
 Term Deposits  
 Deposits under Scheme  
 Call Borrowing & Fund Placement  
 Non-convertible Subordinate Bond  
 Repurchase Agreement (REPO)  
 Overseas Accounts charges  
 Leased assets  
 HTM/HFT Securities  
 Others

(Note: 16.1)

**16.1 Others**

Profit paid on NFCD  
 Profit paid against Refinance from Bangladesh Bank  
 Profit paid on Gift Cheque  
 Profit paid on Excel Account  
 Profit on Finance Bill Rediscounting  
 Profit on Fund Borrowing-ÖBU  
 Treasury Bond Premium

**17. Income from investment**

Profit on Treasury bills/bonds  
 Profit on Govt. Islamic Bonds  
 Capital Gain on Government Securities  
 Profit on Commercial Papers  
 Profit on Subordinated Bonds  
 Dividend on Shares

	2021 Taka	2020 Taka
Term investment	122,915,344	75,711,288
Bai Muajjal	206,558,851	197,478,064
Investment against imported Merchandise/Murabaha	-	-
Investment against Trust Receipt	71,129,252	7,828,503
Packing Credits	-	-
Bai-Muajjal	-	-
Payment against Documents	-	-
House Building investment	205,260	527,563
Transport investment	-	-
Syndicate investment	-	-
Lease Rental/Izara	62,348,384	67,269,873
Credit Card	-	-
<b>Total profit &amp; Rental Income on investments</b>	<b>463,157,091</b>	<b>348,815,290</b>
Call Lending and Fund Placement with banks	530,577,539	639,739,211
Inter Branch Profit received	<b>993,734,630</b>	<b>988,554,501</b>
Savings Account including Mudaraba	18,115,945	32,717,539
Special Notice Deposit	11,104,854	8,496,592
Term Deposits	416,287,509	493,034,566
Deposits under Scheme	91,233,206	93,093,302
Call Borrowing & Fund Placement	-	-
Non-convertible Subordinate Bond	-	-
Repurchase Agreement (REPO)	-	-
Overseas Accounts charges	7,400	-
Leased assets	-	-
HTM/HFT Securities	590	-
Others	209,438	98,986,544
	<b>536,958,942</b>	<b>726,328,542</b>
Profit paid on NFCD	208,532	98,985,575
Profit paid against Refinance from Bangladesh Bank	906	970
Profit paid on Gift Cheque	-	-
Profit paid on Excel Account	-	-
Profit on Finance Bill Rediscounting	-	-
Profit on Fund Borrowing-ÖBU	-	-
Treasury Bond Premium	-	-
	<b>209,438</b>	<b>98,986,544</b>
Profit on Treasury bills/bonds	36,683,708	19,479,368
Profit on Govt. Islamic Bonds	-	-
Capital Gain on Government Securities	-	-
Profit on Commercial Papers	-	-
Profit on Subordinated Bonds	-	-
Dividend on Shares	-	-
	<b>36,683,708</b>	<b>19,479,368</b>

18 OCT 2022

Sahabuddin Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
**DHAKA BANK LIMITED**  
 Head Office, Dhaka

18 OCT 2022

Md. Anshahan Miah  
 Company Secretary  
**DHAKA BANK LIMITED**  
 Head Office, Dhaka.

18 OCT 2022

Tanzim Alamgir  
 Managing Director & CEO  
**UCB Investment Limited**

18 OCT 2022

Emranul Haq  
 Managing Director & CEO  
**DHAKA BANK LIMITED**

18 OCT 2022

Md. Moniruzzaman  
 Managing Director  
**IDLC Investments Limited**

**18. Commission & exchange earnings**

Commission on Letter of Credit  
 Commission on Letter of Guarantee  
 Commission on Remittance / Bills  
 Processing Fee Consumer Loans  
 Other Comm/ Fees (Clearing, cash tr., risk prem., utilisation fee etc.)  
 Rebate from Foreign Bank outside Bangladesh  
 Commission & Fee on Credit Cards  
 Exchange gain including gain from foreign currency dealings

2021 Taka	2020 Taka
26,014,600	14,279,156
2,617,492	1,519,075
707,553	742,817
151,906	435,459
15,658,772	10,882,759
	-
396,792	288,248
(692,839)	(6,563)
<b>44,854,276</b>	<b>28,140,961</b>

**19. Other Operating Income**

Other Income on Credit Card and ATM  
 Incidental charges  
 Swift charge recoveries  
 Locker rent  
 Capital gain on sale of Shares  
 Profit from sale of fixed assets  
 Recovery from written off loans

615,200	550,500
2,928,870	1,886,831
689,750	717,750
	-
	-
	-
34,018,500	283,500
<b>38,252,320</b>	<b>3,438,581</b>

**20. Salary and allowances**

Basic salary  
 Allowances  
 Bonus & ex-gratia  
 Leave fare assistance  
 Bank contribution to gratuity fund  
 Bank's contribution to provident fund

11,683,162	11,224,305
15,416,637	14,765,678
2,209,759	2,171,139
1,888,333	1,852,000
	-
1,152,906	1,105,790
<b>32,350,797</b>	<b>31,118,912</b>

**21. Rent, taxes, insurance, electricity etc.**

Office rent  
 Electricity and lighting  
 Regulatory charges  
 Insurance

(Note: 21.1)

4,472,805	(21,217,085)
716,064	1,048,358
81,860	66,176
4,876,398	5,476,803
<b>10,147,126</b>	<b>(14,625,748)</b>

**21.1 Office rent**

Reversal of rent expenses due to depreciation and interest expenses under IFRS 16 "Leases"

30,270,541	24,878,778
25,797,736	46,095,863
<b>4,472,805</b>	<b>(21,217,085)</b>

**22. Legal expenses**

Legal expenses  
 Other professional fees

543,315	238,110
	-
<b>543,315</b>	<b>238,110</b>

18 OCT 2022

18 OCT 2022

Moniruzzaman  
 Managing Director  
 Investments Limited

Sahabuddin Khan, FCA  
 Chief Finance Officer, EVP & CFO  
 DHAKA BANK  
 Head Office, Dhaka

Md. Shehbaz Miah  
 EVP, Company Secretary  
 DHAKA BANK  
 Head Office, Dhaka.

Emranul Haq  
 Managing Director & CEO  
 DHAKA BANK

Tanzim Alamgir  
 Director & CEO  
 UCB Investment Limited

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**23. Postage, stamps, telecommunication etc.**

Stamps, postage & courier  
Telephone charges  
Fax, internet & radio link charges

2021 Taka	2020 Taka
115,159	55,839
100,642	82,404
286,500	287,750
<b>502,301</b>	<b>425,992</b>

**24. Stationery, printing, advertisement etc.**

Table stationery  
Printing stationery  
Security stationery  
Computer stationery  
Advertisement

212,238	177,965
482,037	264,303
71,868	57,746
77,675	70,195
189,492	486,710
<b>1,033,310</b>	<b>1,056,919</b>

**25. Chief executive's salary and fees**

Basic salary  
House rent allowances  
Living allowances  
Medical Allowances  
Bonus

-	-
-	-
-	-
-	-
-	-

**26. Directors' fees**

Directors fees  
Fees related to Shariah Council Meeting  
Board/Executive Committee/Shariah Council Meeting Expenses

-	-
35,200	97,470
<b>35,200</b>	<b>97,470</b>

**27. Auditor's fees**

-	-
---	---

**28. Depreciation and repairs of Bank's assets**

**Depreciation & Amortization**

Building  
Furniture & Fixture  
Office Appliance & Equipment  
Computer  
Software  
Motor Vehicle  
Right of use assets (ROU) as per IFRS 16

-	-
696,383	698,430
1,645,544	1,743,114
196,642	215,254
-	-
47,505	570,675
22,206,057	44,412,113
<b>24,792,131</b>	<b>47,638,986</b>

**Repair & Maintenance:**

Office Premises  
Office Equipment  
Office Furniture  
Motor Vehicle  
Computer and accessories

345,145	337,497
389,374	255,466
28,940	39,487
51,014	24,879
56,555	103,650
24,000	9,600
<b>895,028</b>	<b>770,579</b>

Software (AMC)

<b>25,687,159</b>	<b>48,409,565</b>
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18 OCT 2022

Md. Moriruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022

Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

18 OCT 2022

Md. Shahjahan Miah  
EVP, Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka

18 OCT 2022

18 OCT 2022  
Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
www.dhakabank.com  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

**29. Other expenses**

Contractual service charge (own & third party)
Fuel Costs
Entertainment (canteen & other)
AGM & Conference Expense
Donation
Subscription
Travelling Expenses
Conveyance
Branch opening expenses
Godown expenses
Training expenses
Bond issue expenses
Books and papers
WASA charges
Staff uniform
Potted plants
Business development & promotion
Reuters charges
Fees and expenses for credit card
ATM network service charges
Contribution to superannuation fund
Profit expense for lease liability as per IFRS 16
Miscellaneous expenses

	2021 Taka	2020 Taka
	5,752,805	6,005,033
	209,773	171,362
	206,693	198,134
	-	-
	10,000	9,256
	-	-
	64,322	106,422
	124,074	126,060
	309,150	-
	28,000	42,000
	433,808	100,622
	-	-
	6,730	10,280
	6,000	-
	48,617	49,769
	75,450	91,650
	-	-
	-	-
	19,575	-
	123,000	207,230
	-	-
	2,088,294	7,091,266
	-	556,184
	<b>9,506,291</b>	<b>14,765,268</b>

**18 OCT 2022**  
  
 Md. Shahjahan Miah  
 EVP & Company Secretary  
 DHAKA BANK  
 LIMITED  
 Head Office, Dhaka.

**18 OCT 2022**  
  
 Sahabul Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
 DHAKA BANK  
 LIMITED  
 Head Office, Dhaka

**18 OCT 2022**  
  
 Emrashi Huq  
 Managing Director & CEO  
 DHAKA BANK  
 LIMITED

**18 OCT 2022**  
  
 Md. Moniruzzaman  
 Managing Director  
 IDLC Investments Limited

**18 OCT 2022**  
  
 Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited



# OFF-SHORE BANKING

Though the country's offshore banking market is dominated by the foreign banks, Dhaka Bank has been able to make its strong and delightful presence by attracting a good number of customers in a short period of time through effective marketing, competitive pricing and ensuring highest levels of professionalism along with excellent customer services backed by quality human and technological supports.

18 OCT 2022

*Tanzim Alamgir*  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022  
Emranul Haq  
Managing Director & CEO  
**DHAKA BANK**  
LIMITED

18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022  
*Sahabuddin Alam Khan*  
Sahabuddin Alam Khan, FCA  
Chief Finance Officer, EOP & CFO  
**DHAKA BANK**  
LIMITED  
Head Office, Dhaka

# Dhaka Bank Limited (Off-Shore Banking Unit)

Annexure-J

Balance Sheet  
As at 31 December 2021

Notes	31.12.2021		31.12.2020	
	USD	Taka	USD	Taka
<b>PROPERTY AND ASSETS</b>				
<b>Cash</b>	<b>846,698</b>	<b>72,646,692</b>	<b>13,824,940</b>	<b>1,172,354,954</b>
Cash in hand (including foreign currencies)				
Balance with Bangladesh Bank & Sonali Bank (including foreign currencies)	846,698	72,646,692	13,824,940	1,172,354,954
<b>Balance with other banks and financial institutions</b>	<b>6,063,104</b>	<b>520,214,364</b>	<b>18,555,776</b>	<b>1,573,529,806</b>
In Bangladesh	-	-	8,000,000	678,400,000
Outside Bangladesh	6,063,104	520,214,364	10,555,776	895,129,806
<b>Money at call on short notice</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Investments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Government	-	-	-	-
Others	-	-	-	-
<b>Loans, advances and lease/investments</b>	<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>
Loans, cash credits, overdrafts etc./Investments	3.1 289,884,313	24,872,074,092	175,556,139	14,887,160,586
Bills purchased and discounted	3.2 21,380,951	1,834,485,600	16,179,981	1,372,062,403
<b>Fixed assets including premises, furniture and fixtures</b>	<b>4,537</b>	<b>389,308</b>	<b>7,832</b>	<b>664,113</b>
<b>Other assets</b>	<b>2,194,809</b>	<b>188,314,634</b>	<b>2,433,295</b>	<b>206,343,394</b>
<b>Non-banking assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets</b>	<b>320,374,414</b>	<b>27,488,124,690</b>	<b>226,557,963</b>	<b>19,212,115,255</b>
<b>LIABILITIES AND CAPITAL</b>				
<b>Liabilities</b>				
Borrowings from other banks, financial institutions and agents	5 293,133,369	25,150,843,054	197,197,407	16,722,340,136
<b>Deposits and other accounts</b>	<b>14,895,436</b>	<b>1,278,028,413</b>	<b>11,122,116</b>	<b>943,155,399</b>
Current accounts & other accounts	12,900,232	1,106,839,938	7,841,156	664,929,995
Bills payable	-	-	-	-
Other deposits	1,995,204	171,188,475	3,280,960	278,225,403
<b>Other liabilities</b>	<b>10,336,049</b>	<b>886,833,014</b>	<b>12,097,435</b>	<b>1,025,862,496</b>
<b>Total Liabilities</b>	<b>318,364,854</b>	<b>27,315,704,481</b>	<b>220,416,958</b>	<b>18,691,358,031</b>
<b>Capital/Shareholders' Equity</b>				
Paid-up capital	-	-	-	-
Statutory reserve	-	-	-	-
Other reserve	-	-	-	-
Surplus in Profit and Loss Account	2,009,560	172,420,208	6,141,005	520,757,224
<b>Total Shareholders' Equity</b>	<b>2,009,560</b>	<b>172,420,208</b>	<b>6,141,005</b>	<b>520,757,224</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>320,374,414</b>	<b>27,488,124,690</b>	<b>226,557,963</b>	<b>19,212,115,255</b>

The notes 1 to 16 form an integral part of these financial statements.

18 OCT 2022  
 Md. Moniruzzaman  
 Managing Director  
 IDLC Investment Limited  
 Dhaka

18 OCT 2022  
 Sahab Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
 DHAKA BANK LIMITED  
 Head Office, Dhaka

18 OCT 2022  
 Md. Shahjahan Miah  
 EVP & Company Secretary  
 DHAKA BANK LIMITED  
 Head Office, Dhaka

18 OCT 2022  
 Emranul Haq  
 Managing Director & CEO  
 DHAKA BANK LIMITED  
 ANNUAL REPORT 2021



**Dhaka Bank Limited (Off-Shore Banking Unit)**  
**Profit and Loss Account**  
For the year ended 31 December 2021

	Notes	2021		2020	
		USD	Taka	USD	Taka
Interest Income/Profit Received	9	8,509,922	730,151,346	9,666,547	819,723,167
Less: Interest/Profit paid on Deposits & Borrowings	10	2,578,182	221,207,978	4,110,865	348,601,380
<b>Net Interest Income</b>		<b>5,931,741</b>	<b>508,943,368</b>	<b>5,555,681</b>	<b>471,121,787</b>
Income from Investment		-	-	-	-
Commission/Fees & Exchange Earnings	11	539,774	46,312,625	789,600	66,958,114
Other Operating Income	12	43,091	3,697,202	38,818	3,291,785
<b>Total Operating Income (a)</b>		<b>6,514,606</b>	<b>558,953,195</b>	<b>6,384,100</b>	<b>541,371,686</b>
Salary and allowances		-	-	-	-
Rent, taxes, insurance, electricity etc.		7,903	678,102	3,114	264,046
Legal expenses		133,011	11,412,340	172,351	14,615,370
Postage, stamps, telecommunication etc.		13,876	1,190,518	13,905	1,179,107
Stationery, printing, advertisement etc.		1,495	128,287	1,984	168,236
Chief executive's salary and fees		-	-	-	-
Directors' fees		-	-	-	-
Auditors' fees		-	-	-	-
Depreciation and repairs of Bank's assets		4,623	396,653	7,475	633,921
Other expenses	13	11,239	964,266	14,314	1,213,856
<b>Total operating expenses (b)</b>		<b>172,146</b>	<b>14,770,166</b>	<b>213,143</b>	<b>18,074,536</b>
<b>Profit/(Loss) before provision (c)=(a-b)</b>		<b>6,342,460</b>	<b>544,183,029</b>	<b>6,170,957</b>	<b>523,297,150</b>
Less: Provision for Loans (d)		4,332,900	371,762,821	29,952	2,539,926
<b>Total Profit/(Loss) before tax (c-d)</b>		<b>2,009,560</b>	<b>172,420,208</b>	<b>6,141,005</b>	<b>520,757,224</b>

The notes 1 to 16 form an integral part of these financial statements.

18 OCT 2022  
  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka.

18 OCT 2022

18 OCT 2022

18 OCT 2022

  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka.

  
Emranul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

18 OCT 2022  
  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

**Dhaka Bank Limited (Off-Shore Banking Unit)**  
**Cash Flow Statement**  
For the year ended 31 December 2021

Notes	2021		2020	
	USD	Taka	USD	Taka
<b>Cash Flow from Operating Activities</b>				
Interest receipts	8,509,922	730,151,346	9,666,547	819,723,167
Interest payments	(2,578,182)	(221,207,978)	(4,110,865)	(348,601,380)
Receipts from other operating activities	582,865	50,009,827	828,419	70,249,899
Payments for other operating activities	(172,192)	(14,774,093)	(212,749)	(18,041,134)
<b>Operating profit before changes in operating assets &amp; liabilities</b>	<b>6,342,414</b>	<b>544,179,102</b>	<b>6,171,351</b>	<b>523,330,552</b>
<b>Increase/Decrease in operating assets and liabilities:</b>				
Loans and advances to customers	(121,763,831)	(10,447,336,704)	(3,807,395)	(322,867,057)
Other assets	239,728	20,568,686	21,435,257	1,817,709,815
Deposits & Borrowings from other banks	98,234,300	8,428,502,918	(27,546,066)	(2,335,906,382)
Deposits from customers	3,902,949	334,873,015	3,995,648	338,830,915
Other liabilities account of customers	-	-	-	-
Other liabilities	(5,979,644)	(513,053,497)	157,344	13,342,796
<b>Net cash flow from operating activities (A)</b>	<b>(19,024,085)</b>	<b>(1,632,266,480)</b>	<b>406,140</b>	<b>34,440,640</b>
<b>Cash Flows from Investing Activities (B)</b>	-	-	-	-
<b>Cash Flows from Financing Activities (C)</b>	-	-	-	-
Profit/Loss remitted to Head Office	(6,069,432)	(520,757,224)	(4,884,130)	(414,174,257)
<b>Net cash in financing activities</b>	<b>(6,069,432)</b>	<b>(520,757,224)</b>	<b>(4,884,130)</b>	<b>(414,174,257)</b>
<b>Net increase/(Decrease) in cash (A+B+C)</b>	<b>(25,093,516)</b>	<b>(2,153,023,704)</b>	<b>(4,477,991)</b>	<b>(379,733,617)</b>
Cash and cash equivalents at beginning period	32,003,319	2,745,884,759	36,858,707	3,125,618,377
Cash and cash equivalents at end of period	<b>6,909,803</b>	<b>592,861,055</b>	<b>32,380,716</b>	<b>2,745,884,760</b>
<b>Closing cash &amp; cash equivalents</b>				
Cash in Hand	-	-	-	-
Balance with Bangladesh Bank & Sonali Bank	846,698	72,646,692	13,824,940	1,172,354,954
Balance with other banks & Financial Institutions	6,063,104	520,214,364	18,555,776	1,573,529,806
Money at call on Short Notice	-	-	-	-
Prize Bond	-	-	-	-
<b>Total</b>	<b>6,909,803</b>	<b>592,861,056</b>	<b>32,380,716</b>	<b>2,745,884,760</b>

The notes 1 to 16 form an integral part of these financial statements.

18 OCT 2022

18 OCT 2022

Md. Shahahan Miah  
EVP & Company Secretary  
DHAKA BANK  
Head Office, Dhaka.

18 OCT 2022

18 OCT 2022

18 OCT 2022

Tanzim Alamgir  
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Head Office, Dhaka

Emranul Haq  
Managing Director & CEO  
DHAKA BANK

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited  
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**Dhaka Bank Limited (Off-shore Banking Unit)**  
**Liquidity Statement**  
**(Asset and Liability Maturity Analysis)**  
**As at 31 December 2021**

	Upto 01 month		1 - 3 months		3 - 12 months		1 - 5 years		More than 5 years		Total	
	USD	Taka	USD	Taka	USD	Taka	USD	Taka	USD	Taka	USD	Taka
<b>Assets:</b>												
Cash hand	-	-	-	-	-	-	-	-	-	-	-	-
Balance with Bangladesh Bank & Son Bank (including foreign currency)	846,698	72,646,692	-	-	-	-	-	-	-	-	846,698	72,646,692
Balance with other banks and financial institutions	6,063,104	520,214,364	-	-	-	-	-	-	-	-	6,063,104	520,214,364
Money at call on short notice	-	-	-	-	-	-	-	-	-	-	-	-
Investment	-	-	-	-	-	-	-	-	-	-	-	-
Loans and Advances	26,029,848	2,233,360,964	93,849,947	8,052,325,481	135,950,933	11,664,590,049	8,149,643	699,239,405	47,284,893	4,057,043,793	311,265,264	26,705,559,692
Intangible assets including premises, furniture and fixtures	-	-	-	-	-	-	4,537.39	389,308	-	-	4,537	389,308
Goodwill assets	-	-	-	-	107,045	9,184,464	-	-	2,087,764	179,130,170	2,194,809	188,314,634
Non-banking assets	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>32,939,651</b>	<b>2,826,222,019</b>	<b>93,849,947</b>	<b>8,052,325,481</b>	<b>136,057,978</b>	<b>11,673,774,513</b>	<b>8,154,181</b>	<b>699,628,713</b>	<b>49,372,657</b>	<b>4,236,173,963</b>	<b>320,374,414</b>	<b>27,488,124,689</b>
<b>Liabilities:</b>												
Borrowing from Bangladesh Bank, Other banks, financial institutions and others	-	-	-	-	(293,133,369)	(25,150,843,054)	-	-	-	-	(293,133,369)	(25,150,843,054)
Deposits & Other Accounts	(12,900,232)	(1,106,839,939)	(997,602)	(85,594,237)	(399,041)	(34,237,695)	(359,137)	(30,813,925)	(239,424)	(20,542,617)	(14,895,436)	(1,278,028,413)
Other liabilities	(1,107,298)	(95,006,162)	-	-	(1,422,116)	(122,017,519)	(667,624.16)	(57,282,153)	(7,139,011)	(612,527,179)	(10,336,049)	(886,833,014)
<b>Total Liabilities</b>	<b>(14,007,530)</b>	<b>(1,201,846,101)</b>	<b>(997,602)</b>	<b>(85,594,237)</b>	<b>(294,954,525)</b>	<b>(25,307,098,269)</b>	<b>(1,026,761)</b>	<b>(88,096,078)</b>	<b>(7,378,436)</b>	<b>(633,069,796)</b>	<b>(318,364,854)</b>	<b>(27,315,704,482)</b>
<b>Net Liquidity Gap</b>	<b>18,932,120</b>	<b>1,624,375,918</b>	<b>92,852,346</b>	<b>7,966,731,244</b>	<b>(158,896,547)</b>	<b>(13,633,323,755)</b>	<b>7,127,420</b>	<b>611,532,635</b>	<b>41,994,221</b>	<b>3,603,104,166</b>	<b>2,009,560</b>	<b>172,420,207</b>
<b>Cumulative Liquidity Gap</b>	<b>18,932,120</b>	<b>1,624,375,918</b>	<b>111,784,466</b>	<b>9,591,107,161</b>	<b>(47,112,082)</b>	<b>(4,042,216,594)</b>	<b>(39,984,662)</b>	<b>(3,430,683,959)</b>	<b>2,009,560</b>	<b>172,420,207</b>	<b>-</b>	<b>-</b>

Md. Syed Miran Miah  
 BVP & Secretary  
 Dhaka Bank Limited  
 Head Office, Dhaka.

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www.dhakabanklimited.com  
 Sahabuddin Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
 Dhaka Bank Limited  
 Head Office, Dhaka

Emranul Haque  
 Managing Director & CEO  
 Dhaka Bank Limited

Md. Muniruzzaman  
 Managing Director  
 IDLC Investments Limited

Dhaka Bank Limited  
 ANNUAL REPORT 2021  
 Managing Director & CEO  
 UCB Investment Limited

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# Dhaka Bank Limited (Off-Shore Banking Unit)

Notes to the Financial Statements  
As at and for the year ended 31 December 2021

## 1 Nature of Business

Offshore Banking Unit is a separate business unit of Dhaka Bank Limited, governed under the Rules & Guidelines of Bangladesh Bank. Currently, the Bank has two OBUs in DEPZ & CEPZ. The Bank obtained DEPZ Offshore Banking Unit permission vide letter no. BRPD (P)744(92)/2005-2181 dated 18 June 2005. The Bank commenced the operation of its Offshore Banking Unit with effect from 10 May 2006.

The Bank obtained CEPZ Offshore Banking Unit permission vide letter no. BRPD (P-3)744(92)/2017-123 dated 05 January 2017. The Bank commenced the operation of its CEPZ Offshore Banking Unit with effect from 12 February 2017.

## 2 Significant Accounting Policy

### 2.1 Basis of accounting

The accounting records of the units are maintains in USD forms and the financial statements are made up to 31 December each year and are prepared under the historical cost convention and in accordance with first schedule of the Bank Company (amendment) Act, 2013, other Bangladesh Bank circulars, International Financial Reporting Standards adopted as International Accounting Standards (IAS), the Companies Act, 1994, the Listing Regulations of the Stock Exchanges, the Securities and Exchange Rule, 2020 and other laws and rules applicable in Bangladesh on a going concern basis.

### 2.2 Allocation of common expenses

Establishment expenses in the nature of rent, rates, taxes, salaries, management expenses, printing & stationery, electricity & lighting, postage, stamps, telecommunication etc. have not been separately accounted for in the Financial Statements.

## 3 Loans, advances and lease/investments

### 3.1 Loans, Cash Credits & Overdrafts etc:

#### In Bangladesh

	31.12.2021	31.12.2020		
	USD	Taka	USD	Taka
Overdraft	16,777,742	1,439,530,292	13,796,885	1,169,975,808
Term Loan	57,720,710	4,952,436,905	28,356,652	2,404,644,078
Short Term Loan	-	-	-	-
Loan against Accepted Bills	7,328,365	628,773,689	5,609,875	475,717,412
Loan against Trust Receipt	-	-	-	-
Payment against Documents	-	-	-	-
Other Loans	208,057,497	17,851,333,206	127,792,727	10,836,823,287

**289,884,313 24,872,074,092 175,556,139 14,887,160,586**

#### Outside Bangladesh

**Sub-total 289,884,313 24,872,074,092 175,556,139 14,887,160,586**

### 3.2 Bills Purchased and Discounted

	31.12.2021	31.12.2020		
	USD	Taka	USD	Taka
Payable in Bangladesh:				
Inland bills purchased	21,380,951	1,834,485,600	16,179,981	1,372,062,403
Payable outside Bangladesh:				
Foreign bills purchased & discounted	-	-	-	-

**Sub-total 21,380,951 1,834,485,600 16,179,981 1,372,062,403**

**Total 311,265,264 26,706,559,692 191,736,120 16,259,222,989**

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Md. Shahjahan Miah  
EVP & CO. Secretary  
Dhaka Bank Limited  
Head Office, Dhaka

18 OCT 2022

Sahabul Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
Dhaka Bank Limited  
Head Office, Dhaka

18 OCT 2022  
Emraful Haq  
Managing Director & CEO  
Dhaka Bank Limited

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

**3.3 Residual maturity grouping of loans including bills purchased and discounted**

Repayable on Demand  
 Not more than 3 months  
 More than 3 months but not more than 1 year  
 More than 1 year but not more than 5 years  
 More than 5 years

31.12.2021		31.12.2020	
USD	Taka	USD	Taka
26,029,848	2,233,360,964	17,419,292	1,477,155,940
93,849,947	8,052,325,481	83,258,014	7,060,279,569
135,950,933	11,664,590,049	67,934,174	5,760,817,943
8,149,643	699,239,405	19,669,737	1,667,993,703
47,284,893	4,057,043,793	3,454,904	292,975,834
<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>

**3.4 Maturity grouping of bills purchased & discounted**

Payable within 1 month  
 Over 1 month but less than 3 months  
 Over 3 months but less than 6 months  
 6 months or more

9,699,360	832,205,058	5,715,389	484,665,003
11,252,757	965,486,552	9,152,831	776,160,055
428,834	36,793,990	1,311,761	111,237,345
<b>21,380,951</b>	<b>1,834,485,600</b>	<b>16,179,981</b>	<b>1,372,062,403</b>

**3.5 Loans on the basis of significant concentration including bills purchased & discounted:**

- a. Advances to allied concerns of Directors
- b. Advances to Chief Executive
- c. Advances to Other Senior Executives
- d. Advances to Customer's Group.
  - Agriculture loan
  - Commercial lending
  - Export financing
  - Consumer credit scheme
  - Small and Medium Enterprise (SME)
  - Staff Loan
  - Others

-	-	-	-
-	-	-	-
-	-	-	-
471,776	40,478,401	452,290	38,354,217
-	-	473,136	40,121,965
-	-	-	-
310,793,488	26,666,091,290	190,810,693	16,180,746,807
<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>

**3.6 Industry-wise loans including bills purchased & discounted**

Agricultural  
 Pharmaceuticals  
 Textile & Garment  
 Chemical  
 Food & allied  
 Transport & Communication  
 Electronics & Automobile  
 Housing & Construction  
 Engineering & Metal Industries including Ship Breaking  
 Energy & Power  
 Service  
 Others

-	-	-	-
43,702,425	3,749,668,096	47,982,460	4,068,912,609
-	-	-	-
-	-	2,047,471	173,625,538
-	-	-	-
-	-	-	-
43,520,316	3,734,043,074	5,593,361	474,317,043
224,042,524	19,222,848,522	136,112,828	11,542,367,799
<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>

18 OCT 2022

Md. Shahjahan Miah  
 VP & Company Secretary  
 Dhaka  
 Head Office, Dhaka

Sahabul Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
**DHAKA BANK LIMITED**  
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Md. Moniruzzaman  
 Managing Director  
 IDLC Investments Limited

Tanzim Alamgir  
 Managing Director & CEO  
**DHAKA BANK LIMITED**  
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### 3.7 Geographical Location - wise Loans and Advances

Dhaka Region  
Chittagong Region  
South Region  
North Region  
Sylhet Region  
Other

31.12.2021		31.12.2020	
USD	Taka	USD	Taka
231,340,947	19,849,053,281	191,736,120	16,259,222,989
79,924,317	6,857,506,411	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>

### 3.8 Sector wise loans

In Bangladesh

Government & Autonomous bodies  
Financial Institutions (Public & Private)  
Other Public Sector  
Private Sector

-	-	-	-
223,378,703	19,165,892,732	135,408,614	11,482,650,449
87,886,561	7,540,666,960	56,327,506	4,776,572,540
<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>

Outside Bangladesh

<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>
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### 3.9 Classification of loans & advances

Unclassified (including staff loan)  
Sub-Standard  
Doubtful  
Bad or loss

305,788,920	26,236,689,325	190,559,724	16,159,464,579
-	-	1,176,396	99,758,410
5,476,345	469,870,367	-	-
<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>

### 3.10 Provision required for loans and advances

**Status**                      **Rate%**  
Unclassified                      1, 2 & 4  
Special Mention Account        1 & 2

3,382,917	290,254,271	2,847,684	241,483,622
131,900	11,317,025	396,241	33,601,206
<b>3,514,817</b>	<b>301,571,297</b>	<b>3,243,925</b>	<b>275,084,828</b>

Classified:

Sub-Standard                      20  
Doubtful                              50  
Bad or loss                            100

-	-	317,666	26,938,047
4,338,163	372,214,399	-	-
4,338,163	372,214,399	317,666	26,938,047

Required provision for loans & advances  
Total provision maintained

<b>7,852,980</b>	<b>673,785,696</b>	<b>3,561,591</b>	<b>302,022,875</b>
<b>7,852,980</b>	<b>673,785,696</b>	<b>3,561,591</b>	<b>302,022,875</b>

Excess/short provision as at 31 December

-	-	-	-
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### 3.11 Securities against loans including bills purchased & discounted

a. Secured

Collateral of movable / immovable assets  
Local Banks & Financial Institutions guarantee  
Government Guarantee  
Foreign Banks Guarantee  
Export documents  
Fixed Deposits Receipts  
1 Own FDR  
2 FDR of Other Banks  
Personal Guarantee  
Corporate Guarantee  
Other Securities

13,275,571	1,139,043,951	17,903,705	1,518,234,201
-	-	-	-
-	-	-	-
-	-	-	-
5,459	468,407	-	-
-	-	-	-
-	-	-	-
-	-	-	-
43,520,316	3,734,043,074	8,816,057	747,601,602
-	-	-	-
254,463,919	21,833,004,260	165,016,358	13,993,387,186

Unsecured

<b>311,265,264</b>	<b>26,706,559,692</b>	<b>191,736,120</b>	<b>16,259,222,989</b>
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Md. Shahabul M...  
EVP & Controller  
Head Office, Dhaka.

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**3.12 Particulars of Loans and Advances**

- (i) Loans considered good in respect of which the bank company is fully secured;
- (ii) Loans considered good against which the banking company holds no security other than the debtor's personal guarantee;
- (iii) Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtors;
- (iv) Loans adversely classified; provision not maintained there against;
- (v) Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons;
- (vi) Loans due from companies or firms in which the directors of the banking company have interests as directors, partners or managing agents or in case of private companies as members;
- (vii) 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;
- (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 have interests as directors, partners or managing agents or in the case of private companies as members;
- (ix) Due from banking companies;
- (x) Amount of classified loan on which interest has not been charged, should be mentioned as follows:
  - a) Decrease / increase in provision;
  - b) Amount realized against loan previously written off;
  - c) Amount of provision kept against loan classified as 'bad/loss' on the date of preparing the balance sheet;
  - d) Interest creditable to the Interest Suspense A/c;

	31.12.2021		31.12.2020	
	USD	Taka	USD	Taka
(i)	267,739,490	22,972,048,210	182,920,064	15,511,621,387
(ii)	43,525,775	3,734,511,481	8,816,057	747,601,602
(iii)	-	-	-	-
(iv)	-	-	-	-
(v)	-	-	-	-
(vi)	-	-	-	-
(vii)	-	-	-	-
(viii)	-	-	-	-
(ix)	-	-	-	-
(x)	-	-	-	-
a)	-	-	-	-
b)	-	-	-	-
c)	-	-	-	-
d)	-	-	-	-

**Other Assets**

- Accrued Interest
- Suspense account
- Prepaid Expenses
- Finance to AD Branches for IBP
- Finance to AD Branches for Import Bill Discounting
- Branch Adjustment

			1,156	97,991
106,430	9,131,709	348,755	29,574,416	
615	52,727	1,346	114,115	
0	28	0	28	
-	-	-	-	-
2,087,764	179,130,170	2,082,038	176,556,843	
<b>2,194,809</b>	<b>188,314,634</b>	<b>2,432,295</b>	<b>206,343,394</b>	

18 OCT 2022

Md. Shahidul Alam  
EVP & Compliance Secretary  
Dhaka Bank Limited  
Head Office, Dhaka

Sahabub Alam Khan, FCA  
Finance Officer, EVP & CFO  
Dhaka Bank Limited  
Head Office, Dhaka

Emranul Haq  
Managing Director & CEO  
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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

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Notes	31.12.2021		31.12.2020	
	USD	Taka	USD	Taka
<b>5 Borrowing from Other Banks/Financial Institutions</b>	<b>293,133,369</b>	<b>25,150,843,054</b>	<b>197,197,407</b>	<b>16,722,340,136</b>
<b>5.1 Maturity grouping of Borrowings</b>				
Repayable on demand	-	-	-	-
Repayable within 1 month	-	-	-	-
Over 1 month but within 6 months	-	-	-	-
Over 6 months but within 1 year	173,613,905	14,895,073,044	110,358,347	9,358,387,836
Over 1 year but within 5 years	119,519,464	10,254,770,010	86,839,060	7,363,952,300
	<b>293,133,369</b>	<b>25,150,843,054</b>	<b>197,197,407</b>	<b>16,722,340,136</b>
According to BCD circular no.(P)744(27) dated 17 December 1985 of Bangladesh Bank, Dhaka Bank maintained foreign currency accounts with Offshore Banking Units in the manner they maintain such accounts with their foreign correspondents.				
<b>6 Deposits and Other Accounts</b>				
<b>6.1 Current and Other Accounts</b>				
Foreign Currency Deposits	12,732,348	1,092,435,434	7,704,044	653,302,929
Margin under L/C	167,885	14,404,504	137,112	11,627,067
	<b>12,900,232</b>	<b>1,106,839,938</b>	<b>7,841,156</b>	<b>664,929,996</b>
<b>6.2 Bills Payable</b>	-	-	-	-
<b>6.3 Other deposit</b>				
Term Deposit	1,995,204	171,188,475	3,280,960	278,225,403
Deposits Awaiting Disposal	-	-	-	-
Sundry Deposit	-	-	-	-
	<b>1,995,204</b>	<b>171,188,475</b>	<b>3,280,960</b>	<b>278,225,403</b>
	<b>14,895,436</b>	<b>1,278,028,413</b>	<b>11,122,116</b>	<b>943,155,399</b>
<b>6.4 Maturity grouping of deposits and other accounts</b>				
Repayable on demand	12,900,232	1,106,839,939	7,841,156	664,929,996
Repayable within 1 month	-	-	-	-
Over 1 month but within 6 months	997,602	85,594,237	1,640,480	139,112,701
Over 6 months but within 1 year	399,041	34,237,695	656,192	55,645,081
Over 1 year but within 5 years	359,137	30,813,925	590,573	50,080,573
Over 5 years but within 10 years	239,424	20,542,617	393,715	33,387,048
	<b>14,895,436</b>	<b>1,278,028,413</b>	<b>11,122,116</b>	<b>943,155,399</b>
<b>7 Other Liabilities</b>				
Accrued Interest	662,743	56,863,370	781,634	66,282,521
Provision on loans and advances	6,420,275	550,859,589	2,111,990	179,096,769
Finance from Bill Discounting	1,422,116	122,017,519	6,964,983	590,630,559
Refinance by SWAP Woori Bank	-	-	-	-
Import Payment Suspense	89,806	7,705,328	75,706	6,419,843
Export proceeds suspense	1,017,492	87,300,834	2,098,972	177,992,815
Interest Suspense Account	718,736	61,667,590	55,385	4,696,670
Tax deducted at source & payable	-	-	540	45,805
Lease liabilities as per IFRS 16	4,881	418,783	8,225	697,514
Branch Adjustment	-	-	-	-
	<b>10,336,049</b>	<b>886,833,014</b>	<b>12,097,435</b>	<b>1,025,862,496</b>
<b>8 Contingent Liabilities</b>				
Acceptance & Endorsement	13,987,029	1,200,087,061	11,330,977	960,866,887
Letters of Credit	13,561,838	1,163,605,705	2,930,256	248,485,735
Letters of Guarantee	-	-	-	-
Bills for Collection	9,422,657	808,463,968	8,081,934	685,347,990
Other Contingent Liabilities	34,576	2,966,583	-	-
	<b>37,006,099</b>	<b>3,175,123,317</b>	<b>22,343,168</b>	<b>1,894,700,612</b>

Notes	2021		2020	
	USD	Taka	USD	Taka
<b>9 Interest Income</b>				
Interest on Advances	8,508,189	730,002,626	9,665,391	819,625,175
Interest on Money at call on short Notice				
Call Lending and Fund Placement with banks	1,733	148,720	1,156	97,991
Accounts with Foreign Banks	-	-	-	-
	<b>8,509,922</b>	<b>730,151,346</b>	<b>9,666,547</b>	<b>819,723,167</b>
<b>10 Interest / Profit Paid On Deposits &amp; Borrowings</b>				
Term Deposits	10,129	869,045	58,089	4,925,989
Fund Borrowings	2,568,053	220,338,933	4,052,776	343,675,391
Inter Branch Interest paid	-	-	-	-
	<b>2,578,182</b>	<b>221,207,978</b>	<b>4,110,865</b>	<b>348,601,380</b>
<b>11 Commission/Fees and Exchange Earnings</b>				
Commission/Fees Income	579,529	49,723,623	769,728	65,272,898
Exchange gain including gain form foreign currency dealings	(39,755)	(3,410,998)	19,873	1,685,216
	<b>539,774</b>	<b>46,312,625</b>	<b>789,600</b>	<b>66,958,114</b>
<b>12 Other Operating Income</b>				
Postage Charge Recoveries	15,097	1,295,305	18,092	1,534,220
Swift Charge Recoveries	26,380	2,263,404	20,726	1,757,565
Other Fees	1,614	138,493	-	-
	<b>43,091</b>	<b>3,697,202</b>	<b>38,818</b>	<b>3,291,785</b>
<b>13 Other expenses</b>				
Contractual service charge	6,005	515,253	6,311	535,204
Petrol, oil and lubricants (vehicle & generator)	1,651	141,690	1,900	161,079
Entertainment (canteen & other)	2,714	232,883	3,171	268,872
Travelling	-	-	-	-
Conveyance	545	46,739	654	55,444
Training expenses	-	-	-	-
Books and papers	-	-	-	-
Staff uniform	-	-	-	-
Potted plants	-	-	-	-
Business development & promotion	-	-	-	-
Other Charges	13	1,153	1,193	101,166
Interest expense for lease liability as per IFRS 16	309	26,548	1,086	92,091
	<b>11,239</b>	<b>964,266</b>	<b>14,314</b>	<b>1,213,856</b>
<b>14 Cash Received from Other Operating Activities</b>				
Commission & Exchange	539,774	46,312,625	789,600	66,958,114
Other Operating Income	43,091	3,697,202	38,818	3,291,785
	<b>582,865</b>	<b>50,009,827</b>	<b>828,419</b>	<b>70,249,899</b>
<b>15 Cash Paid for Other Operating Activities</b>				
Office Operating Expenses	<b>172,192</b>	<b>14,774,093</b>	<b>212,749</b>	<b>18,041,135</b>

**16 General**

16.1 Fixed Assets of this unit are appearing in the books of the main operation of the bank and depreciation is also charged to Profit & Loss Account of the main operation of the bank. 18 OCT 2022

16.2 Assets and liabilities have been converted into Taka Currency @ US\$ 1 = Tk. 85.80 (2020 : US\$ 1 = Tk 84.80) which represents the period end rate of exchange as at 31 December 2021.

16.3 Previous year's figures have been rearranged, where considered necessary, to conform to current year's presentation.

Ad. S. Saha, Miah  
EVP & Company Secretary  
www.dhakabank.com  
Head Office, Dhaka

Sahabuddin Khan, FCA  
Chief Finance Officer, EVP & CFO  
**DHAKA BANK**  
LIMITED  
Head Office, Dhaka

Emranul Haq  
Managing Director & CEO  
**DHAKA BANK**

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Tanzim Alamgir  
Managing Director & CEO  
**UCB Investment Limited**  
DHAKA BANK LIMITED  
ANNUAL REPORT 2021

# DHAKA BANK CUSTODIAN SERVICES



Rahman Rahman Huq  
Chartered Accountants  
9 & 5 Mohakhali C/A  
Dhaka-1212  
Bangladesh

Telephone : +880 2 2222 86450-2  
Fax : +880 2 2222 86449  
Email : dhaka@kpmg.com  
Internet : www.kpmg.com/bd

## To whom it may concern

This is to certify that as detailed in the Annexure-K, Dhaka Bank Limited made the custodian transactions on account of custodian services provided during the year ended 31 December 2021, which have been verified with the books of account, invoices and other related documents as produced to us for our verification.

We also certify that management of the Bank prepared and fairly presented of the income and expenses in accordance with the requirement of the Securities and Exchange Commission (Securities Custodian Service) Rules 2003, and made necessary disclosures in the Bank's audited financial statements for the year ended 31 December 2021.

Ali Ashfaq, Partner  
Enrolment no: 509  
Rahman Rahman Huq  
Chartered Accountants

Dhaka, 26 April 2022

18 OCT 2022  
  
Md. Shanjahan Miah  
EVP & Company Secretary  
DHAKA BANK  
LIMITED  
Head Office, Dhaka.

18 OCT 2022  
18 OCT 2022  
  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022  
  
Emranul Huq  
Managing Director & CEO  
DHAKA BANK  
LIMITED

18 OCT 2022  
  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited  
www.dhakabankltd.com

**Dhaka Bank Limited**  
**Profit and Loss Account of Custodian Service**  
 for the year ended 31 December 2021

**Operating income**

Commission, exchange and brokerage

Other operating income

**Total operating income**

Salaries and allowances

Rates &amp; taxes

Legal expenses

Postage, stamp, telecommunication etc.

Stationery, printing, advertisement etc.

Depreciation and repair of bank's assets

Audit fees

**Total operating expenses****Operating profit**

	2021 Taka	2020 Taka
	818,667	422,843
	1,540	800
	<b>820,207</b>	<b>423,643</b>
	205,998	195,000
	126,500	20,000
	-	-
	-	-
	-	-
	69,000	57,500
	<b>401,498</b>	<b>272,500</b>
	<b>418,709</b>	<b>151,143</b>

18 OCT 2022

Md. Shahjahan Miah  
 EVP & Corporate Secretary  
 DHAKA BANK LIMITED  
 Head Office, Dhaka

18 OCT 2022

Sahabuddin Khan, FCA  
 Chief Finance Officer, EVP & CFO  
 DHAKA BANK LIMITED  
 Head Office, Dhaka

www.dhakabank.com

18 OCT 2022

Emranul Haq  
 Managing Director & CEO  
 DHAKA BANK LIMITED

18 OCT 2022

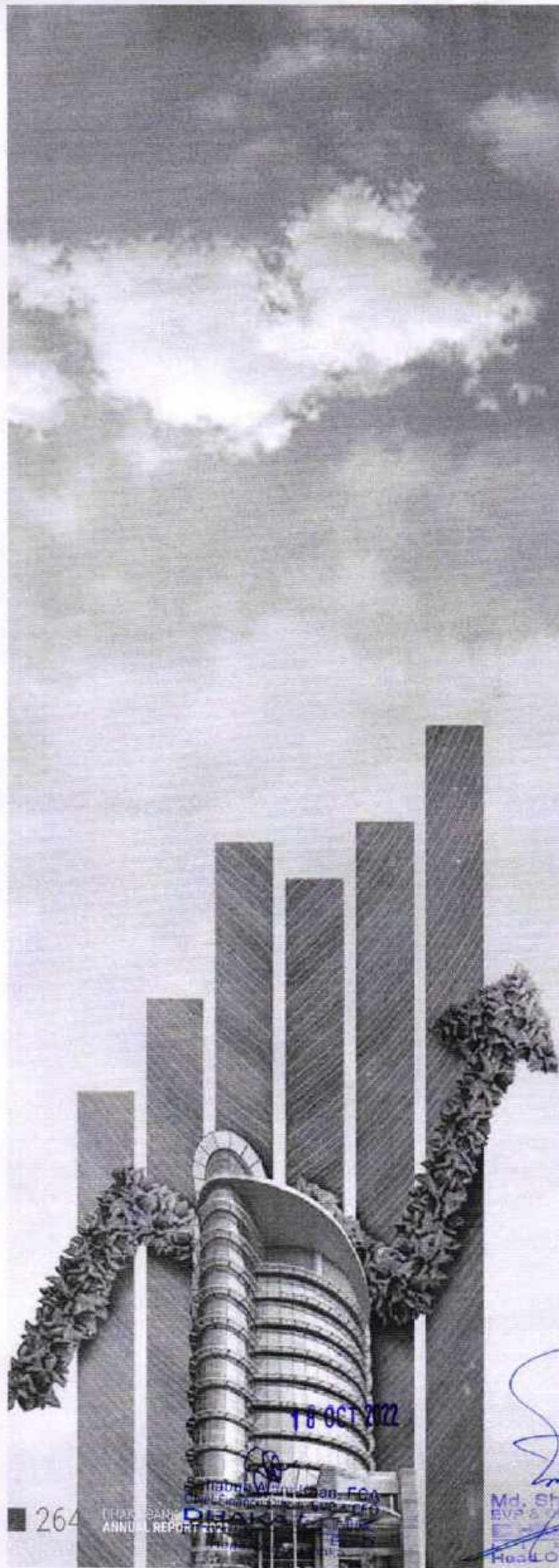
Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited

18 OCT 2022

Md. Moniruzzaman  
 Managing Director  
 IDLC Investments Limited

DHAKA BANK LIMITED  
ANNUAL REPORT 2021

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# DHAKA BANK SECURITIES LIMITED

Dhaka Bank Securities Limited continues to achieve its business growth with sensible execution of business development strategies. The loan facilities are restricted only to selection of credit customer with few fundamentally sound instruments in accordance with the instructions of the Regulatory Bodies. DBSL has 489 margin clients. The interest income from margin loan dropped due to falling trend in the Market Index.

18 OCT 2022

  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

  
18 OCT 2022  
Md. Shahjahan Mirah  
EVP & General Secretary  
DHAKA BANK  
Head Office, Dhaka.

  
18 OCT 2022  
Emranul Huq  
Managing Director & CEO  
DHAKA BANK

  
18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited  
www.dhakabank.com

# Independent Auditor's Report

## To the Shareholders of Dhaka Bank Securities Limited

Annexure-L

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Dhaka Bank Securities Limited ("the Company"), which comprise the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Dhaka Bank Securities Limited as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw attention to the fact as disclosed in Note # 5 to the financial statements, which describes the matter related to recognition of deferred tax asset and notes # 20.1 and # 20.2 which describe the basis for maintaining provision on unrealized losses in respect of own portfolio investment and margin loan to clients. Our opinion is not modified in respect of this matter.

#### Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report of its parent, Dhaka Bank Limited, is expected to be available to users after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the directors' reports, we are required to communicate the matter to those charged with governance.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Sahabub Aam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

Emanul Haq  
Managing Director & CEO  
DHAKA BANK  
LIMITED

Md. Moniruzzaman  
Managing Director  
DHAKA BANK LIMITED  
ANNUAL REPORT 2021

# Independent Auditor's Report

## To the Shareholders of Dhaka Bank Securities Limited

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

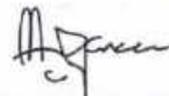
### Report on other Legal and Regulatory Requirements

We also report that the financial statements comply with the Companies Act 1994, the Securities and Exchange Rules 2020 and the other applicable laws and regulations. We, as required by law, further report that:

- 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;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- the statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns.

Dhaka,  
10 March 2022

Signed for and on behalf of  
**ACNABIN**  
Chartered Accountants



**Md. Moniruzzaman, FCA**  
Partner

ICAB Enrollment No. 787  
DVC: 2204070787AS208670

18 OCT 2022

  
**Tanzim Alamgir**  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022

18 OCT 2022

18 OCT 2022

18 OCT 2022

  
**Md. Moniruzzaman**  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

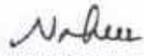
  
**Md. Shahjahan Miah**  
EVP & Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka

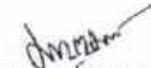
  
**Emranul Haq**  
Managing Director & CEO  
DHAKA BANK LIMITED  
www.dhaka.bankltd.com

**Dhaka Bank Securities Limited**  
**Statement of Financial Position**  
 As at 31 December 2021

	Notes	31.12.2021 Taka	31.12.2020 Taka
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
		<b>1,023,644,007</b>	<b>1,031,918,586</b>
Property, plant and equipment	3	20,041,205	12,265,218
Investments in un-quoted shares	4	930,121,728	938,921,728
Deferred tax assets	5	73,481,075	90,731,640
<b>Current assets</b>			
		<b>4,593,418,102</b>	<b>4,134,956,091</b>
Investment in quoted shares	6	2,304,865,181	1,977,172,902
Margin loan	7	1,592,249,192	1,675,516,118
Accounts and other receivable	8	66,756,948	34,851,703
Advance income tax	9	176,678,456	145,771,885
Advances, deposits and prepayments	10	36,749,715	9,832,521
Cash and cash equivalents	11	416,118,610	291,810,962
<b>TOTAL ASSETS</b>		<b>5,617,062,109</b>	<b>5,166,874,677</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
		<b>2,160,583,642</b>	<b>2,087,278,206</b>
Paid up capital	12	2,087,000,620	2,087,000,620
Investment fluctuation fund	13	53,900,000	49,200,000
Retained earnings	14	19,683,022	(48,922,414)
<b>Non-current liabilities</b>			
		<b>7,587,091</b>	<b>30,532,445</b>
Long term loan net of current maturity	15	-	25,555,428
Lease liabilities	16	7,587,091	4,977,017
<b>Current liabilities</b>			
		<b>3,448,891,376</b>	<b>3,049,064,027</b>
Current portion of long term loan	15.a	25,555,428	32,908,622
Short term loan	17	2,443,588,172	1,694,162,672
Accounts payable	18	379,946,419	283,738,613
Provision for income tax	19	140,144,269	138,157,100
Provision for diminution in value of investments	20	400,203,271	843,872,045
Other liabilities	21	59,453,816	56,224,975
<b>Total Liabilities</b>		<b>3,456,478,467</b>	<b>3,079,596,472</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,617,062,109</b>	<b>5,166,874,677</b>

The annexed notes from 1 to 41 form an integral part of these financial statements.

  
 Md. Nafeez Al Tarik  
 Managing Director

  
 Mahfuzur Rahman  
 Director

  
 Abdul Hai Sarker  
 Director

This is the statement of financial position referred to in our separate report of even date.

18 OCT 2022

  
 Dhaka  
 18 OCT 2022  
 Md. Shahjahan Miah  
 EVP & Company Secretary  
 DHAKA BANK  
 Head Office, Dhaka

18 OCT 2022

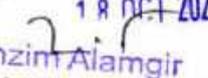
  
 Sahabuddin Khan, FCA  
 Chief Finance Officer, EVP & CFO  
 DHAKA BANK  
 Head Office, Dhaka

18 OCT 2022

  
 Emranul Haq  
 Managing Director & CEO  
 DHAKA BANK  
 LIMITED

18 OCT 2022

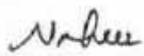
  
 Md. Moniruzzaman, FCA  
 Partner  
 ICAB Enrollment No. 787  
 SWC: 2204070787AS208670  
 Md. Moniruzzaman  
 Managing Director  
 IDLC Investments Limited

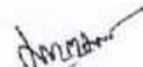
18 OCT 2022  
  
 Tanzim Alamgir  
 Managing Director & CEO  
 Signed for and on behalf of  
 IDLC Investment Limited  
 Chartered Accountants

**Dhaka Bank Securities Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
<b>Operating Income</b>			
Brokerage commission income	22	220,529,165	72,622,606
Direct expenses	23	38,512,486	10,929,342
<b>Net brokerage commission income</b>		<b>182,016,679</b>	<b>61,693,264</b>
Interest income	24	93,199,651	104,426,658
Interest expense	25	165,919,205	171,862,865
<b>Net interest income</b>		<b>(72,719,554)</b>	<b>(67,436,207)</b>
Net investment income	26	170,090,228	214,496,107
Fees and other income	27	1,349,169	1,037,671
<b>Total operating income</b>		<b>280,736,522</b>	<b>209,790,835</b>
<b>Operating expenses</b>			
Salaries and allowances	28	37,412,552	36,619,893
Rent, taxes, insurance, electricity etc.	29	5,569,832	7,192,000
Legal expenses	30	32,250	233,500
Postage, stamp, telecommunication etc.	31	401,796	418,261
Stationary, printing, advertisement etc.	32	2,859,023	2,391,880
Directors' fees and meeting expenses	33	831,589	941,990
Audit fee	34	1,207,500	287,500
Repairs and maintenance	35	6,767,600	5,833,876
Other expenses	36	8,682,380	7,620,166
Depreciation and amortization	37	10,270,726	11,253,212
<b>Total operating expenses</b>		<b>74,035,247</b>	<b>72,792,279</b>
<b>Profit before provision and tax</b>		<b>206,701,274</b>	<b>136,998,557</b>
Less: Provision for loss on margin loan	20.2	100,000,000	245,111,141
<b>Profit/(Loss) before provision for income tax</b>		<b>106,701,274</b>	<b>(108,112,584)</b>
<b>Less: Provision for income tax</b>			
Current tax	38	26,145,273	26,697,211
Deferred tax expense/(income)	39	7,250,565	(78,569,218)
		<b>33,395,838</b>	<b>(51,872,007)</b>
<b>Net profit/(loss) after tax</b>		<b>73,305,436</b>	<b>(56,240,577)</b>
Other comprehensive income			
<b>Total comprehensive income</b>		<b>73,305,436</b>	<b>(56,240,577)</b>

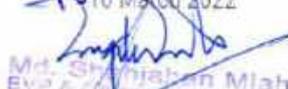
The annexed notes from 1 to 41 form an integral part of these financial statements.

  
Md. Nafeez Al Tarik  
Managing Director

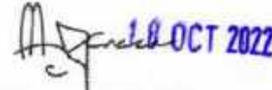
  
Mahfuzur Rahman  
Director

  
Abdul Hai Sarker  
Director

This is the statement of profit or loss and other, comprehensive income referred to in our separate report of even date.

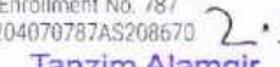
  
Md. Shahin Miah  
EVP & Secretary  
DHAKA BANK  
LIMITED  
Head Office, Dhaka.

Signed for and on behalf of  
**ACNABIN**  
Chartered Accountants

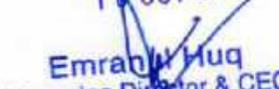
  
18 OCT 2022

Md. Moniruzzaman, FCA  
Partner  
ICAB Enrollment No. 787  
DVC: 2204070787AS208670

18 OCT 2022  
  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

205  
  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

18 OCT 2022  
  
Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
LIMITED

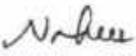
**Dhaka Bank Securities Limited**  
**Statement of Changes in Equity**  
For the year ended 31 December 2021

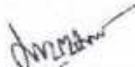
(Amount in Taka)

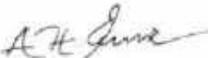
Particulars	Share Capital	Investment Fluctuation Fund	Retained Earnings	Total Equity
Balance as at 01 January 2021	2,087,000,620	49,200,000	(48,922,414)	2,087,278,206
Net Profit for the year	-	-	73,305,436	73,305,436
Transfer to investment fluctuation fund	-	4,700,000	(4,700,000)	-
<b>Balance as at 31 December 2021</b>	<b>2,087,000,620</b>	<b>53,900,000</b>	<b>19,683,022</b>	<b>2,160,583,642</b>

Balance as at 01 January 2020	2,046,079,040	41,100,000	55,339,743	2,143,518,783
Net loss for the year	-	-	(56,240,577)	(56,240,577)
Transfer to investment fluctuation fund	-	8,100,000	(8,100,000)	-
Bonus shares issued	40,921,580	-	(40,921,580)	-
<b>Balance as at 31 December 2020</b>	<b>2,087,000,620</b>	<b>49,200,000</b>	<b>(48,922,415)</b>	<b>2,087,278,205</b>

The annexed notes from 1 to 41 form an integral part of these financial statements.

  
Md. Nafeez Al Tarik  
Managing Director

  
Mahfuzur Rahman  
Director

  
Abdul Hai Sarker  
Director

Dhaka,  
10 March 2022

18 OCT 2022

18 OCT 2022  
  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka

  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022  
  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

18 OCT 2022  
  
Emranul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

18 OCT 2022  
  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

**Dhaka Bank Securities Limited**  
**Statement of Cash Flows**  
For the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
<b>A. Cash flows from operating activities:</b>			
Net profit/(loss) before tax for the year		106,701,274	(108,112,584)
Adjustment for:			
Depreciation and amortization	37	10,270,726	11,253,212
<b>Cash generated from operating activities before changes in working capital</b>		<b>116,972,000</b>	<b>(96,859,372)</b>
<b>Changes in working capital:</b>			
(Increase)/Decrease in accounts and other receivable		(31,764,592)	9,586,972
Decrease in margin loans to clients		83,266,926	474,462,404
(Increase)/Decrease in advance income tax		(30,906,571)	95,323,375
(Decrease)/Increase in provision for unrealized losses		(443,668,774)	245,111,141
Increase in advances, deposits and prepayments		(26,917,193)	(541,023)
Increase in accounts payable		96,207,806	108,427,005
Increase in other liabilities		5,838,915	4,263,513
Income tax	19	(24,298,757)	(127,182,352)
<b>Net cash (used in)/flow from operating activities</b>		<b>(372,242,240)</b>	<b>809,451,036</b>
		<b>(255,270,240)</b>	<b>712,591,664</b>
<b>B. Cash flows from investing activities:</b>			
Acquisition of property, plant and equipment	3	(18,046,712)	(15,438,172)
Encashment of un-quoted shares/securities		8,800,000	276,725
(Investment)/Encashment in quoted shares/securities		(327,692,279)	134,416,865
<b>Net cash (used in)/flow from investing activities</b>		<b>(336,938,990)</b>	<b>119,255,419</b>
<b>C. Cash flow from financing activities:</b>			
Receipt/(Repayment) of loan from Dhaka Bank Limited		749,425,500	(603,854,879)
Repayment of loan from UFL	17	-	(30,000,000)
Repayment of loan from ICB stimulus fund	15	(32,908,622)	(31,624,538)
<b>Net cash flows from/(used in) financing activities</b>		<b>716,516,878</b>	<b>(665,479,417)</b>
<b>D. Surplus in cash and cash equivalents (A+B+C)</b>		<b>124,307,648</b>	<b>166,367,666</b>
<b>E. Unrealised foreign exchange gain/(loss)</b>			
<b>F. Cash and cash equivalents at the beginning of the year</b>		<b>291,810,962</b>	<b>125,443,296</b>
<b>G. Cash and cash equivalents at the end of the year</b>		<b>416,118,610</b>	<b>291,810,962</b>

The annexed notes from 1 to 41 form an integral part of these financial statements.

*Md. Nafeez Al Tarik*  
Md. Nafeez Al Tarik  
Managing Director

*Mahfuzur Rahman*  
Mahfuzur Rahman  
Director

*Abdul Hai Sarker*  
Abdul Hai Sarker  
Director

*Md. Shahidul Miah*  
Md. Shahidul Miah  
EVP & Company Secretary  
Dhaka Bank Limited  
Head Office, Dhaka.

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*Emranul Haq*  
Emranul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

*Md. Moniruzzaman*  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

*Tanzim Alamgir*  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

*Sahabuddin Khan, FCA*  
Sahabuddin Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka.

**Dhaka Bank Securities Limited**  
**Notes to the Financial Statements**  
As at and for the year ended 31 December 2021

**1. Company and its activities**

**1.1 Legal status of the Company**

Dhaka Bank Securities Limited (the "Company") (the name of company has been changed from DBL Securities Limited to Dhaka Bank Securities Limited with effect from 27 April 2014) was incorporated with the Registrar of Joint Stock Companies and Firms (RJSCF) vide registration no. C-85857/10 dated 19 July 2010 as a private limited company by shares having its registered office at Adamjee Court (1st Floor), 115-120, Motijheel C/A, Dhaka -1000 which was converted as a public limited company by shares in May 2016. The Company is the Trading Right Entitlement Certificate (TREC) holder of both of the stock exchanges of the country (TREC No. 193 in DSE and TREC No. 081 in CSE). The Company commenced its business operations from 13 February 2011 as a wholly owned subsidiary company of Dhaka Bank Limited.

**1.2 Principal activities of the Company**

The principal activities of the Company are to act as a TREC Holder of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited to carry on the business of brokers in stocks, shares and securities, commercial papers, bonds, debentures, debenture stocks, foreign currencies, treasury bills and/or any financial instruments. The Company has six branches in Bangladesh located at Adamjee Court-Motijheel, DSE Building-Motijheel, Dhanmondi, Uttara, Agrabad and Sylhet. Dhaka Bank Securities Limited possesses following licenses from regulatory authorities:

Name of authority	License/Registration No.	Purpose
Bangladesh Securities and Exchange Commission (BSEC)	3.1/DSE-193/2011/453	Stock Broker Business with DSE
Bangladesh Securities and Exchange Commission (BSEC)	3.1/DSE-193/2011/454	Stock Dealer Business with DSE
Bangladesh Securities and Exchange Commission (BSEC)	3.2/CSE-081/2011/260	Stock Broker Business with CSE
Bangladesh Securities and Exchange Commission (BSEC)	3.2/CSE-081/2011/261	Stock Dealer Business with CSE
Bangladesh Securities and Exchange Commission (BSEC)	CDBL- DP 17	Depository Functions with Central Depository Bangladesh Limited (CDBL)
Dhaka Stock Exchange Limited (DSE)	TREC NO. 193	Trading with DSE
Chittagong Stock Exchange Limited (CSE)	TREC NO. 081	Trading with CSE

**2. Significant accounting policies**

**2.1 Basis of presentation of financial statements**

These financial statements have been prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) and no adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company.

**2.2 Basis of measurement**

The financial statements have been prepared based on historical cost convention basis. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous years.

**2.3 Components of financial statements**

- Statement of Financial Position
- Statement of Profit or Loss and Other Comprehensive Income
- Statement of Changes in Equity
- Statement of Cash Flows

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Md. Shahjahan Miah  
 VP & Company Secretary  
 DHAKA BANK SECURITIES LIMITED  
 Head Office, Dhaka

Sahabul Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
 DHAKA BANK SECURITIES LIMITED  
 Head Office, Dhaka

18 OCT 2022  
 Emranul Haq  
 Managing Director & CEO  
 DHAKA BANK SECURITIES LIMITED

18 OCT 2022  
 Md. Moniruzzaman  
 Managing Director  
 IDLC Investments Limited

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 Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited

## 2.4 Regulatory compliance

In preparation of the Financial Statements, Dhaka Bank Securities Limited complies with the applicable provisions of the following major laws/ statutes:

- The Companies Act, 1994;
- The Income Tax Ordinance, 1984;
- The Income Tax Rules, 1984;
- The Negotiable Instruments Act, 1881;
- The Value Added Tax and Supplementary Duty Act, 2012;
- The Value Added Tax and Supplementary Duty Rules, 2016;
- The Securities and Exchange Rules, 2020;
- The Securities and Exchange Commission Act, 1993;
- The Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000; and
- Other applicable laws and regulations.

## 2.5 Presentation and functional currency and level of precision

The financial statements have been presented in Bangladeshi Taka (BDT), which is the Company's functional currency. All financial information presented in BDT has been rounded off to the nearest integer.

## 2.6 Use of estimates and judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. It also requires disclosure of contingent assets and liabilities at the year end.

Provisions and accrued expenses are recognized in the financial statements in line with International Accounting Standard (IAS) 37: "Provisions, Contingent Liabilities and Contingent Assets" when - the Company has a legal or constructive obligation as a result of past event; and

- i. It is probable that an outflow of economic benefit will be required to settle the obligation.
- ii. A reliable estimate can be made for the amount of the obligation.

## 2.7 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, Dhaka Bank Securities Limited applies the accounting disclosure principles consistently from one year to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, corrections of errors, the amounts involved are accounted for and retrospectively accordance with the requirement of IAS 8. We however, have applied the same accounting principles in 2021 as was for in financial statements for 2020.

## 2.8 Going concern

The Company has adequate resources to continue its operation for the foreseeable future. For this reason, the management continue to adopt going concern basis in preparing the financial statements. Conversely, the company has neither any intention nor any legal or regulatory compulsion to halt operations and liquidate its assets in the near term at what may be very low fire-sale prices. The current credit facilities and adequate resources of the company provide sufficient funds to meet the present requirements of its existing businesses and operations. Management assessed the going concern and found no threat thereon.

1.8 OCT 2022  
Md. Shahabuddin Miah  
EVP & Company Secretary  
DHAKA BANK SECURITIES LIMITED  
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1.8 OCT 2022  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK SECURITIES LIMITED  
Head Office, Dhaka

1.8 OCT 2022  
Emranul Haq  
Managing Director & CEO  
DHAKA BANK SECURITIES LIMITED

1.8 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

1.8 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

## 2.9 Statement of cash flows

Statement of Cash Flows is prepared in accordance with International Accounting Standard (IAS) 7: "Statement of Cash Flows" and the cash flows from operating activities are presented under the indirect method as prescribed by the Securities and Exchange Rules, 2020.

## 2.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand and cash at bank which are held and are available for use by the Company without any restriction. There is insignificant risk of change in the value of the above items.

## 2.11 Investment in shares of stock exchanges

In accordance with section 8 of the Exchanges Demutualization Act, 2013, both stock exchange membership has been converted into shares through the issuance of two completely de-linked assets to the former members in the exchange, namely (a) fully paid-up shares and (b) trading right. Exchanges shall have the authority to issue Trading Right Entitlement Certificate (TREC), as per the Exchanges Demutualization Act, 2013 and as outlined in the scheme, to provide the right to trade any enlisted securities to eligible brokers and dealers. Such TRECs will be totally separate from the ownership of the Exchange as there is no obligation for TREC holders to be or remain shareholders of the exchange.

## 2.12 Property, plant and equipment

### 2.12.1 Recognition and measurement

All property, plant and equipment are stated at cost less accumulated depreciation as per IAS-16 "Property, plant and equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use.

### 2.12.2 Depreciation and amortization

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is charged using the straight-line method on the acquisition cost of PPE and such cost is written off over the estimated useful lives of assets, in accordance with IAS 16. Depreciation is charged on additions when the related assets are put into use and no depreciation is charged from the date of disposal. The rates of depreciation used to write off the amount of assets are as follows:

Nature of assets	Rate of Depreciation
Furniture and fixtures	10%
Office appliance and equipment	20%
Computer equipment's	20%
Software	20%
Motor vehicles	20%

## 2.13 Intangible assets and amortization of intangible assets

The main item included in intangible asset is computer software. Intangible assets are recognized if it is probable that economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably in accordance with IAS 38: "Intangible assets". Accordingly, these assets are stated in the Statement of Financial Position at cost less accumulated amortization. Intangible assets are amortized over a period of five (05) years.

## 2.14 Application of International Financial Reporting Standard (IFRS-16)

### Right-of-Use (RoU) assets:

The use of leased floor as per Agreement for Head Office Building Branch, Uttara Branch, Mirpur Branch and Dhaka Branches are shown as per IFRS-16: Lease. Amortization is separately shown in the schedule of Property, Plant and equipment.

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Md. Monirul Hossain Miah  
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Head Office, Dhaka

Ermanul Haq  
Managing Director & CEO  
DHAKA BANK

Tanzim Atamgir  
Managing Director & CEO  
ICB Investment Limited  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited  
DHAKA BANK LIMITED  
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Dhaka Bank Securities Limited recognizes the right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted for any measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognized, initial direct cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining Year of the lease term.

**Lease Liabilities:**

At the commencement of the lease, the company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payment include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. In 2021, the company reassessed all lease payment of existing contracts remaining Year considering a cut-off date beginning of 2021. The lease liabilities are presented in the note 16 of these financial statements. Leases where the company does not transfer substantially all of the risk and benefit of ownership of any asset are classified as operating assets.

**2.15 Provision for income tax**

**2.15.1 Current tax**

Provision for current tax is made on the basis of the profit for the year as adjusted for taxation purpose in accordance with the provision of Income Tax Ordinance, 1984 and Finance Act 2021. The rate of tax is 30% for the year 2021, 32.50% for the year 2020 and 35% for the year 2019.

**2.15.2 Deferred tax**

Deferred tax arises due to temporary difference deductible or taxable for the events or transaction recognized in the income statement. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax is measured using tax rates and tax laws that have been enacted or substantially enacted by the reporting date.

**2.16 Revenue recognition**

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the enterprise and in accordance with the International Financial Reporting Standards (IFRS) 15: Revenue from contracts with customers.

**i. Brokerage commission**

Brokerage commission is recognized as income when selling or buying order executed.

**ii. Interest Income from margin loan**

Interest Income from margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on monthly basis and applied to the customers' account on quarterly basis. In case of negative equity margin loan account, interest is credited to suspense account instead of income account where the equity becomes negative.

**iii. Dividend income and profit/ (loss) on sale of marketable securities:**

Dividend income is recognized when right to receive payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

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2.5  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Md. Moniruzzaman  
Managing Director  
UCB Investment Limited

Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
LIMITED

Md. Sahjahan Miah  
EVP & Secretary  
DHAKA BANK  
LIMITED

Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
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Head Office, Dhaka

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## Financial Assets

Financial assets of the company include cash and bank balances, accounts and other receivable. The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction. The company derecognizes a financial asset when, and only when the contractual rights or probabilities of receiving the cash flows from the asset expire or it transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred. Dhaka Bank Securities Limited disburses margin loans to client @ 50%. Besides, the company invests in the capital market to maintain its own portfolio.

## Financial Liabilities

Dhaka Bank Securities Limited has a long term loan with Investment Corporation of Bangladesh (ICB) amounting Tk. 9.78 crores @4% p.a. from September 12, 2019 to September 12, 2022.

Dhaka Bank Securities Limited has a Overdraft facility with Dhaka Bank Limited, Branch with the limit of 247.00 (Two hundred and Forty Seven) crores @ 6.38% p.a.

### **2.18** Provision for loss on margin loan

As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. BSEC/SRI/Policy/3/2020/68 dated 12 January 2020, the company may keep 20% Provision against unrealized loss in the Portfolio account of the company as on 31 December 2020. The validity of this circular has been extended up to 31 December 2023.

### **2.19** Investment fluctuation fund

As per the decision of the board of directors, 5% of capital gain during a year is transferred to investment fluctuation fund account to manage the company's future own portfolio risk.

### **2.20** Related party disclosure

As per International Accounting Standards (IAS)-24 "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operational decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties.

### **2.21** Branch accounting

The Company has 6 (six) branch offices (excluding head office), with no overseas branch as at 31 December 2021. Accounts of the branches are maintained at the head office which are included in the accompanying financial statements.

### **2.22** Reporting period

The company's reporting period is 01 January 2021 to 31 December 2021.

### **2.23** Events after the balance sheet date

Events after the balance sheet date that provides additional information about company's financial position at the balance sheet date are reflected in the financial statements. Events after the balance sheet date that are material but not adjusting event are discussed in the notes.

### **2.24** General

i) Figures have been rounded off to the nearest integer.

ii) Previous year's figures have been rearranged wherever necessary to conform to the current year presentation.

18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investment Limited

18 OCT 2022  
Sahabuddin Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

18 OCT 2022  
Md. Zahidul Haque  
EVP & Company Secretary  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

18 OCT 2022  
Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
LIMITED

2.5  
Tanzim Alamgir  
Managing Director & CEO  
IDLC Investment Limited

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3. **Property, plant and equipment**

**I. Tangible Assets**

**(A) Cost :**

Opening balance  
Add: Addition during the year

**(B) Accumulated depreciation**

Opening balance  
Add: Charged during the year

**(C) Written down value (A-B)**

**II. Right of Use (RoU) Assets:**

**(A) Cost :**

Opening balance  
Add: Addition during the year

**(B) Accumulated amortization**

Opening balance  
Add: Charged during the year

**(C) Written down value (A-B)**

**Total written down value**

Schedule of property, plant and equipment is given in **Annexure-A**.

	31.12.2021 Taka	31.12.2020 Taka
<b>(A) Cost :</b>		
Opening balance	41,262,784	41,159,198
Add: Addition during the year	4,885,170	103,586
	<b>46,147,954</b>	<b>41,262,784</b>
<b>(B) Accumulated depreciation</b>		
Opening balance	36,050,247	33,078,940
Add: Charged during the year	2,513,782	2,971,307
	<b>38,564,029</b>	<b>36,050,247</b>
<b>(C) Written down value (A-B)</b>	<b>7,583,925</b>	<b>5,212,537</b>
<b>II. Right of Use (RoU) Assets:</b>		
<b>(A) Cost :</b>		
Opening balance	15,334,586	
Add: Addition during the year	13,161,542	15,334,586
	<b>28,496,128</b>	<b>15,334,586</b>
<b>(B) Accumulated amortization</b>		
Opening balance	8,281,905	
Add: Charged during the year	7,756,944	8,281,905
	<b>16,038,849</b>	<b>8,281,905</b>
<b>(C) Written down value (A-B)</b>	<b>12,457,280</b>	<b>7,052,681</b>
<b>Total written down value</b>	<b>20,041,205</b>	<b>12,265,218</b>
<b>4. Investment in un-quoted shares</b>		
Investment in shares of DSE (Note: 4.1)	661,843,958	661,843,958
Investment in shares of CSE (Note: 4.2)	250,000,000	250,000,000
Central Depository Bangladesh Limited (CDBL)	18,277,770	18,277,770
Energypac Power Generation Company Limited	-	8,800,000
	<b>930,121,728</b>	<b>938,921,728</b>

4.1	Stock exchange	Allotment Status	Number of Shares	31.12.2021	31.12.2020
	Dhaka Stock Exchange Limited (DSE)	Allotted (53%; 40%)	2,886,042	352,983,428	352,983,428
		Blocked (47%; 60%)	2,525,287	308,860,530	308,860,530
			<b>5,411,329</b>	<b>661,843,958</b>	<b>661,843,958</b>

4.2	Stock exchange	Allotment Status	Number of Shares	31.12.2021	31.12.2020
	Chittagong Stock Exchange Limited (CSE)	Allotted (40%; 40%)	1,714,932	100,000,000	100,000,000
		Blocked (60%; 60%)	2,572,398	150,000,000	150,000,000
			<b>4,287,330</b>	<b>250,000,000</b>	<b>250,000,000</b>

5. Deferred tax assets	Accounting Base	Tax Base	Deductible Temporary Difference
<b>As at 31 December 2021</b>			
Property, plant and equipment	7,583,925	13,448,663	(5,864,738)
RoU Assets	12,457,280	-	12,457,280
Lease liabilities	(7,587,091)	-	(7,587,091)
Provision for margin loan account	(243,942,367)	-	(243,942,367)
	<b>(231,488,253)</b>	<b>13,448,663</b>	<b>(244,936,916)</b>
Applicable tax rate			30.00%
<b>Deferred tax assets as on 31 December 2021</b>			<b>(73,481,075)</b>

Total provision against margin loan account is Taka 24.39 Crore (Note: 20.2). Taka 62.76 Crore (Note: 20.2) was maintained in the year 2020 against unrealised loss on margin loan account. Out of this previous year's amount, Taka 51.36 Crore has been written off during this year. Moreover, Taka 10.00 Crore has been added as provision against margin loan account and Taka 6.00 Crore has been transferred from provision for own portfolio to the provision against margin loan account during this year. Total amount of provision against unrealised loss on margin loan of this year has been considered in deferred tax calculation.

Further noted here that considering the volatility of capital market, there is a chance of making gain from the share market. In that event, provision against unrealised loss on own portfolio has not been considered in deferred tax calculation.

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Md. Shahjahan Miah  
EVP & Deputy Secretary  
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Emranul Haq  
Managing Director & CEO  
UCB Investment Limited  
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**As at 31 December 2020**

Property, plant and equipment  
RoU Assets  
Lease liabilities  
Provision for margin loan account

Accounting Base	Tax Base	Deductible Temporary Difference
5,212,537	10,582,107	(5,369,570)
7,052,681	-	7,052,681
(4,977,016)	-	(4,977,016)
(245,111,141)	-	(245,111,141)
<b>(237,822,939)</b>	<b>10,582,107</b>	<b>(248,405,046)</b>
Applicable tax rate		32.50%
<b>Deferred tax assets as at 31 December 2020</b>		<b>(80,731,640)</b>

**6. Investment in quoted shares**

Investment in own portfolio/dealer account  
Ledger balance in BO Account (Dealer)  
Investment in Special Portfolio (ICB Fund)  
Ledger balance in BO Account (Special Portfolio-ICB Fund)

	31.12.2021 Taka	31.12.2020 Taka
	2,172,464,197	1,855,420,757
	20,311,613	4,549,282
	112,083,142	116,907,005
	6,229	295,857
	<b>2,304,865,181</b>	<b>1,977,172,902</b>

6.1 The investments in shares are categorized as at fair value through profit or loss as per IFRS 9 : Financial Instruments. The details of the investments are as follows:

**Investment in own portfolio/dealer account:**

Business segments	No. of shares	Total cost of shares in 2021	Market value of shares in 2021	Total cost of shares in 2020
Banks/Finance	4,064,881	236,599,798	227,010,627	471,909,985
Insurance	90,360	15,977,455	10,563,084	107,645,807
Mutual fund	183,167	1,831,670	1,648,503	1,831,670
Fuel and power	6,062,363	458,289,154	322,072,393	395,083,047
Cement	568,940	53,554,322	40,457,634	242,108,985
Pharmaceuticals and chemicals	1,400,651	373,974,375	353,781,829	396,513,038
Engineering / travel and leisure	1,943,006	610,892,124	557,291,561	167,619,929
Textile	300,000	4,815,000	2,970,000	30,920,769
Food, tannery and miscellaneous	612,860	416,530,299	389,533,816	41,787,528
		<b>2,172,464,197</b>	<b>1,905,323,448</b>	<b>1,855,420,757</b>

**Investment in Special Portfolio (ICB Fund):**

Business segments	No. of shares	Total cost of shares in 2021	Market value of shares in 2021	Total cost of shares in 2020
Banks/Finance	262,000	17,408,400	15,548,600	53,859,949
Insurance	40,525	7,465,516	4,737,373	1,889,550
Fuel and power	1,320,000	63,254,400	51,348,000	7,262,425
Cement	72,000	6,920,192	5,119,200	3,103,535
Pharmaceuticals and chemicals	300	430,542	393,600	21,829,500
Engineering/travel and leisure	44,003	16,604,092	15,379,049	112,083,142
		<b>112,083,142</b>	<b>92,525,821</b>	<b>116,907,005</b>
		<b>2,294,547,539</b>	<b>1,997,849,269</b>	<b>2,327,762</b>

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Md. Enamul Hossain Miah  
Eva Company Secretary  
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Emranul Karim  
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**DHAKA BANK**

Tanzim Alamgir  
Managing Director & CEO  
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DHAKA BANK LIMITED  
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**7. Margin loan**

Opening balance		
Less: Previous year adjustment		
Adjusted opening balance		
Add: Disbursed during the year		
Less: Realized during the year		
Less: Written off interest suspense account		
Less: Written off margin loan		
<b>Gross margin loan outstanding</b>		
Less: Closing balance of interest suspense account		

31.12.2021 Taka	31.12.2020 Taka
2,149,660,773	2,620,621,019
-	97,800,000
2,149,660,773	2,522,821,019
623,063,938	120,976,052
<b>2,772,724,711</b>	<b>2,643,797,070</b>
151,386,193	494,136,297
474,144,655	-
543,668,774	-
<b>1,603,525,090</b>	<b>2,149,660,773</b>
11,275,898	474,144,655
<b>1,592,249,192</b>	<b>1,675,516,118</b>

As per approval of the Board in it's 65th Meeting held on 31 August 2021, the provision amounting Taka. 543.67 million and interest suspense account amounting Taka. 474.14 million has been adjusted against 51 clients portfolio for unrecoverable margin loan. Interest suspense account was created for the doubtful interest charged for the margin loan accounts.

**8. Accounts and other receivable**

Receivable from non-margin clients		
Receivable from DSE		
Receivable from CSE		
Other receivables	(Note: 8.1)	

3,823,548	4,127,566
38,825,913	6,310,186
207,400	569,527
23,900,087	23,844,425
<b>66,756,948</b>	<b>34,851,703</b>

**8.1 Other receivable**

Cash dividend receivable	
--------------------------	--

23,900,087	23,844,425
------------	------------

**9. Advance income tax**

Opening balance		
Add: Addition during the year	(Note: 9.1 & 9.2)	
Less: Adjustment during the year		

145,771,885	241,095,261
55,205,327	31,858,976
200,977,212	272,954,237
24,298,757	127,182,352
<b>176,678,456</b>	<b>145,771,885</b>

Adjustment has been made for completion of income tax assessment.

**9.1 Advance income tax (Addition)**

AIT/TDS on brokerage commission - DSE		
AIT/TDS on brokerage commission - CSE		
TDS/AIT (interest income, dividend income etc.)		

38,394,868	11,850,241
468,829	28,691
16,248,530	12,812,499
<b>55,112,327</b>	<b>24,691,430</b>

**9.2 Advance income tax paid**

Paid to NBR		
Paid to while renewal of License, Certificates etc.		

-	7,063,546
93,000	104,000
<b>93,000</b>	<b>7,167,546</b>

**10. Advances, deposits and prepayments**

Advances	(Note: 10.1)	
Prepayments	(Note: 10.2)	

34,272,235	4,370,960
2,477,480	5,461,562
<b>36,749,715</b>	<b>9,832,521</b>

**10.1 Advances**

Advance for purchase of floor space at DSE tower, Nikunja		
Advance to Suppliers/Vendors		
Advance - IPO Application for dealer A/C		
Advance against expenses		

-	850,000
-	200,000
34,272,235	3,237,295
-	83,665
<b>34,272,235</b>	<b>4,370,960</b>

**10.2 Prepayments**

Prepaid rent - premises		
Prepaid insurance - vehicles and premises		
Prepaid non-judicial stamp		

2,421,000	5,388,750
56,380	69,987
100	2,825
<b>2,477,480</b>	<b>5,461,562</b>

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Md. Moniruzzaman

Managing Director

Sahabub Alam Khan, FCA

Chief Finance Officer, EVP & CFO

Head Office, Dhaka

18 OCT 2022

Md. Shahjahan Miah

EVP & Company Secretary

Head Office, Dhaka.

18 OCT 2022

9 OCT 2022

Emranul Haq  
Managing Director & CEO

DHAKA BANK

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

dhakabankltd.com

11. Cash and cash equivalents

Cash in hand  
Cash at bank

(Note: 11.1)

31.12.2021 Taka	31.12.2020 Taka
105,000	105,000
416,013,610	291,705,962
<b>416,118,610</b>	<b>291,810,962</b>

11.1 Cash at bank

Name of the Bank	Branch Name	Account Type	Account No.
<b>A. Consolidated Customers' Bank A/C</b>			
Dhaka Bank Limited	Local Br.	SND A/C	201.150.2972
Dhaka Bank Limited	Local Br.	SND A/C	201,150.3444
IFIC Bank Limited	Stock Ex. Br.	SND A/C	1090.358002.001
IFIC Bank Limited	Stock Ex. Br.	SND A/C	190.168.403.041
UCB Limited	Forex. Br.	CD A/C	721.101.000.000.049
Standard Chartered	Motijheel	SND A/C	32.1183892.02

152,164,944	149,721,313
1,021	3,724,253
163,483,565	125,407,762
5,592,261	-
-	2,814,370
65,364,908	165,306
<b>386,606,699</b>	<b>281,833,004</b>

Name of the Bank	Branch Name	Account Type	Account No.
<b>B. Bank Accounts for Dealer Operations</b>			
IFIC Bank Limited	Dhaka Stock Ex.	SND A/C	1090.358447.001
IFIC Bank Limited	Chittagong Stock Ex.	SND A/C	190.168.404.041
UCB Limited	Forex.	SND A/C	721.101.000.000.515
Dhaka Bank Limited	Gulshan	SND A/C	215.150.2242
Standard Chartered	Motijheel	SND A/C	32.1183892.01

20,055,321	1,172,023
638,679	-
-	1,331,176
466,322	3,609,629
103,393	103,543
<b>21,263,715</b>	<b>6,216,371</b>

Name of the Bank	Branch Name	Account Type	Account No.
<b>C. Bank Accounts for Company's own Transactions</b>			
Dhaka Bank Limited	Local	SND A/C	201.150.2960

8,143,196	3,656,587
<b>8,143,196</b>	<b>3,656,587</b>
<b>416,013,610</b>	<b>291,705,962</b>

12. Share capital

Authorized capital

500,000,000 ordinary shares @ Tk. 10 each

Paid up capital

Opening Balance

Add: Stock dividend for financial year 2019

<b>5,000,000,000</b>	<b>5,000,000,000</b>
2,087,000,620	2,046,079,040
-	40,921,580
<b>2,087,000,620</b>	<b>2,087,000,620</b>

Name of Shareholders	% of Shareholding	Number of Shares held	Amount Taka	Amount Taka
1. Dhaka Bank Limited Represented By: Mr. Reshadur Rahman Mr. Abdul Hai Sarker Mrs. Rokshana Zaman Mr. Altaf Hossain Sarker Mr. Khondaker Monir Uddin Mr. Emranul Haq	99.999997%	208,700,056	2,087,000,560	2,087,000,560
2. Mr. Dilwar Hossain	0.000001%	1	10	10
3. Mr. Choudhury Md. Humayun Kabir	0.000001%	1	10	10
4. Mr. Md. Mahtubur Rahman	0.000001%	1	10	10
5. Mr. Mahtuzur Rahman	0.000001%	1	10	10
6. Mr. Suez Islam	0.000001%	1	10	10
7. Mrs. Shahnaz Naznin	0.000001%	1	10	10

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

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Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Sahabur Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

Mr. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka.

Emadul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED  
HEAD OFFICE, DHAKA

	31.12.2021 Taka	31.12.2020 Taka
<b>13. Investment fluctuation fund</b>		
Opening balance	49,200,000	41,100,000
Add: Addition during the year	4,700,000	8,100,000
	<b>53,900,000</b>	<b>49,200,000</b>
<b>14. Retained earnings</b>		
Opening balance	(48,922,414)	56,339,743
Add: Net profit/(loss) for the year	73,305,436	(56,240,577)
	24,383,022	99,165
Less: Bonus shares issued	-	40,921,580
Less: Transfer to investment fluctuation fund	4,700,000	8,100,000
	<b>19,683,022</b>	<b>(48,922,415)</b>
<b>15. Long term loan net of current maturity</b>		
Opening balance	58,464,050	90,088,588
Less: Paid during the year	32,908,622	31,624,538
	25,555,428	58,464,050
Less: Transferred to current portion of long term loan	25,555,428	32,908,622
	-	<b>25,555,428</b>
<b>15.a Current portion of long term loan</b>		
ICB Stimulus Fund	<b>25,555,428</b>	<b>32,908,622</b>
Investment Corporation of Bangladesh (ICB) vide their Sanction Advice No. ICB/51/509 Dated July 08, 2019 offered Dhaka Bank Securities Limited loan amounting Tk. 9.78 Crore from the Stimulus Fund for affected small investors. The loan will be repaid through 12 equal quarterly installments at an interest rate of 4% p.a from September 12, 2019 to September 12, 2022.		
<b>16. Lease liabilities</b>		
Opening balance	4,977,017	-
Add: Addition during the year	14,207,519	16,101,317
	19,184,536	16,101,317
Less: Adjustment during the year	11,597,445	11,124,300
	<b>7,587,091</b>	<b>4,977,017</b>
<b>17. Short term loan</b>		
Loan from Dhaka Bank Limited (Note: 17.1)	<b>2,443,588,172</b>	<b>1,694,162,672</b>
<b>17.1 Loan from Dhaka Bank Limited</b>		
Opening balance	1,694,162,672	2,298,017,550
Add: Addition during the year	3,642,425,500	693,035,875
	5,336,588,172	2,991,053,425
Less: Repayment during the year	2,893,000,000	1,296,890,754
	<b>2,443,588,172</b>	<b>1,694,162,672</b>
Dhaka Bank Limited, vide their Sanction Letter No. DBL/HO/CRM/LO-335(B)/S-585/2021/5536 dated 17 June 2021, renewed the overdraft facility of Taka 2,470 million in favor of Dhaka Bank Securities Limited up to 31 December 2021. As at 31 December 2021, the facility was utilized to the tune of Taka 2,443,588,172		
<b>18. Accounts payable</b>		
Payable to clients	358,018,586	273,150,384
IPO application money	9,400,000	7,273,600
Payable to DSE	851,484	2,491,123
Payable to CSE	21,321	836
Payable to CDBL	6,459	822,670
Interest payable to clients for CCBA	10,538,568	-
	<b>379,946,419</b>	<b>283,738,613</b>

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

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**19. Provision for income tax**

Opening balance  
 Add: Adjustment for previous year  
  
 Add: Provision made during the year  
  
 Less: Adjustment during the year (Note: 19.1)

31.12.2021 Taka	31.12.2020 Taka
138,157,100	238,642,241
140,653	-
138,297,753	238,642,241
26,145,273	26,697,211
164,443,026	265,339,452
24,298,757	127,182,352
<b>140,144,269</b>	<b>138,157,100</b>

**19.1 Adjustment during the year**

AIT/TDS on brokerage commission - DSE  
 AIT/TDS on brokerage commission - CSE  
 AIT/TDS on Brok. Comm Dealer Trade DSE  
 AIT/TDS on Brok. Comm Dealer Trade CSE  
 TDS/AIT (Interest income, dividend income etc.)  
 Retained earnings

11,323,627	68,291,831
28,691	623,922
526,614	12,975,374
	82,892
12,419,825	57,994,746
	(12,786,413)
<b>24,298,757</b>	<b>127,182,352</b>

Adjustment has been made for completion of income tax assessment.

**20. Provision for diminution in value of investments**

Provision for loss on own portfolio (Note: 20.1)  
 Provision for loss on margin loan (Note: 20.2)  
 Provision for stipulation fund for affected investors (Note: 20.3)

147,500,000	207,500,000
243,942,367	627,611,141
8,760,904	8,760,904
<b>400,203,271</b>	<b>843,872,045</b>

**20.1 Provision for loss on own portfolio**

Opening balance  
 Less: Transferred to provision for margin loan

207,500,000	207,500,000
60,000,000	
<b>147,500,000</b>	<b>207,500,000</b>

As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. BSEC/SRI/Policy/3/2020/68 dated 12 January 2020, the company may keep Provision against unrealized loss in the Portfolio account of the company as on 31 December 2021. The validity of this circular has been extended up to 31 December 2023. The company kept Taka, 147.50 million as provision against Taka, 286.70 million unrealised loss of own portfolio, where minimum requirement was Taka, 95.53 million upto 31 December 2021 as per above circular.

**20.2 Provision for loss on margin loan**

Opening balance  
 Less: Written off during the year  
  
 Add: Transferred from Provision for Own Portfolio  
 Add: Addition during the year

627,611,141	382,500,000
543,668,774	
83,942,367	382,500,000
50,000,000	
100,000,000	245,111,141
<b>243,942,367</b>	<b>627,611,141</b>

As per approval of the Board in it's 65th Meeting held on August 31, 2021, the provision amounting Taka, 543.67 million has been adjusted against 51 clients portfolio for unrecoverable margin loan.

As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. BSEC/SRI/Policy /3/2020/68 dated 12 January 2020, the company may keep Provision against Negative Equity in the Portfolio account of the Margin Loan Clients of the company as on 31 December 2021. The validity of this circular has been extended up to 31 December 2023. The company kept Taka, 243.94 million as provision against Taka, 423.28 million unrealized loss of margin loan, where minimum requirement was Taka,141.09 million upto 31 December 2021 as per above circular.

**20.3 Provision for stipulation fund for affected investors**

In connection with downturn situation of Capital Market, the Bangladesh Securities and Exchange Commission (BSEC) announced the stock market stimulus package on November 23, 2011, which included some immediate steps to the relief of mostly institutional investors and pledges for some special schemes for non-institutional investors. We have formed the Stipulation fund for affected investors.

8,760,904	8,760,904
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Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited

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Sahabul Alam Khan, FCA  
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 Head Office, Dhaka

Emrul Haq  
 Managing Director & CEO  
 DHAKA BANK LIMITED

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**21. Other liabilities**

Accrued interest expenses - Loan from Banks and NBFIs  
 Audit fees  
 Accrued expenses-Others  
 VAT current A/C  
 Withholding tax liabilities

31.12.2021 Taka	31.12.2020 Taka
55,787,264	54,800,178
287,500	287,500
2,100,580	704,840
266,953	312,375
1,011,518	120,082
<b>59,453,816</b>	<b>56,224,975</b>

**22. Brokerage commission income**

Brokerage - DSE  
 Brokerage - CSE

2021 Taka	2020 Taka
218,130,720	72,558,755
2,398,445	63,851
<b>220,529,165</b>	<b>72,622,606</b>

Trade volume in Stock Exchange was bearish in 2020 which increased by 128% in 2021. The Brokerage commission income also increased by around 200% during 2021 due to increase of market share and efficient business development activity.

**23. Direct expenses**

Laga charges (Note: 23.1)  
 CDBL Expense-Daily settlement (Pay in/Pay out)  
 Sales Associate Commission

19,566,645	8,014,507
10,404,773	2,914,835
8,541,068	-
<b>38,512,486</b>	<b>10,929,342</b>

**23.1 Laga charges**

Laga charges- Dhaka Stock Exchange Limited (DSE)  
 Laga charges- Chittagong Stock Exchange Limited (CSE)

18,979,349	7,575,107
587,296	438,400
<b>19,566,645</b>	<b>8,014,507</b>

**24. Interest income**

Interest on margin loan  
 Interest income on bank deposit A/C

92,108,105	96,652,847
1,091,546	7,773,811
<b>93,199,651</b>	<b>104,426,658</b>

**25. Interest expense**

On loan from Dhaka Bank Limited  
 On loan from Investment Corporation of Bangladesh (ICB)  
 Interest Expense for leased liability

163,024,201	167,496,358
1,849,026	3,599,777
1,045,978	766,730
<b>165,919,205</b>	<b>171,862,865</b>

**26. Net investment income**

Gain on sale of shares (Note: 26.1)  
 Dividend on shares

94,280,021	162,020,099
75,810,207	52,476,008
<b>170,090,228</b>	<b>214,496,107</b>

**26.1 Gain on sale of shares**

Sale price of shares  
 Cost price of shares

5,315,001,601	806,004,051
(5,220,721,580)	(643,983,951)
<b>94,280,021</b>	<b>162,020,099</b>

**27. Fees and other income**

Account opening and closing fees  
 BO renewal fees  
 IPO processing fees  
 Central Depository Bangladesh Limited (CDBL)  
 Other income (Note: 27.1)

89,329	62,890
442,400	411,380
50,130	15,640
595,184	477,679
171,127	69,662
<b>1,348,169</b>	<b>1,037,671</b>

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Md. Moniruzzaman  
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 DHAKA BANK LIMITED  
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M.T. Assthan Miah  
 EVP & Company Secretary  
 DHAKA BANK LIMITED  
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 Managing Director & CEO  
 DHAKA BANK

Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited

www.dhakabank.com

**27.1 Central Depository Bangladesh**

**A. Central Depository Bangladesh limited (CDBL) income**

CDBL Income-transfer in/out	546,776	188,600
CDBL income-bonus/Right/IPO/split/demat	5,268	539,920
CDBL Income-Pledge/unpledge	805,376	313,284
	<b>1,357,420</b>	<b>1,041,804</b>

**B. Central Depository Bangladesh limited (CDBL) expenses**

CDBL expense-Transfer in/out	307,260	104,827
CDBL income-bonus/ Right/IPO/split/demat	45	279,752
CDBL Income-Pledge/unpledge	447,431	174,047
CDBL expense-monthly connection fees	6,500	5,500
	<b>761,237</b>	<b>564,126</b>

**Net CDBL income (A-B)**

**596,184**      **477,679**

**28. Salaries and allowances**

Basic salaries	13,216,461	13,612,982
Allowances	16,673,565	16,941,934
Leave fare assistance	2,577,100	2,426,600
Employer's contribution to provident fund	1,318,077	1,352,724
Bonus	3,627,349	2,285,653
	<b>37,412,552</b>	<b>36,619,893</b>

**29. Rent, taxes, insurance, electricity etc.**

Rent expenses	2,837,237	3,606,256
Insurance expense	110,767	131,257
Electricity Expenses	1,584,862	1,399,651
Fuel expense - generator / pool car	21,413	820,826
Water and sewerage	293,281	640,408
Renewal of registration certificates, trade license etc.	722,273	593,603
	<b>5,569,832</b>	<b>7,192,000</b>

**30. Legal expenses**

**32,250**      **233,500**

**31. Postage, stamp, telecommunication etc.**

Postage and Courier	22,203	17,540
Stamps- Judicial / Non-Judicial	45,085	1,650
Telephone /Fax /PABX expenses	19,742	97,637
Mobile /Internet /Cable TV bills	314,766	301,434
	<b>401,796</b>	<b>418,261</b>

**32. Stationary, printing, advertisement etc.**

Stationeries expense- (printed materials)	2,505,245	2,135,285
Stationeries - general (table/petty stationeries)	180,148	83,119
Stationeries- computer consumable (paper & accessories)	172,130	170,106
Publicity expenses (leaflet, banner, bill board etc.)	1,500	3,799
	<b>2,859,023</b>	<b>2,391,880</b>

	2021 Taka	2020 Taka
<b>27.1 Central Depository Bangladesh</b>		
<b>A. Central Depository Bangladesh limited (CDBL) income</b>		
CDBL Income-transfer in/out	546,776	188,600
CDBL income-bonus/Right/IPO/split/demat	5,268	539,920
CDBL Income-Pledge/unpledge	805,376	313,284
	<b>1,357,420</b>	<b>1,041,804</b>
<b>B. Central Depository Bangladesh limited (CDBL) expenses</b>		
CDBL expense-Transfer in/out	307,260	104,827
CDBL income-bonus/ Right/IPO/split/demat	45	279,752
CDBL Income-Pledge/unpledge	447,431	174,047
CDBL expense-monthly connection fees	6,500	5,500
	<b>761,237</b>	<b>564,126</b>
<b>Net CDBL income (A-B)</b>	<b>596,184</b>	<b>477,679</b>
<b>28. Salaries and allowances</b>		
Basic salaries	13,216,461	13,612,982
Allowances	16,673,565	16,941,934
Leave fare assistance	2,577,100	2,426,600
Employer's contribution to provident fund	1,318,077	1,352,724
Bonus	3,627,349	2,285,653
	<b>37,412,552</b>	<b>36,619,893</b>
<b>29. Rent, taxes, insurance, electricity etc.</b>		
Rent expenses	2,837,237	3,606,256
Insurance expense	110,767	131,257
Electricity Expenses	1,584,862	1,399,651
Fuel expense - generator / pool car	21,413	820,826
Water and sewerage	293,281	640,408
Renewal of registration certificates, trade license etc.	722,273	593,603
	<b>5,569,832</b>	<b>7,192,000</b>
<b>30. Legal expenses</b>	<b>32,250</b>	<b>233,500</b>
<b>31. Postage, stamp, telecommunication etc.</b>		
Postage and Courier	22,203	17,540
Stamps- Judicial / Non-Judicial	45,085	1,650
Telephone /Fax /PABX expenses	19,742	97,637
Mobile /Internet /Cable TV bills	314,766	301,434
	<b>401,796</b>	<b>418,261</b>
<b>32. Stationary, printing, advertisement etc.</b>		
Stationeries expense- (printed materials)	2,505,245	2,135,285
Stationeries - general (table/petty stationeries)	180,148	83,119
Stationeries- computer consumable (paper & accessories)	172,130	170,106
Publicity expenses (leaflet, banner, bill board etc.)	1,500	3,799
	<b>2,859,023</b>	<b>2,391,880</b>

18 OCT 2022

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Sahabuddin Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka.

18 OCT 2022

M. Shahjahan Miah  
EVP, Deputy Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka.

18 OCT 2022

Emranul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

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	2021 Taka	2020 Taka
<b>33. Directors' fees and meeting expenses</b>		
Director's fees	656,800	768,000
Meeting, seminar and conference expenses	174,789	173,990
	<b>831,589</b>	<b>941,990</b>
<b>34. Professional fee</b>		
Statutory Audit Fee	287,500	287,500
Special Audit Fee	920,000	-
	<b>1,207,500</b>	<b>287,500</b>
<b>35. Repairs and maintenance</b>		
Office premises	1,198,343	1,248,615
Furnitures and fixtures	705,262	477,120
Office and electric appliances	1,203,099	817,525
Computer, software, printer, UPS etc.	1,261,195	947,981
Vehicles	1,111,962	948,257
Network connectivity expense	1,287,739	1,394,178
	<b>6,767,600</b>	<b>5,833,876</b>
<b>36. Other expenses</b>		
Bank charges	65,614	31,924
Excise duty expense	178,000	236,300
Commission expenses- bank guarantees	1,955,900	699,883
Regular canteen expense	1,672,181	860,253
Entertainment Expense	103,785	5,000
Contractual service charges	609,962	695,299
Cleaning and maintenance services	1,325,500	1,476,273
Staff uniform expenses	29,725	81,975
Support staff expense	1,613,887	2,034,469
Security guard expenses	413,424	1,263,240
Training and Development Expenses	9,795	-
Conveyance expense	379,234	148,115
Business promotion expenses	170,441	30,950
Newspapers	5,960	29,575
IPO Processing Fees	27,000	13,000
Contribution to investors' protection fund	84,446	4,004
Miscellaneous - (others)	37,526	9,906
	<b>8,682,380</b>	<b>7,620,166</b>
<b>37. Depreciation and amortization</b>		
Depreciation of Tangible Assets	2,513,782	2,971,307
Amortization of Right of Use (RoU) Assets	7,756,944	8,281,905
	<b>10,270,726</b>	<b>11,253,212</b>
<b>38. Provision for income tax</b>		
Current tax	26,145,273	26,697,211
<b>39. Deferred tax expense/(income)</b>		
Closing balance of deferred tax assets	(73,481,075)	(80,781,000)
Opening balance of deferred tax assets	(80,731,640)	(2,162,422)
Deferred tax expense/(income)	<b>7,250,565</b>	<b>(78,569,218)</b>

18 OCT 2022

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18 OCT 2022

M. Shahjahan Miah  
 Executive Secretary  
 IDLC BANK LIMITED  
 Head Office, Dhaka.

18 OCT 2022

Tanzim Alamgir  
 Managing Director & CEO  
 IDLC Investment Limited

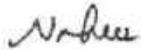
Md. Moniruzzaman  
 Chief Finance Officer, EVP & CFO  
 IDLC BANK LIMITED  
 Head Office, Dhaka.

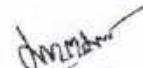
40. Related party transactions

Name of the Related Party	Relationship	Nature of Transaction	Transaction during the year	Closing Balance as at 31.12.2021	Closing Balance as at 31.12.2020
Dhaka Bank Limited	Parent Company	Loan	749,425,500	2,443,588,172	1,694,162,672
Mrs. Rokshana Zaman and Ms. Tanveen Zaman	Director and her Daughter	Advance Rent for Leased Premises	(2,241,000)	2,241,000	4,482,000

41. Date of authorization

The Board of Directors has authorized these financial statements for issue on 07 March 2022.

  
Md. Nafeez Al Tarik  
Managing Director

  
Mahfuzur Rahman  
Director

  
Abdul Hai Sarker  
Director

Dhaka,  
10 March 2022

18 OCT 2022

  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

15 OCT 2022

  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

  
Sahabuddin Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

15 OCT 2022

  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka

  
Emranul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED  
ANNUAL REPORT 2021

2022

**Dhaka Bank Securities Limited**  
**Schedule of Property, Plant and Equipment**  
 As at 31 December 2021

## A. Tangible Assets

Particulars	Cost			Rate (%)	Depreciation			Written Down Value as at 31.12.2021
	Balance as at 01.01.2021	Addition during the year	Balance as at 31.12.2021		Balance as at 01.01.2021	Depreciation during the year	Balance as at 31.12.2021	
Furniture and fixtures	13,754,654	4,200,892	17,955,546	10%	12,206,045	918,153	13,124,198	4,831,348.10
Office appliances and equipment	7,824,651	70,090	7,894,741	20%	7,260,411	222,455	7,482,866	411,874.14
Computer	12,099,224	614,188	12,713,412	20%	11,502,653	454,418	12,057,071	656,340.64
Motor vehicles	7,584,255	-	7,584,255	20%	4,981,137	918,756	5,899,893	1,684,362.00
<b>Sub-total</b>	<b>41,262,784</b>	<b>4,885,170</b>	<b>46,147,954</b>		<b>36,050,247</b>	<b>2,513,782</b>	<b>38,564,029</b>	<b>7,583,925</b>

**Dhaka Bank Securities Limited**  
**Fixed assets schedule**  
 For the year ended 31 December 2021

## B. Intangible Assets

Particulars	Cost			Rate (%)	Amortization			Written Down Value as at 31.12.2021
	Balance as at 01.01.2021	Addition during the year	Balance as at 31.12.2021		Balance as at 01.01.2021	Amortization during the year	Balance as at 31.12.2021	
Software	4,831,461	-	4,831,461	20%	4,831,461	-	4,831,461	-
<b>Sub-total</b>	<b>4,831,461</b>	<b>-</b>	<b>4,831,461</b>		<b>4,831,461</b>	<b>-</b>	<b>4,831,461</b>	<b>-</b>

## C. Right of Use (ROU) Assets

Particulars	Cost			Lease term	Amortization			Written Down Value as at 31.12.2021
	Balance as at 01.01.2021	Addition during the year	Balance as at 31.12.2021		Balance as at 01.01.2021	Amortization during the year	Balance as at 31.12.2021	
Right of Use (ROU) Assets	15,334,586	13,161,542	28,496,128	5 Years	8,281,905	7,756,944	16,038,849	12,457,280
<b>Sub-total</b>	<b>15,334,586</b>	<b>13,161,542</b>	<b>28,496,128</b>		<b>8,281,905</b>	<b>7,756,944</b>	<b>16,038,849</b>	<b>12,457,280</b>

<b>Total as at 31 December 2021</b>	<b>61,428,831</b>	<b>18,046,712</b>	<b>79,475,542</b>		<b>49,163,613</b>	<b>10,270,726</b>	<b>59,434,339</b>	<b>20,041,205</b>
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<b>Total as at 31 December 2020</b>	<b>45,990,659</b>	<b>15,438,172</b>	<b>61,428,831</b>		<b>37,910,401</b>	<b>11,253,212</b>	<b>49,163,613</b>	<b>12,265,218</b>
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Md. Mohiuzzaman  
 Managing Director (NFI),  
 ANS Investment Limited

18 OCT 2022

Head Office, Dhaka

Sahabuddin Alam Khan, FCA  
 Finance Officer, EYP & CFO  
 DHAKA

Md. Shahidul Alam  
 EYP & CFO  
 Head Office, Dhaka

Emrul Haq  
 Managing Director & CEO  
 CB Investment Limited

18 OCT 2022



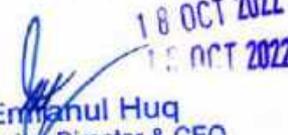
# DHAKA BANK INVESTMENT LIMITED

This year we will focus to carry on the business of Merchant Banking Operations and to act as Issue Managers, Underwriters, Portfolio-Managers etc. so that we can contribute more in the Capital Market in the up coming days.

18 OCT 2022

  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

  
18 OCT 2022  
Md. Shehahan Miah  
Executive Company Secretary  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

  
18 OCT 2022  
15 OCT 2022  
Enamul Haq  
Managing Director & CEO  
DHAKA BANK  
ANNUAL REPORT 2021 207

# Independent Auditor's Report To the Shareholders of Dhaka Bank Investment Ltd.

Annexure-M

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Dhaka Bank Investment Ltd. which comprise the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Dhaka Bank Investment Ltd. as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to the fact as disclosed in Note # 2.8 to the financial statements, which describes that, necessary License to operate as a Merchant Banker has yet to be issued in favour of the Company by Bangladesh Securities and Exchange Commission (BSEC), although the Company filed application to BSEC on 27 March 2014 for such license. In this connection, another request letter was sent to BSEC by the Company on 04 April 2021 and 08 November 2021. The management of the Company informed that they are following up the matter with BSEC and hopeful to get the license very soon. Our opinion is not modified in respect of this matter.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The annual report of its parent,

Dhaka Bank Limited, is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
M I T E D  
Head Office, Dhaka

Md. Shahabuddin Miah  
EVP & Company Secretary  
DHAKA BANK  
M I T E D  
Head Office, Dhaka

Emranul Haque  
Managing Director & CEO  
DHAKA BANK  
M I T E D

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited  
dhakabank.com

18 OCT 2022

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As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

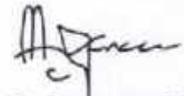
### Report on other Legal and Regulatory Requirements

We also report that the financial statements comply with the Companies Act 1994 and the other applicable laws and regulations. We, as required by law, further 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 as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns.

Dhaka,  
07 March 2022

Signed for and on behalf of  
**ACNABIN**  
Chartered Accountants



**Md. Moniruzzaman, FCA**  
Partner  
ICAB Enrollment No. 787  
DVC: 2204070787AS558900

18 OCT 2022

  
**Tanzim Alamgir**  
Managing Director & CEO  
UCB Investment Limited

  
**Md. Moniruzzaman**  
Managing Director  
IDLC Investments Limited  
Dhaka

  
**Shahab Alam Khan, FCA**  
Chief Finance Officer, EVP & CFO  
Dhaka  
Head Office, Dhaka

  
**Md. Shahjahan Miah**  
EVP, Company Secretary  
Dhaka  
Head Office, Dhaka

  
**Emranul Haq**  
Managing Director & CEO  
Dhaka  
Head Office, Dhaka

**Dhaka Bank Investment Limited**  
**Statement of Financial Position**  
 As at 31 December 2021

	Notes	31.12.2021 Taka	31.12.2020 Taka
<b>ASSETS</b>			
<b>Non Current Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	311,292,096	328,002,182
Other asset	6	13,674,861	13,335,645
<b>Total Assets</b>		<b>324,966,957</b>	<b>341,337,827</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Paid up capital	7	250,000,000	250,000,000
Retained earnings	8	63,612,302	56,176,901
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Current Liabilities</b>			
Provision for income tax	9	9,839,997	33,573,201
Other liabilities	10	1,514,658	1,587,725
<b>Total Liabilities</b>		<b>11,354,655</b>	<b>35,160,926</b>
<b>Total Equity and Liabilities</b>		<b>324,966,957</b>	<b>341,337,827</b>

The annexed notes from 1 to 17 form an integral part of these Financial Statements.



**Mohammad Abu Jafar**  
 Managing Director & CEO



**Mirza Yasser Abbas**  
 Director



**Amir Ullah**  
 Chairman

This is the statement of financial position referred to in our separate report of even date.

Dhaka,  
 07 March 2022



**18 OCT 2022**

**Md. Shahjahan Miah**  
 EVP & Joint Secretary  
 DHAKA BANK  
 Head Office, Dhaka

Signed for and on behalf of  
**ACNABIN**  
 Chartered Accountants



**Md. Moniruzzaman, FCA**  
 Partner

ICAB Enrollment No. 787  
 DVC: 2204070787AS55399 **18 OCT 2022**

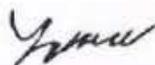
**Dhaka Bank Investment Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
<b>Operating Income</b>			
Interest income		-	-
Other income	11	13,447,254	26,312,064
		<b>13,447,254</b>	<b>26,312,064</b>
<b>Operating Expense</b>			
General and administrative expenses	12	1,280,411	1,176,825
Financial expenses	13	270,200	82,875
<b>Total operating expenses</b>		<b>1,550,611</b>	<b>1,259,700</b>
<b>Profit before Tax</b>		<b>11,896,643</b>	<b>25,052,364</b>
Provision for income tax (Current tax)	9	(4,461,241)	(10,697,494)
<b>Net Profit after Tax</b>		<b>7,435,402</b>	<b>14,354,871</b>
Other comprehensive income		-	-
<b>Total comprehensive Income</b>		<b>7,435,402</b>	<b>14,354,871</b>

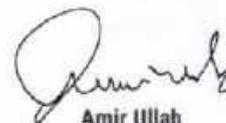
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**Mohammad Abu Jafar**  
Managing Director & CEO



**Mirza Yasser Abbas**  
Director



**Amir Ullah**  
Chairman

This is the statement of profit or loss and other comprehensive income referred to in our separate report of even date.

Dhaka,  
07 March 2022



18 OCT 2022

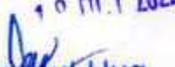
**Md. Shahjahan Miah**  
EVP & Company Secretary  
DHAKA BANK  
Head Office, Dhaka.

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18 OCT 2022

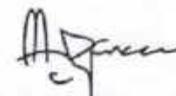
**Sahabuddin Khan, FCA**  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
Head Office, Dhaka



18 OCT 2022

**Emrul Haq**  
Managing Director & CEO  
DHAKA BANK

Signed for and on behalf of  
**ACNABIN**  
Chartered Accountants



**Md. Moniruzzaman, FCA**  
Partner  
ICAB Enrollment No. 18 OCT 2022  
DVC: 2204070787/6558900

18 OCT 2022

**Md. Moniruzzaman**  
Managing Director  
IDLC Investments Limited



18 OCT 2022

**Tanzim Alamgir**  
Managing Director & CEO  
UCB Investment Limited

**Dhaka Bank Investment Limited**  
**Statement of Changes in Equity**  
 For the year ended 31 December 2021

Particulars	Share Capital	Retained Earnings	Total Equity
Balance as at 01 January 2021	250,000,000	56,176,901	306,176,901
Net profit for the year	-	7,435,402	7,435,402
<b>Balance as at 31 December 2021</b>	<b>250,000,000</b>	<b>63,612,302</b>	<b>313,612,302</b>

Balance as at 01 January 2020	250,000,000	41,822,030	291,822,030
Net profit for the year	-	14,354,871	14,354,871
<b>Balance as at 31 December 2020</b>	<b>250,000,000</b>	<b>56,176,901</b>	<b>306,176,901</b>

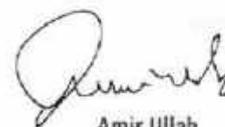
The annexed notes from 1 to 17 form an integral part of these Financial Statements.



**Mohammad Abu Jafar**  
 Managing Director & CEO



**Mirza Yasser Abbas**  
 Director



**Amir Ullah**  
 Chairman

Dhaka,  
 07 March 2022



18 OCT 2022

**Md. Shahjahan Miah**  
 EVP & Company Secretary  
 Dhaka Bank Investment Limited  
 Head Office, Dhaka

18 OCT 2022

**Sahabub Alam Khan, FCA**  
 Finance Officer, EVP & CFO  
**DHAKA BANK INVESTMENT LIMITED**  
 Head Office, Dhaka

18 OCT 2022



**Emranul Haq**  
 Managing Director & CEO  
**DHAKA BANK INVESTMENT LIMITED**

18 OCT 2022



**Md. Moniruzzaman**  
 Managing Director  
 IDLC Investments Limited

15 OCT 2022



**Tanzim Alamgir**  
 Managing Director & CEO  
 UCB Investment Limited

[www.dhakabankltd.com](http://www.dhakabankltd.com)

**Dhaka Bank Investment Limited**  
**Statement of Cash Flows**  
For the year ended 31 December 2021

**A. Cash flows from operating activities:**

Profit before tax	
Written off of preliminary expenditure	
Decrease in provision for audit fees	
Increase in advance income tax	
Decrease/(Increase) in interest receivable	
Decrease in provision for income tax	
Increase in other liability	
<b>Net cash (used in)/flow from operating activities</b>	

**B. Cash flows from investing activities**

**C. Cash flows from financing activities**

**D. Net (deficit)/surplus in cash and cash equivalents (A+B+C)**

- E. Unrealised foreign exchange gain/(loss)  
F. Cash and cash equivalents at the beginning of the year  
G. **Cash and cash equivalents at the end of the year**

**Cash and Cash Equivalents**

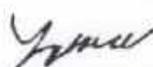
- Cash in hand  
Cash at bank

2021 Taka	2020 Taka
11,896,643	25,052,364
-	1,107,825
(345,000)	(161,000)
(1,456,449)	(2,219,340)
1,117,232	(3,888,667)
(28,194,445)	-
271,933	-
<b>(16,710,086)</b>	<b>19,891,183</b>
-	-
-	-
<b>(16,710,086)</b>	<b>19,891,183</b>
-	-
328,002,182	308,110,999
<b>311,292,096</b>	<b>328,002,182</b>
-	-
-	-
311,292,096	328,002,182
<b>311,292,096</b>	<b>328,002,182</b>

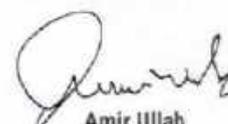
The annexed notes from 1 to 17 form an integral part of these Financial Statements.



**Mohammad Abu Jafar**  
Managing Director & CEO



**Mirza Yasser Abbas**  
Director



**Amir Ullah**  
Chairman

Dhaka,  
07 March 2022



**18 OCT 2022**

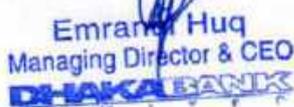
**Md. Shanjahan Miah**  
EVP & Company Secretary  
**DHAKA BANK**  
Head Office, Dhaka

**18 OCT 2022**



www.dhakabank.com  
**Sahab Alam Khan, FCA**  
Chief Finance Officer, EVP & CFO  
**DHAKA BANK**  
Head Office, Dhaka

**18 OCT 2022**



**Emran Huq**  
Managing Director & CEO  
**DHAKA BANK**

**18 OCT 2022**



**Md. Moniruzzaman**  
Managing Director  
IDLC Investments Limited

**18 OCT 2022**



**Tanzim Alamgir**  
Managing Director & CEO  
UCB Investment Limited

**DHAKA BANK LIMITED**  
ANNUAL REPORT 2021

**Dhaka Bank Investment Limited**  
**Notes to the Financial Statements**  
As at and for the year ended 31 December 2021

**1. Company and its Activities**

**1.1 Legal status and nature of the company**

Dhaka Bank Investment Ltd. was incorporated with the Registrar of Joint Stock Companies and Firms (RJSCF) vide registration no. C-112730/13 dated 02 December, 2013 as a Private Company Limited by Shares having its registered office at Biman Bhaban (1st Floor), 100, Motijheel C/A, Dhaka -1000. The company is yet to obtain Merchant Banking License from Bangladesh Securities and Exchange Commission (BSEC).

**1.2 Principal activities and nature of operation**

The principal activities of the company are to carry on the business of Merchant Banking in all its aspects and to act as Issue Managers in order to issue and offers, whether by way of public offer or otherwise of shares, stocks, debentures, bonds, units, notes, bills, warrants or any other instruments, to carry on the business of securities management and brokerage, Custodian service, Investment and Asset Management, Portfolio Management, Capital Market operations etc.

**2. Basis of preparation and significant accounting policies**

**2.1 Statement of compliance**

The financial statements have been prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

**2.2 Other regulatory compliances**

As required, Dhaka Bank Investment Ltd. also complies with the applicable provisions of the following major laws/ statutes:

- Company Act 1994;
- Securities and Exchange Rules, 2020;
- Securities and Exchange Commission Act, 1993;
- Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000;
- Income Tax Ordinance, 1984;
- Income Tax Rules, 1984;
- Negotiable Instruments Act, 1881; and
- Other applicable laws and regulations.

**2.3 Basis of measurement**

The financial statements except for cash flow information have been prepared on accrual basis of accounting.

**2.4 Components of financial statements**

- Statement of Financial Position
- Statement of Profit or Loss and Other Comprehensive Income
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes to the Financial Statements

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022

**2.5 Functional and presentational currency**

The financial statements are presented in Bangladesh Taka (Tk), which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

Md. Montuzaan  
Managing Director  
IDLC Investments Limited

18 OCT 2022  
Md. Shehshah Miah  
EVP & Company Secretary  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

18 OCT 2022  
Emrul Huq  
Managing Director & CEO  
Dhaka Bank Ltd.  
DHAKA BANK  
LIMITED

## 2.6 Use of estimates and judgments

Preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. These financial statements contained information about the assumptions it made about the future and other major sources of estimation uncertainty at the end of the reporting year that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year.

In accordance with the guidelines as prescribed by IAS 37: Provisions, Contingent Liabilities and Contingent Assets. Provisions are recognized in the following situation:

- When the company has an obligation as a result of past events,
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the amount of the obligation.

## 2.7 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, Dhaka Bank Investment Ltd. applies the accounting disclosure principles consistently from one year to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, corrections of errors, the amounts involved are accounted for and retrospectively accordance with the requirement of IAS 8. We however, have applied the same accounting principles in 2021 as was for in financial statements for 2020.

## 2.8 Going concern

The management has assessed the going concern for upcoming year, though the core business operation is not yet started but Management had applied for merchant banking license on 31 march 2014 to Bangladesh Security and Exchange Commission (BSEC) and they didn't get any response from BSEC till 03 april 2021, then they again send an application for reconsideration of merchant banking license on 04 April 2021 to Bangladesh Security and Exchange Commission (BSEC). The management has further sent detail documents to BSEC on November 8, 2021. There is no further reply from BSEC regarding the receipt of the certificate of commencement of the operations. We hope we will receive the positive reply from BSEC very soon regarding the starting of our Merchant Banking Operation.

## 2.9 Reporting year

The financial year of the Company covers twelve months from 01 January 2021 to 31 December 2021.

## 3. Significant accounting policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all years presented in these financial statements.

### 3.1 Preliminary Expenses

Preliminary expenditure is recognized for formation, registration and capital raising of the company including legal and other professional services. Written off of preliminary expenditure is recognised in statement of profit or loss and other comprehensive income.

### 3.2 Financial assets

The financial assets of the company includes cash and bank balances and other assets. These are recognized when they are originated.

The company derecognizes a financial asset when the contractual rights to the cash flows of the asset expires, or it transfers its rights to receive the contractual cash flow on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

Md. Anisul Hossain, Secretary  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
LIMITED

### 3.2.1 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at bank and fixed deposits which are held and are available for use by the Company without any restriction. There is insignificant risk of change in the value of the above items.

### 3.2.2 Other assets

Dhaka Bank Investment Ltd. maintains other asset through advance income tax and interest receivable. Advance income tax is posted when DBIL pays any source tax through bank accounts and interest receivable is recognized when the interest arises.

### 3.3 Financial liabilities

The company recognizes all financial liabilities on the accounting date which is the date the company becomes a party to the contractual provisions of the instrument. The company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Financial liabilities comprise trade payables and other financial obligations.

#### 3.3.1 Other liabilities

The company recognizes its accounts payables at the time the service is received as on date. DBIL shows its trade payables as other liabilities in its financial position.

### 3.4 Provision for income tax

Though the company is yet to obtain Merchanting Banking License from Bangladesh Securities and Exchange Commission, provision for income tax is made on the basis of Company's computation based on the best estimate of taxable profit in accordance with Income Tax Ordinance, 1984 in each accounting year.

### 3.5 Operating expenses

DBIL records general and administrative expenses as operating expenses. These includes amortization, audit fees and bank charges.

### 3.6 Income tax expenses

Income tax expenses comprise current income tax. Income tax expense is recognized in the Statement of Profit or Loss and Other Comprehensive Income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

As the company is subject to tax though it has not obtain of license of Merchant Banking it is currently charging tax @37.50% as applicable with nature.

### 3.7 Events after the balance sheet date

Events after the balance sheet date that provide additional information about the Company's position at the balance sheet date are reflected in the financial statements. Events after the balance sheet date that are not adjusting event are disclosed in the notes if material.

### 3.8 Impact of COVID-19

Though the company didn't started its operation that's why there is no impact of COVID-19 except the area of operation which has been reduced due to COVID-19.

### 3.9 General

i. Figures have been rounded off to the nearest integer.

The company did not yet obtained BIN/VAT registration certificate.

The company is currently operating with limited resources.

18 OCT 2022

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Sahab Uddin Khan, FCA  
Finance Officer, EVP & CFO  
DHAKA BANK  
LIMITED  
Head Office, Dhaka.

Md. Shabbir Hossain Miah  
EVP, Company Secretary  
DHAKA BANK  
LIMITED  
Head Office, Dhaka.

Enamul Haq  
Managing Director & CEO  
DHAKA BANK  
LIMITED  
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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

**4. Preliminary expenditure**

Preliminary expenditure  
Less: Written off during the year

**5. Cash and cash equivalents**

Cash in hand  
Cash at bank

(Note: 5.1)

**5.1 Cash at bank**

Name of the Bank	Branch Name	Account No.
<b>Short Term Deposit</b>		
Dhaka Bank Limited	Local Office	201.150.3401
Dhaka Bank Limited	Gulshan Circle-2	102.150.0018

Investment at Bank (Term Deposit)		
Dhaka Bank Limited	Local Office	201.341.351
Dhaka Bank Limited	Local Office	201.343.0329
Dhaka Bank Limited	Gulshan Circle-2	102.341.1174
Dhaka Bank Limited	Kakrail	106.343.0126
Dhaka Bank Limited	Kakrail	106.341.0217
Dhaka Bank Limited	Kakrail	106.343.0148
Dhaka Bank Limited	Local Office	201.343.0351

**6. Other asset**

Advance income tax  
Interest receivable

(Notes: 5.1)

**6.1 Advance income tax**

Opening balance  
Add: Addition during the year

(Note: 6.1.1)

**6.1.1 Addition during the year**

Tax deducted at source

**7. Share Capital**

**7.1 Authorized Capital**

200,000,000 ordinary shares @ Tk. 10 each.

Issued, Subscribed and Paid up Capital  
25,000,000 ordinary shares of Taka 10 each fully paid.

	31.12.2021 Taka	31.12.2020 Taka
Preliminary expenditure	-	1,107,825
Less: Written off during the year	-	1,107,825
<b>Cash and cash equivalents</b>		
Cash in hand	-	-
Cash at bank	311,292,096	328,002,182
	<b>311,292,096</b>	<b>328,002,182</b>
<b>5.1 Cash at bank</b>		
Dhaka Bank Limited - Local Office	61,947	123,562
Dhaka Bank Limited - Gulshan Circle-2	1,874,223	1,505,268
	<b>1,936,170</b>	<b>1,628,831</b>
<b>Investment at Bank (Term Deposit)</b>		
Dhaka Bank Limited - Local Office	-	53,158,943
Dhaka Bank Limited - Local Office	-	21,900,000
Dhaka Bank Limited - Gulshan Circle-2	136,241,194	131,432,454
Dhaka Bank Limited - Kakrail	-	119,881,954
Dhaka Bank Limited - Kakrail	23,114,732	-
Dhaka Bank Limited - Kakrail	100,000,000	-
Dhaka Bank Limited - Local Office	50,000,000	-
	<b>309,355,926</b>	<b>326,373,351</b>
	<b>311,292,096</b>	<b>328,002,182</b>
<b>6. Other asset</b>		
Advance income tax	10,903,426	9,446,978
Interest receivable	2,771,435	3,888,667
	<b>13,674,861</b>	<b>13,335,645</b>
<b>6.1 Advance income tax</b>		
Opening balance	9,446,978	7,227,638
Add: Addition during the year	1,456,449	2,219,340
	<b>10,903,426</b>	<b>9,446,978</b>
<b>6.1.1 Addition during the year</b>		
Tax deducted at source	1,456,449	2,219,340
<b>7. Share Capital</b>		
<b>7.1 Authorized Capital</b>		
200,000,000 ordinary shares @ Tk. 10 each.	2,000,000,000	2,000,000,000
Issued, Subscribed and Paid up Capital		
25,000,000 ordinary shares of Taka 10 each fully paid.	250,000,000	250,000,000

18 OCT 2022

Tanzim Alamgir  
Managing Director & CEO  
IDLC Investment Limited

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Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Sahabul Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
Head Office, Dhaka

M. Shahjahan Miah  
Company Secretary  
DHAKA BANK  
Head Office, Dhaka.

Emraouf Huda  
Managing Director & CEO  
DHAKA BANK

31.12.2021  
Taka31.12.2020  
Taka

The shareholding position is as follows:

Sl. #	Name of Shareholders	Number of Shares held	% of Shareholding	31.12.2021 Taka	31.12.2020 Taka
1.	Dhaka Bank Limited, Represented By: Mr. Amir Ullah Mr. Tahidul Hossain Chowdhury Mr. Mirza Yasser Abbas	24,999,994	99.999976%	249,999,940	249,999,940
2.	Mr. Shafiqul Islam Sarker	1	0.000001%	10	10
3.	Mr. Mohammad Ashiqur Rahman	1	0.000001%	10	10
4.	Mr. Hasanuzzaman	1	0.000001%	10	10
5.	Mr. Asif Hanif	1	0.000001%	10	10
6.	Mr. Latiful Bari	1	0.000001%	10	10
7.	Ms. Nabila Mirza	1	0.000001%	10	10
<b>Total</b>		<b>25,000,000</b>	<b>100%</b>	<b>250,000,000</b>	<b>250,000,000</b>

**8. Retained earnings**

Opening balance  
Add: Net Profit for the year

56,176,901	41,822,030
7,435,402	14,354,871
<b>63,612,302</b>	<b>56,176,901</b>

**9. Provision for income tax**

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

(Note: 9.1)  
(Note: 9.2)

33,573,201	22,875,707
4,461,241	10,697,494
28,194,445	-
<b>9,839,997</b>	<b>33,573,201</b>

**9.1 Addition during the year**

Current tax on profit before tax during the year  
Shortfall of previous year tax provision

4,461,241	9,394,637
-	1,302,857
<b>4,461,241</b>	<b>10,697,494</b>

Dhaka Bank Investment Ltd. is continuing without submitting tax returns from its inception. On 16 February 2021 it has taken Taxpayer Identification Number (TIN) from National Board of Revenue (NBR). We have paid Tk. 28.19 Million as Income Tax for the Assessment Year 2015-2016 to Assessment Year 2021-2022 to the Govt Exchequer.

**9.2 Adjustment during the year**

Assessment year 2015-2016  
Assessment year 2016-2017  
Assessment year 2017-2018  
Assessment year 2018-2019  
Assessment year 2019-2020  
Assessment year 2020-2021  
Assessment year 2021-2022

4,179,549
3,939,320
2,766,398
2,770,785
2,190,020
5,173,076
7,175,297
<b>28,194,445</b>

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

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Sahabuddin Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
DHAKA BANK  
LIMITED  
Head Office, Dhaka

Md. Sahabuddin Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
LIMITED  
Head Office, Dhaka.

18 OCT 2022

Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
LIMITED

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	31.12.2021 Taka	31.12.2020 Taka
<b>10. Other liabilities</b>		
Payable to Dhaka Bank Limited	1,173,725	1,173,725
Provision for audit fees	69,000	414,000
Salary payable for December 2021	256,321	-
Tax deducted at source	15,612	-
	<b>1,514,658</b>	<b>1,587,725</b>
<b>10.1 Provision for audit fees</b>		
Opening balance	414,000	575,000
Add : Audit fees for the year 2021	69,000	69,000
Less : Adjustment during the year	414,000	230,000
	<b>69,000</b>	<b>414,000</b>

(Note: 10.1)

	2021 Taka	2020 Taka
<b>11. Other income</b>		
Interest on SND	100,044	497,720
Interest on FDR A/C	13,347,209	25,584,344
Excess provision against of audit fees	-	230,000
	<b>13,447,254</b>	<b>26,312,064</b>
<b>12. General and administrative expenses</b>		
Amortization of preliminary expenditure	-	1,107,825
Salary expense	725,284	-
Professional fees	486,127	-
Audit fees	69,000	69,000
	<b>1,280,411</b>	<b>1,176,825</b>
<b>13. Financial expenses</b>		
Bank charges & Others (Excise duty)	270,200	82,875
	<b>270,200</b>	<b>82,875</b>

**14. Related party disclosure**

Name of the related party	Relationship	Nature of transaction	Transaction during the year	Closing Balance as at 31.12.2021	Closing Balance as at 31.12.2020
Dhaka Bank Limited	Parent Company	Regulatory Transaction	-	1,173,725	1,173,725

**15. Fixed Assets**

There is no fixed assets of the company as at 31 December 2021. Except the Board of Directors, there is only one employee of the company to look after the operation of the company.

**16. Contingent Liabilities**

There is no such contingent liabilities of the company as at 31 December 2021 to report.

**17. Date of Authorisation**

The Board of Directors has authorized these financial statements for issue on 23 November 2022.

18 OCT 2022  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

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Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka.

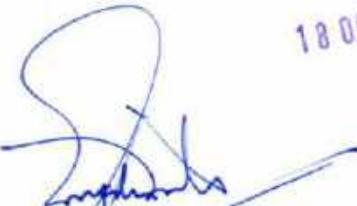
18 OCT 2022  
Emranul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

DHAKA BANK LIMITED  
ANNUAL REPORT 2021

# ANNEXURE – 03

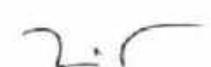
(Credit Rating Report of the Issue)

  
18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
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L I M I T E D  
Head Office, Dhaka.

18 OCT 2022  
  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKABANK  
L I M I T E D  
Head Office, Dhaka

18 OCT 2022  
  
Emranul Haq  
Managing Director & CEO  
DHAKABANK  
L I M I T E D

18 OCT 2022  
  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

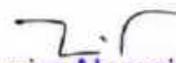
18 OCT 2022  
  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

**Credit Rating Report**  
**Of**  
**Dhaka Bank Perpetual Bond**

18 OCT 2022

  
Md. Shahjahan Miah  
EVP & Financial Secretary  
**DHAKABANK**  
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Head Office, Dhaka.

18 OCT 2022

  
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18 OCT 2022

  
Emranul Haq  
Managing Director & CEO  
**DHAKABANK**  
LIMITED



# EMERGING

## Credit Rating Ltd

### Dhaka Bank Perpetual Bond

### Credit Rating Report

Valid From	Valid Till	Rating Action	Long Term Rating	Outlook
June 23, 2022	June 22, 2023	Surveillance	A+ <sub>B+</sub>	Stable
June 23, 2021	June 22, 2022	Initial	A+ <sub>B+</sub>	Stable

\* B denotes bond

**Date of Incorporation** : April 06, 1995

**Managing Director & CEO** : Mr. Emranul Huq

**Issue** : Dhaka Bank Perpetual Bond BDT 2,000.00 million

**Program Tenure** : Not Applicable (The Bond shall be perpetual)

**Issuer** : Dhaka Bank Limited

**Arrangers** : UCB Investment Limited

**Trustee** : IDLC Investments Limited

**Contact Analysts** : Md. Fahad Bhuiyan [fahad.bhuiyan@emergingrating.com](mailto:fahad.bhuiyan@emergingrating.com)  
Md. Rajiur Rahman [rajiur@emergingrating.com](mailto:rajiur@emergingrating.com)

  
Amirul Rahman FCSA, ACA  
Director & COO  
Emerging Credit Rating Ltd.

18 OCT 2022

18 OCT 2022

18 OCT 2022

Corporate Bond  
Rating

  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK  
Head Office, Dhaka.

  
Emranul Huq  
Managing Director & CEO  
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LIMITED

  
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Sahabub Alam Khan, FCA  
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18 OCT 2022

  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022

## 2022 Surveillance Review

### Dhaka Bank Perpetual Bond

#### Major Rating Factors

- Strengths**
- Improving growth of the components of total asset in 2021
  - Compliant with regulatory requirement of CRAR, CRR, SLR and ADR
  - Improved operating income
- Challenge/Risks**
- Growing NPL base with high amount of rescheduled loans in FY2021
  - Dependency on large loans
  - Competitive bond market

**Rationale** Emerging Credit Rating Limited (ECRL) has affirmed **A+B** (Pronounced as 'Single A Plus Bond') long term credit rating to Dhaka Bank Perpetual Bond (hereinafter referred to as "Perpetual Bond" or "The Bond" or "The Issue") issuance of BDT 2,000.00 million in face value. The outlook on the rating is **Stable**. The rating is consistent with ECRL's methodology for this type of bond rating.

The rating reflects the strengths of the bank which is backed by improving growth of the components of total asset in 2021, compliance with regulatory requirement of CRAR, CRR, SLR and ADR, improved operating income. However, ECRL is concerned about the growing NPL base with high amount of rescheduled loans in FY2021, dependency on large loans, competitive bond market. **The rating was assigned on the basis of draft information memorandum, draft agreements between the issuer, trustee and mandated lead arranger provided by the entity in discussion and the rating may significantly change if the covenants in those agreements are altered.**

The proposed bond will be issued to raise additional Tier-I capital to strengthen the capital base of Dhaka Bank Limited. The Perpetual Bond facilitates the bank to enhance its capital strength and grow its balance sheet in the upcoming years while maintaining healthy capital adequacy ratio and strengthening loan portfolio.

The key feature of the bond includes unsecured, contingent-convertible, BASEL III compliant, Perpetual Debt instrument for inclusion in Additional Tier I Capital. The Bond shall be perpetual i.e. there is no maturity date and there are no step-ups or other incentives to redeem. However, there is a call option which could be exercised by the issuer only after 10 (ten) years of issuance, with prior approval from the Bangladesh Bank and subject to meeting some conditions. The bank will issue BDT 2,000.00 million worth of bonds. UCB Investment Limited has been playing the role of Lead Arranger whereas IDLC Investments Limited is acting as a trustee.

The Coupon Rate will be calculated based on reference rate plus coupon margin. The reference rate will be calculated based on 20-year Treasury-Bond rate (Latest available rate of 20-year Treasury-Bond rate as published by Debt Management Department of Bangladesh Bank on the quotation day) and 2.00% coupon margin will be added, therefore, the proposed perpetual bond will attract long term investor with relatively high yield. The perpetual bond will have a ceiling rate of 10.00% and floor rate of 6.00%. Nevertheless, dividend discretion feature of the bond may be seen less attractive to the investors' point of view since the bank will have full discretion at all times to cancel distributions/payments of the bondholder. The

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022

coupon will be paid half yearly. The Bonds will be subject to a Dividend Stopper Clause, which will prevent dividend payments on common shares if the Bond holders are not paid coupon.

DBL's total capital base (Tier-I and Tier-II) stood at BDT 31,334.44 million at the end of FY2021 which was BDT 29,016.39 million in FY2020 growing by 7.99%. At the same time, the risk weighted asset of the Bank has seen a growth of 7.04% standing at BDT 213,898.63 million by FY2021. With the increase in total capital slightly higher than that of the risk profile of the bank's assets, the capital to risk weighted ratio signified a marginal improvement to 14.65% from 14.52% in the previous year while comfortably exceeding the minimum capital requirement of 12.50%.

In FY2021, DBL began to show growths in the components of total assets in FY2021. The bank's total asset grew despite the pandemic, as evidenced by a 13.55% increase by the end of FY2021 reaching to BDT 335,351.20 million from BDT 295,337.23 million a year ago. At the end of FY2021, improvements in the major components of the total asset, such as loans (8.46%), investments (24.54%) and balance with other banks (23.28%), contributed to the increase.

Loans and advances portfolio, largest contributor of the total asset, has reached to BDT 215,458.64 million exhibiting an 8.46% growth in FY2021 which may have been due to the accumulated due repayments of the loans taken advantage of by borrowers. The loans and advances portfolio showed improved term loan and other uncategorized loans as growth benefactors in FY2021. Increasing investment on government securities such as treasury bonds and investments in shares, perpetual bond etc. has aided a healthy 24.54% growth in investment in FY2021.

Along with the increasing loan base, there is a significant increase of NPL of DBL in FY2021 by 14.74% to BDT 7,144.65 million from BDT 6,227.09 million in the FY2020 period. As the pandemic is still prevailing, borrowers have taken advantage of the loan classification restriction by not repaying their dues to the bank which led to a higher increase of non-performing loan in FY2021 as the restrictions were slowly being withdrawn. The bank has maintained provision against loans and advances as per the requirement in FY2021. The provision shows 196.58% coverage of the total NPL of the bank which slightly lowered from the previous year however still respectably shows much higher coverage of NPL that will be able to counter any possible rises of NPL in near future.

In FY2021, DBL's rescheduling of loans has increased heavily to a total of BDT 11,727.26 million under 73 accounts from a much lower BDT 2,748.17 million under 44 accounts by the end of FY2020. DBL has written off BDT 381.95 million loans in the FY2021 which was also much higher than BDT 19.32 million in FY2020. At the end of the FY2021, the NPLs, rescheduled loans and written-off loans together represented 8.94% of the loan book of the bank compared to 4.53% in FY2020 indicating that if no reschedule and written off had been performed, the non-performing loan of the bank would reach 8.94% of the total loan book.

DBL's exposure to large loan has decreased from the previous year with the total outstanding of top 30 loans and advances (funded and non-funded together) calculated at BDT 83,162.42 million (38.60% of total loans) in FY2021 compared to BDT 97,728.00 million in FY2020 (49.19% of total loans).

Deposits make up 68.71% of DBL's total liabilities and equity base at the end of FY2021. DBL's deposit base has improved by 12.03% in FY2021 with the largest contribution made by term deposits compared to a stagnant growth of 0.56% in FY2020. Notably, the interbank liabilities of the bank increased 35.05% from the preceding year exhibiting a slightly risky liquidity profile of the bank that covered 13.29% of the total funding base from 11.17% in FY2020. The bank has kept its ADR ratio within the regulatory requirement of Bangladesh Bank at 87% during FY2021 and scored 78.29% in the loan to deposit ratio which shows further room for credit facilities being offered.

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DBL has been maintaining Cash Reserve Ratio (CRR) and Statutory Liquidity Requirement (SLR) in line with Bangladesh Bank requirement with CRR of 5.00% and SLR of 24.83% for conventional banking and CRR of 4.92% and SLR of 8.03% for Islamic banking, both above the regulatory requirement at the end of 2021.

In FY2021, implementation of prohibiting loan downwards classification by Bangladesh Bank as well as various other facilities for borrowers to combat the pandemic's effects, the interest income of DBL fell by 15.81%. However, the bank's interest expense has diminished further than its interest income which ultimately led to an increase of 21.55% in net interest income in FY2021. Additionally, the non-interest income of the bank grew by 9.19% due mainly by 23.60% improvement in commission, exchange and brokerage earnings leading the bank to generate 13.71% higher total operating income than the previous year. The cost to income ratio of the bank showed lower figures according to the decrease of operating cost compared to growth of operating income. As a result, the bank saw a 27.30% improvement of profit before provision standing at BDT 6,627.86 million in FY2021. In FY2021, better operating income and reduction of operating expenses were key to deter the increased provision and tax expenses that eventually led to marginally better post-tax profit of BDT 2,055.73 million in FY2021 from BDT 2,029.99 million in FY2020.

ECRL views DBL's outlook as **Stable** due to its current business position, growth of asset, net interest income, and compliance with CRR, SLR and CRAR.

**Exhibit 1: Financial Highlights: Dhaka Bank Ltd**

FY 31 December	2021	2020	2019	2018
Total Assets (BDT million)	335,351.20	295,337.23	285,009.39	273,976.12
Total Asset Growth (%)	13.55	3.62	4.03	19.40
Gross Loans (BDT Million)	215,458.64	198,660.47	195,634.91	180,625.70
Gross Loans Growth (%)	8.46	1.55	8.31	17.28
Deposits (BDT Million)	230,417.35	205,666.98	204,530.02	197,189.48
Deposit Growth (%)	12.03	0.56	3.72	15.97
Gross NPL Ratio (%)	3.32	3.13	4.74	4.99
Loan/Deposit Ratio (%)	78.29	83.28	84.97	82.79
Net Interest Income (BDT million)	4,519.67	3,718.45	4,549.96	5,576.74
Net Interest Income Growth (%)	21.55	(18.28)	(18.41)	65.06
Non-Interest Income (BDT million)	7,038.81	6,446.47	6,249.85	5,300.45
Non-Interest Income Growth (%)	9.19	3.15	17.91	(11.61)
Pre-Tax Profit (BDT million)	4,114.13	3,181.93	3,100.69	2,943.66
Post-Tax ROAE (%)	10.53	11.28	9.29	8.53
CRAR (%)	14.65	14.52	16.12	13.84

FY2018-FY2021 Data Extracted from Audited Financials

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## A. BUSINESS DESCRIPTION

### A.1. Company Background

Dhaka Bank Limited (DBL) is a privately-owned commercial bank incorporated as a public limited company on April 6, 1995 under the Companies Act, 1994 and is headquartered in Dhaka, Bangladesh. DBL was established by a group of highly acclaimed businessmen and started its commercial operation on July 5, 1995 with an Authorized Capital of BDT 1,000.00 million and Paid-up Capital of BDT 100.00 million. The bank went for public issue of its shares on November 18, 1999 and is listed with both of two stock exchanges in Bangladesh. With a mission – 'to be the premier financial institution in the country providing high quality products and services backed by latest technology and a team of highly motivated personnel to deliver Excellence in Banking' – DBL has expanded rapidly since its inception and has built a strong asset base of BDT 335,351.20 million at the end of FY2021. Alongside conventional banking services, the bank also offers Shariah-based Islamic banking services and has off-shore banking operations.

### A.2. Shareholding Structure

At the end of FY2021, the bank's authorized capital and paid-up capital stood at BDT 10,000.00 million and BDT 9,496.25 million respectively. Majority of the share is held by General Public (41.24%) whereas 41.12% share is held by Sponsors & Directors. Moreover, Financial Institutions and Other Investors hold 13.88% and 3.76% respectively. The diagram depicts the shareholding structure of DBL as on December 31, 2021.

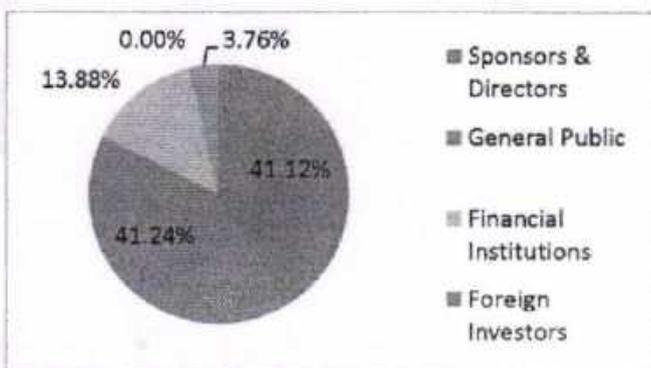


Figure 1: Shareholding structure of DBL

### A.3. Products & Services

DBL offers a full range of commercial banking products and services. The credit portfolio of DBL is diversified with a blend of retail, MSME, corporate lending and Islamic financing. The loan products include car loan, home loan, Continuous Loan, Demand Loan, Term Loan, Non-funded facility, Agricultural Credit, working capital finance, project finance, trade finance, structured finance, Islamic investment products etc. The deposit products of the bank include conventional banking as well as Islamic financing products such as current and savings account, fixed deposit and so on. Besides the credit and deposit facilities, the bank's Syndications & Structured Finance Unit of the Bank offers financing as a lead arranger and access to specialized funds. DBL actively encourages digital banking through its own mobile banking app Dhaka Bank GO and Digital Account Opening Platform called Ezy Bank. The bank also offers cash management service, locker facilities etc.

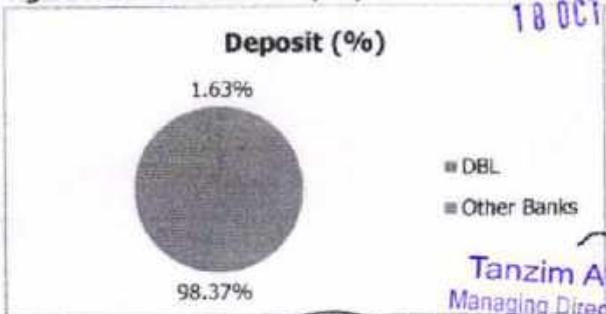
### A.4. Market Share

DBL's loan and deposit position was BDT 215,458.64 million and BDT 230,417.35 million respectively at the end of FY2021. Considering the banking industry as a whole, all scheduled banks' total loans & advances and deposit were BDT 12,360,817.00 million and BDT 14,093,426.00 million respectively at the end of December, 2021. DBL had 1.74% of market share in terms of loans & advances and 1.63% of market share in terms of deposit by the end FY2021.

Figure 2: DBL's Market share by Loans & Advances



Figure 3: DBL's Market share by Deposits



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## A.5. Operational Network

Dhaka Bank Limited has a country-wide network of 109 branches. All over the country, the bank has a total of 57 ATM Booths. Other than that, the bank has 22 sub-branches, 20 ADMs, 3 SME service centers and 2 off-shore banking units. DBL has two subsidiaries, i.e. Dhaka Bank Securities Limited and Dhaka Bank Investment Limited.

**Exhibit 2: Operational Network: Dhaka Bank Limited**

Category	Number
Conventional Banking Branches	109
ATM Booths	57
DBL ADMs	20
Off-Shore Banking Units	02
SME Service Centers	03

## A.6. Perpetual Bond Issuance Objective

The proposed Bond will be issued to raise Tier-I capital to strengthen the capital base of Dhaka Bank Limited in accordance with Bangladesh Bank's Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework in line with Basel III). The Perpetual Bond facilitates the bank to enhance its capital strength and growing its balance sheet in the upcoming years while maintaining healthy capital adequacy ratios and strengthening loan portfolio. Although the deposit portfolio for DBL has been growing over the past few years, Perpetual Bond will improve the portfolio as it is treated as an alternate source of fund and the market is becoming more and more competitive in terms of price (interest) while generating fresh deposits.

## A.7. Structure of Perpetual Bond and Terms

**Exhibit 3: Structure of Perpetual Bond and terms**

Name of the Instrument	Dhaka Bank Perpetual Bond
Issue Type	Unsecured, Contingent-Convertible, Fully paid up, Non-Cumulative, BASEL III compliant, Perpetual Debt instrument for inclusion in Additional Tier I Capital
Issuer	Dhaka Bank Limited
Nature of Instrument	Unsecured
Purpose and Objectives	To raise Additional Tier-1 Capital through issuance of Dhaka Bank Perpetual Bond in order to strengthen its capital base in accordance with Bangladesh Bank's Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework in line with Basel III). The funds being raised by the Bank through the mentioned Issue are not meant for financing any particular project. The Bank shall utilize the proceeds of the Issue for its regular business activities. The Bank shall not utilize proceeds of the Issue for any purpose which may be in contravention of the regulations/ guidelines/ norms issued by the Bangladesh Bank and Bangladesh Security Exchange and Commission where applicable.
Mode of Issue	90% under Private Placement and 10% under Public Issue
Arranger and Issue Manager	UCB Investment Limited
Underwriter	UCB Investment Limited
Trustee	IDLC Investments Limited
Paying Agent, Register, Transfer Agent	IDLC Investments Limited
Rating Agency	Emerging Credit Rating Limited
Legal Advisor	Lex Juris- Barristers, Advocates & Consultants
Facility Size	BDT 2,000,000,000  (BDT 1,800,000,000 under private placement and BDT 200,000,000 under public issue)
No. of Bonds to be Issued	360,000 under private placement and 40,000 under public offer
Face Value	BDT 5,000/ (Five thousand taka only)
Bonds per lot/ Minimum Subscription	01(one) bond for Public Issue and 10,000 for Private Placement

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<b>Tenure</b>	Not Applicable. The Bonds shall be perpetual i.e. there is no maturity date and there are no step-ups or other incentives to redeem.
<b>Investors</b>	The following class of investors are eligible to participate in the offer: <ul style="list-style-type: none"> <li>Public Financial Institutions which are duly authorized to invest in Bonds as per Bangladesh Bank Regulations</li> <li>Mutual Funds, Insurance Companies, Scheduled Commercial Banks,</li> <li>Co-operative Banks, Regional Rural Banks authorized to invest in bonds/ debentures,</li> <li>Societies authorized to invest in bonds/debentures,</li> <li>Trusts authorized to invest in bonds/ debentures,</li> <li>Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/ debentures,</li> <li>Any other not mentioned in the list but is eligible to subscribe as per regulations by Bangladesh Bank.</li> </ul>
<b>Coupon Rate</b>	Reference Rate + Coupon Margin
<b>Reference Rate</b>	20-year Treasury-Bond rate  (Latest available rate of 20-year Treasury-Bond rate as published by Debt Management Department of Bangladesh Bank on the quotation day)
<b>Coupon Margin</b>	2.0%
<b>Quotation Day</b>	Five (05) days before the first day of any period for which a coupon rate is to be determined
<b>Coupon Range</b>	Coupon Ceiling: 10% Coupon Floor: 6% subject to having available distributable profit
<b>Coupon Discretion</b>	The bank will have full discretion at all times to cancel distributions/payments to the bondholder
<b>Exercise of Coupon Discretion</b>	Any coupon payment will be distributed subject to having available distributable profit of the issuer
<b>Coupon Payment Frequency</b>	Semi-Annual
<b>Late Payment</b>	Issuer shall pay a late payment penalty of 2% (two per cent) higher than the Coupon Rate and be payable on the amount not paid on the due date till the date of actual payment unless exercise of coupon discretion is not in effect.
<b>Business Day Convention/Effect of Holidays</b>	If any Coupon/ Interest Payment Date falls on a day that is not a Business Day, the payment shall be made by the Bank on the immediately succeeding Business Day. If the Call Option Due Date (also being the last Coupon Payment Date, in case Call Option is exercised) of the Bonds falls on a day that is not a Business Day, the Call Option Price shall be paid by the Bank on the immediately preceding Business Day along with interest accrued on the Bonds until but excluding the date of such payment.
<b>Late Redemption</b>	Not Applicable.  Since the instrument is perpetual in nature i.e. there is no maturity date; late redemption is not applicable unless and until it is eligible for call option criteria.
<b>Put Date</b>	Not Applicable
<b>Put Price</b>	Not Applicable

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<b>Call Option</b>	Can be exercised only after ten years of issuance, with prior approval from the Bangladesh Bank
<b>Call Option Eligibility</b>	Replace this instrument with capital of the same or better quality that are sustainable for the income capacity of the Bank, or, Capital position is above the minimum requirements after the call option is exercised
<b>Claim Settlement in the event of Liquidation or Wind-up</b>	<p>Claims of the investors on the bond are:</p> <ol style="list-style-type: none"> <li>1. Superior to the claims of investors in equity shares and perpetual non-cumulative preference shares, if any, of the bank whether currently outstanding or issued at any time in the future.</li> <li>2. subordinated to the claims of depositors, general creditors and subordinated debt of the Bank other than any subordinated debt qualifying as Additional Tier 1 Capital (as defined in the Basel III Guidelines) of the Bank;</li> <li>3. Is neither secured nor covered by a guarantee of the issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors.</li> </ol> <p>Notwithstanding anything to the contrary stipulated herein, the claims of the Bondholders shall be subject to the provisions of Loss Absorption in this terms and features.</p>
<b>Loss Absorption</b>	<p>Any losses will be absorbed in the following manner:</p> <p>Conversion to common shares at pre-specified trigger point as needed to reach the minimum consolidated CET-1 ratio as per Bangladesh Bank requirement (Currently of 4.50%).</p>
<b>Loss Absorption Methodology</b>	CET-1 on Trigger Date will be considered to identify the shortfall percentage and it will be converted into common shares eventually. If a fractional share issuance arises upon conversion, the issuer will round the number of shares issuable, up to the next whole number. Fractional lot size will also be rounded to the next whole number.
<b>Trigger Point for Loss Absorption</b>	If the bank's consolidated CET-1 falls below Bangladesh Bank requirement (Currently of 4.50%) and stays below for 03 (Three) successive quarters; then, the 3rd quarter-end date of consecutive below-minimum CET-1 Ratio would be the Trigger-Point (date). Once the trigger point has been reached and exercised, the cycle will start again.
<b>Conversion Strike Price</b>	Average market price of the immediate 180 days or par value (currently BDT 10tk) whichever is higher.
<b>Payment Suspension Methodology</b>	In case of the event of exercise of loss absorption feature of the bond, any coupon payment in between the trigger date and publication date of audited financials will be hold. The bondholder will not be eligible for the coupon payment if the same situation prevails (CET-1 (Consol) remains below the regulatory requirement of 4.5%) after the publication of audited financials.
<b>Conversion Notice</b>	<p>In time of conversion Trustee shall notify the bondholders in accordance with not less than 2 business days prior to start of each conversion period of the commencement date and the final date of such conversion period. All notices are validly given if:</p> <ul style="list-style-type: none"> <li>• Mailed to bondholders at their respective address in the</li> </ul>

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	<p>register,</p> <ul style="list-style-type: none"> <li>Published for three consecutive days in one English newspaper and one Bengali newspaper; each having wide circulation in Bangladesh,</li> <li>Emailed to bondholders at their respective addresses set out in the Issuer Register provided that such notices will only be considered as validly given unless followed up with hard copies of the notices being mailed to the bondholders or published for three consecutive days in a leading newspaper as aforesaid.</li> </ul> <p>Any such notice shall be deemed to have been given on the seventh day after being so mailed or on the later of the date of such publications.</p>
<b>Events of Default</b>	<p>Not Applicable.</p> <p>It is further clarified that cancellation of discretionary payments/coupon shall not be deemed to be an event of default. The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.</p>
<b>Common Equity Holders' Dividend Stopper Clause</b>	<p>Dividend Stopper Clause will be applicable to these Bonds and it will stop common equity holders' dividend payments on common shares in the event the holders of the Bonds are not paid coupon. In the event the holders of the Bonds are not paid coupon, they shall not impede the full discretion that Issuer has at all times to cancel distributions/payments on the Bonds, nor will they impede / hinder:</p> <ul style="list-style-type: none"> <li>(i) The Re-Capitalization of the Issuer.</li> <li>(ii) The Issuer's right to make payments on other instruments, where the payments on this other instrument were not also fully discretionary</li> <li>(iii) The Issuer's right to making distributions to shareholders for a period that extends beyond the point in time that coupon on the Bonds are resumed. The normal operation of the Issuer or any restructuring activity (including acquisitions/disposals).</li> </ul>
<b>Transferability/Liquidity</b>	Freely transferable in accordance with the provisions of the Deed of Trust.
<b>Governing Law</b>	The Bonds are governed by and shall be construed in accordance with the existing laws of Bangladesh.

## B. FINANCIAL RISK ANALYSIS

The financial analysis process has been based on both quantitative and qualitative aspects of the institution. This has mostly been based on the company's policies in relation with the operating strategies, asset quality, composition and trend, fund management, capital adequacy, liquidity management, risk management and ultimate financial goals of the firms. For the purpose of the overall financial risk assessment of the business has been analyzed thoroughly and followed strict evaluation process in the aforementioned sections. Detailed analysis is presented below.

### B.1. Asset Composition & Trends

**Exhibit 4: Selected Indicators for DBL**  
FY 31 December

	2021	2020	2019	2018
Total Asset (BDT Million)	335,351.20	295,337.23	285,009.39	273,976.12
Total Asset Growth (%)	13.55	3.62	4.03	19.40
Gross Loans (BDT Million)	215,458.64	198,660.47	195,634.91	180,625.70
Gross Loans Growth (%)	8.46	1.55	8.31	17.28

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Investments (BDT Million)	49,124.08	39,444.76	36,681.76	27,620.00
Investments Growth (%)	24.54	7.53	32.81	19.15
NPLs (BDT Million)	7,144.65	6,227.09	9,277.88	9,009.01
NPLs Growth (%)	14.74	(32.88)	2.98	(2.17)
Gross Loans to Total Assets (%)	64.25	67.27	68.64	65.93
NPL Ratio (%)	3.32	3.13	4.74	4.99
Net NPLs to Net Loans (%)	(5.12)	(5.18)	(2.69)	(1.29)
Loan Loss Reserve to NPLs (%)	196.58	209.01	124.35	98.65
NPLs to Equity & Loan Loss Reserve (%)	20.84	19.58	32.27	35.32

FY2018-FY2021 Data Extracted from Audited Financials

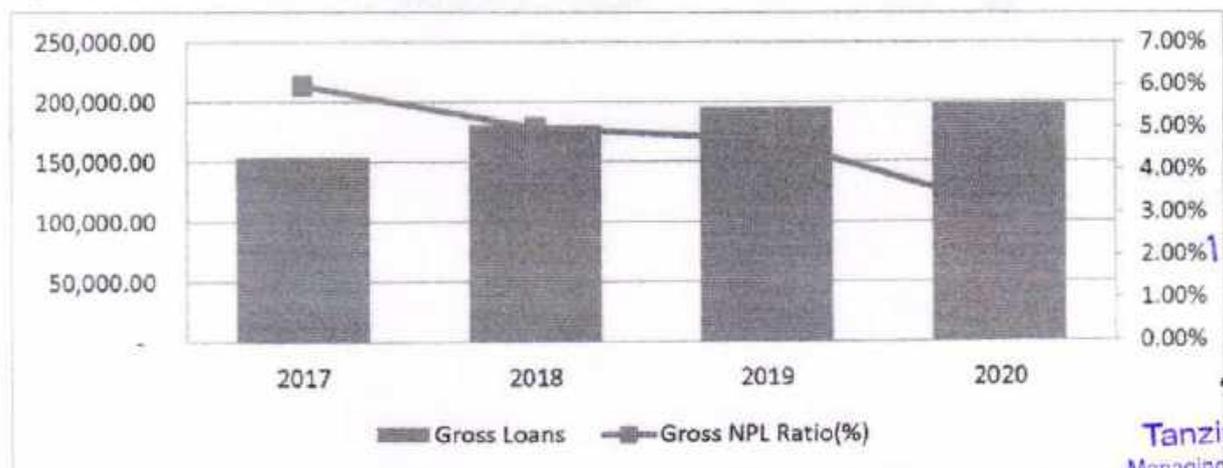
After passing a stagnant year in FY2020 due to the COVID-19 pandemic, DBL started to exhibit slight growth in the components of total assets in FY2021. However, non-performance of loans has contributed to the outstanding growth of total loan base in FY2021. DBL's total asset base has been growing year on year in the FY2018 – FY2021 period. The bank grew in the midst of the pandemic as depicted by the 3.62% growth of total asset in FY2020 which further grew by 13.55% at the end of FY2021. The growth was a contribution of improvements in the components of the total asset such as loans (8.46%), investments (24.54%) as well as balance with other banks (23.28%) at the end of FY2021.

### B.1.1. Asset Quality

The growth rate of gross loans and advances portfolio of DBL has fluctuated over the previous four-year period. The gross loan base showed growth of 8.46% in FY2021 reaching to BDT 215,458.64 million compared to the small growth of 1.55% in FY2020. Notably, the loan basement may have been boosted by the non-repayment of loans which should be considered in assessing the asset quality of the bank. The loans and advances portfolio showed improved term loan and other uncategorized loans as growth benefactors in FY2021. The bank had disbursed BDT 1,856.67 million under stimulus package in January - December, 2021.

To counter the lower interest earnings brought on by the pandemic and interest rate cap imposed from April 2020, many banks of the country focused more on their investment portfolio to diversify income sources and increase non-interest income. Investment portfolio of DBL had continuous growth in the recent four financial years with a healthy 24.54% growth in FY2021. Increasing investment on government securities such as treasury bonds and investments in shares, perpetual bond etc. has aided the investment growth in the recent year.

Figure 4: Selected Indicators of DBL



There is a significant increase of NPL of DBL in FY2021 by 14.74% to BDT 7,144.65 million from BDT 6,227.09 million in the FY2020 period. In the year 2020, the downwards loan classification was prohibited which was slowly being withdrawn in FY2021 on various terms by the central bank. As the pandemic is still prevailing, borrowers have taken advantage of the loan classification restriction by not repaying their dues to the bank which led to a higher increase of non-performing loan in FY2021. According to the banks audited financial statement, no loans and advances/investments were downgraded in FY2021 complying with regulatory directions however interest charged during the year on non-performing loans and advances/investment has been added with the total non-performing

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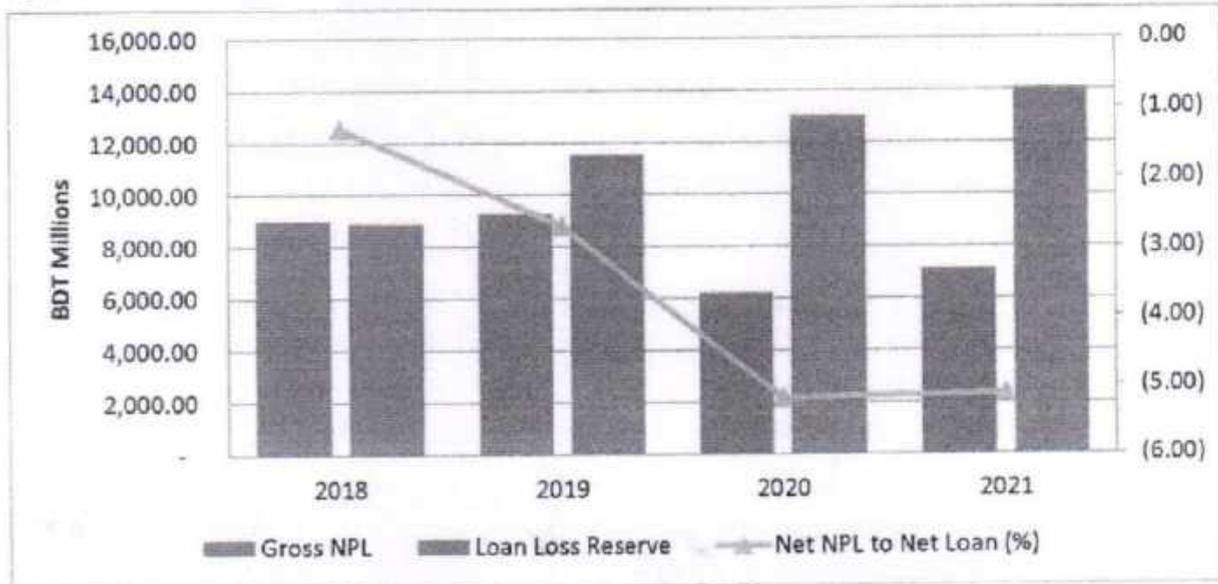
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loans and advances/investment in FY2021. The gross NPL in FY2021 consisted of 5.49% sub-standard, 0.78% doubtful and a significant 93.73% of bad/loss loans. Trend wise, the bank has larger dependency on the bad loss loan in its non-performing loan over the years. The NPL ratio increased to 3.32% in FY2021 from 3.13% in FY2020.

The bank has maintained provision against loans and advances as per the requirement in FY2021. The provision shows 196.58% coverage of the total NPL of the bank which slightly lowered from the previous year however still respectably shows much higher coverage of NPL that will be able to counter any possible rises of NPL in near future.

Figure 5: Selected Indicators of DBL



**B.1.2. Loan Diversification & Concentration**

DBL maintains a diversified portfolio with concentration in different sectors of the economy including textile & garment industry, housing and construction industry, engineering/metal/ship-breaking industries, service industries, food and allied industries and many more reflected by its sector wise loans & advances.

Sectors wise concentration shows that loans and advances portfolio was dominated by Textile & Garment Industries (24.09%) followed by Housing & Construction Industries (9.39%), Engineering & Metal Industries including Ship Breaking (8.95%), Service Industries (7.51%), Food & allied Industries (4.87%) and Electronics & Automobile Industries (4.60%) by the end of 2021. The concentration has been stable in the recent year with increases in Agricultural, housing and construction industry, Energy & Power Industries and Service industries. Notably, a major portion (28.25%) of loan disbursements were made in uncategorized industries.

Geographically, only 5.49% of the bank's loans are in rural areas and the remaining 94.51% loans are in urban areas. The bank has the highest concentration of loans in the Dhaka division at 79.84% of the bank's loans followed by 16.22% in Chittagang division.

Figure 6: Industry-wise composition of DBL's gross loans

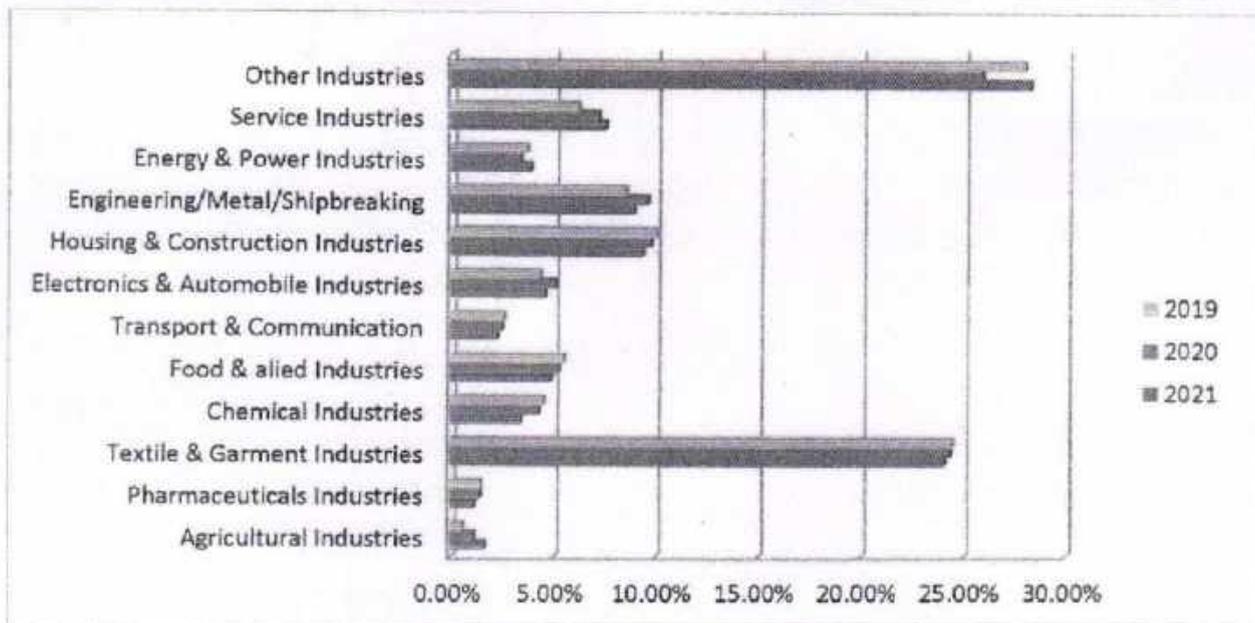
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### B.1.3. Rescheduled and Written-Off Loans

In FY2021, the bank's rescheduling of loans has increased heavily. DBL had rescheduled a total of BDT 11,727.26 million under 73 accounts from a much lower BDT 2,748.17 million under 44 accounts by the end of FY2020. The rescheduled amount showed a significant growth in FY2021 from the FY2020 which might have been an effect of the classification status restriction imposed during 2020 that were slowly redacted in FY2021. In 2021, the rescheduled loans represented 5.44% of the total loan portfolio while it was merely 1.38% in the FY2020. DBL has written off BDT 381.95 million loans in the FY2021 which was also much higher than BDT 19.32 million in FY2020. At the end of the FY2021, the NPLs, rescheduled loans and written-off loans together represented 8.94% of the loan book of the bank compared to 4.53% in FY2020. This emphasizes that if no reschedule and written off had been performed, the non-performing loan of the bank would reach 8.94% of the total loan book. On a positive note, the bank has been able to recover BDT 767.59 million of Classified Loans in 2021. Notably, BDT 3,881.65 million against 610 accounts has been in bad/loss loan status for more than 2 years as of December 31, 2021.

### B.1.4. Large Loan Exposure

DBL's exposure to large loan has decreased from the previous year. However, total outstanding of top 30 loans and advances (funded and non-funded together) has been calculated at BDT 83,162.42 million (38.60% of total loans) in FY2021 compared to BDT 97,728.00 million in FY2020 (49.19% of total loans). Notably, the sum of total loans and advances (both funded and non-funded) to each customer exceeding 10% of total capital of the Bank as at 31 December 2021 has reached BDT 124.54 million with 27 customers from BDT 76.73 million with 18 customers in FY2020.

### B.1.5. Off-Balance Sheet Exposure

The off-balance sheet exposure of DBL has reached to BDT 191,376.96 million in FY2021 from BDT 130,877.24 million in FY2020 increasing by 46.23% from the previous year. As a percentage of total assets, the off-balance sheet items were 57.07% in FY2021. The off balance sheet items consist of acceptances and endorsements, letters of credit, letters of guarantee, bills for collection and other contingent liabilities which consisted 33.59%, 27.42%, 23.94%, 8.32% and 6.74% of total off-balance sheet exposure respectively in FY2021.

## B.2. Capital Adequacy

**Exhibit 5: Selected indicators of DBL**  
FY 31 December

	2021	2020	2019	2018
Tier-I Capital (BDT Million)	19,432.64	17,712.63	16,502.67	15,402.92
Total Capital (BDT Million)	31,334.44	29,016.39	31,171.90	29,094.59
Total Risk Weighted Assets (BDT Million)	213,898.63	199,837.47	193,398.22	210,240.40

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Tier-I Ratio (%)	9.08	8.86	8.53	7.33
CRAR (%)	14.65	14.52	16.12	13.84

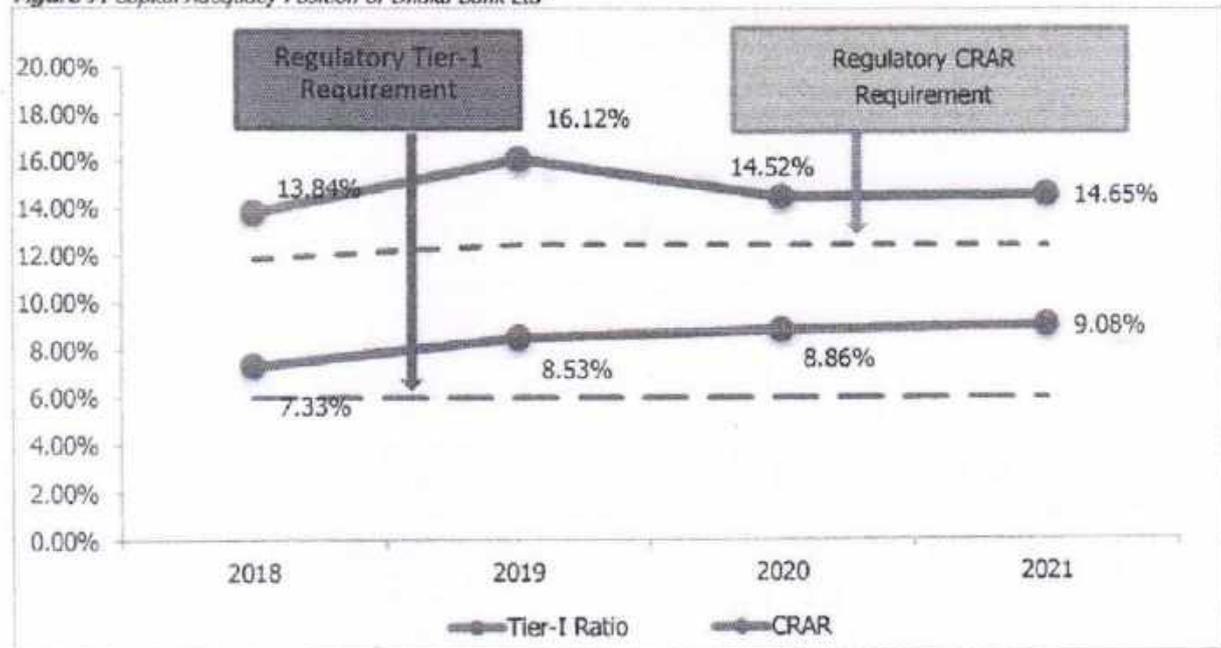
FY2018-FY2021 Data Extracted from Audited Financials

As per the regulatory requirement directed by the Bangladesh Bank under the Basel - III, every bank has to maintain a minimum capital requirement with capital conservation buffer of 12.50% in total from which minimum required Tier-1 capital ratio is 6.00%. In the recent year under review, both the Tier-I or core capital and Tier-II or supplementary capital of the bank have increased consecutively from the preceding year.

The tier-I capital increased by 9.71% due mainly to increases of paid up capital and statutory reserve. On the other hand, higher amount of general provision during the year has lifted the tier-II capital of the bank. Total capital (Tier-I and Tier-II) of the bank stood at BDT 31,334.44 million at the end of FY2021 which was BDT 29,016.39 million in FY2020 growing by 7.99%.

At the same time, the risk weighted asset of the Bank has seen a growth of 7.04% standing at BDT 213,898.63 million by FY2021. Tier-I capital grew by 9.71% which was much higher than the growth of risk weighted assets that eventually improved the Tier-1 ratio of the bank from previous year. With the increase in total capital slightly higher than that of the risk profile of the bank's assets, the capital to risk weighted ratio signified a marginal improvement to 14.65% from 14.52% in the previous year. The bank comfortably exceeded the minimum capital requirement of 12.50% in both times. The bank had a surplus capital of BDT 4,597.11 million by the end of FY2021.

Figure 7: Capital Adequacy Position of Dhaka Bank Ltd



### B.3. Funding and Liquidity

Exhibit 6: Selected indicators of DBL  
FY 31 December

	2021	2020	2019	2018
Deposits (BDT in Millions)	230,417.35	205,666.98	204,530.02	197,189.48
Deposit Growth (%)	12.03	0.56	3.72	15.97
Loans to Customers Deposits (%)	78.29	83.28	84.97	82.79
Net Loans to Stable Funding Base (%)	110.03	110.18	102.39	98.74
Net Loans to Customer Deposits (%)	86.00	88.95	88.72	85.92
Deposit to Total Liability & Equity (%)	68.71	69.64	71.76	71.97
Interbank Liabilities to Total Funding Base (%)	13.29	11.17	9.73	9.74

FY2018-FY2021 Data Extracted from Audited Financials

#### B.3.1. Fund Management

The majority of a bank's funding comes from its deposit base, as well as capital instruments, and credit facilities from other banks and financial organizations. Deposits make up

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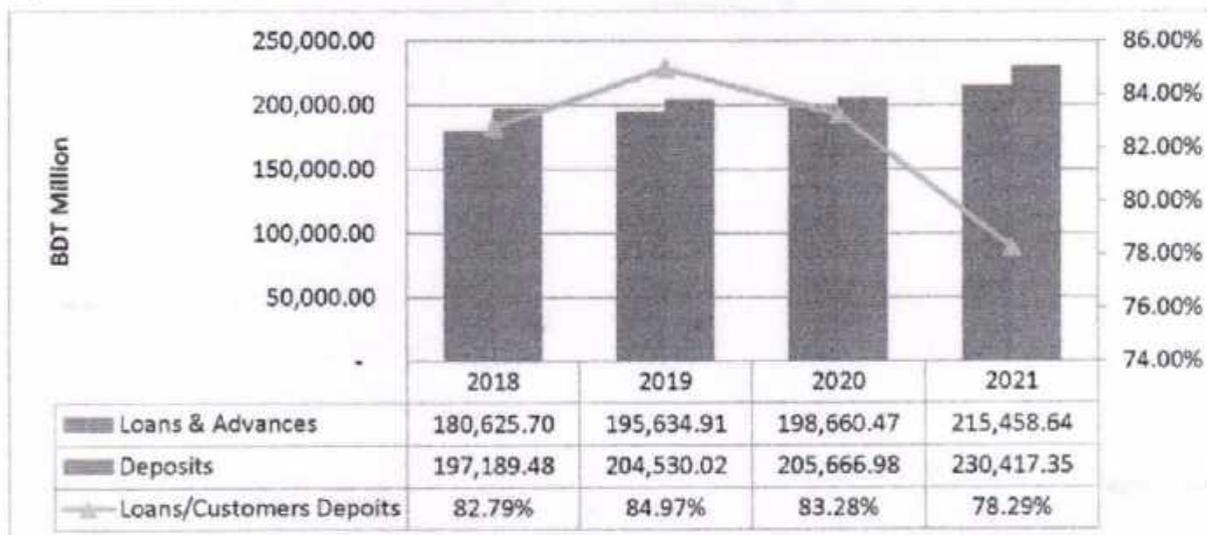
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68.71% of DBL's total liabilities and equity base at the end of FY2021, with interbank liabilities accounting for 13.29% followed by equity (6.04%), subordinated debt (1.55%), and uncategorized other liabilities accounting for the rest (10.41%). DBL's deposit base has improved by 12.03% in FY2021 with the largest contribution made by term deposits compared to a stagnant growth of 0.56% in FY2020. The deposit base of the DBL consists of 71.77% term deposits and the rest is covered by current deposit, savings deposit, bills Payable in FY2021. This pattern of deposit composition has been stable over the 4-year period shown here. Notably, the interbank liabilities of the bank increased 35.05% from the preceding year exhibiting a slightly risky liquidity profile of the bank that covered 13.29% of the total funding base from 11.17% in FY2020.

The bank has kept its ADR ratio within the regulatory requirement of Bangladesh Bank at 87% during FY2021 and scored 78.29% in the loan to deposit ratio which shows further room for credit facilities being offered. The net loans (subtracting provision and interest suspense account from gross loans) were 110.03% of the stable funding base in 2021 which was almost stable to previous year. During the year 2021, DBL has disbursed a total of BDT 1,856.67 million loan under stimulus facilities in FY2021.

Figure 8: Selected indicators of DBL



### B.3.2. Liquidity Management

DBL has been maintaining Cash Reserve Ratio (CRR) and Statutory Liquidity Requirement (SLR) in line with Bangladesh Bank requirement. As per Bangladesh Bank's regulatory requirement statutory liquidity reserve (SLR) of 13.00% and cash reserve ratio (CRR) of 4.00% are to be maintained by conventional banks operating in Bangladesh while SLR is 5.50% for Islamic Banking. Bangladesh Bank has recently lowered the cash reserve requirement (CRR) from 5.00% to 3.50% on a daily basis, and 5.5% to 4% in bi-weekly basis due to the pandemic. The CRR and SLR requirement of DBL for conventional banking is BDT 7,658.47 million and BDT 25,673.50 million as on December 31, 2021 against which DBL kept BDT 9,579.66 million and BDT 49,039.44 million respectively. Total surplus amount from both CRR and SLR stood at BDT 1,921.19 million and BDT 23,365.94 million in FY2021 respectively. This has resulted in a CRR of 5.00% and SLR of 24.83% against conventional banking, both above the regulatory requirement at the end of 2021.

The CRR and SLR requirement of DBL against Islamic banking is BDT 407.80 million and BDT 560.72 million as on December 31, 2021 against which DBL kept BDT 501.47 million and BDT 818.30 million respectively. Total surplus amount from both CRR and SLR against Islamic banking stood at BDT 93.67 million and BDT 257.58 million in FY2021 respectively. This has resulted in a CRR of 4.92% and SLR of 8.03% against Islamic banking, both above the regulatory requirement at the end of 2021.

The asset and liability maturity profile of DBL indicates deficit in net liquidity in up to 1 month, 1-3 months, 3 -12 months term bucket and shows positive net liquidity in 1 – 5 years and more than 5 years bracket. However, the cumulative liquidity shows no liquidity gap.

### B.4. Earning Trends and Profitability

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**Exhibit 7: Selected Indicators of DBL**  
FY 31 December

	2021	2020	2019	2018
Net Interest Income (BDT Million)	4,519.67	3,718.45	4,549.96	5,576.74
Net Interest Income Growth (%)	21.55	(18.28)	(18.41)	65.06
Non-Interest Income (BDT Million)	7,038.81	6,446.47	6,249.85	5,300.45
Non-Interest Income Growth (%)	9.19	3.15	17.91	(11.61)
Pre-Provision Profit (BDT Million)	6,627.86	5,206.56	6,098.57	6,564.17
Pre-Tax Profit (BDT Million)	4,114.13	3,181.93	3,100.69	2,943.66
Post-Tax Profit (BDT Million)	2,055.73	2,029.99	1,571.36	1,359.13
Post - Tax ROAE (%)	10.53	11.28	9.29	8.53
Interest Spread (%)	2.99	2.97	3.88	5.01
Net Interest Margin (%)	1.70	1.52	1.95	2.72
Cost Income Ratio (%)	42.66	48.78	43.56	39.65

FY2018-FY2021 Data Extracted from Audited Financials

In FY2021, implementation of interest rate cap imposed by Bangladesh Bank as well as lower demand for credit due to the ongoing covid-19 pandemic, the interest income of DBL fell by 15.81%. On the other hand, the bank's interest expense has diminished further than its interest income due to lower interest expenses against term deposits which ultimately led to an increase of 21.55% in net interest income in FY2021. The non-interest income of the bank grew by 9.19% due mainly by 23.60% improvement in commission, exchange and brokerage earnings. The income from investment exhibited a 3.04% reduction in FY2021 despite an improved investment portfolio of the bank in 2021. The improved net interest and non-interest income has led the bank to generate 13.71% higher total operating income than the previous year.

Figure 9: Selected Indicators of DBL

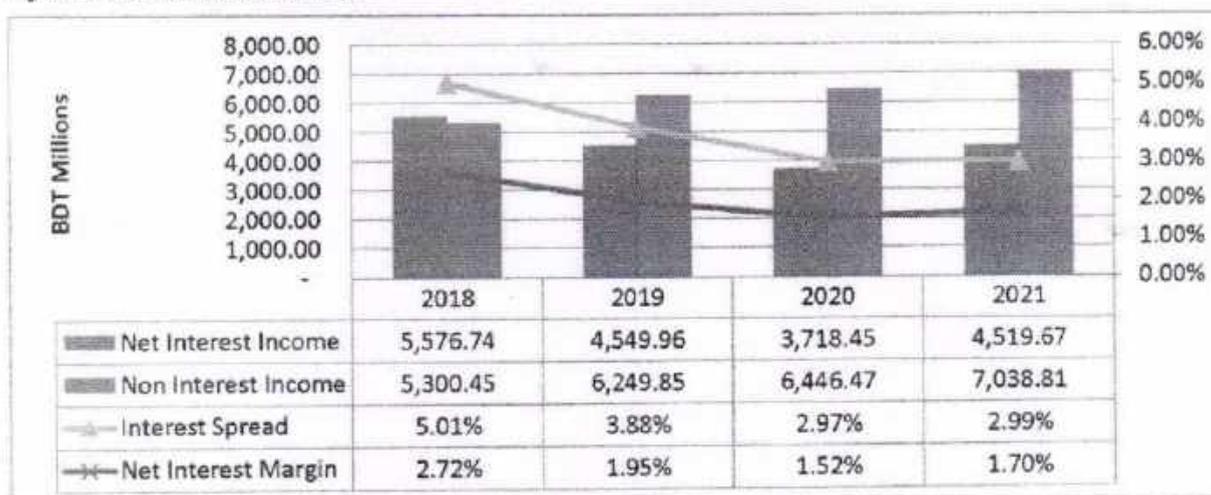
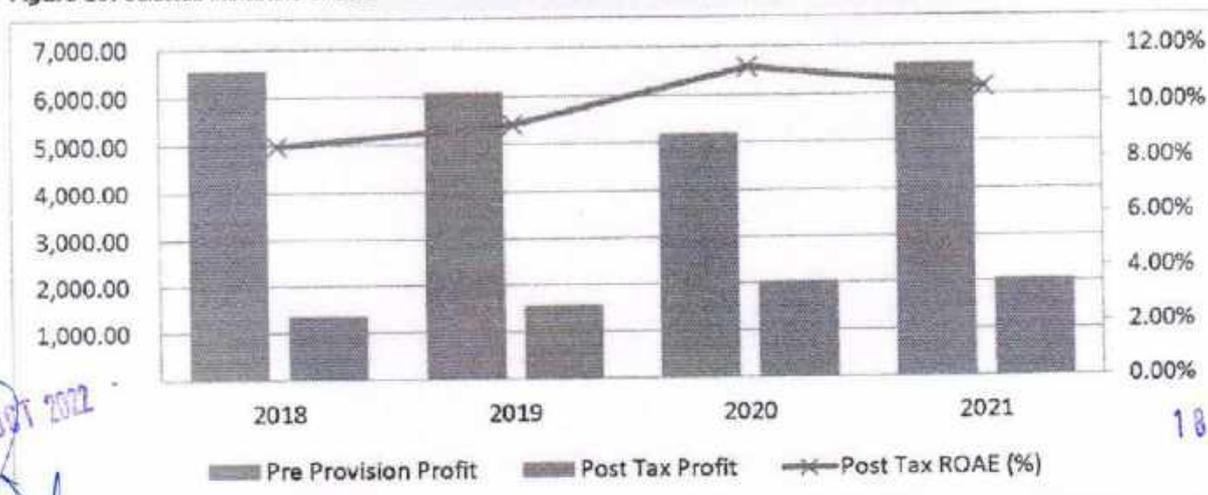


Figure 10: Selected indicators of DBL



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DBL's operating expenses decreased by 0.56% in 2021 to stand at BDT 4,930.62 million. The cost to income ratio of the bank showed lower figures according to the decrease of operating cost compared to growth of operating income. As a result of the decreasing operating expenses and higher total operating income, the bank saw a 27.30% improvement of profit before provision standing at BDT 6,627.86 million in FY2021. In FY2021, the bank's provision expense increased however it did not lower the pre-tax profit of the bank compared to previous year. Moreover, tax expenses of DBL have also increased in FY2021. The better operating income and reduction of operating expenses were key to deter the increased provision and tax expenses in FY2021 that eventually led to marginally better post-tax profit of BDT 2,055.73 million in FY2021 from BDT 2,029.99 million in FY2020. With higher net interest income generated in 2021, the net interest margin of the bank was calculated at 1.70% from 1.52% in the previous year.

## C. MARKET RISK ANALYSIS

Markets risks of a Perpetual Bond may arise due to uncertainty related to the interest rate risk, limited subscriber risk, call risk etc. Moreover, Bond by nature is exposed to many sources of risk. The term structure of the interest rate can shift and twist in different ways. Issuers may default due to sector wide problems or individual credit difficulties.

However, the proposed Perpetual Bond is sensitive towards both market and company specific risks. All investments which offer a balance between risk and potential return are graded to be the higher rated investment. The balance between risk and return varies by the type of investment (in this case Perpetual Bond), the entity that issues it, the state of the economy and the cycle of the securities markets (this risk is eliminated as it will not be publicly traded in secondary market).

The entity in discussion has proposed to issue Unsecured and Contingent Convertible Perpetual Bond of BDT 2,000.00 million for the purpose of strengthening Tier I capital base. UCB Investment Limited is acting as the lead arranger and will sell the Bonds as best effort basis whereas IDLC Investments Limited is acting as the trustee. ECRL considered the following risk analysis related to the both market and instrument specific risk.

### C.1. Interest Rate Risk of the Bond

Interest rate risk affects the value of Bonds that arises when an investment's value will change due to a change in the absolute level of interest rates. The assumed interest rate offered by the issuer has been set at latest available rate of 20-year Treasury-Bond rate as published by Debt Management Department of Bangladesh Bank on the quotation day – which is the reference rate and 2.00% margin, based on the market dynamics and scenario. An upward movement of the market interest rate over the term deposit will generate a higher return of the Bond than benchmark rate. But the coupon rate will not fall below 6.00% p.a. lowering the risk of the potential investors. In addition, on the part of the bank, interest rate risk is also mitigated by the coupon ceiling rate of 10.00% p.a. which means at no circumstance the coupon rate will go above 10.00% p.a.

### C.2. Limited Subscriber Risk

Currently the industry is facing limited subscriber risk since many banks and NBFIs have been issuing different type of bonds to improve their capital adequacy as per the regulatory requirement. The prime buyers of those bonds are still limited to the financial institutions and response from other eligible corporates is poor as a result the bond industry is exposed to this kind of risk. However, since the floor rate and ceiling rate that the bank is offering (Floor rate: 6.00%, Ceiling rate: 10.00%) are relatively higher than existing bank deposit rate, this seems lucrative to the potential investors. Moreover, reference rate will be calculated based on 20-year Treasury-Bond rate (latest available rate of 20-year Treasury-Bond rate as published by Debt Management Department of Bangladesh Bank on the quotation day) and 2.00% margin will be added, therefore, the proposed perpetual bond will attract long term investor with relatively high yield. Nevertheless, dividend discretion feature of the bond may be seen less attractive to the investors' point of view since the bank will have full discretion at all times to cancel distributions/payments of the bondholder.

### C.3. Call risk

There is a call option for the issuer which can be exercised only after ten years of issuance, with prior approval from the Bangladesh Bank. However, to exercise the call option, the issuer needs to replace

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this instrument with capital of the same or better quality that are sustainable for the income capacity of the Bank, or, Capital position is above the minimum requirements after the call option is exercised. In this case, the bondholders will loss the expected interest.

## D. COMPANY SPECIFIC RISK ANALYSIS

Risk is an integral part of financing business and thus every financial institution is exposed to risk of different type and magnitude. So, the prime responsibility of every financial institution is to manage its risk such that its return from business can be maximized. Banks are exposed to six core risks through their operation, which are Credit Risk, Asset/Liability Risk, Foreign Exchange Risk, Internal Control & Compliance Risk, Money Laundering Risk, and Information & Communication Technology (ICT) Security Risk. As a prudent and responsible financial institution, the Company attaches top priority to ensuring safety and security of the finances that are being extended.

### D.1. Impact of COVID-19

The pandemic affected the banking industry in many aspects both in short term and long term. Among various risks, credit risk and liquidity risk has shaken the industry mostly. The Non-performing Loan (NPL) of the Bank is prone to rise to a new level due to this pandemic. The credit worthiness of the existing borrower may deteriorate which can undermine the possibility of repayment of loan.

In the early months of the pandemic, Bangladesh Bank (BB) undertook a number of measures to ensure adequate liquidity in the financial system to support the operations of financial institutions. Accordingly, BB announced to buy treasury bonds and bills from banks; lowered REPO rates from 5.25% to 4.75%; reduced Cash Reserve Ratio (CRR) from 5% to 3.50% (daily-basis) and from 5.50% to 4% (bi-weekly basis) from April 15, 2020; increased advance-deposit ratio (ADR) for all the conventional banks from 85% to 87%, effective from April 15, 2020; increased investment deposit ratio (IDR) for Islami Shariah-based banks and the conventional banks operating under Islamic Shariah rules from 90% to 92%, effective from April 15, 2020. The central bank also decided to put restrictions on loan classification in 2020 and 2021. These loan classifications are being lifted slowly currently and banks are seeing an increase in non-performing loans.

### D.2. Credit Risk

Credit risk is one of the most vital risks for any commercial bank as like Dhaka Bank Limited. Credit risk arises from non-performance by a borrower. It may arise from either an inability or an unwillingness to perform in the pre-commitment contracted manner. The real risk from credit is the deviation of portfolio performance from its expected value. The credit risk of a bank is also effect the book value of a bank. The more credit of a particular is in risk, the more probability of a bank to be insolvent. Therefore, the status of depositor in the bank is at risk and probability of incurring loss from their deposited value. In order to mitigate credit risk DBL has created credit risk awareness amongst its employees through implementing various awareness programs. These awareness programs are conducted on a regular basis to create a risk awareness culture and empower staff with the capability to identify and manage credit risks more effectively. To address the risks, DBL follows a guideline on Credit Risk Management which has been prepared in the light of broad guidelines provided by Bangladesh Bank for the banking industry. The bank's formulated investment policies in compliance with regulatory requirement covers investment assessment, collateral requirements, risk grading and reporting, documentation and legal formalities and procedures along with up to date clean CIB report of the client.

### D.3. Asset Liability Management Risk

Asset Liability Management (ALM) is an integral part of Bank Management; and so it is essential to have a structured and systematic process to manage the Balance Sheet risk properly. DBL has developed an "Assets Liability Management Committee" comprising of the senior management of the bank to make important decisions related to the Balance Sheet of the bank. It also developed a guideline in line with Bangladesh Bank guidelines to meet above mentioned purpose. ALM of DBL has specifically been designed to diversify and pricing of assets and liabilities, monitor liquidity & reserve management, reduce the fund cost & maximize asset yields, address the company's liquidity risk with some focus on interest rate risk, GAP analysis of assets and liabilities and search for alternative funding & investment.

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Asset Liability Management risk can be classified into three major categories such as liquidity risk, interest risk, foreign exchange risk.

#### D.3.1. Liquidity Risk

Liquidity risk is the potential for loss to a bank arising from either its inability to meet its obligations as they fall due or to fund increases in assets without incurring unacceptable cost or losses. Liquidity risk arises when the cushion provided by the liquid assets are not sufficient enough to meet maturing obligations. Liquidity risk is often triggered by the consequences of other financial risks such as credit risk, interest rate risk, foreign exchange risk, etc. DBL's Asset Liability Committee (ALCO) is entrusted with the responsibility of managing short-term and long-term liquidity and ensuring adequate liquidity at optimal funding cost. ALCO also reviews liquidity requirement of the bank, the maturity of assets and liabilities, deposit and lending pricing strategy and the liquidity contingency plan.

#### D.3.2. Interest Rate Risk

Interest rate risk is the possible loss from adverse movements in market interest rates. Changes in interest rates affect a bank's earnings by changing its net interest income and the level of other interest-sensitive income and operating expenses. The Asset Liability Committee (ALCO) of DBL is the main body which looks after and monitors investment profit rate structure. The committee also evaluates any market risk arises from the regulatory pressure thus reducing the profit rate. Moreover, ALCO committee is always watchful to adverse movement of the different market variables.

#### D.3.3. Foreign Exchange Risk

Foreign exchange risk is the current or prospective risk to earnings and capital arising from adverse movements in currency exchange rates. Managing foreign exchange risk involves prudently managing foreign currency positions in order to control, within set parameters, the impact of changes in exchange rates on the financial position of the bank. DBL has developed a "Foreign Exchange Risk Management Manual" complying with the Bangladesh Bank guideline in order to identify and combat the foreign exchange risk. The Bank has Internal Control & Compliance Division (IC&CD) that conducts periodical audits on various foreign exchange dealing limits, compliance requirements and statutory management for foreign exchange dealings as per Treasury Operations Policy approved by the Board of Directors of the Bank.

#### D.4. Operational Risk

Bangladesh Bank defines operational risk as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This operational risk also includes legal risks but not strategic and reputational risks.

##### D.4.1. Anti Money Laundering Policy

Money laundering risk refers to acquired or earned properties directly or indirectly through illegal means. In broader sense, illegal transfer, conversion, concealment of location or assistance in the above act of the properties acquired or earned directly or indirectly through legal or illegal means. So Anti Money Laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering activities.

In order to combat money laundering DBL has developed policies and procedures in line with the Money Laundering Prevention Act 2012, Money Laundering Prevention (Amendment) Act 2015, Master Circulars and the guidelines of Bangladesh Bank. The Central Compliance Unit (CCU), headed by Chief Anti Money Laundering Compliance Officer (CAMLCO), is primarily in charge with the compliance of anti-money laundering measures. In addition, Compliance Officers at branches independently reviews the transactions of the accounts to verify suspicious transactions. Customer Due Diligence (CDD) and Know Your Client (KYC) measures, as per BFIU master circular, are in place across the bank.

##### D.4.2. Internal Control and Compliance (ICC)

DBL follows "Internal Control and Compliance guidelines" which is approved by the Bangladesh Bank. As per guidelines issued by Bangladesh Bank, Dhaka Bank established an Organizational structure which allows segregation of duties among key financial units.

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Managing Director & CEO  
UCB Investment Limited

ICCD has been reconstructed into 4 (four) units, i.e., (i) Compliance Unit, (ii) Monitoring Unit (iii) Audit & Inspection Unit and (iv) IS/IT Audit Unit. The Compliance Unit ensures that bank complies with all regulatory requirements while conducting its business. They maintain liaison with the regulators at all level and notify the other units regarding regulatory changes. The Monitoring Unit monitors the operational performance of various branches. They collect relevant data and analyze those to assess the risks of individual unit. In case they find major deviation, they recommend to the Head of ICCD for sending Audit & Inspection Team for thorough review. The Audit & Inspection Unit performs periodic and special audit when required. DBL has different section within this team responsible for carrying out specific tasks. The IS/IT Audit Unit conducts regular IS/IT audit in all branches/ divisions/departments/Units of Head Office.

#### D.4.3. Information & Communication Technology (ICT) Security System

Risks surrounding IT, such as network failure, lack of skills, hacking and viruses and poor system integration have the potential to have a negative impact on a Bank. The major contribution of ICT is that it is cost efficient and increases productivity thus increasing efficiency. As a result, ICT is becoming the largest distribution platform of providing banking service to millions across Bangladesh. DBL has been a forerunner in introducing modern customer centric core banking solution. The Information Systems/Information Technology Audit Unit of DBL conducts audits to evaluate the system's efficiency and security protocols, in particular, to evaluate the Bank's ability to protect its information assets and properly dispense information to authorized parties. The IS/IT audit focuses on determining risks that are relevant to information assets, and in assessing & suggesting controls in order to reduce or mitigate these risks to acceptable level considering long term approach. The bank recognizes ICT risks in case of business continuity, system redundancy, outsourcing & exposure to critical images. Adequate protection & maintenance of the ICT assets are critical to the banks sustainability & as such the bank has taken steps to prevent unauthorized access, modification of data, virus prevention and as such ensure data safety thereby protecting customers' interest at large.

### E. MANAGEMENT & OTHER QUALITITATIVE FACTORS

#### E.1. Corporate Governance

Aligned with the regulatory requirements and guidelines set by the Bangladesh Bank and Bangladesh Securities & Exchange Commission (BSEC), Dhaka Bank Limited maintains adequate and high corporate governance standards. The board of directors (BoD) of the bank consists of 18 eminent, qualified and experienced members and is headed by Mr. Abdul Hai Sarker, the Chairman of BoD. The BoD also consists of a Vice Chairman, 12 (twelve) Directors, 3 (three) Independent Directors and the Managing Director & CEO. The members of the BoD can broadly be described as businessmen who hold directorship/ownership interest in a variety of sectors including shipping, engineering, chemicals, brokerage house, hospital, food processing, spinning, textile, garments, fisheries, plastics, insurance, real estate etc.

The BoD of DBL meets on a regular basis and in FY2021 the BoD held 25 meetings. The functions of the BoD include approving of all policies and strategies set forth by the bank's management. The functions of the BoD consist of devising and determining strategy and company values, overseeing the management of the business including control systems and risk management, approving material acquisitions, disposals and investment decisions, supervising corporate governance and succession planning etc. With an objective to monitor and manage the bank's operations, performance and strategy, the BoD of DBL has four sub-committees. Details of these committees are presented below.

**Executive Committee (EC):** The Executive Committee is responsible for reviewing policies and guidelines issued by the central bank regarding credit and other aspects of banking industry. The committee oversees the degree of execution of policies and guidelines entrusted with the management. The EC also approves credit proposals in line with approved policies of the BoD. EC of the board consists of 7 members chaired by Mrs. Rokshana Zaman. The committee sat for 7 meetings in the year 2021.

**Audit Committee (AC):** The functions of the Audit Committee include meeting the external auditors for the purpose of carrying on Annual Audit and providing them with recommendations on the overall audit plan, communicating with the management regarding audit, reviewing and approving financial reports etc. The inspection reports from regulators are also presented to the AC for their review and

Md. Shahjahan Miah  
EVP & Deputy Secretary  
Head Office, Dhaka

Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
Head Office, Dhaka

Emranul Haq  
Managing Director & CEO  
DHAKA BANK

EMERGING CREDIT RATING LTD.  
Estb. 2009  
18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

action. At present Audit Committee consists of 05 members chaired by Mr. Mohammad Abu Yussouf Khan. The AC held 5 meetings during the year 2021.

**Risk Management Committee (RMC):** Apart from the Executive committee and Audit Committee of the Board, a Risk Management Committee has been formed which is responsible for planning and guiding on overall risk management of the bank. This committee consists of 4 members of the BoD and is chaired by Mr. Khondoker Monir Uddin. The Risk Management Committee held 4 meetings during the year 2021. This committee's prime responsibilities is to define the risk appetite, designing organizational structure to manage risk within the bank, understanding the inherent risks of the bank, then reviewing and approving risk management policies. The committee is also involved in enforcing and using adequate record keeping and reporting systems, reviewing and approving limits and reviewing at least annually and last but not the least monitoring compliance with overall risk management policies and limits.

## E.2. Senior Management

The strategic management activities and overall business operations of DBL are supervised and directed by the core management team of the bank. The core management team, as well as the whole bank, is led by the Managing Director & CEO, Mr. Emranul Huq who has more than three decades of extensive and immense experience in banking industry. Before appointing as a Managing Director of the bank he played role in the bank as an Additional Managing Director. Alongside having long term experience, the members of the core management team come from impressive educational backgrounds. The members of the team have also attended numerous training and development programs both at home and abroad which enabled them to build enormous knowledge base in banking.

Apart from functional departments, DBL has established various committees with specific objectives to manage the bank's affairs more efficiently and effectively, and to ensure compliance with Bangladesh Bank's guidelines. Notable committees include the following.

**Management Committee (MANCOM):** DBL's management committee includes all members of the core management team. The committee meets twice every month and discusses issues concerning the bank and takes necessary decisions. MANCOM wields the topmost authority in bank management to make policies and decisions.

**Asset Liability Committee (ALCO):** The Asset Liability Committee of the bank has 13 members and has distinct responsibilities to manage liquidity and related risks by measuring/monitoring the liquidity position and risk, screening interest rate gap and yield curve shift, evaluate and manage diversification of business etc. In the year 2021, the Asset Liability Committee held 12 meetings.

## E.3. Human Resources

The Human Resources Division (HRD) of DBL annually determines manpower requirement as per available vacant positions, necessity, and based on organogram. According to the manpower requirement, the HRD makes plans for recruitment of new employees and takes recruitment initiatives as per plan. In the FY2021, 92 employees resigned from their position and 2 employees retired from Job. In addition to this the bank has recruited a total of 218 human resources by which at the end of FY2021 total number of human resources stood at 2,012 people. On the other hand, 415 employees were promoted on various positions in the FY2021.

### E.3.1. Training & Development

The HRD of DBL thoroughly identifies the training and development needs of the employees and arranges a range of in-house, local and foreign training for the employees. In recognition of the requirement of professional excellence in the employees of DBL, the bank has established its own training and development center namely Dhaka Bank Training Institute. The bank arranges foreign training to enhance skills to combat money laundering and financing of terrorism, foreign trade operation and Information technologies.

## E.4. Information Technology

DBL has become one of the pioneers to introduce latest technology in the banking operations. DBL IT is a vital support department that has an impact on all aspect of the company. The IT department has a passion for embedding operational excellence through improved business operations.

18 OCT 2022  
Md. Saifur Rahman, MIA  
EVP & Deputy Secretary  
DHAKA BANK  
Head Office, Dhaka

18 OCT 2022  
Sahabub Kam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
Head Office, Dhaka

18 OCT 2022  
Emranul Huq  
Managing Director & CEO  
DHAKA BANK

18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

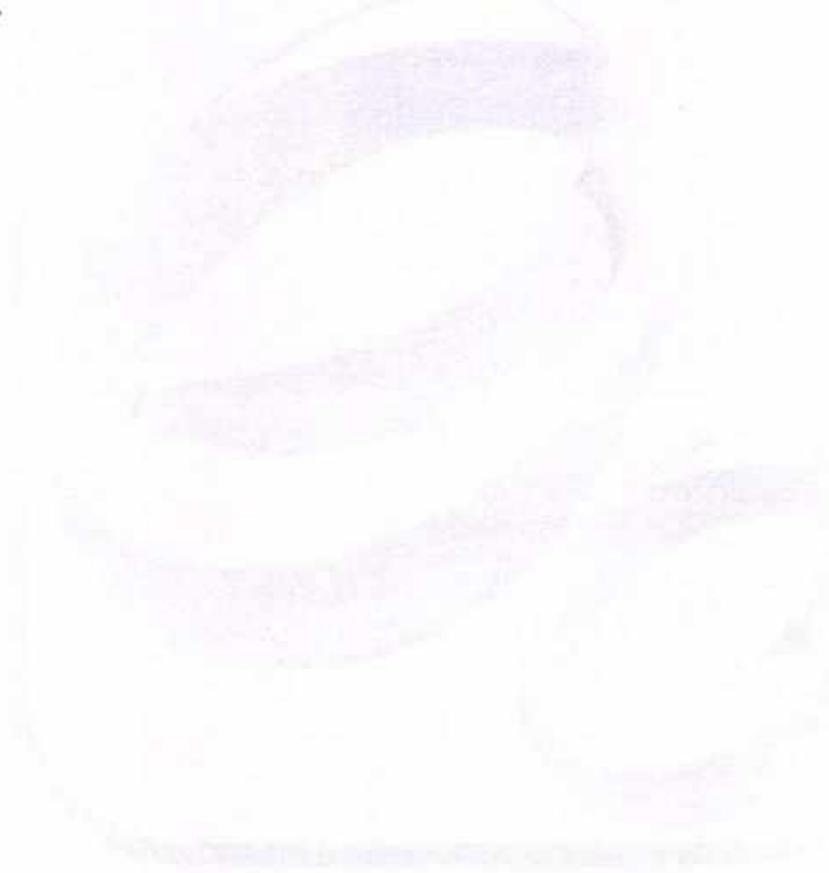


DBL began its journey with PC bank software before implementing FLEXCUBE as its core banking solution (CBS) in 2004. DBL switched to Oracle Financial Service Software Limited's Flexcube Universal Banking Solution (FCUBS) in 2018. It includes the bank's essential conventional and Islamic banking modules, as well as support for multi-country operations.

DBL cards management system TranzWare is a product of Compass Plus, Russia and PA DSS certified solution. Bank has implemented Oracle Identity and Access Management for identity governance, access management and directory service which is ensuring security by single identity and sign in options.

The bank setup Data Center for its Production and DR operations. Production Data Center has been designed as per EPI recommendations. Bank selected Cisco SDN based solution for its Network infrastructure considering its security and flexibility. All types of redundancy and security option maintained for it as per EPI recommendation.

Bank implemented Oracle Sun SuperCluster M7 for its Core Banking and Cards system. Also, for data backup the bank is using EMC Data Domain system for its server level data backup solution which has data encryption.



*[Signature]*  
 18 OCT 2022  
 Md. Shahnjahan Miah  
 EVP & Managing Secretary  
**DHAKA BANK**  
 Head Office, Dhaka.

18 OCT 2022

18 OCT 2022  
*[Signature]*  
 Sahabub Alam Khan, FCA  
 Chief Finance Officer, EVP & CFO  
**DHAKA BANK**  
 Head Office, Dhaka

18 OCT 2022  
*[Signature]*  
 Emranul Haq  
 Managing Director & CEO  
**DHAKA BANK**

18 OCT 2022  
  
*[Signature]*  
 Md. Moniruzzaman  
 Managing Director  
 IDLC Investments Limited

*[Signature]*  
 Tanzim Alamgir  
 Managing Director & CEO  
 UCB Investment Limited

# CORPORATE INFORMATION AS AT DECEMBER 31, 2021

## BOARD OF DIRECTORS

Mr. Abdul Hai Sarker	Chairman
Mr. Jashim Uddin	Vice Chairman
Mr. Amir Ullah	Director
Mr. Reshadur Rahman	Director
Mrs. Rokshana Zaman	Director
Mr. Altaf Hossain Sarker	Director
Mr. Mohammed Hanif	Director
Mr. Tahidul Hossain Chowdhury	Director
Mr. Khondoker Monir Uddin	Director
Mr. Abdullah Al Ahsan	Director
Mr. Mirza Yasser Abbas	Director
Mr. Md. Aman Ullah Sarker	Director
Mrs. Manoara Khandakar	Director
Mrs. Rakhi Das Gupta	Director
Mr. Mohammad Abu Yussouf Khan	Independent Director
Mr. Ahbab Ahmad	Independent Director
Mr. A.S. Salahuddin Ahmed	Independent Director
Mr. Emranul Huq	Managing Director & CEO

## MANAGEMENT COMMITTEE

Mr. Emranul Huq	Managing Director & CEO
Mr. Mohammad Abu Jafar	Additional Managing Director
Mr. A. K. M. Shahnawaj	Deputy Managing Director - Risk Management
Mr. A M M Moyen Uddin	Deputy Managing Director - Operations & IT
Mr. Md. Mostaque Ahmed	Deputy Managing Director
Mr. Darashiko Khasru	SEVP & CRO
Mr. Abdullah Hil Kafi	SEVP & Head of ICCD
Mr. Akhlaqur Rahman	SEVP & Head of Corporate Banking Division
Mr. Md. Shahjahan Miah	EVP & Company Secretary
Mr. Sahabub Alam Khan FCA	EVP & CFO
Mr. K.M. Faisal Faruqui	SVP & Head of Treasury Division
Mr. Md. Abdul Matin	SEVP & Head, Credit Risk Management
Mr. Mukarram Hossain Chowdhury	SEVP & Head, RMG Division
Mr. Tipu Sultan	EVP & Head, Islamic Banking Division
Mr. Md. Mahbubur Rahan Palash	EVP & Head MSME & Emerging Business Div
Mr. H. M. Mostafizur Rahman	EVP & Head, Retail Business Division
Mr. M Rezaur Rahman	EVP & Head, Human Resources Division
Mr. Abu Jahid Ansary	SVP & Head, International Division
Mr. Md. Monirul Alam	SVP & Head, Syndications & Structured Finance
Mr. Mohammad Ataour Rahman	FVP & In-charge, Research & Development Unit

## SHAREHOLDERS

Sponsors & Directors	41.12%
General Public	41.24%
Financial Institutes	13.88%
Other Investors	3.76%

## HEAD OFFICE

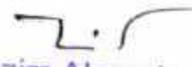
Plot: CWS (C)-10, Bir Uttam A K Khandakar Road, Gulshan-01, Dhaka-1212.  
Tel: +8802 5831 4424-31, +8802 5831 4624-8  
Fax: +8802 5831 4419  
Swift Code: DHBLBDDH  
E-mail: info@dhakabankltd.com.bd

  
18 OCT 2022  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LTD  
Head Office, Dhaka

  
18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK LTD  
Head Office, Dhaka

  
18 OCT 2022  
Emranul Huq  
Managing Director & CEO  
DHAKA BANK LTD

  
18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

  
18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

# BOND RATING SYMBOL

## LONG-TERM RATINGS

ECRL's Long-Term Ratings are assigned to debt with maturities of more than one year. These debt ratings specifically assess the likelihood of timely repayment of principal and payment of interest over the term to maturity of such debts.

RATING	
AAA	Indicates that the ability to repay principal and pay interest on a timely basis is extremely high.
AA	Indicates a very strong ability to repay principal and pay interest on a timely basis, with limited increment risk compared to issues rated in the highest category.
A	Indicates the ability to repay principal and pay interest is strong. These issues could be more vulnerable to adverse developments, both internal and external, than obligations with higher ratings.
BBB	This grade indicates an adequate capacity to repay principal and pay interest. More vulnerable to adverse developments, both internal and external, than obligations with higher ratings.
BB	This rating suggests that likelihood of default is considerably less than for lower-rated issues. However, there are significant uncertainties that could affect the ability to adequately service debt obligations.
B	Indicates a higher degree of uncertainty, and therefore, greater likelihood of default. Adverse developments could negatively affect repayment of principal and payment of interest on a timely basis.
C	High likelihood of default, with little capacity to address further adverse changes in financial circumstances.
D	Payment in default.

*Notes: Long-Term Ratings from AA to B may be modified by the addition of a plus (+) or minus (-) suffix to show relative standing within the major rating categories. Bank-guaranteed issues will carry a suffix (bg), corporate-guaranteed issues, a (cg), issues guaranteed by a financial guarantee insurer (FGI), an (fg), bond issues will carry a suffix (B) and all other supports, an (s) when such guarantees or supports give favorable effect to the assigned rating.*

## Rating Outlook

ECRL's Rating Outlook assesses the potential direction of the Bond Issuers over the intermediate term (typically over a one to two-year period). The Rating Outlook may either be :

POSITIVE	which indicates that a rating may be raised;
NEGATIVE	which indicates that a rating may be lowered;
STABLE	which indicates that a rating is likely to remain unchanged; or
DEVELOPING	Which indicates that a rating may be raised, lowered or remain unchanged.

## Disclaimer

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☎ +880 2 986 0828  
🌐 www.emergingrating.com

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Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited



Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Sahabuddin Khan, FCA  
Chief Finance Officer, EVP & CFO  
**DHAKA BANK LIMITED**  
Head Office, Dhaka

Emranul Haq  
Managing Director & CEO  
**DHAKA BANK LIMITED**

18 OCT 2022

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## ANNEXURE – I

(Declaration about the responsibility of the Managing Director & CEO  
of Dhaka Bank Limited)

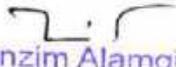
18 OCT 2022  
  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK  
Head Office, Dhaka.

18 OCT 2022  
  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
L I M I T E D  
Head Office, Dhaka

18 OCT 2022  
  
Emranul Haq<sup>94</sup>  
Managing Director & CEO  
DHAKA BANK  
L I M I T E D

18 OCT 2022  
  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022

  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

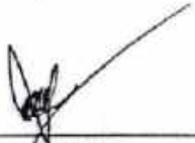
**Annexure-I**

**Declaration about the responsibility of the Managing Director & CEO of the issuer**

**[Rule 4(2)(a)]**

This information memorandum has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this information memorandum to enable the investors to make a well-informed decision for investment.

  
\_\_\_\_\_  
**Emranul Haq**  
Managing Director & CEO  
Dhaka Bank Limited  
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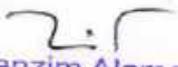
  
18 OCT 2022  
Mr. Sheikhob Miah  
EVP & Company Secretary  
**DHAKABANK**  
L I M I T E D  
Head Office, Dhaka.

**Head Office:** CWS(C)-10, Bir Uttam A K Khandakar Road, Gulshan, Dhaka-1212  
SWIFT: DHBLBDDH, E-mail: info@dhakabank.com.bd

  
18 OCT 2022  
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Chief Finance Officer, EVP & CFO  
**DHAKABANK**  
L I M I T E D  
Head Office, Dhaka

  
18 OCT 2022  
Emranul Haq  
Managing Director & CEO  
**DHAKABANK**  
L I M I T E D

  
18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

  
18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

## ANNEXURE – II

(Due Diligence Certificate of the Trustee)

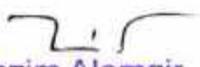
  
18 OCT 2022  
Md. Shahjahan Miah  
EVP & Company Secretary  
DHAKA BANK  
L I M I T E D  
Head Office, Dhaka.

18 OCT 2022  
  
Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
L I M I T E D

18 OCT 2022  
  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
L I M I T E D  
Head Office, Dhaka

95  
 - 18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022

  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

**Due Diligence Certificate of the Trustee**

To  
The Bangladesh Securities and Exchange Commission

**Sub: Issuance of 400,000 Perpetual Bond of Tk. 5,000 each of Dhaka Bank Limited**

We, the under-noted trustee to the above-mentioned forthcoming issue, state as follows:

1. We, while act as trustee to the above mentioned issue on behalf of the investors, have examined the draft Information Memorandum, legal and other documents and materials as relevant to our decision; and
2. On the basis of such examination and the discussions with the issuer, its directors and officers, and other agencies; independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

**WE CONFIRM THAT:**

- (a) all information and documents as are relevant to the issue have been received and examined by us and the draft IM, draft deed of trust and draft subscription agreement forwarded to the Commission has been approved by us;
- (b) we have also examined all documents of the assets to be charged with the trust and are satisfied that the assets bear the value, title and charge status as disclosed in the IM;
- (c) while examining the above documents, we find that all the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been complied with;
- (d) we shall act as trustee to the issue as mentioned above as per provisions of the deed of trust to be executed with the issuer or the originator, as applicable and shall assume the duties and responsibilities as described in the deed of trust and in the IM;
- (e) we shall also abide by the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and conditions imposed by the Commission as regards of the issue; and
- (f) the above declarations are unequivocal and irrevocable.

For Trustee

*Md. Moniruzzaman*  
**Md. Moniruzzaman, CFA**  
Managing Director  
IDLC Investments Limited

18 OCT 2022

*Md. Shahjahan Miah*  
**Md. Shahjahan Miah**  
EVP & Executive Secretary  
IDLC INVESTMENTS LIMITED  
Head Office, Dhaka.

18 OCT 2022

*Emrul Haq*  
**Emrul Haq**  
Managing Director & CEO  
**DHAKA BANK**  
LIMITED

18 OCT 2022

18 OCT 2022

*Md. Moniruzzaman*  
**Md. Moniruzzaman**  
Managing Director  
IDLC Investments Limited

18 OCT 2022

*Tanzim Alamgir*  
**Tanzim Alamgir**  
Managing Director & CEO  
UCB Investment Limited

IDLC Investments Limited

DR Tower (4th Floor) Finance Office, IDLC, Golem Dastagir Road, Purana Pallan, Dhaka 1000, Bangladesh  
www.idlc.com 16409 +8809609994352 +880 (2) 223390171

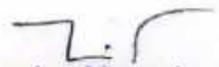
*Sahabul Alamgir*  
**Sahabul Alamgir**  
Managing Director & CEO  
**DHAKA BANK**  
LIMITED  
Head Office, Dhaka.

# ANNEXURE – III

## (Due Diligence Certificate of the Issue Manager)

  
18 OCT 2022  
Md. Shahistan Miah  
EVP & Deputy Secretary  
Dhaka Bank Limited  
Head Office, Dhaka.

18 OCT 2022

  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022  


Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKABANK  
L I M I T E D  
Head Office, Dhaka

18 OCT 2022  
  
Emran Huj  
Managing Director & CEO  
DHAKABANK  
L I M I T E D

18 OCT 2022

  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Annexure-III

Due diligence certificate by issue manager  
UCB Investment Limited  
[Rule 4(2)(a)]

To

The Bangladesh Securities and Exchange Commission

Sub: Issuance of 40,000 units under public offer of Unsecured, Contingent-Convertible and Floating Rate Perpetual Bond of BDT 200,000,000 (Two Hundred Million taka) each of BDT 5,000 of Dhaka Bank Limited

Dear Sir,

We, the issue manager(s) to the above-mentioned forthcoming issue, state and confirm as follows:

(1) We have examined all the documents submitted with the application for the above-mentioned issue, visited the premises of the issuer or originator and interviewed the chairperson, directors and key management personnel of the issuer or originator in connection with the finalization of the information memorandum pertaining to the said issue;

(2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer or originator, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer or originator.

**WE CONFIRM THAT:**

(a) The information memorandum filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;

(b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the government have been duly complied with;

(c) The disclosures made in information memorandum are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Trust Act, 1882, the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and other applicable laws;

(d) Besides ourselves, all the intermediaries named in the information memorandum are registered with the Commission and till date such registrations are valid;

(e) We have satisfied ourselves about the capability of the underwriters to fulfil their underwriting commitments;

(f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer or originator and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;

(g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the information memorandum;

(h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well-informed decision;

18 OCT 2022  
M. I. Shahab  
EVP & CFO  
Head Office, Dhaka

Sahabul Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA  
Head Office, Dhaka

Emranul Haq  
Managing Director & CEO  
DHAKA BANK

18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

(i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer or originator, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the issue of securities for any further inspection by the commission;

(j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 containing details such as the rule number, its text, the status of compliance, page numbers of the information memorandum where the rules have been complied with and our comments, if any;

(k) We also declare that we have managed any issue of securities of the following issuers including originators in the last 05 (five) years:

Serial No	Name of Issue	Year	Type of Issue	Issue Price (BDT)	Dividend/Repayment History	Category
01.	Sonali Paper & Board Mills Limited	2022	Rights Offer	10/-	Cash 20%, Stock 20% (CY: 2021)	A
02.	Meghna Insurance Company Limited	2022	IPO	10/-	N/A	N
03.	AIBL Mudaraba Perpetual Bond by Al-Arafah Islami Bank Limited	2021	Public Offer	5000/-	Profit rate: 7.87% p.a. (CY: 2021)	N
04.	SJIBL Mudaraba Perpetual Bond by Shahjalal Islami Bank Limited	2021	Public Offer	5000/-	Profit rate: 7.87% p.a. (CY: 2021)	N
05.	IBBL 2 <sup>nd</sup> Perpetual Mudaraba Bond By Islami Bank Bangladesh Limited	2021	Public Offer	5000/-	Profit Rate: 7.88% p.a. (CY: 2021)	N
06.	Premier Bank Perpetual Bond By The Premier Bank Limited	2021	Public Offer	5000/-	Coupon Rate: 9.99% p.a. (June 2022)	N
07.	Pubali Bank Perpetual Bond By Pubali Bank Limited	2021	Public Offer	5000/-	N/A	N

Tanzim Alamgir  
Managing Director & CEO  
Date:

18 OCT 2022  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

18 OCT 2022  
Md. Shahjahan Miah  
EVP & Chief Money Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka

18 OCT 2022  
Enrahul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

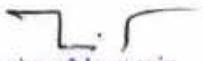
18 OCT 2022  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

## ANNEXURE – IV

(Due Diligence Certificate of the Underwriter)

18 OCT 2022  
  
Md. Shehjahan Miah  
EVP & Company Secretary  
DHAKA BANK  
L I M I T E D  
Head Office, Dhaka.

18 OCT 2022  
  
Emranul Haq  
Managing Director & CEO  
DHAKA BANK  
L I M I T E D

18 OCT 2022  
  
Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022  
  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK  
L I M I T E D  
Head Office, Dhaka

 18 OCT 2022  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

Annexure - IV

Due diligence certificate by the underwriter

UCB Investment Limited  
[Rule 4(2)(a)]

To  
The Bangladesh Securities and Exchange Commission

**Sub: Issuance of 40,000 units under public offer of Unsecured, Contingent-Convertible and Floating Rate Perpetual Bond of BDT 200,000,000 (Two Hundred Million taka) each of BDT 5,000 of Dhaka Bank Limited.**

Dear Sir,

We, the under-noted underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

(1) We, while underwriting the above-mentioned issue on a firm commitment basis, have examined the draft information memorandum, other documents and materials as relevant to our underwriting decision; and

(2) On the basis of such examination and the discussions with the issuer or originator, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer or originator.

**WE CONFIRM THAT:**

(a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at BDT 1,000 Million and we have the capacity to underwrite a total amount of BDT 5,000,000,000 as per relevant legal requirements. We have committed to underwrite for up to BDT 40,000,000. for the upcoming issue.

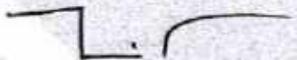
(b) At present, the underwriting obligations are pending for us: N/A

(c) All information as are relevant to our underwriting decision have been received by us and the draft IM forwarded to the Commission has been approved by us;

(d) We shall subscribe and take up the un-subscribed securities against the above-mentioned issue within 15 (fifteen) days of calling up thereof by the issuer or originator; and

(e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter:



Tanzim Alamgir  
Managing Director & CEO  
Date: 18 OCT 2022

  
Sahabub Alam Khan, FCA  
Chief Finance Officer, EVP & CFO  
DHAKA BANK LIMITED  
Head Office, Dhaka

  
Md. Shahriar Miah  
EVP & Deputy Secretary  
DHAKA BANK LIMITED  
Head Office, Dhaka

  
Emraajul Haq  
Managing Director & CEO  
DHAKA BANK LIMITED

18 OCT 2022  
  
Md. Moniruzzaman  
Managing Director  
IDLC Investments Limited

18 OCT 2022

Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

18 OCT 2022