

Annual Report  
2018



উত্তরা ব্যাংক লিমিটেড

আবহমান বাংলার ঐতিহ্যে লালিত

## Letter of Transmittal

All Shareholders,  
Bangladesh Bank,  
Bangladesh Securities and Exchange Commission,  
Registrar of Joint Stock Companies and Firms,  
Dhaka Stock Exchange Limited and  
Chittagong Stock Exchange Limited.

**Subject: Annual Report for the year ended December 31, 2018.**

Dear Sir(s),

We are delighted to enclose a copy of the Annual Report 2018 together with the audited Financial Statements as at the position of December 31, 2018. The report includes Income Statements, Cash Flow Statements along with notes thereon of Uttara Bank Limited and its subsidiaries namely “UB Capital & Investment Limited” and “Uttara Bank Securities Limited”.

This is for your kind information and record please.

Best regards.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Iftekhar Zaman', is written over a horizontal line. There are two small dots below the line.

**Iftekhar Zaman**  
Executive General Manager & Secretary

# Contents

Notice of the 36 <sup>th</sup> Annual General Meeting	4
Corporate Information	5
Highlights of the 35 <sup>th</sup> Annual General Meeting	6
Board of Directors	8
Executive Committee, Audit Committee & Risk Management Committee	9
Profiles of the Board of Directors	10
Message from the Chairman	18
Message from the Vice Chairman	20
Message from the Managing Director & CEO	22
CEO and CFO's declaration to the Board	25
Report of the Audit Committee	26
Photo Album	28
SMT, RMC & ALCO	31
Some activities of Uttara Bank Limited	32
Name of the Executives	40
Directors' Report	42
Five years at a Glance	76
Corporate Governance	78
Certificate on compliance status of Corporate Governance Guidelines of BSEC	79
Report on Risk Management	89
Report on Green Banking	120
Report on Corporate Social Responsibility	122
Credit Rating Report	124
Auditors' Report	126
Consolidated Financial Statements	132
Financial Statements: Uttara Bank Limited	138
Notes to the Financial Statements	144
Highlights on overall activities of the Bank	208
Annexures	209
Financial Statements: Off-Shore Banking Unit	214
Value Added Statement	220
Economic Value added Statement	221
Market Value Addition Statement	222
Auditors' Report to the Shareholders of UB Capital and Investment Ltd.	224
Financial Statements of UB Capital and Investment Ltd.	227
Auditors' Report to the Shareholders of Uttara Bank Securities Ltd.	236
Financial Statements of Uttara Bank Securities Ltd.	239
List of the Branches under different Zones	254
Map of Bangladesh showing the Branches-District wise	256
Disclosures on Risk Based Capital (Basel –III)	258
List of Branches Authorized to handle Foreign Exchange	276
List of Foreign Correspondents	278

# উত্তরা ব্যাংক লিমিটেড

রেজিস্টার্ড ও হেড অফিস

৪৭, শহীদ বীর উত্তম আশফাকুস সামাদ সড়ক

মতিঝিল বাণিজ্যিক এলাকা, ঢাকা-১০০০

## ৩৬তম বার্ষিক সাধারণ সভার নোটিশ

এই মর্মে নোটিশ দেয়া যাচ্ছে যে, উত্তরা ব্যাংক লিমিটেড এর ৩৬তম বার্ষিক সাধারণ সভা আগামী ১২ই জুন, ২০১৯ রোজ বুধবার সকাল ১১.০০ টায় ইন্টারন্যাশনাল কনভেনশন সিটি, বসুন্ধরা, রাজদর্শন (হল-৩) এবং সেমিনার হলের গ্রাউন্ড ফ্লোর (হল-৫), জোয়ারসাহারা, খিলক্ষেত, ঢাকা-১২২৯ এ অনুষ্ঠিত হবে এবং নিম্নবর্ণিত কাজসমূহ সম্পন্ন করা হবে :

- ২০১৮ সালের ২৪শে মে সকাল ১১.০০ টায় অনুষ্ঠিত ৩৫তম বার্ষিক সাধারণ সভার কার্যবিবরণী অনুমোদন।
- ২০১৮ সালের ৩১শে ডিসেম্বর পর্যন্ত সমাপ্ত বছরের চূড়ান্ত হিসাব এবং লাভক্ষতি হিসাবসহ পরিচালকমন্ডলী এবং নিরীক্ষকদের রিপোর্ট বিবেচনা ও গ্রহণ।
- ২০১৮ সালের ৩১শে ডিসেম্বর সমাপ্ত বছরের জন্য লভ্যাংশ ঘোষণা।
- পরিচালক নির্বাচন/ পুনর্নির্বাচন :  
বিগত ৩৩তম বার্ষিক সাধারণ সভা (AGM)-এ নির্বাচিত ২ (দুই) জন পরিচালক কর্তৃক রুজুকৃত মামলায় পরিচালনা পর্ষদ গঠনের বিষয়টি বিচারাধীন (sub judge) হওয়ায় পরিচালক পদে নির্বাচন/ পুনর্নির্বাচন মূলতবী হবে।
- স্বতন্ত্র পরিচালকের নিয়োগ/ পুনর্নিয়োগ অনুমোদন।
- ২০১৯ সালের জন্য (পরবর্তী বার্ষিক সাধারণ সভার সমাপ্তি পর্যন্ত) বহিঃনিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।
- ২০১৯ সালের জন্য Corporate Governance Code-2018 অনুসারে Compliance Auditor নিয়োগ ও তাঁর পারিশ্রমিক নির্ধারণ।
- সভাপতির অনুমতি সাপেক্ষে ন্যূনতম ৭ দিনের আগাম নোটিশে উল্লিখিত অন্যান্য জরুরী বিষয়সমূহ।

ব্যাংকের সম্মানিত শেয়ারহোল্ডারগণকে উক্ত সভায় যথাসময়ে উপস্থিত থাকার জন্য সর্বিনয় অনুরোধ জানানো যাচ্ছে।

তারিখঃ ২৬.০৫.২০১৯

পরিচালকমন্ডলীর আদেশক্রমে

ইফতেখার জামান

নির্বাহী মহাব্যবস্থাপক ও সচিব

### বিঃ দ্রঃ

- নির্ধারিত রেকর্ড ডেট (Record Date) ২০.০৫.২০১৯ইং।
- রেকর্ড ডেট (Record Date) এ কোম্পানির শেয়ার রেজিস্টারে অথবা ডিপোজিটরি (CDBL) রেজিস্টারে যে সকল সদস্যের (শেয়ারহোল্ডারের) নাম রেকর্ডভুক্ত থাকবে কেবল তাঁরাই বার্ষিক সাধারণ সভায় উপস্থিত হওয়া, ভোট প্রদান করা এবং লভ্যাংশ পাওয়ার যোগ্য বিবেচিত হবেন।
- যথাযথ স্ট্যাম্পকৃত প্রক্সি ফর্মসমূহ অবশ্যই সভার কমপক্ষে ৪৮ ঘণ্টা আগে অর্থাৎ ১০.০৬.২০১৯ তারিখ সকাল ১১.০০ টার মধ্যে ব্যাংকের রেজিস্টার অফিসে জমা দিতে হবে।
- সম্মানিত শেয়ারহোল্ডারদের হাজিরা খাতা সভার দিন সকাল ১১.০০ টা পর্যন্ত খোলা থাকবে।
- সম্মানিত পরিচালকদের প্রতিবেদন ও নিরীক্ষকদের আর্থিক প্রতিবেদন সম্বলিত ব্যাংকের বার্ষিক প্রতিবেদন সাধারণ সভা অনুষ্ঠিত হওয়ার পূর্বেই ব্যাংকের ওয়েবসাইটে ([www.uttarabank-bd.com](http://www.uttarabank-bd.com)) প্রদর্শিত হবে।
- যে সকল সম্মানিত বিও (BO) হিসাবধারী শেয়ারহোল্ডারগণ বিও (BO) একাউন্ট সংশ্লিষ্ট অফিসে এবং ফলিও রেকর্ডভুক্ত শেয়ারহোল্ডারগণ ব্যাংকের শেয়ার বিভাগে e-TIN নম্বর (১২ অংক বিশিষ্ট) ব্যাংকের রেকর্ড ডেট (Record Date) এর পূর্বেই হালনাগাদ করেছেন/ জমা দিয়েছেন কেবল তাঁদের একাউন্ট হতে কর আইন ধারা-৫৪, XXXVI, ১৯৮৪ অনুসারে ১০% হারে অন্যথায় ১৫% হারে (ব্যক্তি হিসাবের ক্ষেত্রে) প্রাপ্য লভ্যাংশ হতে কর কর্তন করা হবে।
- মার্চেন্ট ব্যাংক ও ডিপোজিটরি পার্টিসিপেন্টদের (DPs) অবগতির জন্য জানানো যাচ্ছে যে, রেকর্ড ডেট (Record Date) এ উল্লেখকৃত উত্তরা ব্যাংকের সম্মানিত শেয়ারহোল্ডারগণের নাম, বিও আইডি, ধারণকৃত শেয়ারের পরিমাণ ও প্রযোজ্য করের হার, মার্জিন লোনের পরিমাণ, ব্যাংক হিসাব নং, ব্যাংকের নাম, শাখার নাম, শাখার Routing Number এবং এতদ সংশ্লিষ্ট ব্যক্তির যোগাযোগের ঠিকানা ৩০/০৫/২০১৯ইং তারিখের মধ্যে উত্তরা ব্যাংক লিমিটেড-এর শেয়ার বিভাগে এক্সেল (Excel) ফরম্যাট-এ (softcopy ও hardcopy) প্রেরণ করার জন্য অনুরোধ জানানো যাচ্ছে। অন্যথায় প্রাপ্য লভ্যাংশ শেয়ারহোল্ডারগণের হিসাবে ক্রেডিট করা হবে।
- বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নির্দেশনা নং- এসইসি/সিএমআরআরসিডি/২০০৯-১৯৩/১৫৪ তারিখঃ ২৪.১০.২০১৩ অনুযায়ী কোম্পানির বার্ষিক সাধারণ সভায় যোগদানকারী সম্মানিত শেয়ারহোল্ডারগণকে কোন উপহার বা সুবিধাদি নগদ অর্থে বা অন্য কোন প্রকারে প্রদান করা যাবে না।



## CORPORATE INFORMATION

<b>Name of the Company</b>	:	<b>Uttara Bank Limited</b>
<b>Legal Form</b>	:	Uttara Bank Limited had been a nationalized bank in the name of Uttara Bank under the Bangladesh Bank (Nationalization) Order 1972, formerly known as the Eastern Banking Corporation Limited which started functioning on and from 28 January 1965. Consequent upon the amendment of Bangladesh Bank (Nationalization) Order 1972, the Uttara Bank was converted into Uttara Bank Limited as a public limited company in the year 1983. The Uttara Bank Limited was incorporated as a banking company on 29 June 1983 and obtained business commencement certificate on 21 August 1983. The Bank floated its shares in the year 1984. It has 235 branches all over Bangladesh through which it carries out all its banking activities. The Bank is listed in the Dhaka Stock Exchange Limited and the Chittagong Stock Exchange Limited as a listed company for trading of its shares.
<b>Registered Office</b>	:	47, Shahid Bir Uttam Asfaqus Samad Sarak (Former 90, Motijheel Commercial Area) Motijheel, Dhaka-1000, Bangladesh. GPO Box: 818 & 217
<b>Telephone</b>	:	PABX No. 9551162
<b>Tele-fax</b>	:	88-02-7168376, 88-02-9553081, 88-02-9560820 & 88-02-9568941
<b>Swift Code</b>	:	UTBLBDDH
<b>Email</b>	:	headoffice@uttarabank-bd.com, pa.md@uttarabank-bd.com, prd@uttarabank-bd.com, ublmis@uttarabank-bd.com
<b>Website</b>	:	www.uttarabank-bd.com
<b>Chairman</b>	:	Mr. Azharul Islam
<b>Vice Chairman</b>	:	Mr. Iftekharul Islam
<b>Managing Director &amp; CEO</b>	:	Mr. Mohammed Rabiul Hossain
<b>Company Secretary</b>	:	Mr. Iftekhar Zaman
<b>Chief Financial Officer (CFO)</b>	:	Mr. Md. Golam Mustafa, FCA      Date of Appointment: 15.11.2010
<b>Chief Information Technology Officer (CITO)</b>	:	Mr. Md. Rafiul Islam      Date of Appointment: 26.08.2008





# Highlights of 35<sup>th</sup> Annual General Meeting



*The Directors attending the 35<sup>th</sup> Annual General Meeting*



*Signature verification of the Shareholders*



*A view of the Shareholders attending the 35<sup>th</sup> Annual General Meeting*

## Board of Directors At A Meeting



*Mr. Azharul Islam, Honourable Chairman presiding over a meeting of the Board of Directors*



## BOARD OF DIRECTORS

Mr. Azharul Islam      Chairman  
Mr. Iftekharul Islam      Vice Chairman

---

Members	Mrs. Badrunnesa Sharmin Islam	Director
	Mr. Arif Rahman	Director
	Mr. Abul Barq Alvi	Director
	Dr. Md. Nazmul Karim Chowdhury	Independent Director
	Mr. Md. Kamal Akhtar	Independent Director
	Col. Engr. M. S. Kamal (Retd.)	Director
	Mr. Asif Rahman	Director
	Mr. Faruque Alamgir	Director
	Mr. Shaikh Abdul Aziz	Director
	Mr. Kazi Masudur Rageb	Director
	Professor Shibli Rubayat Ul Islam	Director
	Mr. Waliul Huq Khandker	Independent Director

---

Mr. Mohammed Rabiul Hossain	Managing Director & CEO
-----------------------------	-------------------------

---

Secretary	Mr. Iftekhar Zaman
-----------	--------------------

---





## EXECUTIVE COMMITTEE

Mr. Azharul Islam	Chairman
Mr. Iftekharul Islam	Vice Chairman
Mr. Abul Barq Alvi	Member
Col. Engr. M.S. Kamal (Retd.)	Member
Mr. Asif Rahman	Member
Mr. Md. Kamal Akhtar	Member
Mr. Mohammed Rabiul Hossain (Managing Director & CEO)	Member
<hr/>	
Mr. Iftekhar Zaman	Secretary

## AUDIT COMMITTEE

Dr. Md. Nazmul Karim Chowdhury	Chairman
Mr. Faruque Alamgir	Member
Mr. Shaikh Abdul Aziz	Member
Mr. Waliul Huq Khandker	Member
<hr/>	
Mr. Iftekhar Zaman	Secretary

## RISK MANAGEMENT COMMITTEE

Mr. Iftekharul Islam	Chairman
Col. Engr. M. S. Kamal (Retd)	Member
Mr. Faruque Alamgir	Member
Mr. Shaikh Abdul Aziz	Member
Mr. Mohammed Rabiul Hossain (Managing Director & CEO)	Member
<hr/>	
Mr. Iftekhar Zaman	Secretary

## AUDITORS

Shafiq Basak & Co.  
Chartered Accountants

M. J. Abedin & Co.  
Chartered Accountants

## Profiles of the Board of Directors



**Mr. Azharul Islam**  
Chairman

**Mr. Azharul Islam** is the Chairman of the Board of Directors of the Uttara Bank Limited. Revered by all his business acumen, Mr. Azharul Islam, a business tycoon of the country, was born on the 3<sup>rd</sup> November in 1948 and hails from a respectable Muslim family of Kishoregonj. He obtained his graduation and post-graduation degree from Dhaka University. He is also the Chairman of the Executive Committee of the Board of Directors of Uttara Bank Limited. An industrialist and a philanthropic personality, Mr. Azharul Islam is also the Founder and Executive Chairman of the Aftab Group of Industries. He is also a member in the General Body of Bangladesh Association of Banks (BAB). A prominent and reputed industrialist, Mr. Azharul Islam is involved in the business of Real Estate, Manufacturing, Construction and Infrastructure, Milk-Products, Agro Foods, Frozen Foods, Fisheries, Fertilizer & Chemicals, Textiles, Garments, Information Technology, etc.



**Mr. Iftekharul Islam**  
Vice Chairman

**Mr. Iftekharul Islam**, a prominent and promising industrialist of the country is the Vice Chairman of Uttara Bank Limited. He comes of a noble and respected Muslim family of Kishoregonj district. He was born on the 15<sup>th</sup> July in 1980. He is a commerce graduate. Mr. Iftekharul Islam is also the Chairman of Risk Management Committee and Vice Chairman of the Executive Committee of the Bank. Mr. Islam is the Chairman of UB Capital and Investment Limited and Uttara Bank Securities Limited. He is also a member in the General Body and the Executive Committee of Bangladesh Association of Banks (BAB).

Mr. Iftekharul Islam, one of the top check industrialists in Bangladesh, is the Chairman and Managing Director of Aftab Group of Industries. Mr. Iftekharul Islam involves in Textiles, Ready Made Garments, Food, Fertilizer & Pesticide, Industrial Pump Production, CNG Refueling & Conversion businesses which are the valued partner to economic development of Bangladesh. Mr. Islam operates his global businesses through his overseas offices located in different countries dealing with a wide range of innovative products and services and brand building.

Mr. Islam is the Managing Director of Aftab Global Foundation and AIMS Corporation Ltd.- philanthropic organizations and performing his responsibilities to the Nation.

## Profiles of the Board of Directors



**Mrs. Badrunnesa Sharmin Islam**  
Director

**Mrs. Badrunnesa Sharmin Islam** is a member of the Board of Directors of Uttara Bank Limited. She was born on the 27th October in 1954. She hails from a noble and respectable Muslim family of Sylhet District. She is also the Executive Vice Chairman of Aftab Group of Industries. She is a philanthropic personality as well as a social worker. She is involved in the business of Real Estate, manufacturing, construction & infrastructure, milk-products, agro foods, frozen foods/fisheries, fertilizer & chemicals, textiles, garments, Information Technology etc.



**Mr. Arif Rahman**  
Director

**Mr. Arif Rahman** was born on the 24<sup>th</sup> November in 1970 in Shariatpur district. He comes of a noble and respectable Muslim family. He has business experience of 19 years. He is a Director of M/s. Bengal Trade Ways Limited. Mr. Arif Rahman is also a social worker. He is a member of Gulshan Club and Banani Club.



**Mr. Abul Barq Alvi**  
Director

**Mr. Abul Barq Alvi** was born in a reputed Muslim family on the 2<sup>nd</sup> January, 1949 in Pabna District. He obtained B.A. (Hons) degree in Fine Art from the Dhaka University. He also obtained Post Graduate degree in Fine Art from Tsukuba University of Japan and completed research on this subject. He joined as a lecturer in the faculty of Fine Art of Dhaka University in 1972 and served as a Professor of the faculty of Fine Art of Dhaka University till his retirement. He has 47 years professional experience. He is gentle, amiable and polite in nature. He is a member of the Executive Committee of the Bank. A successful and kind hearted man, Mr. Alvi is involved in different social and cultural development activities.

## Profiles of the Board of Directors



**Dr. Md. Nazmul Karim Chowdhury**  
Independent Director

**Dr. Md. Nazmul Karim Chowdhury**, an Independent Director of the Bank, was born in a reputed Muslim family on 15<sup>th</sup> November, 1949 in Noakhali District. He obtained B.Com (Hons) degree in 1969 and M.Com (Management) degree in 1970 from Dhaka University. He obtained LLB degree from Central Law College of Dhaka University in 1972. He also obtained MBA degree from Leuven University of Belgium in 1980. Besides, he obtained Ph.D degree from Brussels University of Belgium in 1984. As a young professional, he is honored by the European Commission Headquarter, Brussels. Dr. Chowdhury is an internationally recognized educationist and professional intellectual. He is at the same time a teacher, writer, researcher, lawyer and an adviser. He was a lecturer of Management at Dhaka College during the period from 1972 to 1973. He was appointed as a faculty member in the Department of Management of Dhaka University in 1973. He was a professor of Management and Director of EMBA program of Dhaka University till 2016. Dr. Chowdhury served the Islamic Development Bank (IDB) Headquarter, Jeddah as International Professional and Director for more than ten years on lien from Dhaka University. He is also an honorary treasurer and life member of Asiatic Society, Bangladesh. Besides, he holds important posts of many Government and Non-Government organizations and educational institutions. He is also involved in many social welfare activities. He was appointed Independent Director of Uttara Bank Limited on 2014. He is also the Chairman of the Audit Committee of the Bank. He has 46 years of professional experience. In 2016, Dr. Chowdhury joined as Vice-Chancellor of Fareast International University, Dhaka, Bangladesh. He is gentle, amiable and polite in nature and possesses a good sense of humanity.



## Profiles of the Board of Directors



**Mr. Md. Kamal Akhtar**  
Independent Director

**Mr. Md. Kamal Akhtar**, an Independent Director of the Bank, was born on the 11<sup>th</sup> July in 1949 in a respectable Muslim family of Khulna. He has completed Masters in Commerce with honours in Accounting, MA in Economics & MBA from Institute of Business Administration (IBA), Dhaka University and later MS in Business Administration from University of Bath, England. He started his career in BFIDC under Ministry of Industry in 1973. As a dynamic person, he served in various organizations namely: Bangladesh Forest Industries Development Corporation (BFIDC), Bangladesh Institute of Management (BIM), Bangladesh Export Processing Zone Authority (BEPZA) etc. He also worked as Investment Promotion Expert and Consultant of Maxwell Stamp Limited- Bangladesh in a number of projects financed by the World Bank. He has participated in various training programs & seminars in many countries viz. Thailand, Sri Lanka, Hongkong, S.Korea, Japan and the UK. He has 37 years of professional experience. He has a significant contribution in the field of Investment Promotion and Business Development. He has a good number of publications to his credit mainly relating to labor law & industrial investment and policy. Mr. Akhtar was appointed Independent Director of Uttara Bank Limited on the 11th May, 2015. He is also a member of the Executive Committee of the Bank. He is a philanthropic personality and friendly in nature.



**Col. Engr. M. S. Kamal (Retd.)**  
Director

**Col. Engr. M. S. Kamal (Retd.)** comes of a respectable and noble family of Feni District. He was born on the 10<sup>th</sup> January in 1949. He is a B.Sc Engineer from Bangladesh University of Engineering & Technology (BUET). He served in the Electrical and Mechanical Engineer Corps of Bangladesh Army for 30 years. During his tenure of service in the army, he served as Chief Logistic Officer (CLO) in United Nations Iraq-Kuwait Observer Mission (UNIKOM) during the period from 1998-1999. He also served as Director Production and Quality Control of Sena Kalyan Sangsta (SKS) during the period 1997 – 1998. He was Deputy Director Production and Quality Control of Bangladesh Ordnance Factory (BOF) during 1989 – 1992. He attended course on Aircraft Maintenance/ Repair Course in USA in 1980. He also attended Course on Tank Maintenance/ repair course in China in 1984. Before his retirement from the Army, he served as Inspector, Electrical and Mechanical Engineer Corps Bangladesh Army. He retired from the Army in January 2002 as Colonel. Now he is working in a private organization as Executive Director.

## Profiles of the Board of Directors

He was appointed as Director of Uttara Bank Limited from 11 May 2014. He is a member of Executive Committee and Risk Management Committee of the Board of Directors of Uttara Bank Limited. He is a good sports man and captained Bangladesh University of Engineering & Technology (BUET) Cricket Team during the period from 1967-1969. He is a fellow of Institution of Engineers Bangladesh and also a member of Retired Armed Forces Officers Welfare Association (RAOWA).

He has visited numerous countries like USA, France, China, Kuwait, Saudi Arabia, UK, Hongkong, Singapore, Thailand, Vietnam, UAE, and Malaysia for participation in Training, International Trade Fair, Pre-shipment Inspection, business purpose and personal visit. Those helped him to be more professional, understanding business for the organization he is serving.



**Mr. Asif Rahman**  
Director

**Mr. Asif Rahman**, a rising and prominent business man, was born on the 12<sup>th</sup> January in 1977 in a respectable and noble family of Shariatpur District. He obtained Bachelor degree in Economics from Buckingham University, London and MBA from North South University, Bangladesh. He has 17 years business experience. He is also a member of the Executive Committee of the Board of Directors of Uttara Bank Limited. He is a Director of M/s. Bengal Trade Ways Ltd. and Chairman of CHB Building Technologies Ltd. and Proprietor of Bengal Sourcing Limited. Mr. Asif Rahman is a philanthropist and social activist as well. He is a member of Gulshan Club, Dhaka Club, Flying Club, Kurmitola Golf Club and Banani Club.



**Mr. Faruque Alamgir**  
Director

**Mr. Faruque Alamgir** was born on the 5<sup>th</sup> November in 1946 in a respectable Muslim family of Comilla. He obtained M.A degree from the University of Dhaka. He also did his LLB. He is a retired Govt. Officer. He has 37 years working experience in various responsibilities and capacities. He is a member of the Audit Committee and the Risk Management Committee of the Board of Directors of the Bank. He is a veteran social worker and is connected with Local and International Peace and Solidarity Organizations. He has travelled to many countries of Europe, South Asia and USA. He is a freelancer and a poet as well.

## Profiles of the Board of Directors



**Mr. Shaikh Abdul Aziz**  
Director

A veteran banker and a dynamic leader, **Mr. Shaikh Abdul Aziz** is an ardent promoter of the concept of sustainable development of banking business. As the Managing Director (MD) and Chief Executive Officer (CEO) of Uttara Bank Limited, Mr. Aziz has successfully improved the International business and ethical banking in Uttara Bank Limited (UBL) and transformed the Bank into the newest valuable financial brand in the country. Under his leadership Online Banking System has been introduced in the Uttara Bank Limited.

Mr. Shaikh Abdul Aziz comes of a noble and respectable Muslim family. He was born on the 10<sup>th</sup> May in 1951. He obtained M.Sc degree in Applied Chemistry from Dhaka University in 1974 (Exam held in 1976). He started his Banking career as Probationary Officer with Uttara Bank Limited (UBL) in 1977. After serving in the different departments/offices of the Uttara Bank Limited very successfully in the key positions for more than 39 years, Mr. Shaikh Abdul Aziz was appointed Managing Director and CEO of Uttara Bank Limited (UBL) in 2011.

An achiever throughout the banking career and widely travelled Mr. Shaikh Abdul Aziz attended different seminars/symposiums/workshops on banking both at home and abroad. He received training on “Strategic Leadership” from Said Business School, University of Oxford, UK; “Corporate Governance & Strategic Management” from University of California, Berkeley, USA and “Strategic Management” from INSEAD Business School, France. Most amiable in nature and formerly a reputed Banker, Mr. Shaikh Abdul Aziz became a Director of Uttara Bank Limited in October 2016. Mr. Aziz was also a Director of UB Capital and Investment Limited and Uttara Bank Securities Limited, subsidiaries of Uttara Bank Limited.



**Kazi Masudur Rageb**  
Director

**Kazi Masudur Rageb**, one of the Directors of Uttara Bank Limited was born on the 1st July 1970. He hails from a noble and respectable Muslim family of Dhaka District. He is a consultant of Sea Trade Fertilizer Limited. He was a Director of Poridhan Textile Limited and Alijan Jute Mills Limited. He has 31 years of diverse and extensive working experiences in the field of management, administration, procurement, sales and marketing and also in human resources management in multi-cultural and multi-national context. He has visited countries like India, Kingdom of Saudi Arabia, Thailand, Malaysia and Singapore. Mostly amiable in nature, Mr. Rageb is involved in many social and cultural activities.

## Profiles of the Board of Directors



**Professor Shibli Rubayat Ul Islam**  
Director

**Professor Shibli Rubayat Ul Islam** was born in a renowned Muslim family on the 1st day of January 1968 in Dhamrai, Dhaka. He is currently serving as the Dean of the Faculty of Business Studies (3rd time elected) and also as the Chairman of Sadharan Bima Corporation- the largest state owned insurance company.

Professor Shibli Rubayat has been in the field of Finance, Banking and Insurance education for more than 25 years. During this period Professor Shibli has played an active role in many Business, Chamber and Research related to Finance, Banking and Insurance field at home and abroad.

Author of 'E Banking and E-Commerce', 'Fundamentals of Insurance' book for the tertiary level and Finance and Banking text book for the secondary students published by the National Board, Professor Shibli has more than 16 research publications in his field and 5 international research papers. Recently he has been awarded as the 'Guest Professor' at Sichuan University in Chengdu, China and also awarded as the best research paper presenter at the BAKU international research conference. All through first class in his academic carrier, he also has research degrees, diploma and training in the field of Finance and Banking in UK, Australia and Japan. He is also the elected Senator and Syndicate member of University of Dhaka and taking care of the Switzerland Bangladesh Chamber of Commerce and Industry as the Secretary General. Member of many other academic and professional selection boards and engaged with many academic institutions-Prof. Shibli is also the elected General Secretary of Dhaka University Teachers Association (DUTA) and Federation of Bangladesh University Teachers Association (FBUTA).

A very widely traveled (more than 30 countries) man Prof. Shibli is married with 2 sons, his wife Shenin Rubayat is a faculty of English Department, Brac University and a TV news caster. His father Late Rafiqul Islam Khan was a reputed banker of his time and mother Hasina Mamtaz is a famous singer from the mid 60s and has contributed in the liberation war and is currently a social worker.



**Mr. Waliul Huq Khandker**  
Independent Director

**Mr. Waliul Huq Khandker**, an Independent Director of the Bank, was born on 15th September, 1946 in a respectable Muslim family. He has completed Honours degree in Biochemistry and Masters in the same subject from the Dhaka University. He joined Bangladesh Civil Service (BCS): Audit and Accounts Cadre in 1977 and retired as Deputy Comptroller & Auditor General (Senior) in 2004. He has lot of training in the field of Audit at home and abroad. He also has audited international organizations like UNITAR, ESCAP, UNHCR, and UN University and has got vast experience in modern auditing techniques. On completion of govt. service, he worked in a number of organizations. He has more than 30 years of professional experience with significant contribution in the field of Audit and Inspection. He wrote books on various topics and has a good number of publications in national dailies. Mr. Khandker was appointed Independent Director of Uttara Bank Limited on 11th November, 2018.



## Profiles of the Board of Directors



**Mr. Mohammed Rabiul Hossain**  
Managing Director & CEO

A financial services and banking professional, **Mr. Mohammed Rabiul Hossain** was born in a noble Muslim family on the 31<sup>st</sup> December, 1960 in Noakhali District. He has obtained M.Sc in Chemistry and MBA in Finance & Accounting. He also obtained “Advanced Certificate in Business Administration (ACBA)” degree jointly offered by IBA of Dhaka University and Association of Management Development Institution in South Asia (AMDISA). He has started his Banking career as Probationary Officer with Uttara Bank Limited in 1987. His hands-on approach has resulted in capturing numerous successes for expanding the business of the Bank. His charismatic leadership role helped him to adorn the post of Manager in different branches and Zonal Head in 03 (three) Zonal Offices of the Bank. While carrying out his duties as Manager and Zonal Head, he excelled in customer finance, new customer acquisition in various cultures and places. He was also In-charge of Bank’s Corporate Branch before joining at Head Office as Executive General Manager.

He was appointed Deputy Managing Director of Uttara Bank Limited in 2013 and also held the position of CAMLCO of the Bank. Moreover, he oversees the affairs of some strategic divisions/ departments like International Division, Internal Control & Compliance Division (ICCD), Business Promotion Department, Asset-Liabilities Management Department, Recovery Department and Treasury Division (Back Office) of the Bank. He has been serving the Bank for more than 29 years with his expertise, administrative capabilities, proactive decision making capabilities and delivering sound financial advice, providing exceptional customer service, and matching proper products and services to Banks client’s needs and goals. Due to his distinctive role playing and state of the art performance in the development of the bank, he was appointed as Managing Director and CEO in 2016.

His adequate foreign tours in countries like USA, UAE, Republic of Korea, Belgium, France, Germany, India, Indonesia, Malaysia, Myanmar, Singapore, Spain, Srilanka, Switzerland, the KSA, Thailand and Turkey for participation in training, workshop, seminars and for business and personal visit/ purpose has helped him to understand the banking business carried out in numerous cultures and diversities.

## Message from the Chairman



### Dear Shareholders,

It is indeed a great privilege for me to welcome you all in the the 36th Annual General Meeting of Uttara Bank Limited. I take this opportunity to express my sincere gratitude and heartfelt thanks for your trust and support. On behalf of the Board of Directors and from my own behalf, I have the pleasure to present the Annual Report of Uttara Bank Limited for the year 2018 before you.

Bangladesh economy continued to grow rapidly and achieved a record growth of 7.86 percent in FY18, over-performing the Government's FY18 growth target of 7.4 percent. The growth momentum was supported by strong domestic and external demand.

Agriculture sector contributed 14.2 percent of GDP and grew by 4.2 percent in FY 18, compared to 3.0 percent growth in FY 17, mainly supported by the growth of fishing, forest related services and animal farming sub-sector along with other sub-sectors.

Industry sector contributed 33.7 percent of GDP and grew by 12.1 percent in FY18, up from 10.2 percent in FY17. This growth was supported by strong growth of manufacturing and construction sub sectors.

In FY18, service sector grew by 6.4 percent, down from 6.7 percent growth in FY17. Private sector credit grew by 17.0 percent in FY18, in line with the targeted growth of 16.8 percent for FY18 and higher than the actual growth of 15.7 percent in FY17. Broad money (M2) recorded a lower growth of 9.2 percent in FY18 against the target growth of 13.3 percent and the 10.9 percent actual growth in FY 17.

In FY18, imports grew much faster than exports. Export grew by 6.4 percent while the growth of import payment was 25.2 percent. Remittance inflows increased by 17.3 percent at the end of FY18 compared with the negative growth of 14.5 percent in FY17. Gross international foreign exchange reserves stood at USD 32,943 million at the end of FY18, representing around 5 months of prospective imports, supported by a surplus in financial account and significant inflows of remittances. Annual average CPI inflation has consistently declined from its recent peak of 7.4 percent at the end of FY14 to 5.4 percent at the end of FY17 but increased afterwards reaching at 5.8 percent at the end of FY18.

Uttara Bank Limited is sincerely committed to creating shareholders' wealth constantly. The bank has the heritage of giving good dividend to the shareholders for the last many years. The bank is determined to follow this stable dividend policy depending on bank's earnings. Because of the Bank's good fundamentals and stable dividend policy, the investor reposed their trust on the bank. Despite facing growing challenges, the bank succeeded in maintaining double digit dividend for the year 2018.

At the end of the year Bank's Deposits and Loans & Advances stood at Tk.153,057.80 million and Tk. 118,789.74 million which is 3.06 percent and 12.85 percent respectively higher than that of the year end position of 2017. The Earning per Share (EPS) for the year 2018 was Tk. 4.30 which is considered praiseworthy as against the industry average at the moment. Capital to Risk Weighted Assets Ratio (CRAR) of the Bank stood at 12.49 percent against the regulatory requirement of 11.875 percent including conservation buffer.

Uttara Bank Limited under its Annual Expansion Plan, opened 2 (two) branches in 2018 and the total number of branches of the bank stood at 235 all over the country.

Uttara Bank Limited always extends its cooperation and generously comes forward whenever the nation faces any disastrous situation or natural calamity. Being a socially responsible corporate body, Uttara Bank Limited continued its CSR activities throughout the year. During the year 2018, bank spent an amount of Tk. 92.87 million covering as CSR which covers a vast area of disaster management, arts & culture, education, health and other under privileged sectors for overall betterment of the nation. During the year 2018, the bank contributed to Prime Minister's Relief and Welfare Fund, distribution of blankets to distressed & cold affected people in winter, financial assistance to martyred army officers family killed in BDR carnage, Bangladesh Chemical Congress 2018, Cure and Smile Bangladesh Foundation for establishing diagnostic centre and dialysis unit, Ministry of Cultural Affairs for executing some creative works alongwith others cultural activities, Child Day Care Centre for Private Banks at Motijheel and Economic Reporter's Forum for founding its own office premises.

I would like to express my gratitude to the Government of Bangladesh, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, the Stock Exchanges for their continued support and guidance. I would also like to express my thanks to all valued clients, patrons, well wisher, shareholders for their continued support and cooperation.

I also thank our Management and the members of the staff for their loyalty, support and relentless efforts for the bank's qualitative improvements.

Before I conclude, I would like to thank all of you again for your gracious presence and the keen interest you have shown in the bank.



**Azharul Islam**  
Chairman



## Message from the **Vice Chairman**

---



### **Respected Shareholders,**

I warmly welcome you to the 36th Annual General Meeting of Uttara Bank Limited. I would like to take this opportunity to express my heartfelt gratitude and sincere thanks for your trust and confidence upon us that we all by our concerted efforts will bring the bank to a greater height of prosperity. I humbly acknowledge your continued cooperation and support to achieve our goals.

The global economy continued to grow steadily in 2017, reaching 3.7 percent. However, the pace of growth was less than expected earlier. Growth in 2018 and 2019 is projected to remain at the level of 2017. Advanced economies grew by 2.3 percent in 2017 and are expected to grow by 2.4 percent in 2018 and 2.1 percent in 2019. Emerging markets and developing economies grew by 4.7 percent in 2017 and are expected to maintain their growth in 2018 and 2019 at the level of 2017 (World Economic Outlook, October 2018).

Bangladesh economy continued to grow rapidly and achieved a record growth of 7.86 percent in FY18, over-performing the Government's FY18 growth target of 7.4 percent. The growth momentum was supported by strong domestic and external demand. Agriculture sector contributed 14.2 percent of GDP and grew by 4.2 percent in FY 18, compared to 3.0 percent growth in FY 17, mainly supported by the growth of fishing, forest related services and animal farming sub-sector along with other sub-sectors.



Industry sector contributed 33.7 percent of GDP and grew by 12.1 percent in FY18, up from 10.2 percent in FY17. This growth was supported by strong growth of manufacturing and construction sub sectors. In FY18, service sector grew by 6.4 percent, down from 6.7 percent growth in FY17. Private sector credit grew by 17.0 percent in FY18, in line with the targeted growth of 16.8 percent for FY18 and higher than the actual growth of 15.7 percent in FY17. Broad money (M2) recorded a lower growth of 9.2 percent in FY18 against the target growth of 13.3 percent and the 10.9 percent actual growth in FY 17.

In FY18, imports grew much faster than exports. Export grew by 6.4 percent while the growth of import payment was 25.2 percent. Remittance inflows increased by 17.3 percent at the end of FY18 compared with the negative growth of 14.5 percent in FY17. Gross international foreign exchange reserves stood at USD 32,943 million at the end of FY18, representing around 5 months of prospective imports, supported by a surplus in financial account and significant inflows of remittances. Annual average CPI inflation has consistently declined from its recent peak of 7.4 percent at the end of FY14 to 5.4 percent at the end of FY17 but increased afterwards reaching at 5.8 percent at the end of FY18.

The Bangladesh economy experienced an impressive growth in FY18, aided by strong domestic and external demand, as reflected in the buoyant public and private investment and consumption, driven by higher exports, remittances and private sector credit growth.

At the end of the year Bank's Deposits and Loans & Advances stood at Tk.153,057.80 million and Tk. 118,789.74 million which is 3.06 percent and 12.85 percent respectively higher than that of the year end position of 2017. The Earning per Share (EPS) for the year 2018 was Tk. 4.30 which is considered praiseworthy as against the industry average at the moment.

Uttara Bank Limited always extends its cooperation and generously comes forward whenever the nation faces any disastrous situation or natural calamity. Being a socially responsible corporate body, Uttara Bank Limited continued its CSR activities throughout the year. During the year 2018, bank spent an amount of Tk. 92.87 million covering as CSR which covers a vast area of disaster management, arts & culture, education, health and other under privileged sectors for overall betterment of the nation. During the year 2018, the bank contributed to Prime Minister's Relief and Welfare Fund, distribution of blankets to distressed & cold affected people in winter, financial assistance to martyred army officers family killed in BDR carnage, Bangladesh Chemical Congress 2018, Cure and Smile Bangladesh Foundation for establishing diagnostic centre and dialysis unit, Ministry of Cultural Affairs for executing some creative works alongwith others cultural activities, Child Day Care Centre for Private Banks at Motijheel and Economic Reporter's Forum for founding its own office premises.

Lastly, I am grateful to our customers, shareholders and regulators especially Government of Bangladesh, Bangladesh Bank and Bangladesh Securities and Exchange Commission for their trust and confidence in our capability and thankful to members of the Board of Directors for their guidance and support. My sincere thanks to all the employees of Uttara Bank Limited for their hard work and commitment.

In conclusion, I would like to thank you all for your kind presence in the 36th Annual General Meeting of the bank.



**Iftekharul Islam**  
Vice Chairman



## Message from the **Managing Director & CEO**



I am pleased to have the opportunity to welcome you all at our Bank's 36th Annual General meeting to present the performance of our Bank for the year 2018. Uttara Bank Limited has passed another eventful year in terms of its development. At this august moment, I would like to express my heartfelt thanks and gratitude to our respectable shareholders, valued clients, distinguished patrons and well wishers whose cooperation and continuous support have helped us to achieve the steady growth.

Bangladesh economy continued to grow rapidly and achieved a record growth of 7.86 percent in FY18, over-performing the Government's FY18 growth target of 7.4 percent. The growth momentum was supported by strong domestic and external demand.

Private sector credit grew by 17.0 percent in FY18, in line with the targeted growth of 16.8 percent for FY18 and higher than the actual growth of 15.7 percent in FY17. In FY18, imports grew much faster than exports. Broad money (M2) recorded a lower growth of 9.2 percent in FY18 against the target growth of 13.3 percent and the 10.9 percent actual growth in FY 17. In FY18, imports grew much faster than exports. Export grew by 6.4 percent while the growth of import payment was 25.2 percent. Remittance inflows increased by 17.3 percent at the end of FY18 compared with the negative growth of 14.5 percent in FY17. Gross international foreign exchange reserves stood at USD 32,943 million at the end of FY18, representing around 5 months of prospective imports, supported by a surplus in financial account and significant inflows of remittances. Annual average CPI inflation has consistently declined from its recent peak of 7.4 percent at the end of FY14 to 5.4 percent at the end of FY17 but increased afterwards reaching at 5.8 percent at the end of FY18.

Despite numerous challenges we have produced impressive results in 2018. Our judicious ALM practice and effective balance sheet management helped us grow the core banking income (net interest income) by 30.98 percent while overall loans grew by 12.85 percent with a balanced share among corporate, retail and SME. Our efficiency in cost management has also been reflected in the reduction of cost to income ratio to 77.12 percent from around 81.02 percent. Operating profit increased by 38.20 percent while profit after tax reached to Tk. 1,719.31 million. During the year 2018, performance of import, export and foreign remittance business of the Bank was satisfactory. In 2018, import business stood at Tk. 56,244.46 million as compared to the volume of Tk. 48,440.30 million in 2017 which is increased at 16.11 percent, export business amounted to Tk. 16,483.05 million as against Tk. 11,590.70 million of the preceding year which is increased at 42.21 percent and foreign remittance stood at Tk. 38,227.22 million as compared to Tk. 37,988.60 million of 2017. which is increased at 0.63 percent. NPL, both in absolute and relative terms, decreased in 2018 and stood at 6.33 percent (2017: 6.75 percent) at year-end 2018 because of stringent evaluation and monitoring of lending portfolio and strong collection drive. Our position has also improved in the most important ratio.

The Bangladesh economy experienced an impressive growth in FY18, aided by strong domestic and external demand, as reflected in the buoyant public and private investment and consumption, driven by higher exports, remittances and private sector credit growth

In 2018, all out efforts were continued to progress in business aiming at improving the deposit mix, growing and diversifying the portfolio and maintaining a steady growth in profit. The deposit stood at Tk. 153,057.80 million as at the end of 2018 from Tk. 148,514.89 million of 2017 having growth of 3.06 percent. Loans and advances stood at Tk. 118,789.74 million as at the end of 2018 from Tk. 105,260.95 million in 2017 having growth of 12.85 percent. Profit after tax grew by Tk. 162.92 million having a growth of 10.47 percent of the preceding year.

In maintaining adequate capital against overall risk exposure of the bank, our guiding philosophy was to strengthen risk management and internal control. Uttara Bank Limited has been generating most of the incremental capital from retained profit (stock dividend, statutory reserve, general reserve, etc.) to support incremental growth of Risk Weighted Assets (RWA). Uttara Bank's regulatory capital as on 31 December 2018 stood at Tk. 13,752.70 million. At the end of 2018, Capital to Risk Weighted Assets Ratio (CRAR) was 12.49 percent against regulatory requirement of 11.875 percent including conservation buffer.

During the year 2018, the bank expanded its operation through opening 2 (two) branches at different places across the country. As a result, total number of branches of the bank as on 31.12.2018 stood at 235. Moreover, a number of branches were shifted to new premises in more suitable places and a large number of branches were furnished and modernized. More branches will be opened in 2019 to expand businesses following the guidelines of Bangladesh Bank.

The Bank has achieved AA (Very High Quality and Very Low Credit Risk) in long term and ST-2 (High Grade) in short term rated by the Emerging Credit Rating Limited (ECRL) The above entity rating has been done in consideration of Bank's visible improvement in fundamentals such as asset quality, capital adequacy, liquidity position, profitability and limited market share.

Like many other innovative banking services in the country, the bank has already introduced SMS banking and internet banking.

Small and Medium Enterprise (SME) plays an important role in the economy in terms of balanced and sustainable growth, employment generation and contribution to GDP. Uttara Bank Limited strongly believes that SME sector is one of the main driving forces of economic growth having huge potential of socio-economic development. The outstanding SME loans as on 31.12.2018 stood at Tk. 57,266.40 million which was 48.21 percent of total loans & advances of the bank. The bank is also considering to increase the SME portfolio to a remarkable extent position within next two/three years.



In line with Bangladesh Bank directives, Uttara Bank has been disbursing agricultural credit through its own branches and also using NGOs. The outstanding balance in this sector stood at Tk.2,805.52 million at the end of 2018.

Uttara Bank Limited always extends its cooperation and generously comes forward whenever the nation faces any disastrous situation or natural calamity. Being a socially responsible corporate body, Uttara Bank Limited continued its CSR activities throughout the year. During the year 2018, bank spent an amount of Tk. 92.87 million covering as CSR which covers a vast area of disaster management, arts & culture, education, health and other under privileged sectors for overall betterment of the nation. During the year 2018, the bank contributed to Prime Minister's Relief and Welfare Fund, distribution of blankets to distressed & cold affected people in winter, financial assistance to martyred army officers family killed in BDR carnage, Bangladesh Chemical Congress 2018, Cure and Smile Bangladesh Foundation for establishing diagnostic centre and dialysis unit, Ministry of Cultural Affairs for executing some creative works alongwith others cultural activities, Child Day Care Centre for Private Banks at Motijheel and Economic Reporter's Forum for founding its own office premises.

As part of Green Banking, Uttara Bank Limited is providing support to the activities that are not harmful to the environment and various measures have been adopted to ensure Green Banking. Among others, green financing, creating awareness among employees for efficient use of water, electricity and paper, use of renewable energy and use of energy saving bulbs are some of the instances. The outstanding balance in this sector stood at Tk.1,345.66 million at the end of 2018.

The savings of school going students can play a vital role in the economic development of our country. Bearing this in mind, Uttara Bank Limited introduced "School Banking" at all branches in order to build up awareness about banking among the school going students. So far the bank has been able to open 88,747 savings accounts and total deposited amount in those accounts as on 31.12.2018 was Tk.630.49 million.

Competent and quality work force is a pre-condition for continuous growth and success of a bank and the bank took the endeavours to keep improving the skills, knowledge and productivity of the employees. During the year the Training Institute of the bank arranged various courses, workshops and seminars on every aspects of banking on regular basis. To keep the employees motivated and retained incentives, promotion, etc. are given on regular basis. During the year 2018, the training Institute of the Bank arranged 33 different training courses and 01 workshop for the Executives and Officers of the Bank in which as many as 1,425 and 40 Executives and Officers participated respectively. At the same time 14 Executives and Officers of the Bank attended training courses/ workshops/ seminars conducted by BIBM, 16 Executives and Officers received training from Bangladesh Bank, 65 Executives and Officers received training from others and 46 Executives and Officers received training from abroad.

I would like to convey my sincere thanks and gratitude to the Government Agencies, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka and Chittagong Stock Exchanges Limited for their cooperation and support for the development of the bank.

I convey my gratitude to the Chairman, Vice Chairman and the members of Board of Directors of Uttara Bank Limited for their prudent guidance, support and cooperation in achieving bank's cherished goals.

Finally, thanks to my beloved colleagues for their efforts and dedications in achieving the inspiring results.



**Mohammed Rabiul Hossain**  
Managing Director & CEO



# Uttara Bank Limited

## Declaration by CEO and CFO

May 02 , 2019

The Board of Directors  
**Uttara Bank Limited**  
Head Office  
Dhaka

### Subject: Declaration on Financial Statements for the year ended on 31 December 2018

Dear Sir,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRC/2006-158/207/Admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Uttara Bank Limited for the year ended on 31 December 2018 have been prepared in compliance with International Accounting Standards(IAS) or International Financial Reporting Standards (IFRS) as applicable in Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgements related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed;
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

#### In this regard, we also certify that :-

- i. We have reviewed the financial statements for the year ended on 31 December 2018 and that to the best of our knowledge and belief;
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of Knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

  
**Mohammed Rabiul Hossain**  
Managing Director & CEO

  
**Md. Golam Mustafa, FCA**  
Chief Financial Officer (CFO)

## Report of the **Audit Committee**

In compliance with Bank Company Act 1991 (amended upto 2018), Bangladesh Bank guidelines/ Circulars and Bangladesh Securities and Exchange Commission (BSEC) Notification on Corporate Governance, the Audit Committee of the Board of Uttara Bank Limited has been functioning as a sub-committee of the Board of Directors. It has been assisting the Board in ensuring that financial statements reflect true and fair view of the state of affairs of the bank and in ensuring a good monitoring system within the bank business.

The principal functions of the Audit Committee, among others, are to oversee the financial reporting process, monitor internal control, risk management process and review the adequacy of internal audit function and regulatory compliance functions.

The particulars of the members of the Audit Committee as on 31 December 2018 are as follows:

SL No	Name of the Director	Designation	Status
1	Dr. Md. Nazmul Karim Chowdhury	Independent Director	Chairman
2	Mr. Faruque Alamgir	Director	Member
3	Mr. Shaikh Abdul Aziz	Director	Member
4	Mr. Waliul Huq Khandker	Independent Director	Member

The Company Secretary acts as the Secretary of the Audit Committee.

During the year 2018, the Audit Committee held 12 (twelve) meetings in which, among others, the following issues were taken up and disposed of:

1. The Committee reviewed the inspection reports of the different branches of the Bank conducted by the Bank's Internal Inspection Teams from time to time.
2. The Committee reviewed the Bank's Audit Plan for the year 2018
3. The Audit Committee reviewed the Compliance Reports on the overdue outstanding of the Bank.
4. The Audit Committee reviewed the compliance policy of the Bank and referred to the Board of Directors for final approval.
5. The Audit Committee approved the periodical report with regard to finding of irregularities, fraudulent activities detected by the Internal Auditor, the External Auditor and Bangladesh Bank and regularization thereof on quarterly basis and submitted the same to the Board of Directors for concurrence.
6. The Audit Committee reviewed the progress of removal of procedural irregularities detected by Bangladesh Bank during their inspection on different branch of the Bank on quarterly basis.
7. The Audit Committee reviewed Bangladesh Bank special inspection report and its compliance on some bank branches during the year 2018.
8. The minutes of Audit Committee meetings containing various suggestions and recommendations were placed to the Board for ratification.
9. The Committee took up the comprehensive inspection report of Bangladesh Bank and made recommendation thereagainst.

10. The Audit Committee reviewed the laws and regulations framed by the regulatory authorities (Bangladesh Bank and others) and internal regulations approved by the Board.
11. The Audit Committee examined the findings and recommendations made by the Internal Auditors and the External Auditors duly considered by the Management.
12. The Audit Committee reviewed the summary report on audit findings and corrective measures taken thereagainst.
13. The Committee reviewed and examined the annual Financial Statements of the Bank for the year 2018 and exchanged views with the Management and External Auditors on the issue.
14. The Committee reviewed the First Quarter (Q1), Half-Yearly (Q2) and Third Quarter (Q3) Financial Statements (Un-Audited) for the year 2018 before submission to the Board for approval in compliance with the BSEC's Corporate Governance Code of 2018.
15. The Audit Committee reviewed quarterly report on significant findings in Loan Documentation Check List (LDCL) for the year 2018.
16. Audit Committee ensured that the Board of Directors (BoD) has periodic review meeting with the Senior Management Team (SMT) to discuss the effectiveness of the Internal Control System and implementation as per recommendations of Internal and External Auditors and regulatory authorities.
17. The Committee reviewed the status of recovery of classified loans and instructed the Management to reduce the Non Performing Loans (NPLs).
18. The Committee ensured that the Bank became successful in building a strong and suitable compliance culture on the internal control system of the Bank and the staffs/ officers of the Bank were instructed clearly regarding their duties and responsibilities.
19. The Audit Committee recommended for appointment of External Auditors for the Bank.
20. The Audit Committee of the Bank ensured that the Management of the Bank complied with the recommendation of the Internal and the External Auditors of the Bank for building up Internal Control Technique/ Structure of the Bank.
21. The Audit Committee ensured that the complete and appropriate information was incorporated in the Annual Financial Report and the said Financial Report was prepared considering the Accounting Standard of the existing laws of the country and as per guidelines issued by Bangladesh Bank and other regulatory authorities/ bodies.
22. The Audit Committee reviewed the internal Audit activities and ensured that Audit activities are free from any interference of the Management.
23. The Audit Committee reported on its activities to the Board of Directors through placement of minutes of the Committee meetings.
24. The Audit Committee of the Bank regularly reported to the Board regarding regularization of the deficiencies, fraud-forges detected by the Internal and the External Auditors and the Inspectors of the regulatory authorities/ bodies.

On behalf of the Audit Committee



**Dr. Md. Nazmul Karim Chowdhury**  
Chairman of the Audit Committee



## Photo ALBUM



*Col. Engr. M.S. Kamal (Retd.) an Honourable Director of Uttara Bank Limited handing over a cheque of Taka 5.00 (Five) crore to Hon'ble Prime Minister Sheikh Hasina as donation to the "Prime Minister's Relief & welfare Fund".*



Senior Management



**From Left**

**Mr. Sultan Ahmed**

**Mr. Mohammed Mosharaf Hossain**

**Mr. Mohammed Rabiul Hossain**

**Mr. Maksudul Hasan**

**Mr. Md. Abdul Quddus**

Deputy Managing Director

Additional Managing Director

Managing Director & CEO

Deputy Managing Director

Deputy Managing Director



**From Left**

**Sitting**

- Mr. Sultan Ahmed** ♦ Deputy Managing Director
- Mr. Mohammed Mosharaf Hossain** ♦ Additional Managing Director
- Mr. Mohammed Rabiul Hossain** ♦ Managing Director & CEO
- Mr. Maksudul Hasan** ♦ Deputy Managing Director
- Mr. Md. Abdul Quddus** ♦ Deputy Managing Director

**Standing**

- Mr. Md. Golam Mustafa, FCA** ♦ Executive General Manager & CFO
- Mr. Md. Abul Hashem** ♦ Executive General Manager
- Mr. Md. Reaz Hasan** ♦ Executive General Manager
- Mr. Md. Ashraf-Uz-Zaman** ♦ Executive General Manager
- Mr. Md. Siddiqur Rahman** ♦ Executive General Manager
- Mr. Iftekhar Zaman** ♦ Executive General Manager

## Senior Management Team (SMT)

<b>Mr. Mohammed Rabiul Hossain</b>	◆ Managing Director & CEO
<b>Mr. Mohammed Mosharaf Hossain</b>	◆ Additional Managing Director
<b>Mr. Maksudul Hasan</b>	◆ Deputy Managing Director
<b>Mr. Sultan Ahmed</b>	◆ Deputy Managing Director
<b>Mr. Md. Abdul Quddus</b>	◆ Deputy Managing Director
<b>Mr. Md. Golam Mustafa, FCA</b>	◆ Executive General Manager & CFO
<b>Mr. Md. Reaz Hasan</b>	◆ Executive General Manager
<b>Mr. Iftekhar Zaman</b>	◆ Executive General Manager
<b>Mr. Md. Siddiqur Rahman</b>	◆ Executive General Manager
<b>Mr. Md. Abul Hashem</b>	◆ Executive General Manager
<b>Mr. Md. Ashraf-Uz-Zaman</b>	◆ Executive General Manager
<b>Mr. Md. Amin Uddin Bhuiyan</b>	◆ General Manager
<b>Mr. Md. Abdur Rouf</b>	◆ General Manager
<b>Mr. Khandaker Ali Samnoon</b>	◆ General Manager
<b>Mr. Md. Rafiul Islam</b>	◆ General Manager & CITO
<b>Mr. Md. Mahfuzur Rahman</b>	◆ General Manager
<b>Mrs. Marzina Khatun</b>	◆ General Manager
<b>Mr. Nitish Kumar Biswas</b>	◆ General Manager
<b>Mr. Saroj Kumar Kundu</b>	◆ General Manager
<b>Mr. Mohd. Khairul Alam</b>	◆ General Manager
<b>Mr. Hasan Mahmud</b>	◆ General Manager
<b>Mr. Sheikh Abul Hashem</b>	◆ General Manager
<b>Mr. Md. Fakhrul Islam</b>	◆ General Manager
<b>Mr. S.S.K.M. Aszad</b>	◆ General Manager
<b>Mr. Md. Rabiul Hasan</b>	◆ Deputy General Manager

## Risk Management Committee (RMC)

<b>Mr. Md. Golam Mustafa, FCA</b>	◆ Executive General Manager & CFO
<b>Mr. Md. Reaz Hasan</b>	◆ Executive General Manager
<b>Mr. Md. Siddiqur Rahman</b>	◆ Executive General Manager
<b>Mr. Md. Abul Hashem</b>	◆ Executive General Manager
<b>Mr. Md. Amin Uddin Bhuiyan</b>	◆ General Manager
<b>Mr. Khandaker Ali Samnoon</b>	◆ General Manager
<b>Mr. Md. Rafiul Islam</b>	◆ General Manager & CITO
<b>Mr. Md. Mahfuzur Rahman</b>	◆ General Manager
<b>Mr. Hasan Mahmud</b>	◆ General Manager
<b>Mr. Md. Fakhrul Islam</b>	◆ General Manager

## Asset Liability Committee (ALCO)

<b>Mr. Mohammed Rabiul Hossain</b>	◆ Managing Director & CEO
<b>Mr. Mohammed Mosharaf Hossain</b>	◆ Additional Managing Director
<b>Mr. Maksudul Hasan</b>	◆ Deputy Managing Director
<b>Mr. Sultan Ahmed</b>	◆ Deputy Managing Director
<b>Mr. Md. Abdul Quddus</b>	◆ Deputy Managing Director
<b>Mr. Md. Golam Mustafa, FCA</b>	◆ Executive General Manager & CFO
<b>Mr. Md. Abul Hashem</b>	◆ Executive General Manager
<b>Mr. Md. Amin Uddin Bhuiyan</b>	◆ General Manager
<b>Mr. Khandaker Ali Samnoon</b>	◆ General Manager
<b>Mr. Md. Fakhrul Islam</b>	◆ General Manager
<b>Mr. Salah Uddin</b>	◆ SPO & in charge of ALMD



## Some Activities of the Bank in 2018



*Uttara Bank Chairman Mr. Azharul Islam addressing its “Branch Managers’ Conference-2018” as the chief guest at the bank’s training institute auditorium in the city with Uttara Bank Managing Director & CEO Mohammed Rabiul Hossain in the chair.*



*Azharul Islam, Chairman of Uttara Bank Limited, speaks at an orientation programme for the bank’s new probationary officers at its training institute in Dhaka.*



## Some Activities of the Bank in 2018



*Azharul Islam, Chairman of Uttara Bank, launches “Uttara Bank Visa Credit Card” at its head office in Dhaka. Mohammed Rabiul Hossain, CEO, was present.*



*Iftekharul Islam, Vice Chairman of Uttara Bank, opens the bank's 234<sup>th</sup> branch “Ashulia Branch” at Ashulia in Savar. Mohammed Rabiul Hossain, CEO, was present.*



## Some Activities of the Bank in 2018



*Azharul Islam, Chairman of Uttara Bank, attends the bank's "First Zonal Heads' Conference-2018" at the bank's head office in Dhaka. Mohammed Rabiul Hossain, CEO, was present.*



*Uttara Bank Managing Director & CEO Mohammed Rabiul Hossain delivering his speech as the Chief Guest at its "Second Zonal Heads' Conference-2018" at the bank's head office in the capital.*



## Some Activities of the Bank in 2018



*Azharul Islam, Chairman of Uttara Bank, attends the bank's "Third Zonal Heads' Conference-2018" at the bank's head office in Dhaka. Mohammed Rabiul Hossain, CEO, was present.*



*Uttara Bank Managing Director & CEO Mohammed Rabiul Hossain speaks at the "4th Zonal Heads' Conference-2018" of the bank at its head office in the capital.*



## Some Activities of the Bank in 2018



Mohammed Rabiul Hossain, Managing Director of Uttara Bank, opens the bank's 235<sup>th</sup> branch - Bandarban Branch in Bandarban.



Uttara Bank Ltd. Managing Director & CEO Mohammed Rabiul Hossain addressing as the chief guest of the "Branch Managers' Conference-2018" held at its Auditorium, Shantinagar, Dhaka. Bank's other senior executives were also present.



## Some Activities of the Bank in 2018



Managing Director & CEO of Uttara Bank Ltd. Mohammed Rabiul Hossain inaugurating the new premises of its Chawk Bazar branch in Chattogram. Deputy Managing Director Mr. Sultan Ahmed & other officials were also present.



Uttara Bank Ltd. Managing Director & CEO Mohammed Rabiul Hossain inaugurating the new premises of UBL Nawabgonj branch in Dhaka.



## SOME ACTIVITIES OF THE **BANK IN 2018**



*Uttara Bank Managing Director & CEO Mohammed Rabiul Hossain is seen at a workshop on “Prevention of Money Laundering and Terrorist Financing” at Uttara Bank Auditorium in the capital.*



*Exhibition of Goods on the occasion of world women day by the SME women entrepreneurs with the financial collaboration from Uttara Bank at Shishu Academy premises in Dhaka.*



## Some Activities of the Bank in 2018



*Uttara Bank Managing Director & CEO Mohammed Rabiul Hossain is seen with the participants in the training programme on “RMG: Business Financing Risks, Threats and Mitigation” at the bank’s conference room, head-office, Dhaka.*



*An MOU is being signed between Bangladesh Ansar & VDP and Uttara Bank Ltd. to render security services to the bank at the bank’s Board Room, Head Office, Dhaka.*

## NAME OF THE SENIOR EXECUTIVES

### Managing Director & CEO

Mr. Mohammed Rabiul Hossain

### Additional Managing Director

Mr. Mohammed Mosharaf Hossain

### Deputy Managing Directors

Mr. Maksudul Hasan

Mr. Sultan Ahmed

Mr. Md. Abdul Quddus

### Executive General Managers

Mr. Md. Golam Mustafa, FCA

Mr. Md. Reaz Hasan

Mr. Iftekhar Zaman

Mr. Md. Siddiqur Rahman

Mr. Md. Abul Hashem

Mr. Md. Ashraf-Uz-Zaman

## GENERAL MANAGERS

Mr. Md. Amin Uddin Bhuiyan

Mr. Md. Abdur Rouf

Mr. Khandaker Ali Samnoon

Mr. Md. Rafiul Islam

Mr. Md. Mahfuzur Rahman

Mr. Tariqur Rahman

Mr. Md. Qudrat-E-Hayet Khan

Mr. Syed Saidur Rahman

Mrs. Marzina Khatun

Mr. Nitish Kumar Biswas

Mr. Saroj Kumar Kundu

Mr. Mohd. Khairul Alam

Mr. Hasan Mahmud

Mr. Sheikh Abul Hashem

Mr. Md. Fakhru Islam

Mr. S.S.K.M. Aszad

## DEPUTY GENERAL MANAGERS

Mr. Nurul Islam Pathan

Mr. Md. Ahsan Sarwar

Mr. Md. Nuruzzaman

Mr. Md. Idrish Ali

Mr. Md. Saroware Alam

Mr. Kabidas Mazumder

Mrs. Gita Rani Mondal

Mr. Md. Mahbubur Rahman

Mr. Kazi Rayhan Kabir

Mr. Md. Kamruz- Zaman

Mr. Humayun Alam Rumi

Mr. Md. Abul Hashem

Mr. Muhammad Khaled Bashar

Mr. Md. Mizanur Rahman

Mr. Md. Mahbubur Rahman

Mr. Md. Noore Alom Siddik

Mr. Md. Ibrahim Uddin

Mr. Md. Rakib-UI-Hasan

Mr. Md. Nurul Amin Sarker

Mr. Md. Abdul Khaleque Miah

Mr. Md. Rabiul Hasan

Mr. S.M. Reazur Rahman

Mr. Safiqul Islam

Mr. Md. Omar Faruque

Mr. Mohd. Rokonuzzaman

Mr. Md. Rezaul Karim

Mr. Md. Rafiqul Islam Khan

Mr. Md. Najmul Huda

Mr. Md. Shah Reza

Mr. Kazi Mofakkharul Islam

Mr. Md. Moksedur Rahman

Mr. J.M. Akhteruzzaman

Mr. Shymal Chandra Das

Mr. Md. Rezaul Karim

Mr. Md. Badrul Alam Chowdhury

Mr. Muazzam Hossain Ahmed

Mr. Md. Moajjem Hossen

Mr. Munir Uddin Faruk

Mr. A.T.M. Emrul Ahmed





# **DIRECTORS' REPORT**



সম্মানিত শেয়ারহোল্ডারবৃন্দ,

আসসালামু আলাইকুম।

পরিচালনা পর্ষদ উত্তরা ব্যাংক লিমিটেড এর ৩১শে ডিসেম্বর ২০১৮ তারিখে সমাপ্ত বছরের নিরীক্ষিত হিসাব ও ৩৬তম বার্ষিক প্রতিবেদন সম্মানিত শেয়ারহোল্ডারদের নিকট পেশ করতে পেরে খুবই আনন্দিত। এই প্রতিবেদনের সঙ্গে বিশ্ব অর্থনৈতিক প্রেক্ষাপট ও বাংলাদেশের অর্থনীতির গতিধারা সংক্ষিপ্ত পর্যালোচনা সংযোজিত হয়েছে। আলোচ্য বছরে তীব্র প্রতিযোগিতা সত্ত্বেও উত্তরা ব্যাংক লিমিটেড সন্তোষজনক প্রবৃদ্ধি অর্জনে সক্ষম হয়েছে।

## বিশ্ব অর্থনীতির গতিধারাঃ

বিশ্ব অর্থনীতির প্রবৃদ্ধি ২০১৭ সালে ধীরগতিতে ৩.৭ শতাংশ বৃদ্ধি পেয়েছে যা পূর্বের প্রত্যাশিত প্রবৃদ্ধির তুলনায় কম ছিল। ২০১৮ ও ২০১৯ সালে প্রত্যাশিত প্রবৃদ্ধি পূর্বের ন্যায় প্রত্যাশা করা হয়। ২০১৭ সালে উন্নত অর্থনীতির প্রবৃদ্ধি ২.৩ শতাংশ বৃদ্ধি পায় যা ২০১৮ সালের ২.৪ শতাংশ এবং ২০১৯ সালের ২.১ শতাংশ উন্নীত হওয়ার সম্ভাবনা রয়েছে। উদীয়মান বাজার এবং উন্নয়নশীল অর্থনীতির প্রবৃদ্ধি ২০১৭ সালে ৪.৭ শতাংশ ছিল যা ২০১৮ ও ২০১৯ সাল পর্যন্ত অব্যাহত থাকবে (World Economic Outlook, October 2018)।

২০১৮ সালের মার্কিন যুক্তরাষ্ট্রের প্রবৃদ্ধি উদ্দীপনার কারণে ২.৯ শতাংশ প্রত্যাশা করা হয় যা ২০১৭ সালে ছিল ২.২ শতাংশ। তবে চীন থেকে ২০০.০ বিলিয়ন মার্কিন ডলার মূল্যের আমদানীতে কর আরোপসহ সম্প্রতি ঘোষিত বানিজ্যিক পদক্ষেপের কারণে ২০১৯ সালে প্রবৃদ্ধির পূর্বাভাসটি ২.৫ শতাংশে সংশোধন করা হয়। যুক্তরাজ্যের প্রবৃদ্ধি ২০১৭ সালে ১.৭ শতাংশ থেকে ২০১৮ সালে ১.৪ শতাংশ এবং ২০১৯ সালে ১.৫ শতাংশ প্রত্যাশা করা হয়। ইউরো অঞ্চলের প্রবৃদ্ধি ২০১৭ সালে ২.৪ শতাংশ থেকে ২০১৮ সালে ২.০০ শতাংশ এবং ২০১৯ সালে ১.৯ শতাংশ অনুমান করা হয়। জাপানের প্রবৃদ্ধি ২০১৮ সালে ১.১ শতাংশ, ২০১৯ সালে ০.৯ শতাংশ এবং ২০১৭ সালে ১.৭ শতাংশ প্রত্যাশা করা হয়।

উদীয়মান বাজার এবং উন্নয়নশীল অর্থনীতির মধ্যে অনেক তেল রপ্তানীকারকদের তেলের উচ্চমূল্য বৃদ্ধির কারণে প্রবৃদ্ধি অর্জিত হয় সেখানে আর্জেন্টিনা, ব্রাজিল, ইরান এবং তুরস্কের প্রবৃদ্ধি নির্দিষ্ট উপাদান, ভূ-রাজনীতির চাপ এবং তেল আমদানীর পরিশোধের কারণে হ্রাস পায়। চীনের প্রবৃদ্ধি ২০১৮ সালে হ্রাস পেয়ে দাঁড়ায় ৬.৬ শতাংশ যা ২০১৯ সালে ৬.২ শতাংশ এবং ২০১৭ সালে ৬.৯ শতাংশ প্রত্যাশা করা হয় যা মূলতঃ মার্কিন যুক্তরাষ্ট্রের সম্প্রতি ঘোষিত বানিজ্যিক পদক্ষেপের কারণে। ভারতের অর্থনীতির প্রবৃদ্ধি

২০১৮ ও ২০১৯ সালে যথাক্রমে ৭.৩ শতাংশ এবং ৭.৪ শতাংশ অব্যাহত থাকবে যা ২০১৭ সালে ছিল ৬.৭ শতাংশ। ২০১৮ সালে আশিয়ান-৫ দেশের প্রবৃদ্ধি ৫.৩ শতাংশ প্রত্যাশা করা হয় যা ২০১৭ সালে অপরিবর্তিত ছিল পরবর্তীতে ২০১৯ সালে হ্রাস পেয়ে দাঁড়ায় ৫.২ শতাংশ।

২০১৭ সালে বিশ্ব বাণিজ্যের প্রবৃদ্ধি আকার (ভলিউম) ৫.২ শতাংশ থেকে হ্রাস পেয়ে ২০১৮ সালে ৪.২ শতাংশ এবং ২০১৯ সালে ৪.০ শতাংশ প্রত্যাশা করা হয়।

## বাংলাদেশের অর্থনীতির গতিধারাঃ

বাংলাদেশের অর্থনীতির দ্রুত বৃদ্ধি পাচ্ছে এবং ২০১৮ অর্থবছরে জিডিপি'র লক্ষ্যমাত্রা ৭.৪ শতাংশ উন্নীত করে ৭.৮৬ শতাংশে রেকর্ড পরিমাণ বৃদ্ধি পেয়েছে। প্রবৃদ্ধির গতি শক্তিশালী দেশীয় এবং বহিরাগত চাহিদার দ্বারা সমর্থিত ছিল।

জিডিপি'তে কৃষি খাতের অবদান শতকরা ১৪.২ ভাগ যা প্রধানত: মৎস্য, বন সম্পর্কিত সেবা এবং অন্যান্য উপখাতের সাথে পশুচাষ উপখাতের সহায়তার অর্থবছর ২০১৮ এ খাতের প্রবৃদ্ধি ৪.২ শতাংশ যা অর্থবছর ২০১৭ এ প্রবৃদ্ধি ছিল ৩.০ শতাংশ। জিডিপি'তে শিল্পখাতের অবদান ৩৩.০৭ শতাংশ বিশেষতঃ উৎপাদন এবং নির্মাণে উপখাতের শক্তিশালী প্রবৃদ্ধির কারণে ২০১৮ অর্থবছরে প্রবৃদ্ধি অর্থবছর ২০১৭ এর ১০.২ শতাংশ থেকে বৃদ্ধি পেয়ে ১২.১ শতাংশ দাঁড়ায়। সেবা খাত জিডিপি'তে সবচেয়ে বেশী অবদানকারী সত্ত্বেও ক্রমান্বয়ে হ্রাস পাচ্ছে। ২০১৮ অর্থবছরে জিডিপি'তে এ খাতের অবদান ৫২.১ শতাংশ যা ২০১৭ অর্থবছরে ছিল ৫২.৯ শতাংশ। ২০১৮ অর্থবছরে সেবা খাতের প্রবৃদ্ধি হ্রাস পেয়ে দাঁড়ায় ৬.৪ শতাংশ যা ২০১৭ অর্থবছরে ছিল ৬.৭ শতাংশ। সেবা খাতের দুটি প্রধান উপাদানের বৃদ্ধি শিক্ষা ও আর্থিক মধ্যস্থতাকারীর তীব্র হ্রাস পেয়েছে। বার্ষিক গড় সিপিআই মুদ্রাস্ফীতি ক্রমাগত অবনমিত হয়ে সাম্প্রতিক সর্বোচ্চ ৭.৪ শতাংশ যা ২০১৪ ও ২০১৭ অর্থবছরে ৫.৪ শতাংশ পরবর্তীতে ২০১৮ অর্থবছরে শেষে বৃদ্ধি পেয়ে দাঁড়ায় ৫.৮ শতাংশ। ২০১৮ অর্থবছরে সম্প্রসারিত মুদ্রার (M2) প্রবৃদ্ধি রেকর্ড সর্বনিম্ন দাঁড়ায় ৯.২ শতাংশ, নির্ধারিত ১৩.৩ শতাংশ যা ২০১৭ অর্থবছরে প্রকৃত প্রবৃদ্ধি ছিল ১০.৯ শতাংশ।

২০১৮ অর্থবছরে বেসরকারীখাতে ঋণের প্রবৃদ্ধি নির্ধারিত ১৬.৮ শতাংশ বৃদ্ধি পেয়ে ১৭.০ শতাংশ যা ২০১৭ অর্থবছরে প্রকৃত প্রবৃদ্ধি ছিল ১৫.৭ শতাংশ। ২০১৮ অর্থবছরে রপ্তানীর তুলনায় আমদানী

দ্রুত বৃদ্ধি পায় যেখানে রপ্তানী বৃদ্ধি ৬.৪ শতাংশ, আমদানী পরিশোধ ২৫.২ শতাংশ। ২০১৮ অর্থবছরে রেমিটেন্স প্রবাহ বৃদ্ধি পেয়ে দাঁড়ায় ১৭.৫ শতাংশ যা ২০১৭ অর্থবছরে ছিল নেতিবাচক প্রবৃদ্ধি ১৪.৫ শতাংশ। ২০১৮ অর্থবছরে উদ্বৃত্ত আর্থিক হিসাব ও উল্লেখযোগ্য রেমিটেন্স প্রবাহের কারণে বৈদেশিক মুদ্রার মোট রিজার্ভ ৩২,৯৪৩.০ মিলিয়ন মার্কিন ডলারে পৌঁছেছে যা সম্ভাব্য পাঁচ মাসের আমদানীর সমান।

পাবলিক ও ব্যক্তিগত বিনিয়োগ, খরচ, উচ্চতর রপ্তানী, রেমিটেন্স এবং বেসরকারী খাতের ঋণ বৃদ্ধির প্রতিফলন ও শক্তিশালী এবং বহিরাগত চাহিদার সহায়তায় ২০১৮ অর্থবছরে বাংলাদেশের অর্থনীতির চিত্তাকর্ষক অভিজ্ঞতা সমৃদ্ধ প্রবৃদ্ধি লাভ করেছে।

### ব্যাংকিং শিল্পের সম্ভাবনা :

বাংলাদেশ ব্যাংক দেশের উচ্চকাঙ্ক্ষিত প্রবৃদ্ধি এবং বাজার সহায়ক উন্নয়ন বিষয়সূচি সমর্থন করার জন্য বিভিন্ন উদ্যোগ গ্রহণ করেছে যা দীর্ঘমেয়াদী বিনিয়োগের জন্য সহায়ক। বাংলাদেশ ব্যাংক এসএমই (SME), কৃষি এবং সবুজ উদ্যোগে দীর্ঘমেয়াদী অর্থায়ন সুবিধা এবং সবুজ রূপান্তর তহবিল (জিটিএফ) এ মনোযোগ অব্যাহত রয়েছে। এই প্রকল্পগুলি অর্থায়ন ও প্রবৃদ্ধিকে অধিকতর টেকসই করবে। এছাড়াও বাংলাদেশের তরুণদের শ্রমশক্তি, উন্নততর কর্মকাণ্ডে উন্নতির ইঞ্জিনগুলির প্রয়োজন হবে দেশীয় চাহিদা মেটানোর এবং চাকুরী তৈরীর জন্য উৎপাদনশীল নেতৃত্বাধীন রপ্তানীখাত এবং উৎপাদিত কার্যক্রম। তাছাড়াও বাংলাদেশ ব্যাংক অগ্রাধিকার খাতে (কৃষি উৎপাদন, এসএমই) ঋণ প্রবাহ নিশ্চিত করণের মাধ্যমে অধিকতর পরিবেশ বান্ধব কর্মসংস্থান সৃষ্টি হবে সে বিষয়ে নিবিড় তত্ত্বাবধান অব্যাহত রাখবে।

বাংলাদেশের সামষ্টিক অর্থনৈতিক স্থিতিশীলতা, অভ্যন্তরীণ ও বহিরাগত দ্বন্দ্ব সত্ত্বেও সামগ্রিকভাবে স্থিতিশীল রয়েছে। যা হোক, ২০৩০ সাল নাগাদ বাংলাদেশকে জ্ঞানভিত্তিক উচ্চমধ্যম আয়ের দেশ হিসাবে গড়ে তোলার উচ্চকাঙ্ক্ষিত লক্ষ্য এবং ২০৪১ সালের মধ্যে উন্নতদেশে উন্নীতকরণের জন্য উন্নততর সংস্কারের প্রয়োজন হবে যা বাংলাদেশকে ক্রমবর্ধমান জটিল বিশ্ব অর্থনীতির সাথে একিভূত করবে।

### উত্তরা ব্যাংক লিমিটেড

উত্তরা ব্যাংক লিমিটেড প্রথম প্রজন্মের বেসরকারী খাতের প্রথম সারির বাণিজ্যিক ব্যাংক। বর্তমানে ২৩৫ টি শাখার মাধ্যমে দেশব্যাপী উন্নত সেবা প্রদান করে দেশের ব্যাংকিং ক্ষেত্রে বলিষ্ঠ ভূমিকা রাখছে। ব্যাংকের ব্যবস্থাপনা গঠিত হয়েছে অভিজ্ঞ ব্যাংকারদের সমন্বয়ে যাদের রয়েছে বিভিন্ন পর্যায়ে কাজ করার অভিজ্ঞতা।

### উত্তরা ব্যাংক লিমিটেড এর কর্মধারা

সন্তোষজনক অগ্রগতির ধারা বজায় রেখে উত্তরা ব্যাংক সকল ব্যবসায়িক লক্ষ্য পূরণসহ সফলভাবে অধিক মুনাফা অর্জন করেছে। আমানত সংগ্রহ, ঋণ ও অগ্রিম প্রদান, আমদানি ও রপ্তানি ব্যবসা,

রেমিটেন্স ব্যবসা এবং মুনাফা অর্জনের ক্ষেত্রে শক্ত ভিত স্থাপনের মাধ্যমে উত্তরা ব্যাংকের কার্যক্রম গ্রাহকদের আস্থা অর্জন করেছে। যার ফলে ব্যাংক আলোচ্য বছরে কর পরবর্তী সুখম মুনাফা প্রবৃদ্ধি অর্জন করেছে।

### ব্যাংকের আর্থিক ফলাফল

চলমান প্রবৃদ্ধি ধরে রাখতে উত্তরা ব্যাংক ব্যবস্থাপনা সর্বদাই তারল্য ব্যবস্থাপনা মুনাফা অর্জনও এর সাথে সমন্বয় সাধন করে আসছে। সম্পদের পরিমাণ বৃদ্ধির পাশাপাশি গুণগতমান বৃদ্ধির উপরও ব্যবস্থাপনা দৃষ্টি দিচ্ছে। ব্যাংক পরিচালনায় দক্ষ ব্যবস্থাপনা ও শক্তিশালী গ্রাহক ভিত্তি থাকায় আমাদের আর্থিক সূচকগুলো বছর প্রতি উন্নতির দিক নির্দেশ করেছে। ব্যাংকের আর্থিক ফলাফলসমূহ নিম্নরূপঃ

### সম্পদ

৩১ ডিসেম্বর ২০১৮ তারিখে ব্যাংকের মোট সম্পদের পরিমাণ ছিল ১৯,০০২.৯৯ কোটি টাকা যা পূর্ববর্তী বছরে ছিল ১৭,৮৮৭.৯৬ কোটি টাকা। এক্ষেত্রে প্রবৃদ্ধির হার ৬.২৩ শতাংশ। গ্রাহকের আমানত বৃদ্ধিই ব্যাংকের সম্পদ বৃদ্ধির মূল কারণ যা গ্রাহকদেরকে ঋণ প্রদান ও সিকিউরিটিজ ধারণ করার জন্য ব্যবহার করা হয়। ঋণ ও অগ্রিম বৃদ্ধির কারণে সম্পদের এই বৃদ্ধি হয়েছে।

### নগদ তহবিল

২০১৮ সালে নগদ তহবিল দাঁড়িয়েছে ৩১৩.৬৬ কোটি টাকা যা পূর্ববর্তী বছরে ছিল ২৭০.০৫ কোটি টাকা।

### বাংলাদেশ ব্যাংক ও তাঁর এজেন্টদের সাথে রক্ষিত স্থিতি

২০১৮ সাল শেষে বাংলাদেশ ব্যাংক ও তার এজেন্টদের কাছে গচ্ছিত নগদ স্থিতি দাঁড়িয়েছে ১,০৪২.৫২ কোটি টাকা।

### অন্যান্য ব্যাংক ও আর্থিক প্রতিষ্ঠানের সাথে রক্ষিত স্থিতি

২০১৮ সাল শেষে অন্যান্য ব্যাংক ও আর্থিক প্রতিষ্ঠানের কাছে গচ্ছিত নগদ স্থিতির পরিমাণ দাঁড়িয়েছে ১,৬৭৬.০৩ কোটি টাকা যা পূর্ববর্তী বছরে ছিল ১,৪৪৪.৪৪ কোটি টাকা।

### বিনিয়োগ

ব্যাংক সর্বদা উচ্চ মুনাফাসম্পন্ন খাতে বিনিয়োগ এবং বাংলাদেশ ব্যাংক কর্তৃক নির্ধারিত যুগপৎ বিধিবদ্ধ তারল্য অনুপাত বজায় রাখার উপর অধিকতর গুরুত্ব আরোপ করে। উত্তরা ব্যাংক লিমিটেড সরকারী সিকিউরিটিজের প্রাইমারী ডিলার। প্রাইমারী ডিলার হিসাবে Underwriting Commitment রক্ষার্থে নিলামে অবিক্রিত বন্ড/বিল ক্রয় করতে হয়। এছাড়াও ব্যাংকের বিনিয়োগ কার্যক্রমের মধ্যে ছিল “ বাধ্যতামূলক তারল্য সংরক্ষণ” যা মূলতঃ বিভিন্ন মেয়াদী সরকারী ট্রেজারী বন্ড ও ট্রেজারী বিল, প্রাইজ বন্ড এবং সরকার অনুমোদিত ডিবেঞ্চর ও আইসিবি শেয়ার। আলোচ্য বছরে ব্যাংকের মোট বিনিয়োগের পরিমাণ দাঁড়ায় ২,৮৬৬.৯৩ কোটি টাকা যা বিগত বছরে ছিল ৩,২৬০.৩৯ কোটি টাকা।



**৩১ ডিসেম্বর ২০১৮ তারিখে খাত ভিত্তিক বিনিয়োগের বিবরণ  
নিম্নে বর্ণিত হলো:**

বিনিয়োগের খাতসমূহ	(কোটি টাকায়)
ট্রেজারী বিল ও বন্ড	২,১৬৬.৪৯
আই সি বি (অনুমোদিত) শেয়ার ও ডিবেঞ্চর	০.৬৬
প্রাইজবন্ড	০.৮১
সাবর্ডিনেটেড বন্ড	৫৯১.০০
কমার্শিয়াল পেপার	৭৫.০০
ইস্টার্ন ব্যাংক লিঃ	১০.৪০
আইসিবি	১৯.৯৪
কর্মসংস্থান ব্যাংক	১.০০
সিডিবিএল	০.১৬
অন্যান্য	১.৪৭
<b>মোট</b>	<b>২,৮৬৬.৯৩</b>

**ঋণ ও অগ্রিম**

নতুন শিল্প প্রকল্পে অর্থায়ন, চলতি মূলধন, ব্যবসায় অর্থায়ন ও বৈদেশিক বাণিজ্য এবং অন্যান্য খাতে অর্থায়নের জন্য ব্যাংক বিভিন্ন ঋণ কার্যক্রমে অংশগ্রহণ অব্যাহত রেখেছে। পোর্টফলিও সুসংহত ও বহুমুখীকরণের মাধ্যমে বিশেষ শ্রেণীর ঋণগ্রহীতার মধ্যে ঋণ প্রদান কার্যক্রম কেন্দ্রীভূত না রেখে বহুমুখী খাতসমূহে নতুন সম্ভাবনাময় শিল্প উদ্যোক্তা বা উদ্যোগী ব্যবসায়ীকে ঋণ প্রদানের চেষ্টা অব্যাহত রাখা হয়েছে। ঋণ ও অগ্রিম প্রদানের ক্ষেত্রে উত্তরা ব্যাংক লিমিটেড ২০১৮ সালে ১২.৮৫ শতাংশ অগ্রগতি সাধন করেছে। ২০১৮ সালের ডিসেম্বরে ঋণ ও অগ্রিমের পরিমাণ দাঁড়িয়েছে ১১,৮৭৮.৯৭ কোটি টাকা, যা ২০১৭ সালে ছিল ১০,৫২৬.০৯ কোটি টাকা। আলোচ্য বছরে শাখা প্রতি গড় ঋণের পরিমাণ ছিল ৫০.৫৯ কোটি টাকা। খাত ভিত্তিক সুসম ঋণের বন্টনের মাধ্যমে ব্যাংক তার পোর্টফলিও সুসংহত করেছে।

**কৃষি ঋণ**

কৃষি আমাদের সমগ্র অর্থনৈতিক উন্নতির মূল চাবিকাঠি। দেশের কৃষিজ পণ্যের উৎপাদন বৃদ্ধি এবং বিপুল গ্রামীণ জনগোষ্ঠীর কর্মসংস্থানের সুযোগ সৃষ্টির মাধ্যমে তাদের আয় বৃদ্ধির লক্ষ্যে উত্তরা ব্যাংক লিমিটেড বিভিন্ন প্রকার কৃষি/পল্লী ঋণ কার্যক্রম অব্যাহত রেখেছে। উত্তরা ব্যাংক লিমিটেড বর্তমানে প্রায় সকল শাখার মাধ্যমে অত্যন্ত সহজ শর্তে স্বচ্ছ প্রক্রিয়ায় কৃষকদের সরাসরি কৃষিঋণ বিতরণ করছে। এক্ষেত্রে ভূমিহীন প্রান্তিকচাষী, বর্গাচাষী এবং কৃষিকাজে অগ্রহী নারী ও পুরুষ সকলে কৃষিঋণ পাওয়ার যোগ্য বলে বিবেচিত

হয়। কৃষি ঋণের খাতসমূহ হলো ফসলী ঋণ, সেচ যন্ত্রপাতি, কৃষি যন্ত্রপাতি, পশুসম্পদ, মৎস্য চাষ (চিংড়িসহ), শস্যগুদাম, দারিদ্র্য বিমোচন ও অন্যান্য। আলোচ্য বছরে শেষে কৃষি খাতে বিতরণকৃত ঋণের স্থিতি দাঁড়িয়েছে ২৮০.৫৫ কোটি টাকা যা বিগত বছরে ছিল ২১৯.৫০ কোটি টাকা।

**এসএমই (SME) অর্থায়ন**

সব ধরনের অর্থনীতিতে বিশেষভাবে উন্নয়নশীল দেশের অর্থনীতিতে এসএমই খুবই গুরুত্বপূর্ণ ও উল্লেখযোগ্য অবদান রাখে। এসএমই খাতে বিনিয়োগ ব্যাংকের পোর্টফোলিও ঝুঁকি কমিয়ে আনতে ব্যাপকভাবে সাহায্য করে। ক্ষুদ্র ও মাঝারী শিল্পদ্যোগে (SME) অর্থায়ন উন্নয়নশীল দেশে অর্থনৈতিক উন্নয়নে অন্যতম চালিকাশক্তি। উত্তরা ব্যাংক লিমিটেড বাংলাদেশ ব্যাংকের বিধিবিধান/দিক নির্দেশনা মেনে ক্ষুদ্র ও মাঝারী শিল্পদ্যোগে অর্থায়ন এবং ভোক্তা অর্থায়ন এর ওপর জোর প্রদান করে চলেছে। ব্যাংকের কৌশল হচ্ছে এসএমই (SME) এর আওতাভুক্ত বিভিন্ন ক্ষুদ্র ও মাঝারী পর্যায়ের উৎপাদনকারী, ব্যবসায়ী এবং সেবা প্রদানকারীকে চলতি মূলধন ঋণ এবং মেয়াদী ঋণ দিয়ে সাহায্য করা।

২০১৮ সালে ব্যাংক এসএমই সেক্টরে ৩,৩১৬.০৭ কোটি টাকা বিতরণ করেছে তন্মধ্যে ক্ষুদ্র ব্যবসা ঋণ ছিল ১,৮২৮.২৭ কোটি টাকা এবং মাঝারী ব্যবসা ঋণ ছিল ১,৪৮৭.৮০ কোটি টাকা। আলোচ্য বছর শেষে উক্ত সেক্টরে স্থিতি দাঁড়িয়েছে ৫,৭২৬.৬৪ কোটি টাকা। ক্রেডিট পোর্টফোলিও বহুমুখীকরণ করার পাশাপাশি ঋণ ঝুঁকি হ্রাস করার লক্ষ্যে এখন এসএমই সেক্টরে ঋণ প্রদানকে গুরুত্ব দেয়া হচ্ছে।

**ভোক্তা ও ব্যক্তিগত ঋণ প্রকল্প**

৩১ ডিসেম্বর ২০১৮ সালে “উত্তরণ-কনজুমার ঋণ” এবং “উত্তরণ-গৃহ সংস্কার ঋণ” নামে ২ টি প্রকল্পের স্থিতি ছিল যথাক্রমে ২৮.৯৭ কোটি এবং ৬৪৪.২৯ কোটি টাকা এবং উক্তখাতে ঋণের আদায়ের হার সন্তোষজনক। এছাড়াও নিম্ন ও মধ্যবিত্ত আয়ের লোকজনের প্রয়োজন মিটানোর লক্ষ্যে “ব্যক্তিগত ঋণ” প্রকল্প নামক একটি স্কীম চালু রয়েছে। ২০১৮ সালে উক্ত খাতে স্থিতি দাঁড়িয়েছে ০.০৩ কোটি টাকা।

**দারিদ্র্য বিমোচন খাতে অর্থায়ন**

ব্যাংক বিভিন্ন শাখার মাধ্যমে উদ্যমী ক্ষুদ্র উদ্যোক্তাদের মাঝে অগ্রাধিকার খাত ভিত্তিক বাণিজ্যিক ঋণ প্রদানের কর্মসূচী অব্যাহত রেখেছে। এ উদ্দেশ্যে বিত্তহীন জনগোষ্ঠীর কর্মসংস্থানের সুযোগ সৃষ্টি এবং তাদের দারিদ্র্য বিমোচনের লক্ষ্যে ব্যাংক হাঁস মুরগী পালন এবং মৎস্য ও পশুপালন খাতে ঋণ প্রদান করে আসছে। উক্ত খাতে ৩১ ডিসেম্বর ২০১৮ সালে স্থিতি ছিল ১২.৮৩ কোটি টাকা।





## নারী স্বনির্ভর ঋণ প্রকল্পে অর্থায়ন

উত্তরা ব্যাংক বিশ্বাস করে শুধুমাত্র অর্থনৈতিক মুক্তির মাধ্যমে নারীর সত্যিকারের ক্ষমতায়ন সম্ভব। ব্যবসা পরিচালনায় মহিলাদের উৎসাহিত করার লক্ষ্যে “নারী স্বনির্ভর ঋণ প্রকল্প” নামক একটি স্কিমের আওতায় নারী উদ্যোক্তাদের মাঝে ক্ষুদ্র ও কুটির শিল্পে ব্যাংক অর্থায়ন করছে। ২০১৮ সালে উক্ত খাতের স্থিতির পরিমাণ ছিল ৬.৭৪ কোটি টাকা।

## সিডিকেটেড অর্থায়ন

সিডিকেশনের মাধ্যমে বড় আকারের ঋণ অর্থায়ন করা হয় এবং ঋণের ঝুঁকি একাধিক ব্যাংকের মধ্যে ছড়িয়ে দেওয়া হয়। এর মাধ্যমে ঋণ গ্রাহকগণ সহজেই বড় আকারের ঋণ সংগ্রহের সুযোগ পায় এবং এক প্রস্থ দলিল সম্পাদন করলেই চলে কিন্তু এর জন্য ঋণ গ্রহীতাকে একাধিক প্রতিষ্ঠানের দ্বারস্থ হতে হয় না। ২০১৮ সালে উক্ত খাতে উত্তরা ব্যাংকের স্থিতি দাঁড়িয়েছে ৩৬.০৪ কোটি টাকা। উত্তরা ব্যাংক সিডিকেট অর্থায়নে অংশগ্রহণকারী হিসাবে কাজ করছে।

## কর্পোরেট অর্থায়ন

বড় এবং মাঝারী ধরনের কর্পোরেট ব্যবসাগুলোর জন্য ব্যাংকের রয়েছে বিস্তৃত সেবা। কর্পোরেট গ্রাহকের ব্যবসায়িক পরিবেশ, অর্থনৈতিক প্রয়োজনীয়তা এবং প্রবৃদ্ধির অভ্যন্তরীণ কৌশলের উপর ভিত্তি করে বিদ্যমান সম্পর্ক বজায় রেখে তাদেরকে অর্থায়ন সাহায্য প্রদান করা হয়। ব্যাংক নিজস্ব অর্থায়ন অথবা সিডিকেটেড/ক্লাব অর্থায়নের মাধ্যমে কর্পোরেট গ্রাহকদের আর্থিক সুবিধা প্রদান করে থাকে। ব্যাংকের কর্পোরেট বিনিয়োগ, দীর্ঘ মেয়াদী পরিকল্পনা এবং আর্থ-সামাজিক অবস্থা বিবেচনায় বিভিন্ন ধরনের ব্যবসায়/শিল্পে খাতওয়ারী সুসম বন্টনের মাধ্যমে সুবিন্যস্ত।

## লিজ ফাইন্যান্স

শিল্প উদ্যোক্তাদের মূলধন যন্ত্রপাতি, চিকিৎসা সরঞ্জাম, কম্পিউটার এবং অন্যান্য সামগ্রী সংগ্রহে সহযোগিতা ও উৎসাহ দিতে এই প্রকল্পটি প্রণয়ন করা হয়েছে। ঋণ সম্প্রসারণের লক্ষ্যে উত্তরা ব্যাংকে লিজ ফাইন্যান্সিং সেবা চালু রয়েছে। আলোচ্য বছরে উক্ত ঋণ হিসাবে স্থিতি দাঁড়িয়েছে ২১.৬৫ কোটি টাকা।

এছাড়াও ব্যাংক যে সকল ক্ষেত্রে তার ব্যবসা সম্প্রসারণ করেছে সেগুলো প্রধানত আমদানি ও রপ্তানী, বানিজ্যিক প্রতিষ্ঠান, স্টীল রি-রোলিং কারখানা, তৈরী পোশাক শিল্প, টেক্সটাইল, ভোজ্য তেল, সিমেন্ট কারখানা ইত্যাদি।

## মন্দ ঋণ ব্যবস্থাপনা

ঋণের গুণগতমান বজায় রাখা ও তা উন্নয়নের লক্ষ্যে ঋণ পর্যবেক্ষণ একটি চলমান প্রক্রিয়া। সম্পদের উচ্চমান বজায় রাখার জন্য ব্যাংক সদা সচেষ্ট রয়েছে। ব্যাংকের গ্রাহকদের সন্তোষজনক ব্যবসায়িক লেনদেন ও সহ-জামানতের উপর গুরুত্ব আরোপের পাশাপাশি প্রদত্ত ঋণের গুণগতমান উন্নত রাখা এবং ঋণ শ্রেণীকৃত হওয়ার প্রবণতা

হ্রাস করার জন্য ঋণ তদারকি বিভাগের কার্যক্রম জোরদার করা হয়েছে। ব্যাংকিং সেক্টরে অস্থিরতার ফলে ২০১৮ সালে ব্যাংকের মন্দ ঋণের পরিমাণ দাঁড়িয়েছে ৭৫১.৮৯ কোটি টাকা যা ২০১৭ সালে ছিল ৭১০.৪৬ কোটি টাকা।

## দায়সমূহ

৩১ ডিসেম্বর ২০১৮ এ ব্যাংকের মোট দায় ছিল ১৭,৫২৮.৭২ কোটি টাকা যা আগের বছরের তুলনায় ৬.২৪ শতাংশ বেশী। গ্রাহক আমানত বৃদ্ধিই এর প্রধান কারণ।

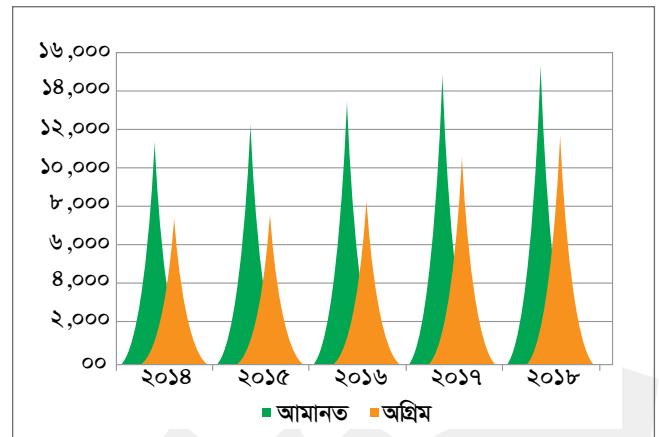
## ব্যাংক, আর্থিক প্রতিষ্ঠান থেকে ঋণ গ্রহণ

ব্যাংকের ট্রেজারী ডিভিশন মুদ্রা বাজার থেকে ঋণ গ্রহণ/প্রদান করে থাকে। ২০১৮ সালে উত্তরা ব্যাংক লিমিটেড এর অন্যান্য ব্যাংক, আর্থিক প্রতিষ্ঠানের নিকট থেকে ওভার নাইট ধারের পরিমাণ ৫৪৬.৬১ কোটি টাকা যা বিগত বছরে ছিল ৯৯.২৩ কোটি টাকা। ব্যাংকের ধারের মধ্যে রয়েছে বাংলাদেশ ব্যাংকের এসএমই ঋণের আওতায় পূনঃ অর্থায়ন ও মহিলা উদ্যোক্তা উন্নয়নে এসএমই ঋণের পূনঃ অর্থায়ন ইত্যাদি।

## আমানত

ব্যাংকের তহবিলের প্রধান উৎস হচ্ছে আমানত। উত্তরা ব্যাংক লিমিটেড ৩১ ডিসেম্বর ২০১৮ পর্যন্ত ১৫,৩০৫.৭৮ কোটি টাকা আমানত সংগ্রহ করেছে যা ২০১৭ সালে ছিল ১৪,৮৫১.৪৯ কোটি টাকা। এ সময়ে আমানত বৃদ্ধি পায় ৩.০৬ শতাংশ। প্রতিযোগিতামূলক সুদের হার, আকর্ষণীয় আমানত প্রকল্পসমূহ, আমানত সংগ্রহের কার্যকর প্রচেষ্টা এবং ব্যাংকের উপর গ্রাহকদের আস্থাই আমানতের অগ্রগতিতে অবদান রেখেছে।

## আমানত ও অগ্রিম (কোটি টাকা)



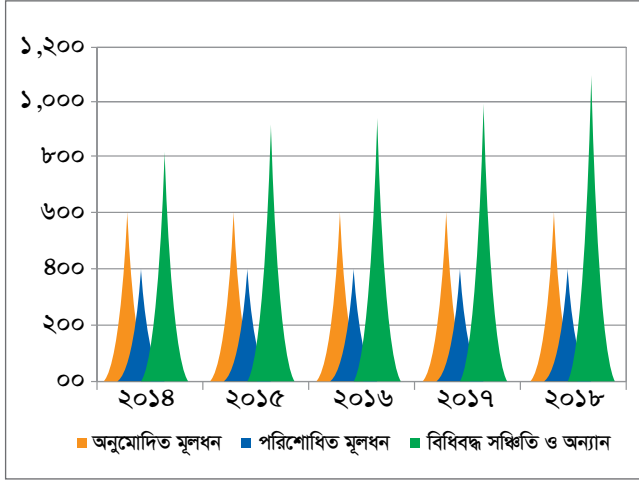
## মূলধন

আলোচ্য বছরে ব্যাংকের অনুমোদিত মূলধন ছিল ৬০০.০০ কোটি টাকা। ব্যাংকের ২০১৮ সালে পরিশোধিত মূলধনের পরিমাণ ৪০০.০৮ কোটি টাকায়। ২০১৮ সালে ব্যাংকের মোট শেয়ারহোল্ডারদের ইকুইটি পরিমাণ দাঁড়ায় ১,৪৭৪.২৭ কোটি টাকা যা ২০১৭ সালে ছিল ১,৩৮৯.০৮ কোটি টাকা।

## বিধিবদ্ধ ও অন্যান্য সঞ্চিতি

আলোচ্য বছর শেষে ব্যাংকের বিধিবদ্ধ ও অন্যান্য সঞ্চিতি দাঁড়ায় ১,০৭৪.১৯ কোটি টাকা যা বিগত বছরের ছিল ৯৮৯.০০ কোটি টাকা। এক্ষেত্রে প্রবৃদ্ধির হার ৮.৬১ শতাংশ।

### মূলধন ও সঞ্চিতি (কোটি টাকা)



## অন্যান্য দায়

২০১৮ সালে ব্যাংকের অন্যান্য দায় ১,৬৭৬.৩৩ কোটি টাকা যা বিগত বছরের ১,৫৪৮.১৬ কোটি টাকা।

## আয়ঃ

### সুদ আয়

২০১৮ সালে ব্যাংক ১,২৭৩.৪১ কোটি টাকা সুদ থেকে আয় করেছে যা ২০১৭ সালে ছিল ১,০৪৪.০৪ কোটি টাকা। নতুন নতুন ঋণ ও অগ্রীম বিতরণের কারণে সুদ আয় বেড়েছে। এক্ষেত্রে প্রবৃদ্ধির হার ২১.৯৭ শতাংশ।

### সুদ ব্যয়

২০১৮ সালে ব্যাংকের সুদ ব্যয় দাঁড়িয়েছে ৭০১.৮৪ কোটি টাকা যা ২০১৭ সালে ছিল ৬০৭.৬৭ কোটি টাকা। বিগত বছরের তুলনায় সুদ ব্যয় ১৫.৫০ শতাংশ বেশী। ব্যাংকের আমানত বৃদ্ধির কারণে সুদ খাতে ব্যয় বৃদ্ধি পেয়েছে।

### নীট সুদ আয়

২০১৮ সালে ব্যাংকে নীট সুদ আয় দাঁড়িয়েছে ৫৭১.৫৭ কোটি টাকা যা ২০১৭ সালে ছিল ৪৩৬.৩৭ কোটি টাকা। এক্ষেত্রে প্রবৃদ্ধির হার ৩০.৯৮ শতাংশ।

## বিনিয়োগ আয়

২০১৮ সালে ব্যাংকের বেশীর ভাগ বিনিয়োগ ছিল দীর্ঘমেয়াদী বন্ডে যা হতে বিনিয়োগ আয়ের পরিমাণ দাঁড়ায় ২৮২.০৪ কোটি টাকা যা বিগত বছরে ছিল ২৮২.৭৯ কোটি টাকা।

### কমিশন, বিনিময় ও অন্যান্য আয়

আলোচ্য বছরে কমিশন, বিনিময় ও অন্যান্য খাতে আয় হয়েছে ৮৪.৩৯ কোটি টাকা যা গত বছরে ছিল ১০০.২৯ কোটি টাকা।

### পরিচালন ব্যয়

২০১৮ সালে ব্যাংকের মোট পরিচালন ব্যয় হয়েছে ৬১৬.৭৬ কোটি টাকা যা ২০১৭ সালে ছিল ৬০০.৯৪ কোটি টাকা।

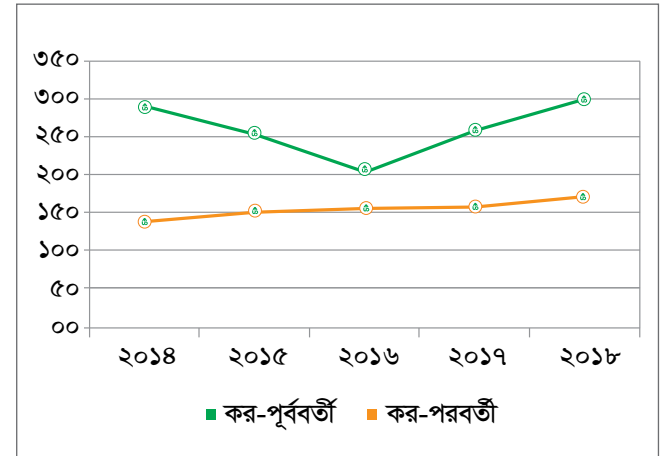
### কর পূর্ব আয়

২০১৮ সালে ব্যাংকের কর পূর্ব আয় ২৯৮.১৫ কোটি টাকা যা পূর্ববর্তী বছর ছিল ২৫৩.০২ কোটি টাকা। এক্ষেত্রে অর্জিত প্রবৃদ্ধির হার ১৭.৮৪ শতাংশ।

### কর পরবর্তী আয়

২০১৮ সালে কর পরবর্তী আয় ছিল ১৭১.৯৩ কোটি টাকা যা পূর্ববর্তী বছরে ছিল ১৫৫.৬৪ কোটি টাকা। এক্ষেত্রে প্রবৃদ্ধির হার ১০.৪৭ শতাংশ।

### কর-পূর্ববর্তী ও কর পরবর্তী মুনাফা (কোটি টাকা)



### কার্যক্রমের ফলাফল ও মুনাফা উপযোজন

২০১৮ সালে ব্যাংকের পরিচালনাগত মোট মুনাফা ৩৯১.১৫ কোটি টাকা যা পূর্ববর্তী বছরে ছিল ২৮৩.০২ কোটি টাকা। ২০১৮ সালে ব্যাংকের মোট (Gross) আয়ের পরিমাণ ১,৭০৯.৭৫ কোটি টাকা এবং মোট ব্যয়ের পরিমাণ ১,৩১৮.৬০ কোটি টাকা।

পরিচালনা পর্ষদ কর্তৃক ২০১৮ সালের মুনাফা বন্টনের সুপারিশমালা নিম্নে প্রদত্ত হলো

(টাকার অঙ্কে)

বিবরণ	২০১৮	২০১৭
কর পরবর্তী মুনাফা	১৭১,৯৩,১০,৫২১	১৫৫,৬৩,৯৪,৯০১
যোগ, পূর্ববর্তী বছরে রক্ষিত উদ্বৃত্ত	৩,০৩,৮৫,২০৫	৪,৪১,৫০,৯৭৮
বন্টনযোগ্য মুনাফা	১৭৪,৯৬,৯৫,৭২৬	১৬০,০৫,৪৫,৮৭৯
পরিচালনা পর্ষদ কর্তৃক সুপারিশকৃত বন্টন:		
বিধিবদ্ধ সঞ্চিতিতে স্থানান্তর		
সাধারণ সঞ্চিতিতে স্থানান্তর	৮০,০০,০০,০০০	৭৭,০০,০০,০০০
প্রস্তাবিত লভ্যাংশ :		
Stock লভ্যাংশ @২%	৮,০০,১৬,০৬৭	-
নগদ লভ্যাংশ @ ২০.০০%	৮০,০১,৬০,৬৭৪	৮০,০১,৬০,৬৭৪
রক্ষিত উদ্বৃত্ত	৬,৯৫,১৮,৯৮৫	৩,০৩,৮৫,২০৫

ঋণের বিপরীতে প্রতিশোধন

আলোচ্য বছরে বাংলাদেশ ব্যাংকের সংশোধিত নির্দেশনা মোতাবেক ডিসেম্বর ২০১৮ হিসাব অনুযায়ী শ্রেণীবিন্যাসিত ও অশ্রেণীকৃত ঋণ এবং অগ্রিমের জন্য প্রয়োজনীয় সংস্থান ৩৩১.৫১ কোটি টাকার বিপরীতে ব্যাংক ৩৩১.৯০ কোটি টাকা সংরক্ষণ করেছে। উল্লেখ্য যে, শ্রেণীবিন্যাসিত ও অশ্রেণীকৃত ঋণ ও অগ্রিম এবং অফ ব্যালেন্সশিট এক্সপোজার এর বিপরীতে ব্যাংকের আবশ্যিকীয় সংরক্ষণের কোন ঘাটতি নেই।

কর প্রতিশোধন

আলোচ্য বছরের কর প্রতিশোধন দাঁড়িয়েছে ১২৬.২২ কোটি টাকা যা গত বছরে ছিল ৯৭.৩৯ কোটি টাকা। ইন্টারন্যাশনাল হিসাব মান (আই.এ.এস) ১২ অনুযায়ী আয় করের সংস্থান রাখা হয়েছে।

আই.এ.এস. এবং আই.এফ.আর.এস. এর প্রয়োগ

ইন্টারন্যাশনাল একাউন্টিং স্ট্যান্ডার্ড (আই.এ.এস) এবং ইন্টারন্যাশনাল ফাইন্যান্সিয়াল রিপোর্টিং সিস্টেম (আই.এফ.আর.এস), ইনস্টিটিউট অব চার্টার্ড একাউন্টেন্টস অব বাংলাদেশ (আইসিএবি) কর্তৃক গৃহীত হয়েছে। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি), বাংলাদেশ ব্যাংক, আই.এ.এস এবং

আই.এফ.আর.এস প্রয়োগ বাধ্যমূলক করেছে। আমরা আমাদের আর্থিক বিবরণী প্রস্তুত করার ক্ষেত্রে উপরোক্ত নীতিমালা ও পদ্ধতি পরিপালন করেছি।

লভ্যাংশ

৩১ ডিসেম্বর ২০১৮ সালের সমাপ্ত বছরের জন্য ২.০০ শতাংশ Stock লভ্যাংশ ও ২০.০০ শতাংশ নগদ লভ্যাংশ ঘোষণা করতে পেরে ব্যাংকের পরিচালনা পর্ষদ অত্যন্ত আনন্দিত। এই ঘোষণা ৩৬তম বার্ষিক সাধারণ সভায় সম্মানিত শেয়ারহোল্ডারদের অনুমতিক্রমে কার্যকর করা হবে।

ট্রেজারী কার্যক্রম

আন্তর্জাতিক মানদণ্ড এবং বাংলাদেশ ব্যাংকের নীতিমালা অনুসারে প্রণীত কোর রিস্ক ম্যানেজমেন্ট পলিসি'র সাথে সামঞ্জস্য রেখে অত্র ব্যাংকের ট্রেজারী বিভাগকে পূর্ণগঠিত করে তিন অংশে বিভক্ত করা হয়েছে ১। ট্রেজারী ফন্ট অফিস ২। ট্রেজারী মিড অফিস এবং ৩। ট্রেজারী ব্যাক অফিস। নগদ তহবিল সংরক্ষণ (CRR) ও বিধিবদ্ধ তারল্য সংরক্ষণ (SLR) বজায় রেখে উদ্বৃত্ত তহবিলের সঠিক ব্যবহার ট্রেজারী বিভাগের অন্যতম প্রধান কাজ। সরকারী ট্রেজারী বিল, ট্রেজারী বন্ড, সরকারী সিকিউরিটিজের প্রাইমারী ইস্যু এবং ইস্যু পরবর্তী সেকেন্ডারী মার্কেটে সেগুলোর ক্রয় বিক্রয়ের কার্যক্রম ট্রেজারী বিভাগের মাধ্যমে পরিচালিত হচ্ছে। আলোচ্য বছরেও ট্রেজারী কার্যক্রম প্রধানত স্থানীয় মুদ্রাবাজারকেন্দ্রিক ছিল, যার মধ্যে প্রাথমিকভাবে মেয়াদী বিনিয়োগ এবং আন্তঃব্যাংক চাহিবা মাত্র ঋণ গ্রহণ ও প্রদান উল্লেখযোগ্য। এছাড়াও ট্রেজারীর মানি মার্কেট বিভাগ Repo এবং Reverse Repo ইত্যাদি Product এর মাধ্যমে দক্ষতার সাথে কাজ করে যাচ্ছে। আলোচ্য বছরে ব্যাংক বৈদেশিক মুদ্রা বাজার এবং প্রাইমারী ডিলার (PD) হিসাবে বিভিন্ন রকম চ্যালেন্জের সম্মুখীন হয় এবং বিভিন্ন ঝুঁকির সাথে সংশ্লিষ্ট নতুন নতুন রেশুলেশনও সংযোজিত হয়। তা সত্ত্বেও ব্যাংক দক্ষতার সাথে তার দেশীয় মুদ্রার চাহিদা পূরণ করেছে। দেশের আর্থিক ও রাজস্বনীতি এবং বাংলাদেশ ব্যাংক কর্তৃক ইস্যুকৃত Core Risk Management সম্পর্কিত নির্দেশনার আলোকে ব্যাংকের ট্রেজারী কার্যক্রম পরিচালিত হচ্ছে।

মূলধন পর্যাাপ্ততা

ব্যাংলাদেশ ব্যাংকের নীতিমালা অনুযায়ী প্রয়োজনীয় মূলধনের বিপরীতে রক্ষিত মূলধনের পরিমাণকে বুঝায়। ইহা একটি ব্যাংকের সার্বিক আর্থিক চিত্রের প্রতিফলন ও দুঃসময়কালীন ঝুঁকির বিপরীতে আমানতকারীদের স্বার্থ সংরক্ষণ এবং আস্থা অর্জনে রক্ষকবজ।



২০১৮ সালের ৩১ ডিসেম্বরের Tier-1 এবং Tier-11 হিসাবে আবশ্যিকীয় মূলধন (MCR) Buffer সহ ১,৩০৭.৯৬ কোটি টাকার বিপরীতে ব্যাংকের প্রকৃত মূলধন দাঁড়িয়েছে ১,৩৭৫.২৭ কোটি টাকা এবং উদ্বৃত্ত মূলধন ৬৭.৩১ কোটি টাকা। মূলতঃ ঋণ ও অগ্রিম বৃদ্ধির কারণে ২০১৮ সালে ব্যাংকের ঝুঁকিপূর্ণ সম্পদ ৮৯৭.৪০ কোটি টাকা বৃদ্ধি পেয়ে দাঁড়ায় ১১,০১৪.৪২ কোটি টাকা। বাংলাদেশ ব্যাংক কর্তৃক নির্ধারিত ১১.৮৭৫ শতাংশ হারের বিপরীতে ব্যাংকের মূলধন পর্যাপ্ততার হার দাঁড়িয়েছে ১২.৪৯ শতাংশ। মূলধন সংরক্ষণের এই হার ব্যাংকের মজবুত মূলধন ভিত্তি নির্দেশ করে।

### ব্যাসেল- ৩ বাস্তবায়ন

আর্থিক ও পরিচালনা ঝুঁকি যা কোন ব্যাংক সম্মুখীন হতে পারে এবং তা মোকাবিলা করতে হলে কত পরিমাণ মূলধন সংরক্ষণ করা প্রয়োজন তা নিরূপণ করা ব্যাসেল- ৩ এর লক্ষ্য। ব্যাসেল- ৩ কাঠামোর অধীনে ঝুঁকি ভিত্তিক মূলধন পর্যাপ্ততা বাস্তবায়ন সকল ব্যাংকিং প্রতিষ্ঠানকে চ্যালেঞ্জের মুখোমুখি করেছে। ব্যাসেল-৩ বাস্তবায়নের লক্ষ্যে মূলধন পর্যাপ্ততার ক্ষেত্রে বাংলাদেশ ব্যাংকের সংশোধিত নীতিমালা বিভিন্ন স্তরের ঋণ ঝুঁকি এবং ব্যালেন্স শীট ও ব্যালেন্স শীট বহির্ভূত লেনদেনকে বিবেচনা করে থাকে। এটিকে কার্যকর করতে ব্যাংকের মূলধনকে দু'টি প্রধান টিয়ার বা শ্রেণীতে বিভক্ত করা হয়েছে। টিয়ার-১ কে সংজ্ঞায়িত করা হয়েছে কোর ক্যাপিটাল হিসেবে এবং টিয়ার-২ কে সাপ্লিমেন্টারী ক্যাপিটাল হিসেবে। সাপ্লিমেন্টারী ক্যাপিটাল মূলতঃ কোর ক্যাপিটাল বহির্ভূত অন্যান্য মূলধন সংক্রান্ত উপাদান যাহা ব্যাংকের শক্তিশালী ভিত্তি নির্দেশ করে। (বিস্তারিত ২৫৮ পৃষ্ঠা)

### ব্যাংকের ক্রেডিট রেটিং

ECRL নামক দেশীয় একটি ক্রেডিট রেটিং কোম্পানীর মান নিরূপণ মোতাবেক উত্তরা ব্যাংক ৩১.১২.২০১৭ সাল ভিত্তিক ২৮.০৬.২০১৮ তারিখের Entity Credit Rating এ দীর্ঘ মেয়াদী রেটিং দাঁড়িয়েছে AA (Very High Quality and Very Low Credit Risk) এবং স্বল্প মেয়াদী রেটিং দাঁড়িয়েছে ST-2 (High grade)। ব্যাংকের কতগুলো মৌল নিয়ামক যথা সম্পদের মান, মূলধন পর্যাপ্ততা, যুক্তিসংগত মুনাফা অর্জন ক্ষমতা, প্রয়োজনীয় তারল্য এবং বাজারে সীমিত অংশীদারিত্বের ভিত্তিতে ক্রেডিট রেটিং এর মান নিরূপিত হয়। (বিস্তারিত ১২৪ পৃষ্ঠা)

### সেগমেন্ট প্রতিবেদন

২০১৮ সালে উত্তরা ব্যাংক ও তার অঙ্গ প্রতিষ্ঠানের কার্যক্রমের সাফল্য নিম্নে সংক্ষেপে বর্ণিত হলোঃ

#### (টাকার অঙ্কে)

বিবরণ	উত্তরা ব্যাংক লিমিটেড	ইউ বি ক্যাপিটাল এন্ড ইনভেস্টম্যান্ট লিমিটেড	উত্তরা ব্যাংক সিকিউরিটিজ লিমিটেড
মোট পরিচালনগত আয়	১০০৭,৯১,০১,৪১৮	৯০,৪৫,৫৩৩	২,৪৬,৯৯,৮০৭
মোট পরিচালনগত ব্যয়	(৬১৬,৭৬,৩৩,৪৩১)	(৬,২১,৭৮৫)	(৬,০৭,১৪,১৫৬)
মুনাফা পূর্ব সঞ্চিত	৩৯১,১৪,৬৭,৯৮৭	৮৪,২৩,৭৪৮	(৩,৬০,১৪,৩৪৯)
মোট সঞ্চিত	(৯৩,০০,০০,০০০)	-	(১,৪৪,১৬,৯১০)
কর পূর্ববর্তী মুনাফা	২৯৮,১৪,৬৭,৯৮৭	৮৪,২৩,৭৪৮	(৫,০৪,৩১,২৫৯)
কর সঞ্চিত	(১২৬,২১,৫৭,৪৬৬)	(৩১,৫৮,৯০৫)	(৪৫,২৫,৬৯০)
কর পরবর্তী মুনাফা	১৭১,৯৩,১০,৫২১	৫২,৬৪,৮৪৩	(৫,৪৯,৫৬,৯৪৯)

### আন্তর্জাতিক বাণিজ্য

ব্যাংক যে সমস্ত খাতে ঋণ দেয় তার মধ্যে আন্তর্জাতিক বাণিজ্যে প্রদত্ত ঋণ একটা উল্লেখযোগ্য অংশ। ৩৯ টি বৈদেশিক বাণিজ্য শাখার মাধ্যমে সম্পাদিত আন্তর্জাতিক বাণিজ্য আমদানিকারক, রপ্তানিকারক এবং বিদেশে কর্মরত বাংলাদেশীদের আস্থা অর্জন করতে অত্র ব্যাংক সক্ষম হয়েছে। বৈদেশিক বাণিজ্য তদারকি ও আমদানি রপ্তানি কার্যক্রম নিশ্চিত করার লক্ষ্যে বৈদেশিক বাণিজ্য ব্যবসায় অভিজ্ঞ কর্মকর্তাদেরকে প্রধান কার্যালয় ও বৈদেশিক মুদ্রা লেনদেনের অনুমতি প্রাপ্ত শাখাসমূহে নিয়োগ দেয়া হয়েছে। ব্যাংকের ৩৯ টি অনুমোদিত ডিলার শাখা আমদানী ও রপ্তানী বাণিজ্যে নিয়োজিত গ্রাহকদের বিবিধ চাহিদা পূরণে সক্ষম হচ্ছে।

### আমদানি বাণিজ্য

আলোচ্য বছরে আমদানি বাণিজ্যের ক্ষেত্রে ব্যাংকের কার্যক্রম সন্তোষজনক। আলোচ্য বছরে ব্যাংকের আমদানি ব্যবসা ১৬.১১ শতাংশ বৃদ্ধি পেয়ে দাঁড়ায় ৫,৬২৪.৪৫ কোটি টাকা, যা ২০১৭ সালে ছিল ৪,৮৪৪.০৩ কোটি টাকা।

### রপ্তানী বাণিজ্য

২০১৮ সালে রপ্তানি বাণিজ্য খাতে ব্যবসার পরিমাণ দাঁড়িয়েছে ১,৬৪৮.৩১ কোটি টাকা, ২০১৭ সালে যার পরিমাণ ছিল ১,১৫৯.০৭ কোটি টাকা। এই ক্ষেত্রে প্রবৃদ্ধির হার ৪২.২১ শতাংশ।

### বৈদেশিক রেমিট্যান্স

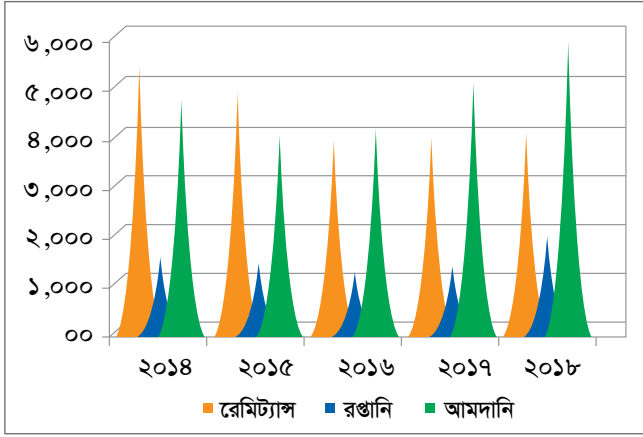
বিদেশে কর্মরত বাংলাদেশীদের পাঠানো টাকা গন্তব্যস্থলে পৌঁছানোর ক্ষেত্রে উত্তরা ব্যাংক সূচনালগ্ন থেকেই তৎপর। বৈদেশিক মুদ্রা দায় মেটানোর জন্য আন্তঃব্যাংক ঋণের ওপর ব্যাংকের যে নির্ভরশীলতা ছিল তা হ্রাসে রেমিটেন্স বিরাট ভূমিকা পালন করেছে। ২০১৮





সালে উত্তরা ব্যাংক লিমিটেড করেসপন্ডেন্ট ব্যাংক ও এক্সচেঞ্জ হাউজগুলোর মাধ্যমে উল্লেখযোগ্য পরিমাণ বৈদেশিক রেমিট্যান্স আহরণ করেছে। বিশ্বের গুরুত্বপূর্ণ দেশসমূহে অবস্থিত ৭০ টি ব্যাংক এবং এক্সচেঞ্জ কোম্পানিগুলোর সাথে উত্তরা ব্যাংকের ড্রয়িং ব্যবস্থা রয়েছে। ২০১৮ সালে বৈদেশিক রেমিট্যান্স এর পরিমাণ দাঁড়ায় ৩,৮২২.৭২ কোটি টাকা, যা পূর্ববর্তী বছরে ছিল দাঁড়ায় ৩,৭৯৮.৮৬ কোটি টাকা। বৈদেশিক রেমিট্যান্স এর ক্ষেত্রে ব্যাংক ০.৬৩% প্রবৃদ্ধি অর্জন করেছে। এছাড়াও সুইফট সিস্টেম (Swift System) ব্যবস্থায় বিশ্বব্যাপী উত্তরা ব্যাংক লিমিটেড এর ৫৩৬ এর অধিক প্রতিনিধি ব্যাংকের মাধ্যমে বিশ্বস্ততার সাথে প্রবাসীরা দেশে টাকা পাঠাতে পারেন।

বৈদেশিক বাণিজ্য (কোটি টাকা)



### বৈদেশিক মুদ্রা আমানত হিসাব

প্রবাসী বাংলাদেশীদের কষ্টার্জিত বৈদেশিক মুদ্রা স্বদেশে প্রেরণ এবং তা তাঁদের পছন্দনীয় খাতে সঞ্চয়/বিনিয়োগে উৎসাহিত করার লক্ষ্যে উত্তরা ব্যাংক লিমিটেড সঞ্চয়ী হিসাব প্রকৃতির প্রাইভেট ফরেন কারেন্সী (FC) একাউন্ট (ডলার, ইউরো ও পাউন্ড) মেয়াদী প্রকৃতির নন-রেসিডেন্ট ফরেন কারেন্সী ডিপোজিট (NFC) একাউন্ট এবং নিবাসী বাংলাদেশীর জন্য রেসিডেন্ট ফরেন কারেন্সী ডিপোজিট (RFC) একাউন্ট চলমান রয়েছে।

প্রবাসী বাংলাদেশীরা তাঁদের বিদেশে অর্জিত আয় থেকে বৈদেশিক মুদ্রা স্বদেশে প্রেরণ করে বাংলাদেশী টাকায় ওয়েজ আর্নর্স ডেভেলপমেন্ট বন্ডে পাঁচ বছর মেয়াদে বিনিয়োগ করতে পারেন। এছাড়াও রয়েছে ইউএস ডলার ইভেস্টমেন্ট বন্ড এবং ইউএস ডলার প্রিমিয়াম বন্ড ক্রয়ের সুবিধা।

### বৈদেশিক প্রতিনিধি ও এক্সচেঞ্জ হাউজ

বৈদেশিক বাণিজ্য লেনদেন সহজীকরণের লক্ষ্যে ব্যাংক বিশ্বব্যাপী বিভিন্ন বৈদেশিক সহযোগী ব্যাংকের সাথে সম্পর্ক বৃদ্ধির প্রচেষ্টা অব্যাহত রয়েছে। করসপন্ডেন্ট ব্যাংকসমূহ হচ্ছে আন্তর্জাতিক ব্যবসায়িক অংশীদার। উত্তরা ব্যাংক লিমিটেড ইতোমধ্যে বৈদেশিক বিনিময় বাণিজ্যে ব্যাপক সাফল্য অর্জন করেছে। দেশে ব্যাংকিং চ্যানেলে অনিবাসীদের বৈদেশিক মুদ্রা প্রেরণে উৎসাহিত করার জন্য

এবং তাদের প্রেরিত অর্থ পৃথিবীর যে কোন প্রান্ত থেকে স্বচ্ছন্দে পাওয়ার লক্ষ্যে ব্যাংক বিশ্বের সুপ্রতিষ্ঠিত এক্সচেঞ্জ হাউজের সাথে ড্রয়িং এ্যারেঞ্জম্যান্ট এ সদা তৎপর। কার্যকরী ও সম্প্রসারিত শক্তিশালী নেটওয়ার্ক এবং সুইফট (SWIFT) স্থাপনের ফলে আন্তঃব্যাংক মুদ্রা সরবরাহের পরিমাণ যথেষ্ট বেড়েছে এবং এর ফলে ব্যাংক তার গ্রাহকদের নিকট দ্রুত ফান্ড প্রেরণ করতে পারছে। ৩১.১২.২০১৮ তারিখে ব্যাংকের দেশে ও বিদেশে বৈদেশিক বাণিজ্য পরিচালনা সহায়তার জন্য ব্যাংকের বৈদেশিক প্রতিনিধির মোট সংখ্যা ৫৩৬টি তে দাঁড়িয়েছে। একই সময়ে বিশ্বব্যাপী ৭০ টি এক্সচেঞ্জ হাউজের মাধ্যমে ব্যাংকের রেমিট্যান্স ব্যবসা পরিচালনার ব্যবস্থা রয়েছে। এগুলোর মধ্যে রয়েছে স্বনামধন্য মানি গ্রাম, ওয়েস্টার্ন ইউনিয়ন, ন্যাশনাল এক্সচেঞ্জ, ট্রাস-ফাস্ট, ইউএইএক্সচেঞ্জ সেন্টার, ব্র্যাক সাজন এক্সচেঞ্জ, এনইসি মানি ট্রান্সফার ইত্যাদি। প্রেরিত অর্থ স্বল্প সময়ে এবং সর্বোত্তম উপায়ে ব্যাংকের ২৩৫ টি অনলাইন শাখার মাধ্যমে সংশ্লিষ্ট প্রাপকের কাছে পৌঁছে দেয়ার লক্ষ্যে ব্যাংক সম্প্রতি 'রেমিটেন্স ম্যানেজম্যান্ট সফটওয়্যার' নামক একটি ওয়েব পোর্টাল চালু করেছে যার মাধ্যমে দ্রুত ও সহজে গ্রাহকরা রেমিটেন্স উত্তোলন করতে পারে।

### পণ্য ও সেবা

সেবার মানোন্নয়নে ব্যাংক কাজ করে চলেছে প্রতিনিয়ত। আমরা গ্রাহক চাহিদা সম্পর্কে সচেতন এবং তা পূরণে সচেষ্ট। উন্নততর গ্রাহক সেবা প্রদানের লক্ষ্যে আমাদের প্রথম পদক্ষেপ হলো প্রতিষ্ঠানের সকল পর্যায়ের কর্মকর্তাদের গ্রাহক সেবায় উৎসাহিত করা। ব্যাংক শুরু থেকে বেশ কিছু আর্থিক প্রকল্প চালু করেছে। এগুলোর মধ্যে একদিকে রয়েছে আমানত সংগ্রহের জন্য মাসিক সঞ্চয় প্রকল্প, দ্বিগুন মুনাফা সঞ্চয় প্রকল্প, ডিপোজিট সঞ্চয় প্রকল্প, উত্তরণ বিবাহ সঞ্চয় প্রকল্প, উত্তরণ স্বপ্ন পূরণ সঞ্চয় প্রকল্প, উত্তরণ শিক্ষা সঞ্চয় প্রকল্প, স্কুল ব্যাংকিং, এফডিআর এবং এসএনডি ইত্যাদি এবং অন্যদিকে সম্পদ বৃদ্ধির লক্ষ্যে ব্যক্তিগত ঋণ, উত্তরণ-কনজুমার ঋণ, উত্তরণ ক্ষুদ্র ব্যবসা ঋণ, উত্তরণ গৃহসংস্কার ঋণ ও লীজ ফাইন্যান্সিং, এসএমই (SME) অর্থায়ন ইত্যাদি। এছাড়াও তথ্য-প্রযুক্তি নির্ভর কতিপয় ইলেকট্রো ব্যাংকিং পণ্য সেবাও ব্যাংক প্রবর্তন করেছে। এগুলোর মধ্যে অন্যতম হল Q-Cash UBL ATM/VISA ডেবিট কার্ড যার মাধ্যমে ব্যাংক তার গ্রাহকদের ২৪ ঘন্টা ব্যাপী সেবা প্রদান করে থাকে।

### ঝুঁকি ব্যবস্থাপনা

ঝুঁকি ব্যবস্থাপনা একটি গতিময় কার্যপ্রণালী যা ব্যাংকের দর্শন, কৃষ্টি ও নানাবিধ কার্যাবলীর সাথে ওতপ্রোতভাবে জড়িত। প্রকৃতিগতভাবেই ঝুঁকি সম্বন্ধে কোন ভবিষ্যদ্বাণী করা যায় না। একারণেই ব্যাংকের জন্য ঝুঁকি হ্রাসের ব্যবস্থাপনা কাঠামো থাকতে হয় যাতে যে কোন লেনদেন উদ্ভূত ঝুঁকি থেকে ব্যাংককে রক্ষা করা যায়। উত্তরা ব্যাংক ব্যাংকিং ব্যবসার সাথে সম্পর্কিত বিভিন্ন ঝুঁকিগুলোর গুরুত্ব সম্পর্কে সবসময় সচেতন। ব্যাংকিং কার্যক্রমের একটি গুরুত্বপূর্ণ বিষয় হচ্ছে ঝুঁকি ব্যবস্থাপনা। কেন্দ্রীয় ব্যাংকও যথাযথভাবে ঝুঁকির ছয়টি ক্ষেত্র নির্ণয় করেছে এবং এদেরকে নিয়ন্ত্রণ করার কার্যকর

পদ্ধতিগুলো ব্যাখ্যা করেছে। ঝুঁকির ক্ষেত্রগুলো হলো নিম্নরূপঃ

- ঋণ ঝুঁকি ব্যবস্থাপনা
- সম্পদ-দায় ব্যবস্থাপনা
- বৈদেশিক বিনিময় ঝুঁকি ব্যবস্থাপনা
- মানি লভারিং প্রতিরোধ
- অভ্যন্তরীণ নিয়ন্ত্রণ ও নীতিমালা পরিপালন
- আইসিটি নিরাপত্তা ঝুঁকি

বাণিজ্যিক কার্যক্রম পরিচালনার সকল ক্ষেত্রে ঝুঁকি কার্যকর ব্যবস্থাপনা অপরিহার্য। তাই সংশ্লিষ্ট ঝুঁকি সমূহ প্রতিরোধে বাংলাদেশ ব্যাংকের দিক নির্দেশনা মোতাবেক ব্যাংক নিম্নোক্ত উপায়ে ঝুঁকি ব্যবস্থাপনা কার্যক্রম চালু রেখেছে।

### ঋণ ঝুঁকি ব্যবস্থাপনা

ঋণ গ্রহীতা, ইস্যুকারী, প্রতিপক্ষ বা গ্রাহকগণের ব্যাংকের ঋণ পরিশোধে ব্যর্থতা/অক্ষমতা হতে যে ঝুঁকির উদ্ভব ঘটে তাকে ঋণ ঝুঁকি বলা হয়। প্রত্যক্ষ ঋণ এবং সম্ভাব্য দায় এই উভয় ক্ষেত্রেই ব্যাংক ঝুঁকির সম্মুখীন হতে পারে। ঋণ ঝুঁকি এমন একটি ঝুঁকি যেখানে ঋণ গ্রহীতা ব্যাংক প্রণীত বিধিনিষেধ/বাধ্যবাধকতা যথাযথ অনুসরণে ব্যর্থ হলে ঋণ খেলাপী হয়ে পড়তে পারে। এ ক্ষেত্রে আমাদের মূলনীতি হল প্রত্যেক গ্রহীতার ঋণ ঝুঁকি চিহ্নিত করে তার পরিমাপ করা, পর্যবেক্ষণ ও নিয়ন্ত্রণ করা এবং পোর্টফোলিও পর্যায়ে ঋণ ঝুঁকি ব্যবস্থাপনার নির্দেশাবলী প্রয়োগ করা। উত্তরা ব্যাংক লিমিটেড সবসময়ই স্থায়ী অগ্রগতির জন্য প্রয়োজনীয় কার্যকর ঝুঁকি ব্যবস্থাপনাকে গুরুত্বপূর্ণ বলে মনে করে। সরকার ও বাংলাদেশ ব্যাংকের নির্দেশিকা অনুসারে উত্তরা ব্যাংকের নিজস্ব ঋণনীতি চালু রয়েছে। শাখা ব্যাংকিং ব্যবস্থায় ব্যাংকিং ব্যবসায়ের একক হচ্ছে শাখাসমূহ। শাখা পর্যায়ে রিলেশনশিপ ম্যানেজার কর্তৃক ঋণ আবেদন মূল্যায়ন শেষে ব্যবস্থাপকের ঋণ অনুমোদন সীমার মধ্যে থাকলে অনুমোদনের জন্য শাখা ব্যবস্থাপক বরাবর পেশ করা হয়। যদি সেটি ব্যবস্থাপকের এখতিয়ার বহির্ভূত হয় তবে তা রিলেশনশিপ ম্যানেজারের সুপারিশসহ আঞ্চলিক কার্যালয়ে অনুমোদনের জন্য পাঠানো হয়। আঞ্চলিক ব্যবস্থাপক তার ব্যবসায়িক অনুমোদন সীমার মধ্যে থাকা ঋণ প্রস্তাব অনুমোদন দেন অন্যথায় তার সুপারিশসহ ঋণ প্রস্তাব প্রধান কার্যালয়ের কর্পোরেট ব্যাংকিং ডিভিশনে প্রেরণ করেন। সেখানে ঋণ প্রস্তাবটি পরীক্ষা নীরিক্ষার পর প্রেরণ করা হয় ক্রেডিট ডিভিশনের ঋণ অনুমোদন শাখায়। ব্যাংকের ঋণনীতির আলোকে ঋণ প্রস্তাবটি বিভিন্ন প্রেক্ষাপটে বিশ্লেষণ করে Credit Approval Department উপযুক্ত ঋণ আবেদন সমূহ Credit Committee তে পেশ করে এবং Credit Committee এর সুপারিশের ভিত্তিতে সংশ্লিষ্ট কর্তৃপক্ষ ঋণ মঞ্জুর করে থাকে। উল্লেখ্য যে, ঋণের অনুমোদনের ক্ষমতা বিভিন্ন পর্যায়ের নির্বাহীদের নিকট দেয়া আছে। ঋণের আবেদন যদি তাঁদের ক্ষমতা বহির্ভূত হয় তবে তা উহা উর্ধ্বতন ব্যবস্থাপনা কর্তৃপক্ষ অথবা পরিচালনা পর্যদ/ নির্বাহী কমিটিতে মঞ্জুরের জন্য পেশ করা হয়।

### সম্পদ-দায় ব্যবস্থাপনা

ব্যাংক ব্যবস্থাপনার একটি অবিচ্ছেদ্য অংশ হচ্ছে এর সম্পদ ও দায়ের সুষ্ঠু ব্যবস্থাপনা। সম্পদ ও দায় ব্যবস্থাপনা কমিটি (অ্যালকো) ব্যাংকের ব্যবস্থাপনাকে ঝুঁকি কাঠামোর ভিতরে সঠিক ভাবে সম্পদ ও দায় ব্যবস্থাপনায় সহায়তা ও পরামর্শ প্রদান করে থাকে। সম্পদ দায় ব্যবস্থাপনা কমিটি ব্যাংকের স্থিতিপত্র ও তারল্যকে ঘিরে সম্ভাবনা ও ঝুঁকি নিয়ে নিয়মিত বৈঠক করে। বাংলাদেশ ব্যাংকের নির্দেশনা অনুসারে ব্যাংক নিম্নবর্ণিত সদস্যদের নিয়ে Asset Liability Committee গঠন করেছে।

- \* ব্যবস্থাপনা পরিচালক এবং প্রধান নির্বাহী
- \* অতিরিক্ত ব্যবস্থাপনা পরিচালক
- \* উপ-ব্যবস্থাপনা পরিচালক বৃন্দ
- \* চিফ ফিন্যান্সিয়াল অফিসার
- \* ট্রেজারী বিভাগের প্রধান
- \* আন্তর্জাতিক বিভাগের প্রধান
- \* BCCSD বিভাগের প্রধান
- \* রিস্ক ম্যানেজম্যান্ট ডিপার্টমেন্টের প্রধান ও
- \* এ্যাসেট লায়াবিলিটি ডিপার্টমেন্টের ইনচার্জ

মাসে কমপক্ষে একবার মিলিত হয়ে এই কমিটি প্রধানত অর্থনৈতিক এবং সামগ্রিক বাজারের মুদ্রা পরিস্থিতি ঝুঁকি, Balance Sheet সম্পর্কিত তারল্য সংকট ঝুঁকি, ট্রান্সফার প্রাইসিং, আমানত ও ঋণের সুদের হার সম্পর্কিত ঝুঁকি ও বাংলাদেশ ব্যাংকের মুদ্রানীতি সহ বিভিন্ন গুরুত্বপূর্ণ বিষয় সমূহ পর্যালোচনা করে থাকে।

### বৈদেশিক বিনিময় ঝুঁকি ব্যবস্থাপনা

দেশে এবং বিদেশে বিদ্যমান বিনিময় হারের কারণে বৈদেশিক বাণিজ্য ঝুঁকির উদ্ভব হয়। বাজার ভিত্তিক টাকায় মান নির্ধারণ পদ্ধতি চালু করার কারণে বৈদেশিক মুদ্রার ব্যবসা সম্প্রসারিত হয়েছে এবং একইসাথে ঝুঁকিও বেড়েছে। বৈদেশিক মুদ্রার মূল্যের তারতম্যের কারণে বৈদেশিক বিনিময় খাতে সম্ভাব্য আয়ের হ্রাস বৃদ্ধির ঝুঁকি থাকে। এই জন্য ব্যবস্থাপনা নিয়ন্ত্রণ পদ্ধতির গুরুত্ব বৃদ্ধি পেয়েছে। ব্যাংকের ট্রেজারী বিভাগের Front Office বৈদেশিক বিনিময় কার্যক্রমের বাজার মূল্য নির্ধারণ ও ঝুঁকি হ্রাস এবং Back Office সকল প্রকার লেনদেনের নিষ্পত্তি ও সমন্বয় সাধনের জন্য সচেষ্ট রয়েছে। এর ফলে ব্যাংকের ট্রেজারী কার্যক্রম সুষ্ঠুভাবে পরিচালিত হচ্ছে।

### মানি লভারিং প্রতিরোধ

মানি লভারিং সারা বিশ্বে অর্থনৈতিক ও সামাজিক নিরাপত্তার জন্য প্রচণ্ড হুমকি হিসেবে পরিচিত একটি ফৌজদারী অপরাধ। AML/CFT কার্যক্রম জোরদারে বাংলাদেশ সরকার মানি লভারিং প্রতিরোধ আইন-২০১২(২০১৫ সালে সংশোধিত) ও সন্ত্রাস বিরোধী আইন-২০০৯ (২০১২ ও ২০১৩ সালে সংশোধিত) কার্যকর করেছে। এছাড়াও ব্যাংকিং সেক্টরে ২০১২ সালে Bangladesh



Financial Intelligence Unit (BFIU) গঠিত হয় যা বিভিন্ন সময়ে সার্কুলার ইস্যু করে এবং ২০১৫ এর সেপ্টেম্বরে “ ব্যাংকিং সেক্টরে মানি লন্ডারিং ও সন্ত্রাসী অর্থায়ন ঝুঁকি ব্যস্থাপনা নির্দেশিকা” ইস্যু করেছে। মানি লন্ডারিং ও সন্ত্রাসী কর্মকাণ্ডের মত উদ্বেগজনক ক্রমপ্রসারমান বিষয়টি প্রতিরোধে আন্তর্জাতিক সম্প্রদায় নানাভাবে নিজেদের সক্রিয় রেখেছে। দেশে বিদেশে ছুন্ডি এবং অবৈধভাবে অর্থ পাচার রোধে ব্যাংক বিভিন্ন পদক্ষেপ গ্রহণ করেছে। ব্যাংক প্রশিক্ষণের মাধ্যমে মানি লন্ডারিং বিরোধী প্রচার কার্যক্রম অব্যাহত রেখেছে। মানি লন্ডারিং রোধে ব্যাংক “আপনার গ্রাহককে জানুন” (KYC) Ges Transaction Profile (TP) চালু করেছে, যা মুদ্রা পাচার রোধে সহায়তা করে। বাংলাদেশ ব্যাংক কর্তৃক নির্ধারিত নীতিমালা মোতাবেক ব্যাংক মানি লন্ডারিং প্রতিরোধে করণীয় বিষয় বা নির্দেশিকা পত্র প্রণয়ন করেছে এবং তা রোধকল্পে সকল প্রকার ব্যবস্থা গ্রহণ করেছে।

### অভ্যন্তরীণ নিয়ন্ত্রণ এবং নীতিমালা পরিপালন

পরিচালনা পর্ষদের অডিট কমিটি ব্যাংকের অভ্যন্তরীণ নিয়ন্ত্রণ, নিরীক্ষা ও বাস্তবায়ন সংক্রান্ত কর্মকাণ্ড তত্ত্বাবধান করে থাকে। ব্যাংকের অভ্যন্তরীণ নিয়ন্ত্রণ কাঠামোকে এমন ভাবে সাজানো হয়েছে, যাতে ব্যাংকের ঝুঁকি প্রত্যাশিত সীমা বা মাত্রায় রেখে এর যাবতীয় নীতি, উদ্দেশ্য ও লক্ষ্য অর্জন করা সম্ভব হয়। মূল ঝুঁকি সমূহের সুষ্ঠু ব্যবস্থাপনার লক্ষ্যে বাংলাদেশ ব্যাংকের পরামর্শ ও নির্দেশ অনুযায়ী অভ্যন্তরীণ নিয়ন্ত্রণ ও নীতিমালা পরিপালন নিশ্চিত করণে উত্তরা ব্যাংক যথাযথ ব্যবস্থা গ্রহণ করেছে। ব্যবস্থাপনা কর্তৃপক্ষ, অভ্যন্তরীণ নিয়ন্ত্রণ এবং নীতিমালা পরিপালন বিভাগ নিয়মিত বিরতিতে শাখা সমূহের কার্যাবলী পরিদর্শন করে থাকেন।

### আইটি নিরাপত্তা ঝুঁকি

তথ্য প্রযুক্তি ব্যাংকিং শিল্পে এক আমূল পরিবর্তন সাধন করেছে। অধিকন্তু তথ্য ও তথ্য প্রযুক্তি পদ্ধতি ব্যাংক তথা গ্রাহক এবং বিভিন্নপক্ষের জন্য অতি প্রয়োজনীয় সম্পদ। উত্তরা ব্যাংক লিমিটেড এ ব্যাংকিং সেবা প্রদানসহ সকল কর্মকাণ্ডে তথ্য ও যোগাযোগ প্রযুক্তির ব্যবহার ব্যাপক বৃদ্ধি পাচ্ছে। তথ্য ও যোগাযোগ প্রযুক্তির ব্যবহার ব্যাপক ব্যবহারজনিত কারণে এতদসংশ্লিষ্ট নিরাপত্তা ঝুঁকির বিষয়ে অধিকতর সতর্কতামূলক ব্যবস্থা গ্রহণ অত্যাবশ্যক হয়ে পড়েছে। বাংলাদেশ ব্যাংকের নির্দেশনা অনুসারে ব্যাংকের আইসিটি নীতিমালা প্রণয়ন করা হয়েছে।

### গ্রাহক সেবা

গ্রাহকদের প্রয়োজনই ব্যাংকের প্রধান অগ্রাধিকার এবং কোম্পানী দর্শন হচ্ছে গ্রাহকদের সন্তুষ্ট করা যারা ব্যাংকের ভাবমূর্তি বৃদ্ধিতে দূত হিসেবে কাজ করে। গ্রাহকদের সমস্যার পূর্ণাঙ্গ সমাধানের নিশ্চয়তাই আমাদের প্রধান লক্ষ্য। ব্যাংক সম্মানিত গ্রাহকদের বিভিন্ন ধরনের সেবা প্রদান করে আসছে। সেবাই হলো উত্তরা ব্যাংকের সাফল্যের প্রধান চালিকা শক্তি।

### ব্রান্ড ইমেজ

সমাজের সকল স্তরেই রয়েছে উত্তরা ব্যাংকের গ্রাহক। এ প্রেক্ষিতে ব্যাংকের শ্লোগান “আবহমান বাংলার ঐতিহ্যে লালিত” সমুন্নত রাখতে ব্যাংকের কর্মকর্তাদের নিজস্ব প্রনোদনা রয়েছে এবং এ ব্যাপারে তাঁরা প্রতিশ্রুতিবদ্ধ। আমাদের সকল কর্মকাণ্ডে ব্যাংকের শ্লোগান সমুন্নত রাখাই আমাদের মূল লক্ষ্য। এটা সকল স্টেক হোল্ডারদের মাঝে একটি আলাদা ভাবমূর্তি সংযোজন করেছে।

### তথ্য ও প্রযুক্তি

ব্যয় ও ঝুঁকি কমাতে এবং উন্নত গ্রাহক সেবার জন্য সার্বিক দক্ষতা বৃদ্ধি এবং সর্বাধিক মুনাফা অর্জনের জন্য শাখাসমূহের ব্যাংকিং কার্যক্রমের কম্পিউটারাইজেশন করা হয়েছে। শাখাসমূহ দিনের শেষে আর্থিক বিবরণী প্রস্তুত করতে সক্ষম। বাংলাদেশ ব্যাংকের বিআরপিডি সার্কুলার নং ০৯ তারিখ ১৭.০৯.২০১৫ অনুযায়ী ICT Security Policy of Uttara Bank Limited নামক ব্যাংকের তথ্য প্রযুক্তি গাইডলাইন রয়েছে।

### কম্পিউটার ল্যাবরেটরি

বর্তমান আধুনিক সময়ের ব্যবসা ও লেনদেনের জন্য তথ্য এবং প্রযুক্তির ব্যবহার অপরিহার্য। তথ্য এবং প্রযুক্তিখাতে ব্যাংকের কর্মকর্তাদের দক্ষতা বৃদ্ধির লক্ষ্যে পর্যাপ্ত সংখ্যক কম্পিউটার নিয়ে ব্যাংকের নিজস্ব (ইন্টার্ন প্লাস বিল্ডিং) ১৪৫ শান্তিনগরে কম্পিউটার ল্যাবরেটরির প্রতিষ্ঠা করা হয়। আলোচ্য বছরে ব্যাংকের তথ্য ও প্রযুক্তি বিভাগ উক্ত ল্যাবে বেশ কয়েকটি কম্পিউটার প্রশিক্ষণ কর্মসূচীর আয়োজন করে।

### অনলাইন ব্যাংকিং

আজকের প্রতিযোগিতামূলক ব্যাংকিং বাজারে সম্মানিত গ্রাহক এবং স্টেকহোল্ডারদের কে উন্নত সেবা প্রদানের ক্ষেত্রে প্রযুক্তি নির্ভর ব্যাংকিং গুরুত্বপূর্ণ ভূমিকা পালন করছে। ব্যাংকের বিভিন্ন সেবা ও কার্যাবলী অটোমেশনের আওতায় আনার লক্ষ্যে বিভিন্ন পদক্ষেপ গ্রহণ করা হয়েছে। ভাল ও দ্রুত সেবা প্রদান এবং ক্রমবর্ধমান গ্রাহক চাহিদার ভিত্তিতে ব্যাংক ২০১২ সালে “Bank Ultimus” নামক Core Banking Solution (CBS) Software ক্রয় করেছে। যার মাধ্যমে ব্যাংকের সবগুলো শাখা অনলাইন ব্যাংকিং সুবিধার আওতায় আনা হয়েছে।

### বাইএফটিএন

ইলেক্ট্রনিক পেমেন্ট সিস্টেম হল পেমেন্ট ম্যানেজমেন্টের সবচেয়ে আধুনিক মাধ্যম। উত্তরা ব্যাংক সাফল্যের সাথে ইলেক্ট্রনিক ফান্ড ট্রান্সফার নেটওয়ার্কের মাধ্যম কেন্দ্রীয়ভাবে রেমিটেন্স দেশে এবং দেশের বাইরে সরবরাহ করতে পারে এবং বাংলাদেশ ইলেক্ট্রনিক ফান্ড ট্রান্সফার নেটওয়ার্কের মাধ্যমে অংশীদারী ব্যাংকগুলোর পেমেন্ট সেটেল করতে পারে।

### ই-মেইল ও ইন্টারনেট

সর্বোপরি বৈদেশিক বাণিজ্যে দ্রুততম সেবা প্রদানের জন্য প্রধান কার্যালয় ও সকল শাখা সমূহ E-Mail I Internet এর আওতায় এসেছে। বর্তমানে শাখাসমূহ ও প্রধান কার্যালয়ের মধ্যকার প্রয়োজনীয় যোগাযোগ অধিকাংশই ই-মেইলের মাধ্যমে সম্পন্ন হয় যা অত্যন্ত দ্রুত নিরাপদ ও কার্যকর





## SWIFT

বর্তমানে ব্যাংকের আন্তর্জাতিক বিভাগসহ ৩৯ টি অনুমোদিত ডিলার শাখা SWIFT এর আওতায় এসেছে। এই সিস্টেমের (System) সাথে যুক্ত হবার ফলে ব্যাংক বিশ্বব্যাপী ঋণপত্র প্রেরণ, তহবিল স্থানান্তর, বার্তা বিনিময়সহ অন্যান্য আর্থিক কার্যক্রম তাৎক্ষণিকভাবে কম খরচে নিরাপদে এবং বিশ্বস্ততার সাথে পরিচালনা করতে সক্ষম হচ্ছে।

## REUTERS

আন্তর্জাতিক মুদ্রাবাজার পরিস্থিতির প্রতিমূহর্তের সঠিক তথ্য সংগ্রহের লক্ষ্যে ব্যাংকের নিজস্ব স্বয়ংসম্পূর্ণ ডিলিং রুমে রয়টার এর সর্বাধুনিক ফাইন্যান্সিয়াল সার্ভিস প্রোডাক্ট Reuters- 3000 Xtra এবং Reuters Dealing System (RDS) কাজ করে চলেছে। ফলে ব্যাংক অত্যাধুনিক প্রযুক্তি ও অভিজ্ঞ জনশক্তি সমৃদ্ধ ট্রেজারী বিভাগের মাধ্যমে আন্তর্জাতিক মানের ট্রেজারী সার্ভিস প্রদান করতে সক্ষম হচ্ছে।

## এটিএম (ATM) সার্ভিস

উত্তরা ব্যাংক লিমিটেড এটিএম (ATM) কার্ড সুবিধা প্রবর্তন করেছে যা Q-Cash UBL- ATM/VISA ডেবিট কার্ড নামে পরিচিত। এ পদ্ধতিতে গ্রাহকবৃন্দ ২৪ ঘন্টা ব্যাপী নগদ টাকা ওঠানোর সুবিধা পাচ্ছেন। প্রায় সকল Q-Cash এটিএম বুথ ডাচ বাংলা ব্যাংক লিমিটেড এবং ব্রাক ব্যাংক লিমিটেড সহ অনেক ব্যাংকের এটিএম বুথ এর মাধ্যমে এই সুবিধা চালু রয়েছে। ব্যাংকের ঢাকার মতিঝিল, শান্তিনগর, আজিমপুর, দারুস সালাম রোড, বাড্ডা, ন্যাশনাল হার্ট ফাউন্ডেশন হাসপাতাল মিরপুর, দক্ষিণ বনশ্রী, তালতলা খিলগাঁও, কলাবাগন, উত্তরা, চট্টগ্রামের আত্রাবাদ এবং কাফকো, সিলেটের আম্বরখানা এবং জিন্দা বাজার, খুলনার কেডিএ এবং দৌলতপুর, যশোর রেল রোড, মেহেরপুর সদর, রাজশাহী স্টেশন রোড, কিশোরগঞ্জের ভাগলপুর, ময়মনসিংহ, বরিশাল, বগুড়া, জয়পুর হাটের বটতলী বাজার, নারায়ণগঞ্জের চাষাড়া ও ভোলার দৌলতখান এ মোট ২৬ (ছাব্বিশ) টি নিজস্ব এটিএম বুথ রয়েছে। নতুন নতুন বুথ স্থাপনা ও তৎসংক্রান্ত সেবা সম্প্রসারণের বিষয়টি ব্যাংকের পরিকল্পনাধীন রয়েছে।

## ওয়েবসাইট

ব্যাংকের একটি নিজস্ব ওয়েব সাইট রয়েছে যার ঠিকানা (Address): [www.uttarabank-bd.com](http://www.uttarabank-bd.com)। এই ওয়েবসাইটে ব্যাংকের হালনাগাদ তথ্য সংরক্ষিত থাকে। আমাদের প্রধান কার্যালয়ের আওতাধীন তথ্য প্রযুক্তি বিভাগ (ICT) ওয়েবসাইটটি পরিচালনা করে।

## আন্তঃ শাখা লেনদেন হিসাব সমন্বয়

Core Banking Solution (CBS) সফটওয়্যার এর সাহায্যে ব্যাংকের ক্রমবর্ধমান আন্তঃশাখা লেনদেনসমূহ অতিদ্রুত ও নির্ভুলভাবে সমন্বয় সাধন হচ্ছে।

## কর্পোরেট সুশাসন

দায়িত্বশীল ব্যবস্থাপনা ও সুন্দর তদারকী ব্যবস্থার মাধ্যমে প্রশাসনিক সুশাসন জোরদার করা ব্যাংকের মূলনীতিগুলোর অন্যতম। কর্পোরেট সুশাসন এমন একটি ব্যবস্থা যার মাধ্যমে ব্যবসায়িক প্রতিষ্ঠানসমূহ পরিচালিত এবং নিয়ন্ত্রিত হয়। প্রতিষ্ঠার পর থেকে উত্তরা ব্যাংক সফলভাবে একটি শক্তিশালী কর্পোরেট সুশাসন প্রতিষ্ঠার নীতি নিয়ে কাজ করে যাচ্ছে। বর্তমান যুগে ন্যায্যতা, স্বচ্ছতা, জবাবদিহিতা ও দায়িত্ববোধ গ্রহণযোগ্য কর্পোরেট আচরণের ন্যূনতম মাপকাঠি হিসাবে গণ্য করা হয়। উত্তরা ব্যাংক লিমিটেড বাংলাদেশ সিকিউরিটিজ এন্ড কমিশনের প্রদত্ত কর্পোরেট সুশাসন বিধিবিধান পরিপালন সুনিশ্চিত করে থাকে। কর্পোরেট সুশাসন নিদিষ্ট দায়িত্ব নির্ধারণ ও জবাবদিহিতা নিশ্চিত করে। (বিস্তারিত ৭৮ পৃষ্ঠা)

## কর্পোরেট সামাজিক দায়বদ্ধতা

উত্তরা ব্যাংক দায়িত্বশীলতার সাথে ব্যবসা পরিচালনা করে থাকে এবং সমাজ ও পরিবেশের প্রতি অবদান রেখে চলছে। একটি প্রতিষ্ঠানের নৈতিকতার সাথে ব্যবসা করা এবং দেশের আর্থিক উন্নয়নে অবদান রাখার নিরবিচ্ছিন্ন অঙ্গীকারই কর্পোরেট দায়বদ্ধতা। এ ধরনের কর্মকাণ্ড প্রতিষ্ঠানে কর্মরত কর্মকর্তা ও কর্মচারীদের পরিবার এবং সাথে সাথে পুরো সমাজেরই জীবনযাত্রার মান উন্নয়ন করে। উত্তরা ব্যাংক লিঃ সামাজিক দায়বদ্ধতা কর্মসূচিকে তার সংস্কৃতি, স্বকীয়তা এবং ব্যবসা পরিচালনার মূল নীতিমালার একটি গুরুত্বপূর্ণ অংশ হিসাবে বিবেচনা করে। জাতি এবং জনগনের প্রতি রয়েছে ব্যাংকের গভীর অঙ্গীকার, আনুগত্য ও সুবিশাল দায়িত্ববোধ। এক্ষেত্রে সরকার ও বাংলাদেশ ব্যাংকের নির্দেশিত কঠোর নিয়মাচার সব সময় উত্তরা ব্যাংক অনুসরণ করে। অভিন্ন সামাজিক দায়বদ্ধতার অংশ হিসাবে দেশের সকল দুর্যোগ, শিল্প-সংস্কৃতি, শিক্ষা, স্বাস্থ্য ইত্যাদি খাতে ব্যাংক পর্যাগুভাবে পৃষ্ঠপোষকতা করেছে। আলোচ্য বছরে ব্যাংক এই খাতে ৯.২৯ কোটি টাকা অনুদান প্রদান করেছে।

(বিস্তারিত ১২২পৃষ্ঠা)

## গ্রীন ব্যাংকিং

গ্রীন ব্যাংকিং হচ্ছে পরিবেশকে বিপর্যয়ের হাত থেকে রক্ষা করার জন্য ব্যাংকিং উদ্যোগ। গ্রীন ব্যাংকিং উন্নয়নে আমাদের ব্যবসায়ে সামাজিক দায়বদ্ধতা উদারভাবে অবদান রেখে চলছে। দূরদর্শিতাপূর্ণ এবং সময়োচিত পদক্ষেপ হিসেবে ব্যাংক এর ব্যবসায়িক কার্যক্রমে সংযুক্ত করেছে বেশ কয়েকটি গ্রীন ব্যাংকিং প্রকল্প যা পরিবেশ এবং সমাজের জন্য খুবই লাভজনক। ঋণ প্রদানে আমরা পরিবেশ সংরক্ষণ সংক্রান্ত বিদ্যমান বিধিনিষেধ মেনে চলি। আমরা পরিবেশের জন্য ক্ষতিকারক কোন প্রকল্পে অর্থ যোগানের বিরুদ্ধে। পরিবেশ সংরক্ষণ ও পরিচর্যা করা আমাদের বিনিয়োগ নীতির অংশ। ব্যাংক ইতোমধ্যে ১৩৪.৫৭ কোটি গ্রীন ব্যাংকিং খাতে অর্থায়ন করেছে। (বিস্তারিত ১২০পৃষ্ঠা)

## শাখা সমূহের আধুনিকায়ন ও উন্নয়ন

সর্বাধিক শাখা সম্বলিত দেশের বেসরকারী ব্যাংকগুলোর মধ্যে উত্তরা ব্যাংক অন্যতম। বর্তমানে ব্যাংক দেশের বিভিন্ন উল্লেখযোগ্য ব্যবসা কেন্দ্রে মোট ২৩৫ টি শাখার মাধ্যমে কার্যক্রম পরিচালনা করছে। ব্যবসায়িক সুবিধা বিবেচনায় এনে নবসাজে সজ্জিত নতুন ভবনে শাখা স্থানান্তর এবং পুরাতন শাখা ব্যবসায়িক ও সময়ের চাহিদা মোতাবেক নবরূপে রুচিসম্মতভাবে সজ্জিত করার প্রক্রিয়া অব্যাহত রয়েছে। ২০১৮ সালে ব্যবসা সম্প্রসারণের লক্ষ্যে ব্যাংক ঢাকায় আশুলিয়া শাখা ও বান্দরবানে বান্দরবান শাখা নামে ২(দুইটি) নতুন শাখা স্থাপন করেছে।

## যানবাহন

২০১৮ সালে ব্যাংকের যানবাহনের সংখ্যা ছিল ১০৪ টি। যানবাহনগুলো মূলতঃ ফিডিং শাখা থেকে অন্যান্য শাখা সমূহে ক্যাশ বহনের জন্য এবং কর্মকর্তাদের আনা-নেওয়ার কাজে ব্যবহার করা হয়। যানবাহন বাবদ আলোচ্য বছরে খরচ হয় ৪.৫৬ কোটি টাকা যা ২০১৭ সালে ছিল ৫.১৫ কোটি টাকা।

## ব্যাংক ভবন

উত্তরা ব্যাংক লিমিটেডের নিজস্ব ১৮ তলা সুরম্য প্রধান কার্যালয় ভবনটি মতিঝিলের কেন্দ্রস্থলে অবস্থিত যা ব্যাংকের স্থায়িত্ব ও ঐতিহ্যের প্রতীক। ভবনটিতে ব্যাংকের প্রধান কার্যালয়ের বিভিন্ন বিভাগ ও কর্পোরেট শাখা কাজ করে যাচ্ছে। ব্যাংকের অন্যান্য নিজস্ব ভবন সমূহের মধ্যে রয়েছে স্থানীয় কার্যালয়, ইস্টার্ন প্লাজা শাখা, হোটেল ঈশা খাঁ ইন্টারন্যাশনাল শাখা, দারুস-সালাম রোড শাখা, এলিফ্যান্ট রোড শাখা, রমনা শাখা, ঢাকা উত্তর আঞ্চলিক অফিস, সাত মসজিদ রোড শাখা, সাভার শাখা, মৌলভীবাজার শাখা, ঢাকা, ইস্টার্ন প্লাস (১৪৫ শান্তিনগর) ঢাকায় অবস্থিত ট্রেনিং ইনস্টিটিউট, ইস্টার্ন টাওয়ার বিল্ডিং এ ইন্সট্রাকশন শাখা এবং মানিকগঞ্জ জেলাধীন নব গ্রাম শাখা, খুলনায় আঞ্চলিক অফিস ও কে ডি এ শাখা, রাজশাহীর সাহেব বাজার শাখা, সিলেট আঞ্চলিক অফিস এবং আম্বরখানা শাখা, সিলেট, ময়মনসিংহে আঞ্চলিক অফিস ও ময়মনসিংহ শাখা।

## ব্যাংকের নিজস্ব অডিটোরিয়াম

প্রশিক্ষণ/ওয়ার্কশপ/আলোচনাসভার জন্য একটি বড় আয়তনের স্পেস এর প্রয়োজনীয়তা বিবেচনা করে ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ অত্যাধুনিক সুবিধাসহ ব্যাংকের নিজস্ব ভবন (ইস্টার্ন প্লাস বিল্ডিং) ১৪৫ শান্তিনগরে ৩০০ আসন বিশিষ্ট অডিটোরিয়ামের সূচনা করেন। অডিটোরিয়ামে ব্যবস্থাপকদের সম্মেলন, কর্মশালা ও প্রশিক্ষণের আয়োজন করা হয়।

## মানব সম্পদ উন্নয়ন ও প্রশিক্ষণ

ব্যাংক এর নিয়মিত প্রবৃদ্ধির পূর্বশর্ত হচ্ছে দক্ষ এবং অভিজ্ঞতা সম্পন্ন জনশক্তি। এ লক্ষ্যে তাদের দক্ষতা, জ্ঞান এবং কার্যক্ষমতা বৃদ্ধিতে ব্যাংক বন্ধপরিষদের মানবসম্পদ উন্নয়ন কৌশল এর মূল

হচ্ছে নিয়মিত ব্যবসায় উন্নয়ন নিশ্চিত করা। সেবা গ্রহীতা, শেয়ার হোল্ডার, স্টেক হোল্ডার, কর্মী এবং সমাজকে দক্ষ মানব সম্পদ দ্বারা ভাল সেবা দিয়ে আস্থা অর্জন করা। সারা বছর যাবৎ ধারাবাহিক ভাবে প্রশিক্ষণের মাধ্যমে কর্মকর্তা ও কর্মচারীদের জ্ঞান, কর্মদক্ষতা ও পেশাগত দক্ষতা বৃদ্ধিই প্রশিক্ষণের মূল উদ্দেশ্য। জ্ঞান ও দক্ষতার উন্নয়ণ একটি চলমান প্রক্রিয়া। ব্যাংকিং খাতের সাম্প্রতিক উন্নয়ণ সম্পর্কিত বিভিন্ন বিষয়ে কর্মকর্তা কর্মচারীদের ওয়াকিবহাল রাখার জন্য ব্যাংক নিয়মিত বিভিন্ন প্রশিক্ষণ কার্যক্রম, কর্মশালা ও সেমিনারের আয়োজন করে যাচ্ছে।

জনশক্তির গুণগত মানোন্নয়ণ ও তাদেরকে যুগোপযোগী করে গড়ে তোলার লক্ষ্যে আধুনিক সুযোগ সুবিধা সম্বলিত ব্যাংকের নিজস্ব ট্রেনিং ইনস্টিটিউটে সারা বছর ধরে বহুমুখী প্রশিক্ষণ কার্যক্রম অব্যাহত থাকে। ইনস্টিটিউটের সুশিক্ষিত অনুষদ সদস্য ছাড়াও ব্যাংকিং সংশ্লিষ্ট বিষয়ে বিশেষজ্ঞ ব্যক্তিগণ অতিথি বক্তারূপে প্রতিটি প্রশিক্ষণ কর্মসূচীতে অংশগ্রহণ করে থাকেন। এছাড়া আরও উন্নতপ্রশিক্ষণের জন্য বিআইবিএম সহ দেশের পেশাগত প্রশিক্ষণ কেন্দ্রে ও বিদেশে ব্যাংকের নির্বাহী এবং কর্মকর্তাগণ প্রশিক্ষণ গ্রহণ করে থাকেন।

২০১৮ সালে ব্যাংকের নিজস্ব ট্রেনিং ইনস্টিটিউটে ৩৩ টি প্রশিক্ষণ কর্মসূচী ও ১টি কর্মশালার আওতায় যথাক্রমে ১,৪২৫ ও ৪০ জন কর্মকর্তা ও কর্মচারী প্রশিক্ষণ গ্রহণ করেন। অপরদিকে বিআইবিএম (BIBM) কর্তৃক আয়োজিত প্রশিক্ষণ কোর্স/কর্মশালা/ সেমিনারে ব্যাংকের ১৪ জন কর্মকর্তা ও কর্মচারী প্রশিক্ষণ গ্রহণ করেন। এছাড়াও বাংলাদেশ ব্যাংকে ১৬ জন কর্মকর্তা ৪৬জন নির্বাহী/ কর্মকর্তা বিদেশে এবং ৬৫ জন অন্যান্য প্রশিক্ষণ কেন্দ্রে আলোচ্য বছরে প্রশিক্ষণ গ্রহণ করেন। ট্রেনিং ইনস্টিটিউট কর্মীদের জ্ঞান ভিত্তিক চিন্তার আদান প্রদানসহ ব্যাংকিং জগতের জটিল কার্যক্রমের বিষয়ে সঠিক দিকনির্দেশনা দিয়ে থাকে।

## মানব সম্পদ

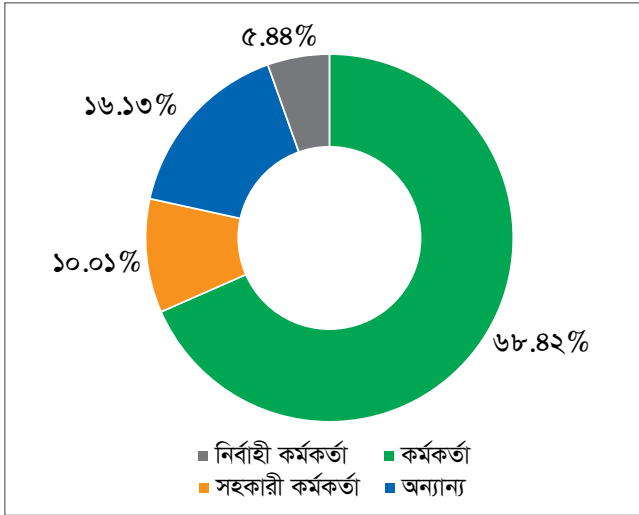
মানব সম্পদই ব্যাংকের প্রকৃত সম্পদ। কর্মকর্তা ও কর্মচারীদের অবদানের জন্য আমরা সব সময়ই তাদের স্বীকৃতি প্রদান করে থাকি। উন্নয়নের জন্য মানব সম্পদকে আমরা হাতিয়ার হিসাবে গণ্য করি। আমাদের সফলতার চাবিকাঠি মানবসম্পদ। উত্তরা ব্যাংক নিয়োগকারী হিসাবে নারী-পুরুষ, আঞ্চলিকতা ও জাতি-ধর্ম নির্বিশেষে সমান সুযোগ সুবিধা প্রদান করে। ৩১ ডিসেম্বর ২০১৮ তারিখে ব্যাংকের মোট জনবল ৩,৫২৭ জন। তন্মধ্যে কর্মকর্তা ও কর্মচারী যথাক্রমে ২,৯৫৮ ও ৫৬৯ জন। জনবলের সুখম ব্যবহার করে তাদের কর্মদক্ষতা ও উৎপাদন ক্ষমতা বৃদ্ধির উদ্যোগ নেয়া হয়েছে।



৩১.১২.২০১৮ তারিখে ব্যাংকের বিভিন্ন স্তরের মোট মানব সম্পদের শ্রেণীবিন্যাস ছিল নিম্নরূপঃ

পদবী	সংখ্যা	শতকরা হার
ক) নির্বাহী কর্মকর্তা (এ, জি, এম ও তদূর্ধ্ব)	১৯২ জন	৫.৪৪%
খ) কর্মকর্তা	২,৪১৩ জন	৬৮.৪২%
গ) সহকারী কর্মকর্তা	৩৫৩ জন	১০.০১%
ঘ) অন্যান্য	৫৬৯ জন	১৬.১৩%
মোট	৩,৫২৭ জন	১০০.০০%

মানব সম্পদ



নিরীক্ষণ ও পরিদর্শন

অভ্যন্তরীণ নিয়ন্ত্রণ ও পরিপালন বিভাগ সুনির্দিষ্ট গাইড লাইন অনুযায়ী শাখা সমূহের নিয়মিত ও আকস্মিক পরিদর্শন কার্যক্রম

সভাসমূহ

আলোচ্য বছরে নিম্ন বর্ণিত সভাসমূহ অনুষ্ঠিত হয়

সভাসমূহ	সভার সংখ্যা	
	২০১৮	২০১৭
পরিচালনা পর্ষদ	২৪	২৫
নির্বাহী কমিটি	৪৮	৪৮
অডিট কমিটি	১২	১২
রিস্ক ম্যানেজমেন্ট কমিটি	০৫	০৪

চালিয়ে থাকে। ২০১৮ সালে ২৩৩ শাখায় বিশদ পরিদর্শন, ৩৯টি বৈদেশিক লেনদেনের অনুমতি প্রাপ্ত শাখায় ফরেন এক্সচেঞ্জ অডিট, ২৩৩টি শাখা আইসিটি অডিট, ২০ টি DCFCL পরিদর্শন, ১২টি আঞ্চলিক কার্যালয়সহ প্রধান কার্যালয়ে ৩৩টি বিভাগ পরিদর্শন করা হয়। তদপুরি বাংলাদেশ ব্যাংক ০৮টি শাখায় বিস্তৃত পরিদর্শন, ০২টি শাখায় ফরেন এক্সচেঞ্জ পরিদর্শন ও ০৪টি শাখায় বিশেষ পরিদর্শন সম্পন্ন করে। এছাড়াও ব্যাংকের আঞ্চলিক প্রধানগণ ত্রৈমাসিক ভিত্তিতে তাদের আওতাধীন শাখাসমূহ নিয়মিতভাবে পরিদর্শন করে থাকেন।

নিরীক্ষক নিয়োগ

২০১৭ সালে অনুষ্ঠিত ৩৫তম বার্ষিক সাধারণ সভায় মেসার্স এম, জে, আবেদীন এন্ড কোং ও মেসার্স শফিক বসাক এন্ড কোং চার্টার্ড একাউন্ট্যান্টস ফার্মদ্বয়কে যৌথভাবে বিধিবদ্ধ নিরীক্ষক হিসাবে নিয়োগ দেয়া হয়। মেসার্স এম, জে, আবেদীন এন্ড কোং ও মেসার্স শফিক বসাক এন্ড কোং চার্টার্ড একাউন্ট্যান্টস ফার্মদ্বয় যৌথভাবে ১ জানুয়ারী ২০১৮ হতে ৩১ ডিসেম্বর ২০১৮ পর্যন্ত ব্যাংকের সকল হিসাবপত্র নিরীক্ষণ করেছে।

পরিচালনা পর্ষদের অডিট কমিটি

বাংলাদেশ ব্যাংকের নির্দেশনার সাথে সঙ্গতি রেখে ব্যাংকের পরিচালনা পর্ষদ বিভিন্ন নিরীক্ষণ বা পরিদর্শন রিপোর্ট এবং তার পরিচালনা কার্যক্রম নিয়মিত বিরতিতে পর্যালোচনার জন্য পর্ষদের ০৪ জন সদস্যের সমন্বয়ে একটি অডিট কমিটি গঠন করেছে। ২০১৮ সালে এই অডিট কমিটির ১২ (বারো) টি সভা অনুষ্ঠিত হয়। এই সকল সভায় অডিট কমিটি ব্যাংকের অভ্যন্তরীণ নিরীক্ষক দল কর্তৃক উপস্থাপিত নিরীক্ষা রিপোর্ট পর্যালোচনা ছাড়াও আর্থিক বিবরণী ও ব্যালান্সশিট পর্যালোচনা করে এবং উহা আন্তর্জাতিক হিসাব নীতি ও বাংলাদেশ ব্যাংকের নির্দেশ মোতাবেক প্রস্তুত করা হয়েছে বলে মত প্রকাশ করেন। এ বিষয়ে অডিট কমিটি বহিঃ নিরীক্ষক ও ব্যবস্থাপনা কর্তৃপক্ষের সাথেও মত বিনিময় করেন। যে কোন সম্ভাব্য অঘটন থেকে ব্যাংককে নিরাপদ রাখার জন্যে এই কমিটি ব্যবস্থা গ্রহণ করে থাকে। অডিট কমিটি ব্যাংকের অঙ্গ প্রতিষ্ঠানের আর্থিক প্রতিবেদনও পর্যালোচনা করে।





### সিনিয়র ম্যানেজমেন্ট টিম (এসএমটি)

ব্যবস্থাপনা কমিটি উর্ধ্বতন নির্বাহী কর্মকর্তা ও সকল বিভাগীয় প্রধানদের সমন্বয় গঠিত। এর প্রধান হচ্ছেন প্রধান নির্বাহী কর্মকর্তা ও ব্যবস্থাপনা পরিচালক। কমিটি নিয়মিতভাবে প্রতিমাসে কমপক্ষে ১ (এক) বার মিলিত হয়ে পরিচালনা পর্ষদকে নীতিমালা প্রণয়নে এবং তৎকর্তৃক গৃহীত নীতিমালা বাস্তবায়নের উপায়/উপকরণ উদ্ভাবনে সাহায্য করে। আলোচ্য বছরে এসএমটি-র ১২টি সভা অনুষ্ঠিত হয়।

### পরিচালকদের সম্মানী

আলোচ্য বছরে সভায় যোগদানের জন্য স্বতন্ত্র পরিচালকসহ পরিচালকদের সর্বমোট ৪৪,৪৮,০০০.০০ টাকা সম্মানী হিসাবে প্রদান করা হয়। উল্লেখ্য যে, বিআরপিডি সার্কুলার লেটার নং ১১ তারিখ ০৪.১০.২০১৫ মোতাবেক প্রত্যেক পরিচালক প্রতি সভায় যোগদানের জন্য ৮,০০০.০০ (আট হাজার) টাকা করে সম্মানী পান।

### Compliance of Section 1.5 (XX) of Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012.

Board Meeting during the period from 1st January 2018 to 31st December 2018 and attendance by each Director:

Serial No.	Name	Total Meeting Held	Attendance
1	Mr. Azharul Islam	24	19
2	Mr. Iftekharul Islam	24	17
3	Mrs. Badrunnesa Sharmin Islam	24	18
4	Mr. Arif Rahman	24	19
5	Mr. Abul Barq Alvi	24	24
6	Dr. Md. Nazmul Karim Chowdhury	24	23
7	Mr. Md. Kamal Akhtar	24	22
8	Col. Engr. M. S. Kamal (Retd.)	24	22
9	Mr. Asif Rahman	24	14
10	Mr. Faruque Alamgir	24	15
11	Mr. Shaikh Abdul Aziz	24	24
12	Mr.Kazi Masudur Rageb	24	19
13	Professor Shibli Rubayat Ul Islam (appointed on 11.10.2018)	24	05
14	Mr. Waliul Huq Khandker (appointed on 11.11.2018)	24	03
15	Mr.Mohammed Rabiul Hossain	24	24

**Compliance of Section 1.5 (XXI) of Notification No. SEC/CMRRCD/2006-58/134/Admin/44 dated 07 August, 2012.**

- a). Parent/ Subsidiary/ Associated Companies and other related parties: Nil
- b). Shareholding of Directors:

Serial No.	Name	Position	Total Shares held	% of Shares as on 31.12.2018
1	Mr. Azharul Islam	Chairman	20,529,721	5.131
2	Mr. Iftekharul Islam	Vice-Chairman	11,952,323	2.987
3	Mrs. Badrunnesa Sharmin Islam	Director	5,552,748	1.388
4	Mr. Arif Rahman	Director	8,004,150	2.001
5	Mr. Abul Barq Alvi	Director	39,949	0.010
6	Dr. Md. Nazmul Karim Chowdhury	Independent Director	-	-
7	Mr. Md. Kamal Akhtar	Independent Director	-	-
8	Col. Engr. M. S. Kamal (Retd.)	Director	40,074	0.010
9	Mr. Asif Rahman	Director	9,682,850	2.420
10	Mr. Faruque Alamgir	Director	3,339	0.001
11	Mr. Shaikh Abdul Aziz	Director	4,000	0.001
12	Kazi Masudur Rageb	Director	8,788,000	2.197
13	Professor Shibli Rubayat Ul Islam (Nominated by SBC)	Director	18,941,542	4.734
14	Mr. Waliul Huq Khandker	Independent Director	-	-
15	Mr. Mohammed Rabiul Hossain	Managing Director & CEO	-	-

Shareholding of CEO, CFO, Company Secretary & Head of Internal Audit:

1	Chief Executive Officer and his spouse and minor children	Nil
2	Company Secretary and his spouse and minor children	Nil
3	Chief Financial Officer and his spouse and minor children	Nil
4	Head of Internal Audit and his spouse and minor children	Nil

- c). Shareholdings of Executives (Top five salaried persons other than the Directors, CEO, CFO, CS and HIA): Nil
- d). Shareholders holding 10% or more voting interest in the company: Nil

## আর্থিক প্রতিবেদন সম্পর্কে পরিচালকগণের ঘোষণা

পরিচালকগণ গুরুত্ব সহকারে ঘোষণা করছে যে;

- ক) ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক প্রস্তুতকৃত আর্থিক বিবরণীসমূহ যথাযথ ভাবে প্রতীয়মান হয়েছে।
- খ) ব্যাংকে এ্যাকাউন্টিং সংক্রান্ত হিসাব বই বিধান অনুযায়ী যথাযথভাবে রক্ষিত হয়েছে।
- গ) আর্থিক বিবরণী প্রস্তুতকালে যথাযথ এ্যাকাউন্টিং পলিসিগুলো সামঞ্জস্যপূর্ণভাবে অনুসরণ করা হয়েছে এবং এ্যাকাউন্টিং সংক্রান্ত প্রাক্কলন যুক্তিযুক্ত এবং বিচক্ষণ বিবেচনার ফসল।
- ঘ) বাংলাদেশে প্রযোজ্য ইন্টারন্যাশনাল এ্যাকাউন্টিং স্ট্যান্ডার্ড (আইএ,এস)/ ইন্টারন্যাশনাল ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ড (আই,এফ,আর,এস) যথাযথ ভাবে প্রয়োগ করা হয়েছে।
- ঙ) ব্যাংকের অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা পরিপক্ব এবং তা কার্যকরভাবে প্রয়োগ করা হয়েছে এবং সেগুলো নজরদারীও করা হচ্ছে।
- চ) ব্যাংক চলমান প্রতিষ্ঠান হিসেবে (Going concern) অব্যাহত থাকার ব্যাপারে কোন সন্দেহ নেই।

## উপসংহার

২০১৮ সালে পরিচালনা কর্মকাণ্ডে প্রভূত সাফল্যের জন্য পরিচালনা পর্ষদ মহান আল্লাহ পাকের শুকরিয়া আদায় করছেন। পরিচালনা পর্ষদ গভীর কৃতজ্ঞতা জ্ঞাপন করছেন ব্যাংকের সম্মানিত গ্রাহক, শেয়ারহোল্ডার এবং পৃষ্ঠাপোষকদের সমর্থন ও সহযোগিতার জন্য।

পরিচালনা পর্ষদ সহযোগিতা ও সঠিক দিক নির্দেশনার জন্য ধন্যবাদ জ্ঞাপন করছেন গণপ্রজাতন্ত্রী বাংলাদেশ সরকার, বাংলাদেশ ব্যাংক, যৌথ মূলধনী কোম্পানী ও প্রতিষ্ঠান সমূহের নিবন্ধক, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা ও চট্টগ্রাম স্টক এক্সচেঞ্জ ও অন্যান্য নিয়ন্ত্রক সংস্থাকে।

এছাড়া, ব্যাংকের নিরীক্ষক মেসার্স এম, জে আবেদীন এন্ড কোং এবং মেসার্স শফিক বসাক এন্ড কোং চার্টার্ড এ্যাকাউন্ট্যান্স ফার্মদ্বয়কে পরিচালনা পর্ষদ নিরীক্ষা ও আর্থিক বিবরণীসমূহ তৈরীর কার্যক্রম সময়মত সম্পন্ন করায় আন্তরিক ধন্যবাদ জানাচ্ছে।

সর্বপোরি ব্যাংকের উন্নতির লক্ষ্যে ব্যাংকের কর্মকর্তা ও কর্মচারীদের নিরলস প্রচেষ্টা, একাত্ম সেবা ও সহযোগিতার জন্য পরিচালনা পর্ষদ আন্তরিক ধন্যবাদ জ্ঞাপন করছে।

পরিচালকমন্ডলীর পক্ষে,



(আজহারুল ইসলাম)

চেয়ারম্যান



## Respected Shareholders

### Assalamu Alaikum

The Board of Directors of Uttara Bank Limited is pleased to welcome you in the 36th Annual General Meeting of the Bank. Directors' Report along with the audited Financial Statements and auditors' Report thereon for the year ended on December 31, 2018 are presented before you. A short overview of the World Economic Scenario and Developments in the Bangladesh Economy has been provided in the report. Uttara Bank Limited has been able to maintain satisfactory growth amidst stiff competition in the concerned year.

### World Economic Scenario

The global economy continued to grow steadily in 2017, reaching 3.7 percent. However, the pace of growth was less than expected earlier. Growth in 2018 and 2019 is projected to remain at the level of 2017. Advanced economies grew by 2.3 percent in 2017 and are expected to grow by 2.4 percent in 2018 and 2.1 percent in 2019. Emerging markets and developing economies grew by 4.7 percent in 2017 and are expected to maintain their growth in 2018 and 2019 at the level of 2017 (World Economic Outlook, October 2018).

U.S. growth is projected to increase from 2.2 percent in 2017 to 2.9 percent in 2018 due to continued fiscal stimulus. But the growth forecast for 2019 has been revised down to 2.5 percent due to the recently announced trade measures, including the tariffs imposed on USD 200 billion of US imports from China. U.K. growth is projected to moderate from 1.7 percent in 2017 to 1.4 percent in 2018 and 1.5 percent in 2019. Growth in the Euro area is forecast to 2.0 percent and 1.9 percent in 2018 and 2019 respectively, from 2.4 percent in 2017. Japan is projected to grow by 1.1 percent in 2018 and 0.9 percent in 2019 from 1.7 percent in 2017.

Among the emerging market and developing economies, the growth outlook of many oil exporters increased by higher oil prices while, growth outlook for Argentina, Brazil, Iran and Turkey decreased reflecting country-specific factors, geopolitical tensions and increased oil import payments. China's growth is projected to decline to 6.6 percent in 2018 and 6.2 percent in 2019, from 6.9 percent in 2017, reflecting the potential impact of recently announced trade measures by the U.S. India's economic growth in 2018 and 2019 is expected to continue at 7.3 percent and 7.4 percent respectively from 6.7 percent growth in 2017. ASEAN-5 countries are projected to grow by 5.3 percent in 2018, unchanged from 2017 and then marginally decline to 5.2 percent in 2019.

World trade volume growth is projected to decline from 5.2 percent in 2017 to 4.2 percent in 2018 and 4.0 percent in 2019.

### Developments in Bangladesh economy

Bangladesh economy continued to grow rapidly and achieved a record growth of 7.86 percent in FY18, over-performing the Government's FY18 growth target of 7.4 percent. The growth momentum was supported by strong domestic and external demand.

Agriculture sector contributed 14.2 percent of GDP and grew by 4.2 percent in FY 18, compared to 3.0 percent growth in FY 17, mainly supported by the growth of fishing, forest related services and animal farming sub-sector along with other sub-sectors. Industry sector contributed 33.7 percent of GDP and grew by 12.1 percent in FY18, up from 10.2 percent in FY17. This growth was supported by strong growth of manufacturing and construction sub sectors. The services sector accounts for the largest share of GDP, although the share is slowly

decreasing. In FY18, 52.1 percent of GDP came from this sector which was 52.9 percent in FY 17. In FY18, service sector grew by 6.4 percent, down from 6.7 percent growth in FY17. The growth of two major components of services sector- education and financial intermediations witnessed sharp decrease. Annual average CPI inflation has consistently declined from its recent peak of 7.4 percent at the end of FY14 to 5.4 percent at the end of FY17 but increased afterwards reaching at 5.8 percent at the end of FY18. Broad money (M2) recorded a lower growth of 9.2 percent in FY18 against the target growth of 13.3 percent and the 10.9 percent actual growth in FY 17.

Private sector credit grew by 17.0 percent in FY18, in line with the targeted growth of 16.8 percent for FY18 and higher than the actual growth of 15.7 percent in FY17. In FY18, imports grew much faster than exports. Export grew by 6.4 percent while the growth of import payment was 25.2 percent. Remittance inflows increased by 17.3 percent at the end of FY18 compared with the negative growth of 14.5 percent in FY17. Gross international foreign exchange reserves stood at USD 32,943 million at the end of FY18, representing around 5 months of prospective imports, supported by a surplus in financial account and significant inflows of remittances.

The Bangladesh economy experienced an impressive growth in FY18, aided by strong domestic and external demand, as reflected in the buoyant public and private investment and consumption, driven by higher exports, remittances and private sector credit growth.

### **Banking Industry Outlook**

Bangladesh Bank has pursued various initiatives to support the country's growth aspirations and supported market development agenda that can help better finance long term investment. BB's continued focus on SMEs, agriculture and green initiatives, including Long Term Financing Facility and Green Transformation Fund (GTF). These schemes would make finance and growth more sustainable. Besides, given Bangladesh's young labor force, more and better jobs will need

support from both the engines of growth-a vibrant manufacturing-led export sector and output activities to meet domestic demand and create job. Furthermore, BB will continue to resort to intensive and intrusive supervision in ensuring that credit flows reach the priority sectors (agriculture, manufacturing, SMEs) that can create more and better jobs while protecting the environment.

The overall macroeconomic stability for Bangladesh economy has shown resilience despite domestic and external shocks. However, the ambitious target of building Bangladesh as a knowledge-based upper middle income country by 2030 or earlier and graduation of the country to a developed one by 2041 will require unwavering and continued reforms, given Bangladesh's integration with the global economy in an increasingly complex world.

### **Uttara Bank Limited**

Uttara Bank Limited is one of the front ranking first generation private sector commercial banks in Bangladesh. The Bank has been carrying out business through its 235 branches spreading all over the country. The Management of the Bank consists of a team led by senior bankers with vast experience in national and international markets.

### **Performance of Uttara Bank Limited**

Uttara Bank has successfully achieved improved operational results showing an impressive upward trend. Bank's operation has achieved the confidence of its customers with sound fundamentals in respect of deposit accumulation and loans & advances, import & export, remittance and profit earning. As a result, the bank has been able to earn a steady after tax profit growth.

### **Financial result of the Bank**

To uphold the continuous growth, the management of Uttara Bank Limited is always striking optimum balance between liquidity and profitability. The Management emphasizes on the growth of quality of assets in addition to the quantity. Our financial highlights are growing year to year mainly due to operational efficiency and an increasing customer base. The financial results of the Bank are as under:



## ASSETS

As of 31 December 2018 total asset of the Bank stood at Tk.190,029.9 million with an increase of 6.23 percent as against Tk.178,879.6 million of 2017. The increase in Asset was mainly driven by significant growth of customers' deposits which were used for funding in loans & advances and holding of securities. The increase in asset is determined by loans and advances.

### Cash

Cash in hand stood at Tk.3,136.6 million in 2018 as against Tk.2,700.5 million of the previous year.

### Balances with Bangladesh Bank and its agents

During the year 2018, balances with Bangladesh Bank and its agents stood at Tk.10,425.2 million.

### Balances with other Banks/ Financial Institutions

During the year 2018 balances maintained with other banks and financial institutions stood at Tk.16,760.3 million as against Tk.14,444.4 million of the previous year.

### Investment

The Bank always gives emphasis on investment of Funds in high yield areas simultaneously maintaining Statutory Liquidity Requirement (SLR) as fixed by Bangladesh Bank.

Uttara Bank Limited is a primary dealer of Government securities. The Bank as a primary dealer is to purchase the Bond/Bill which is put to auction in order to keep underwriting commitment. Besides, one of the investment activities of the bank is to maintain Statutory Liquidity Reserve (SLR) which mainly comprises of Government Treasury Bill and Treasury bond of different tenure, Prize Bonds, Government approved Debenture and ICB shares. The Bank invested total Tk.28,669.3 million in 2018 as compared to Tk.32,603.9 million of the previous year.

## Head wise position of Bank's Invested Fund at the end of the year 2018 is given below:

Heads of Investment	Taka (Million)
Treasury Bills and Bonds	21,664.9
Share and Debenture of ICB sponsored companies	6.6
Prize Bond	8.1
Subordinated bond	5,910.0
Commercial Paper	750.0
Eastern Bank Limited	104.0
ICB	199.4
Karmasangsthan Bank	10.0
CDBL	1.6
Others	14.7
<b>Total</b>	<b>28,669.3</b>

### Loans and Advances

The Bank continued its participation in different credit programmes for financing new industrial projects, working capital, trade finance, international trade etc. The Bank continued to consolidate and diversify its portfolio in 2018 to have a diversified client base and portfolio distribution across the sectors to reduce client specific concentration and industry specific concentration and to reduce overall portfolio risk. In 2018 Uttara Bank Limited registered a steady growth in the credit portfolio posting a growth of 12.85 percent. Total loans and advances of the Bank stood at Tk.118,789.7 million during the year 2018 as compared to Tk.105,260.9 million of the previous year. Average loan per Branch stood at Tk.505.9 million. Sector wise allocation of advances revealed a well-diversified portfolio of the Bank with balanced exposure in different sectors.

### Agriculture Loan

The overall economic development of our country depends on Agricultural growth. With a view to augmenting agricultural output, creating employment opportunities and generating income of the rural people, Uttara Bank Limited intensified its efforts to extend credit facilities to all sections



of rural population under various rural credit schemes, programmes and projects pertaining to agricultural and of farming activities. At present the Bank is disbursing agri Loan to the farmers directly through all its branches with simple terms and conditions. The persons interested in agricultural work, including men and women, landless/ marginal farmers and shared croppers are eligible for receiving agri loan from the Bank. The agri credit sectors of the Banks are crops, irrigation, equipments, agricultural machineries, livestock, fisheries (including shrimp) and poverty alleviation etc. The outstanding balance in this sector stood at Tk. 2,805.5 million at the end of the year 2018 as against Tk. 2,195.0 million of the previous year.

### **SME Financing**

SMEs are important to almost all economies of the world but especially to those in developing countries like Bangladesh. Financing in SME sector is a good opportunity to diversify the portfolio risks. Small & Medium Enterprise (SME) remains the engine of growth in the emerging economy. Uttara Bank Limited has been putting its emphasis on Small and Medium Enterprise Financing in line with the Prudential Regulations/Guidelines of Bangladesh Bank. The Bank's strategy is to provide working capital and term loan to different small and medium scale manufacturers, traders and service providers those fall under SME sector.

The Bank disbursed Tk. 33,160.7 million in SME sector during the year 2018 out of which small enterprise Tk.18,282.7 million and medium enterprise Tk. 14,878.0 million. The outstanding balance of the same as on 31.12.2018 stood at Tk. 57,266.4 million. As a vision to diversify the credit portfolio as well as to minimize credit risk, the bank is now focusing more on SME sector.

### **Consumer Credit Schemes (CCS) & Personal Loan**

The outstanding balance of consumer credit scheme under two special projects namely "Uttaran Consumer Loan Scheme" and "Uttaran House Repairing and Renovation Scheme" stood at Tk. 289.7 million and Tk. 6,442.9 million

respectively at the end of the year 2018. It may be mentioned here that the recovery rate in these schemes is satisfactory. Personal loan scheme has been introduced to extend credit facilities to cater the needs of low and middle income group for any purpose. The outstanding balance of the same stood at Tk. 0.3 million at the end of the year 2018.

### **Poverty alleviation sector financing**

Bank continued to extend commercial loan to the enthusiastic youths and small entrepreneurs for various sectors through its different branches on priority basis during the year. For this purpose, the Bank disburses loan in dairy and poultry to obliterate the poverty and to create employment opportunities for the destitute. The outstanding balance in this sector stood at Tk. 128.3 million at the end of the year 2018.

### **Financing in Women Empowerment Development Scheme**

Uttara Bank believes that empowerment of women can be truly achieved if they get opportunity to attain their economic emancipation. Women Empowerment Development Scheme has been introduced in the Bank named "Nari Shanirvar Rin Prokalpa" to encourage women in doing business in Small & Cottage industry and others. The outstanding balance in this sector stood at Tk 67.4 million at the end of the year 2018.

### **Syndicated Finance**

Syndicated loans allow arranging funds for large projects spreading the risk amongst the partner Banks. Clients also enjoy the benefits of having access to larger pool of funds from multiple financial institutions but have to deal with one Agent Bank and one set of documentation. The outstanding balance of the same at the end of the year 2018 stood at Tk. 360.4 million. The Bank worked as a participating financial institution in syndication finance.

### **Corporate Finance**

Uttara Bank Limited always adopts strategy for widespread service for the large and medium sized corporate customers. Bank's business is focused to a considerable extent on the corporate clients by



maintaining a relationship and extending financial assistance based on a deep understanding of the clients' business environments, financial needs and internal strategies for growth. The Bank extends its financial support to the corporate clients either from own finance or by arranging syndicated/club finance. The investment in corporate sector is the combination of a mixed and balanced allocation in various natures of business/industries based on the socio-economic perspectives and long term planning.

### Lease Finance

This scheme has been designed to assist and encourage the genuine and capable entrepreneurs and professionals for acquiring capital machineries, medical equipments, computers, vehicles and other items. As part of its diversification of credit products, Uttara Bank Limited introduced Lease financing Scheme. The Bank continues to disburse loan under this Scheme and the outstanding balance stood at Tk. 216.5 million on 31 December 2018.

Major sectors where the Bank has extended its business are mainly Imports and Exports, Commercial Enterprises, Steel Re-rolling Mills, Readymade Garments, Textiles, Edible oil and Cement Factories etc.

### Bad Loan Management

Credit Monitoring is a continuous process to maintain and upgrade the health of assets of the Bank. The Bank continued its efforts to maintain high quality assets. Besides giving emphasis on the satisfactory business performances of the customers and collateral support, the Bank geared up loan monitoring and follow up systems through Credit Administration & Monitoring Department to check the loans from becoming non-performing. The non-performing loans of the Bank stood at Tk. 7,518.9 million at the end of 2018 compared to Tk. 7,104.6 million in 2017.

### LIABILITIES

Total liabilities of the Bank stood at Tk. 175,287.2 million on 31 December 2018 registering a growth of 6.24 percent over the last year. This was mainly due to increase in customers' deposits.

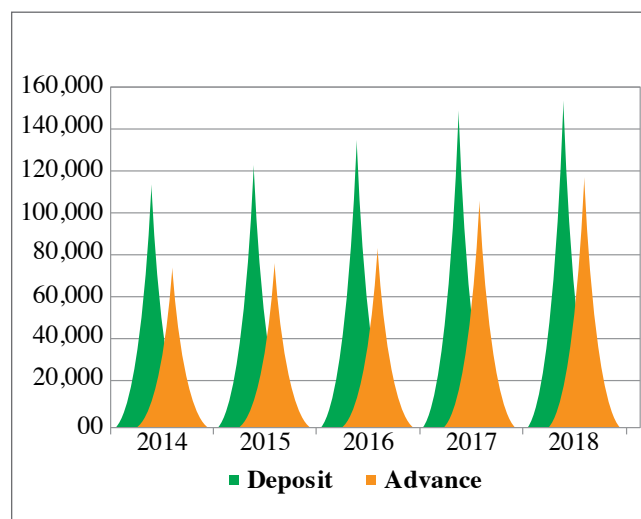
### Borrowings from other Banks, Financial Institutions and Agents

The function of the Treasury Division is borrowing fund from and lending fund to money market. Borrowing from other Banks, financial institutions and agents including overnight borrowing stood at Tk 5,466.1 million at the end of 2018 compared to Tk. 992.3 million at the end of 2017. The Bank's borrowing includes borrowing against refinance from Bangladesh Bank for financing under SME scheme and financing against SME (women entrepreneurs).

### Deposit

Deposit is the principal source of fund invested to generate revenue in banking business. The Bank's deposit stood at Tk. 153,057.8 million as on 31 December, 2018 compared to Tk. 148,514.9 million in 2017, thus recording 3.06 percent growth. Competitive interest rates, attractive deposit products, deposit mobilization efforts of the Bank and confidence reposed by the customers in the Bank contributed to the notable growth in deposits.

**Deposit & Advance (Taka in Million)**



### Share Capital

The Authorized Capital of the Bank was Tk. 6,000.0 million as on 31.12 2018. The paid up capital of the Bank stood at Tk. 4,000.8 million. The total equity of shareholders of the Bank at the end of the year 2018 stood at Tk. 14,742.7 million and in 2017 at Tk. 13,890.8 million.



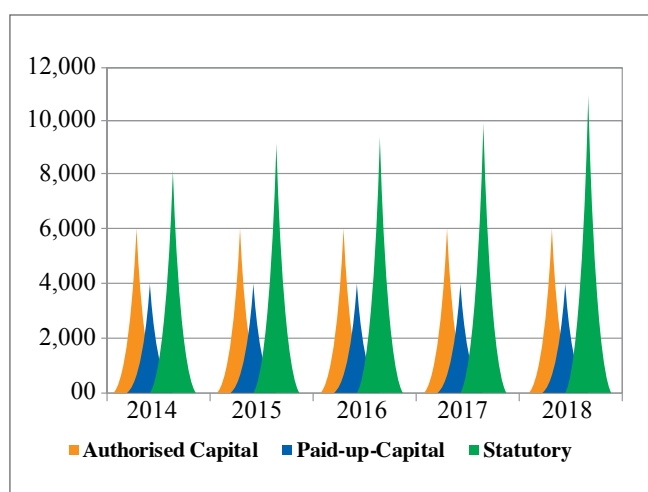
## Statutory and Other Reserve

The Statutory and Other Reserve increased to Tk. 10,741.9 million during the year by registering 8.61 percent increase over last year Tk 9,890.0 million.

## Other Liabilities

During the year 2018, other liabilities of the Bank stood at Tk. 16,763.3 million as against Tk. 15,481.6 million for the previous year.

### Capital & Reserve (Taka in Million)



## INCOME

### Interest Income

During the year 2018, interest income of the Bank was Tk. 12,734.1 million as against Tk. 10,440.4 million of the previous year. The interest income of the Bank was increased by 21.97 percent over the previous year due to disbursement of new loans and advances of the Bank.

### Interest Expense

Interest expenses moved up from Tk. 6,076.7 million in 2017 to Tk. 7,018.4 million in 2018 posting a increase of 15.50 percent. The interest expenses of the Bank were increased due to significant growth of Deposits.

### Net Interest Income

The net interest income of the Bank for the year under review stood at Tk. 5,715.7 million as against Tk. 4,363.7 million for the previous year thereby making a positive growth of 30.98 percent over the year 2017.

## Investment Income

The Bank's investment income during the year 2018 was mostly in long term Govt. Securities which stood at Tk.2,820.4 million as against Tk. 2,827.9 million in 2017.

## Commission, Exchange & Brokerage

In the year under review, commission, exchange and Brokerage earnings was Tk.843.9 million which was Tk. 1,002.9 million in 2017.

## EXPENSES

In the year 2018, total operating expenses stood at Tk. 6,167.6 million as against Tk. 6,009.4 million of the previous year.

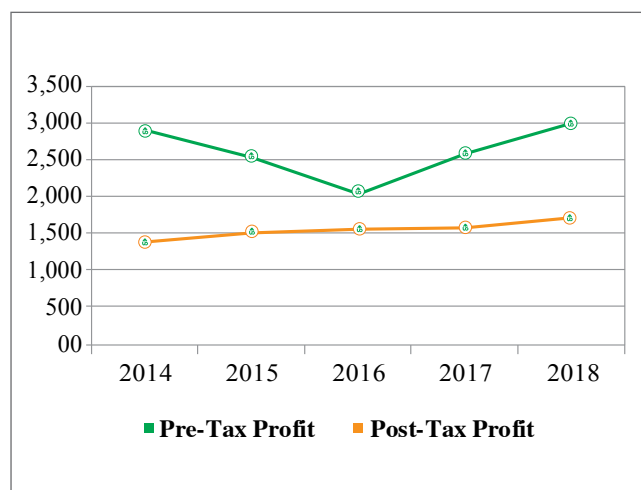
### Profit before Tax

Profit of the Bank before tax stood at Tk. 2,981.5 million as against Tk. 2,530.2 million of the previous year, thus records a growth of 17.84 percent.

### Profit after Tax

Profit of the Bank after tax stood at Tk. 1,719.3 million in 2018 as against Tk. 1,556.4 million of the previous year, thus records a growth of 10.47 percent.

### Pre-Tax & Post-Tax Profit (Taka in Million)



## Operational Success and Appropriation of Profit

The operating profit of the Bank during the year 2018 was Tk. 3,911.5 million as against Tk. 2,830.2 million in 2017. The Bank was able to earn gross income of Tk. 17,097.5 million during the year 2018 whereas the gross expenses were Tk. 13,186.0 million.





**The financial results and recommended appropriation of profit for the year 2018 are given below:**

(Amount in Taka)

Particular	2018	2017
<b>Net profit after tax</b>	<b>1,719,310,521</b>	<b>1,556,394,901</b>
Add: Retained earnings brought forward from previous years	30,385,205	44,150,978
<b>Profit available for appropriation</b>	<b>1,749,695,726</b>	<b>1,600,545,879</b>
<b>Appropriations recommended by the Board of Directors:</b>		
Transfer to Statutory Reserve	-	-
Transfer to General Reserve	800,000,000	770,000,000
Proposed Dividend:		
<b>Stock dividend @2.00%</b>	<b>80,016,067</b>	-
<b>Cash dividend @ 20.00%</b>	<b>800,160,674</b>	<b>800,160,674</b>
<b>Retained earning carried forward</b>	<b>69,518,985</b>	<b>30,385,205</b>

**Provision for loans & advances:**

For making required provision amounting to Tk. 3,315.1 million against classified and unclassified advances as per revised directives of Bangladesh Bank by December 2018, the Bank made provision for Tk. 3,319.0 million during the year under report. At present there is no shortfall in provision against classified and unclassified loans and advances and Off Balance Sheet Exposures.

**Provision for Tax**

Provision for tax for the year was Tk.1,262.2 million compared to Tk.973.9 million of the previous year. According to International Accounting Standard (IAS) 12, Current Tax of the Bank has been calculated.

**Adoption of IAS and IFRS**

Institute of Chartered Accountants of Bangladesh (ICAB) adopted the International Accounting

Standards (IAS) and International Financial Reporting Standards (IFRS). Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank also mandated the implementation of IAS and IFRS. These standards and reporting system have also been complied by our Bank in preparation of the Financial Statements.

**Dividend**

The Board of Directors recommended 2% stock dividend and 20% cash dividend for the year 2018 subject to the approval of the shareholders in the 36th Annual General Meeting.

**Treasury Operations**

In keeping with international standard and the Central Bank Guidelines for Core Risk Management Policy, the Bank has restructured its treasury into three segments (1) Treasury Front Office (2) Treasury Mid Office & (3) Treasury Back Office. Proper utilization of surplus fund through maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) is one of the major functions of Treasury Division. Treasury Division operates with a view to activate the functions of Treasury Bills and Bonds, Commercial Securities, Purchase and Sale of the same in the secondary market. During the year under discussion, the Bank's treasury function continued to concentrate on local money market operations, which included primarily term investment of surplus funds and inter-bank lending and borrowing at call. Besides, Money Market Department of the Bank's Treasury Division is working efficiently with products of Repo & Reverse Repo. Foreign Exchange Money Market and Primary Dealer encountered multidimensional challenges and new regulations were introduced with various associated risks during this year. In spite of that Bank has also managed fund requirement in local currency efficiently. Treasury operations of the Bank are operated in the light of the Core Risk Management guidelines issued by the Bangladesh Bank.



## Capital Adequacy

Capital adequacy focuses on the total position of capital held against the requirement as per policy of Bangladesh Bank and aims at protecting the depositors from potential shocks of losses that a Bank might incur. At the end of the year 2018, the total Regulatory Capital of the Bank stood at Tk.13,752.7 million against Minimum Capital Requirement (MCR with conservation buffer @11.875%) of Tk.13,079.6 million on the basis of tier-1 and tier-2 showing surplus capital of Tk. 673.1 million. Risk weighted assets increased by Tk.8,974.0 million and stood at Tk.110,144.2 million in 2018. The capital adequacy rate of the Bank stood at 12.49 percent against Minimum capital requirement (with conservation buffer) 11.875 percent as fixed by Bangladesh Bank, which is indicating a sound Capital base of the Bank.

## Implementation of BASEL-III

The purpose of Basel-III is to create an international standard that Banking regulators can use when creating regulations about how much capital banks need to put aside to guard against the types of financial and operational risks banks face. The establishment of the risk based capital adequacy as per Basel-III framework has put the total Banking system in a challenging position in these days. In view of Basel-III recommendation, the revised policy of Bangladesh Bank on capital adequacy takes into account of different degrees of credit risk and covers both on balance and off balance sheet transactions. To give comparative effect to this purpose, capitals are categorized into two tiers: Tier-1 defined as core capital comprising the quality capital elements and Tier-2 defined as supplementary capital represents other elements which fall short of some of the characteristics of the core capital but supplement the over all strength of the Bank. **(Details in page no. 258)**

## Credit Rating of the Bank

Entity rating of Uttara Bank Limited was rated as on 28 June 2018 on the information of 31 December 2017 by the Emerging Credit Rating Limited (ECRL) which is a local rating company.

The Bank has achieved AA (Very High Quality and Very Low Credit Risk) in long term and ST-2 (High Grade) in short term. The above surveillance rating has been done in consideration of Bank's visible improvement in fundamentals such as asset quality, capital adequacy, liquidity position, profitability and limited market share. **(Details in page no. 124)**

## Segment Reporting

Following table also summarizes both the stand alone performance of the Bank and its two subsidiaries.

**(Figure in Tk.)**

Particulars	Uttara Bank Ltd.	UB Capital & Investment Ltd.	Uttara Bank Securities Ltd.
Total Operating Income	10,079,101,418	9,045,533	24,699,807
Total Operating Expense	(6,167,633,431)	(621,785)	(60,714,156)
Profit before Provisions	3,911,467,987	8,423,748	(36,014,349)
Total Provisions	(930,000,000)	-	(14,416,910)
Profit before Tax (PBT)	2,981,467,987	8,423,748	(50,431,259)
Provision for Taxation	(1,262,157,466)	(3,158,905)	(4,525,690)
Profit after Tax (PAT)	1,719,310,521	5,264,843	(54,956,949)

## International Trade Operation

The international trade financing is one of the major business activities conducted by the Bank. The foreign trade related activities of the Bank carried out through 39 Authorized Dealer branches across the country, have earned confidence of importers and exporters. The Bank's 39 Authorized Dealer branches are well equipped with highly trained professionals to handle varied needs of import and export based clients.

## Import Business

During the year, performance of import business of the Bank was satisfactory. In 2018 import business stood at Tk.56,244.5 million as compared to the volume of Tk.48,440.3 million in 2017 which is increased at 16.11%.



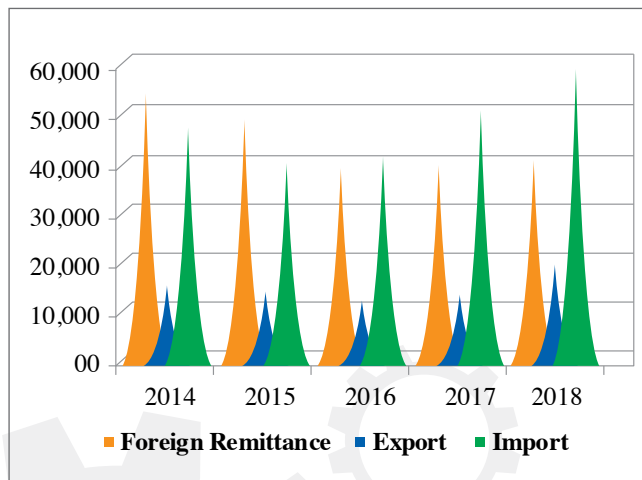
## Export Business

Export business handled by the Bank during the year 2018 amounted to Tk. 16,483.1 million as against Tk. 11,590.7 million of the preceding year which is increased at 42.21%.

## Foreign Remittance

The Bank has been active in remittance operations to facilitate disbursement of remittances received from Bangladeshi wage earners working abroad. Inward Foreign Remittance played a significant role in reducing the Bank's dependence on inter-bank market for payment of import bills in foreign currency. This Bank has drawing arrangement with 70 Banks and Exchange Companies of the different important countries of the world. The volume of foreign remittance in the year 2018 stood at Tk. 38,227.2 million as compared to Tk. 37,988.6 million of 2017 which indicates a growth of 0.63%. Besides, expatriates can remit their money to home country instantly at low cost, through its 536 or more correspondents worldwide under SWIFT system.

**Foreign Trade (Taka in Million)**



## Foreign Currency Deposit Account

With a view to delivering the hard-earned foreign remittances sent by Bangladeshi expatriates to the payees at home and enabling them to utilize the same in their chosen sectors, Uttara Bank Limited has in operation a number of modalities such as, Foreign Currency (FC) Account in US Dollar,

Euro and Pound, Non Resident Foreign Currency Deposit (NFCD) Account and Resident Foreign Currency Deposit (RFCD) Account.

Besides, they can purchase Five Years Wage Earners Development Bond (WEDB), US Dollar Investment Bond and US Dollar Premium Bond with their foreign remittances,

## Foreign Correspondents and Exchange Houses

The Bank has continued efforts and endeavors to develop relationship with foreign correspondents worldwide to facilitate the international trade services. Correspondent Banks are the trade partners of the bank in international trade. The bank has already achieved tremendous success in foreign trade. In order to encourage wage earners for remitting funds through banking channels and ensure smooth facilities for the remittance to send money from any corner of the world, the bank is constantly trying to make arrangements with reputed exchange houses all over the world. As a consequence of effective expansion of strong correspondent network and enlistment of the bank as a member of SWIFT, the inter-bank remittance has increased and as a result the bank is able to remit the fund to the customers quickly. The total number of correspondents and agents of the bank in our country and abroad was 536 as on 31.12.2018. At the same time the bank maintained drawing arrangements against wage earners' foreign remittance with 70 exchange houses worldwide. Among these 70 exchange houses, the bank has arrangements with well regarded exchange houses like Money Gram, Western Union, National Exchange, Trans-Fast, UAE Exchange Centre, BRAC Saajan Exchange, NEC Money Transfer etc. With the best effort to provide our customers the best services in the quickest possible time, the bank has recently launched a web portal in the name of "Remittance Management Software" through which all the wage earners' foreign remittance can be processed and managed quickly and easily with the support of the bank's 235 online branches throughout the country.



## Products and Services

The Bank has continued to improve its activities untiringly in the delivery of products and services. Our first step in building superior customer responsiveness is through motivating the whole company to focus on the customers. The Bank has launched a number of financial products and services since its inception. Among these Monthly Deposits Scheme, Double Benefit Deposit Scheme, Mashik Munafa Prokalpa, Uttaran Bibaha Sanchay Prokolpa, Uttaran Swapnopuran Sanchay Prokolpa, Uttaran Shikkhaya Sanchay Prokolpa, School Banking Deposit, FDR, SND, Uttaran Millionaire Deposit Scheme, Uttaran Lakhpoti Deposit Scheme etc. are for deposit mobilization in one hand and consumer credit scheme, lease finance, personal loan, Uttaran house repairing and renovation scheme, SME financing, Agri loan etc. are in another hand. Besides, the Bank has also some electro-banking products based on information technology of which Q-cash UBL ATM Debit cards/Visa Cards are worth mentioning for providing 24 hours services to customers.

## Risk Management

Risk Management is a dynamic process interrelated with the philosophy, culture and functionalities of the Bank. By nature, risks are extremely unpredictable. This makes it urgent for the Bank to evolve its risk management strategy in a way that best protects our interests against any insidious transactions. The management of Uttara Bank Ltd. is fully cognizant of the importance of various risks involved in the banking business. Risk Management is one of the critical factors in banking. Bangladesh Bank has identified 06 (six) core risk Management of Banks and has provided necessary guidelines for prevention there from. The six core risks are:

- \* **Credit Risk Management.**
- \* **Asset Liability Management.**
- \* **Foreign Exchange Risk Management.**
- \* **Prevention of Money laundering.**
- \* **Internal Control and Compliance.**
- \* **Information and Communication Technology (ICT) Risk**

Effective risk management is indispensable for smooth commercial operation in all spheres of business. So, Uttara Bank Ltd. has implemented the following risk management system prepared in line with guidelines of Bangladesh Bank to prevent relevant risks.

## Credit Risk Management

Credit risk is the risk of loss arising from the failure of a borrower, issuer, counterparty or customer to meet its financial obligations to the Bank. The Bank is exposed to credit risk both through direct exposures and through contingent exposures. Our endeavor in identifying, measuring, monitoring and controlling credit risk for each borrower and also at the portfolio level are working as the guiding principles of credit risk management. Uttara Bank Limited always acknowledges effective Risk Management as the key to steady and stable growth for the Bank. The Bank's own lending policy has been introduced in the Bank in line with the directives received from Bangladesh Bank and the Government. The Branches are the business unit of the banking system. The loan application assessment process starts at branch level by the Relationship Managers (RM). The Relationship Manager team assess the particulars/information of the application and present the proposal to Branch Manager if it is within the delegated power of Branch Manager (BM). But if it is not within the delegated power of Branch Manager, Relationship Manager (RM) recommends the limit for approval to Zonal Head, who sanctions loans & Advances as per delegation given to him and for loans and advances beyond his discretionary power send to Corporate Banking Division at Head Office for scrutiny. After examining the proposals, they forward the same to Credit Division, Approval Department mentioning that the proposal may be taken up for decision. The Credit approval analyses the proposal from different perspectives in line with lending policy of the Bank. If the proposal is found business worthy, the CRM Unit places it to the Credit Committee with its recommendations. Mentionable that Credit approval authority has been delegated to the individual Executives. Proposal beyond their delegation is submitted to the top Management, the Executive Committee and the Board of Directors.



## Asset Liability Management

Asset Liability Management (ALM) is an integral part of Bank Management that manages the Bank's on and off-Balance sheet position to offer competitively priced products and services to customers. The Asset-Liability Management Committee (ALCO) holds meetings regularly to discuss both the opportunities and threats to the Bank's Balance Sheet & Liquidity. As per Bangladesh Bank guidelines, the Bank formed Asset Liability Committee with combination of following members:

- **Managing Director & CEO**
- **Additional Managing Director**
- **Deputy Managing Directors**
- **Chief Financial Officer**
- **Head of Treasury**
- **Head of International Division**
- **Head of Banking Control and Common Services Division**
- **Head of Risk Management Department**
- **In charge of Asset Liability Department**

ALCO members sit at least once in a month to review mainly the aspects of economic and money market status risks as a whole, liquidity risks related with Balance Sheet, transfer pricing risk, risks related to interest rate on deposits and advances and various important aspects including monetary policy of Bangladesh Bank.

## Foreign Exchange Risk Management

Foreign Exchange Risk arises from the variation in rates of exchange that prevail at domestic and international markets. The introduction of market based exchange rate of Taka has resulted in both trading opportunities and associated Foreign Exchange volatility risk. Foreign Exchange risks are the potential change in earning arising due to change in foreign currency prices. The front office of the Bank's Treasury Division continues to determine foreign exchange rate & tries to reduce the associated risk while the Back office settles all foreign exchange transactions and reconciliation. As a result treasury activities of the Bank are being operated smoothly and efficiently.

## Prevention of Money Laundering

Money Laundering, a criminal act which is recognized all over the world has very severe consequences in the economy and security of the society. For strengthening the AML/CFT activities, Bangladesh Government has enacted Money laundering Prevention Act-2012 (Amended in 2015) and Anti-Terrorism Act-2009 (Amended in 2012 & 2013). Beside that Bangladesh Financial Intelligence Unit (BFIU) has been formed in 2012. BFIU is issuing circulars from time to time and has issued "Money Laundering & Terrorist Financing Risk Management Guidelines for Banking Sector" in September, 2015 with instruction to implement the same by June 2016. In response to the growing concern about money laundering and terrorist activities, the international community has acted on many fronts. In order to prevent and control illegal hundi, unauthorized transfer of money abroad and money laundering, the Bank has taken various steps. The Bank continued its anti money laundering campaign through training programme and seminars. The regulatory requirements are complied with and the KYC (Know Your Customers) and TP (Transaction Profile) are followed for opening new accounts for prevention of Money Laundering. Manual for prevention of Money Laundering has been established as per Bangladesh Bank guidelines and the Bank has taken all types of steps to prevent acts of money laundering.

## Internal Control and Compliance

The audit Committee of the Board of Directors supervises the internal control, audit and compliance functions. Framework of the Bank is designed to manage the Bank's risks within an acceptable risk profile to implement the policies and achieve the goals and objective of the Bank. The Bank has taken various steps for ensuring internal control and compliance as per directives and guidelines of Bangladesh Bank for managing core risks in banking with a view to conducting banking business more effectively and efficiently. The Management through Internal Control and Compliance Division undertakes periodical and special audit of the branches and Departments of Head Office for review of the operation.



### ICT Security Risk

Information Technology has brought momentous transformation in the Banking industry. Moreover, Information and Communication Technology System is essential asset of the bank as well as of customers and stakeholders. The use of ICT in Uttara Bank Limited is increasing extensively. Considering the increased use of ICT, it became necessary to be more careful to address the Risk associated to ICT Security. Bank has formulated well-defined ICT Policy in line with the international best practices and prudential guidelines of Bangladesh Bank on ICT Security.

### Customer Services

Customers are the first priority to the Bank and the company philosophy is to satisfy the clients who act as ambassadors of the Bank for image building. Our prime focus is to give total solution to customer problems. The Bank is providing different customized services for our valued customers. Customers are the main contributing agent to our success. Our customers come from all walks of life.

### Brand Image

The Bank's policy is to make all employees more proactive to the clients irrespective of their socio-economic background. The employees are self-motivated and committed to uphold the slogan "Nourished by the age old heritage of Bengal". Our prime objective is to uphold the slogan in all activities of the Bank. This creates extra image of our Bank among the stakeholders at all levels.

### Information Technology

Banking operations of the branches have been computerized to minimize costs and risks and to optimize benefits and increase overall efficiency for improved services. The Branches have ability to prepare the financial statements at the end of the day. Bank has a guideline named "ICT Security Policy of Uttara Bank Limited" as per Bangladesh Bank BRPD circular no. 09 dated: 17.09.2015.

### Computer Lab

Information and Communication Technology has become an inevitable part for today's modern banking business and transactions. In order to increase the efficiency in ICT of our employees, the Bank has launched a Computer Lab with sufficient number of computers at our own Training Institute at 145, Shantinagar (Eastern Plus Building), Dhaka. Information and Communication Technology Division of the Bank organizes various computer training programmes through out the year.

### Online Banking

IT based Banking has a major role to play in rendering improved services to the valued customers and stakeholders in today's competitive Banking environment. The Bank has taken various measures for automation of its functions and services. For providing better and faster services and to coup up with fast growing customer base, Bank acquired a Core Banking Solution (CBS) Software in 2012 named "Bank Ultimus" and in 2013 all branches have been brought under online Banking facilities and thus better and prompt service is being rendered to the customers of the Bank without any intervention.

### BEFTN

Electronic payment systems are the most sophisticated and advanced part of the modern payment system. Uttara Bank has successfully established electronic fund transfer network to transfer foreign and local remittance successfully connected to Bangladesh Electronic Fund Transfer Network (BEFTN) which facilitates online payment settlement with other participating banks.

### E-mail & Internet

Above all in order to ensure speedy services in International business, E-mail and Internet services are in operation at Head office and all branches. A major portion of correspondences between branches and departments of Head Office are being conducted through e-mail by which speedy and secured communication as well as green banking policy are implemented





## SWIFT

At present International Division of Head Office and 39 authorized dealer branches are under SWIFT operation. As a result the bank has been able to conduct international trade and transmit letter of credit, fund and message instantly throughout the world in a secured manner at low cost.

## REUTERS

The Bank continues maintenance of the latest financial service products REUTERS- 3000Xtra and REUTERS Dealing System (RDS) for collecting accurate information of rapid changing position of international money market with Bank's own independent Dealing Room. As a result, the Bank has been able to render Treasury service up to the international standard through its Treasury Division which is equipped with most modern technology and expertise manpower.

## ATM Services

Uttara Bank Limited offers ATM Card facility in the name of Q- Cash, UBL- ATM Debit Card, VISA Brand ATM cards namely Visa Debit (Local) and Visa prepaid (Dual currency). Any card holder has 24 hour access to cash withdrawal facilities. Such facilities are available with almost all Q-cash ATM booths and all ATM booths of BRAC Bank Ltd., Dutch Bangla Bank Ltd. and other Banks around the country. There are 26 (Twenty six) ATM booths in Motijheel, Shantinagar, Azimpur, Dar-us-Salam Road, Badda, National Heart Foundation Hospital, South Banasree, Taltola Khilgaon, Kalabagan, Uttara in Dhaka, Agrabad and KAFCO in Chittagong, Ambarkhana and Zinda Bazar in Sylhet, Rail Road in Jessore, KDA and Daulatpur in Khulna, Meherpur Sadar, Meherpur, Station Road in Rajshahi, Bhagalpur in Kishoregonj, Mymensingh, Barisal, Bogra, Bot Toli Bazar in Joypurhat, Chasara in Narayangoanj and Daulatkhan in Bhola owned by the Bank. The number of ATM booths and related products & services are being expanded by the Bank day by day.

## Website

www.uttarabank-bd.com is the Bank's web site address. It is kept updated and maintained by the Information & Communication Technology Division under Head Office.

## Reconciliation of Inter Branch transaction

Software is being used to reconcile inter branch transactions quickly and accurately.

## Corporate Governance

One of the basic policies of the Bank is to strengthen its corporate governance status by establishing responsible management system and strengthening supervision. Corporate governance is the system by which business companies are directed and controlled. Since its inception, Uttara Bank has actively and fully adhered to the principles of sound corporate governance. Fairness, Transparency, Accountability and Responsibility are the minimum standard of acceptable corporate behavior today. Uttara Bank Limited continues to ensure the compliance of Corporate Governance as per Securities and Exchange Commission rules and regulations. Corporate Governance establishes specific responsibility to ensure accountability. **(Details in page No. 78)**

## Corporate Social Responsibility

Uttara Bank Limited manages its business in a responsible way and contributes to the society and environment in which it operates. Corporate Social Responsibility (CSR) is the continuing commitment by business to behave ethically and contribute to economic development. It also improves the quality of life of the workforce and their families as well as of the local community and society at large. Uttara Bank Limited considers socially responsible activities as an important part of its culture, identity and business practice. We have a deep commitment, loyalty and a high sense of responsibility to our nation and its people. Uttara Bank Ltd. conforms to all of the stringent regulations issued by the Government and Bangladesh Bank. As part of our corporate social responsibility, Bank contributes greatly to the nourishment of the country's all calamities,



arts & culture, education, health and etc. During the year 2018 Bank donated Tk. 92.9 million in different CSR activities. **(Details in page No. 122)**

### **Green Banking**

Green banking is a part of global initiative to save the environment from environmental hazards. Our Corporate Social Responsibility contributes generously to the development of Green Banking. As a prudential and time befitting initiative Bank has incorporated a number of green banking projects in its business operation which are highly beneficial for the environment and the health of the society as well. The policies with regard to environmental management are being observed in our lending practices. We are always against financing the trade and business having potentially harmful impacts on environment. Our lending policies are supportive and nourishing to environment. Bank has already invested near about Tk. 1,345.7 million as green finance. **(Details in page No.120)**

### **Modernization and Development of the Branches**

Uttara Bank Limited has one of the most wide spread distribution networks amongst private Banks in the country. At present the bank is operating its all types of business activities through 235 branches in prime locations of the country. In accordance with the demand of the time and business the shifting of branches of the bank to the newly decorated premises in more important and commercially potential places, renovation and decoration of old branches with modern amenities are also being continued.

In order to increase its business the Bank has opened 2 (two) new branches in 2018. The 2 (two) new Branches are Ashulia Branch, Dhaka and Bandarban Branch, Bandarban.

### **Vehicles**

The total number of the vehicles of the Bank in the year 2018 was 104. The vehicles are generally used for carrying cash from/to feeding branches to/from other branches and for providing transport facility to the executives. The total expenditure for

vehicle in the year 2018 was Tk. 45.6 million as against Tk. 51.5 million in the year 2017.

### **Bank's Own Premises**

A magnificent 18 Storied Bank's own building namely Uttara Bank Bhaban located at the hub of Motijheel Commercial Area within the Metropolitan City of Dhaka signifies the concrete symbol of tradition and stability of the Bank. Different Departments of Head Office and Corporate Branch have been functioning in the same building. Local Office, Eastern plaza Branch, Hotel Isha kha International Branch, Dar-us-Salam Road Branch, Elephant Road Branch, Ramna Branch, Dhaka North Zonal Office, Satmosjid Road Branch, Savar Branch, Moulvibazar Branch, Dhaka, Training Institute of the Bank at Eastern Plus (145 Shantinagar), Dhaka, Eskaton Branch at Eastern Tower Building, Dhaka, Nabagram Branch in Manikgonj, Zonal Office and KDA Branch in Khulna, Zonal Office and Ambarkhana Branch in Sylhet, Shaheb Bazar Branch, Rajshahi, Zonal Office and Mymensingh Branch in Mymensingh are also working in Bank's own Building.

### **Bank's own Auditorium**

Considering the necessity of a large space for training/workshop/conference the management of Uttara Bank Limited has set up its auditorium having 300 seating capacity with modern facilities in Bank's own premises at 145, Shantinagar (Eastern plus building), Dhaka. Managers' conferences, workshops, trainings are arranged in this auditorium.

### **Human Resources Development**

Competent and high quality workforce is pre-condition for continuous growth and success of the Bank and to achieve the same we keep improving the skill, knowledge and productivity of the employees. The HR strategy of the Bank is to ensure sustainable growth in business and to create confidence and value for our customers, Shareholders, Stakeholders, Employees and the Society by providing efficient manpower. Knowledge and skill development is a continuous process and to keep our employees abreast of all



the latest developments in the banking sector, the Bank continues to organize various training programmes, workshops and seminars.

The Bank's own Training Institute is nicely decorated and equipped with the sophisticated instruments has been striving to bring about a qualitative change and improvement in human resources of the Bank by imparting continuous different training throughout the year. Guest speakers specialized in Banking participate in each training program of the Bank in addition to the highly educated faculty members of the Institute. Besides, a number of executives and officers were sent to various Training Institutions including Bangladesh Institute of Bank Management (BIBM) and abroad for higher training.

During the year 2018 the training Institute of the Bank arranged 33 different training courses and 1 workshop for the officers and members of the staff of the Bank in which as many as 1,425 and 40 officers and members of the staff of the Bank participated respectively. At the same time 14 officers and members of the staff of the Bank attended training courses/ workshops/ seminars conducted by BIBM and 16 officers received training from Bangladesh Bank, 46 Executives/ Officers received training from abroad and 65 officers received training from others. The institute is focused to ensure a formal platform where employees can exchange their ideas, update their knowledge base and open up their eyes to the complexities of banking world.

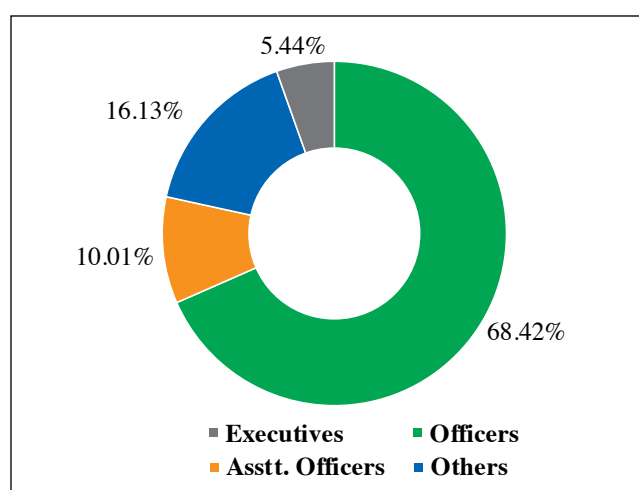
### Human Resources

Human Resources are the real capital of our Bank. We always give due recognition to the contribution made by the officers and staff members. We consider the human resources as a tool for development. Human Resources are the key to our success. Uttara Bank is an employer of equal opportunity irrespective of gender, locality or ethnicity. The total manpower of the bank as on 31 December 2018 is 3,527 out of which 2,958 are officers and 569 are the supporting staffs. Efforts have been made to rationalize the use of manpower by improving their efficiency and productivity.

**The total manpower of the Bank in different grades as on 31.12.2018 was as under:**

Designation	Number	%
(a) Executive (Asstt. General Manager & above)	192	5.44%
(b) Officers	2413	68.42%
(c) Asstt. Officers	353	10.01%
(d) Others	569	16.13%
<b>Total</b>	<b>3527</b>	<b>100.00%</b>

### Human Resources



### Audit and Inspection

Audit & Inspection department conducts audit and inspection on the branches both on regular and surprise basis under specific guidelines. 233 branches thorough Audit, 39 branches Foreign Exchange Audit, 233 branches ICT Audit, 20 DCFCL Inspection, 12 Zonal Offices audit and 33 Departments/Divisions of Head office Audit were made by the Audit & Inspection Department of ICCD during the year -2018. Moreover 08 branches Comprehensive Inspection, 02 branch Foreign Exchange Inspection & 04 branches Special Inspection were made by Bangladesh Bank during the year-2018. Besides, the Zonal Heads of the Bank conducted their inspection on the branches under their control on quarterly basis.





### Appointment of Auditors

M/s. M.J. Abedin & Co. and M/s. Shafiq Basak & Co. Chartered Accountants were appointed statutory auditors of the Bank jointly in the 35th Annual General Meeting and have audited the books of accounts for the period covering 1 January 2018 to 31 December 2018.

### Audit Committee of the Board of Directors

In compliance with Bangladesh Bank & BSEC Guidelines the Board has formed an Audit Committee comprising of 4 (five) members of the Board to review various audit/inspection and compliance activities at regular intervals. During the year 2018 the Audit Committee held 12 (twelve) meetings. In these meetings, the Audit Committee reviewed the inspection reports of different branches of the Bank conducted by the Bank's internal inspection teams from time to time and examined the financial statements of the Bank and expressed satisfaction that the same has been prepared in accordance with Bangladesh Accounting Standard and as per instruction of Bangladesh Bank and other controlling agencies. The Committee also exchanged views with the management and external auditors on the issue.

The Audit Committee of the Board takes initiatives to keep the Bank safe from any possible untoward incident. The Committee also reviewed the financial statements of the subsidiary companies.

### Compliance of Section 1.5 (XX) of Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012.

#### Board Meeting during the period from 1st January 2018 to 31st December 2018 and attendance by each Director:

Serial No.	Name	Total Meeting Held	Attendance
1	Mr. Azharul Islam	24	19
2	Mr. Iftekharul Islam	24	17
3	Mrs. Badrunnesa Sharmin Islam	24	18
4	Mr. Arif Rahman	24	19
5	Mr. Abul Barq Alvi	24	24
6	Dr. Md. Nazmul Karim Chowdhury	24	23
7	Mr. Md. Kamal Akhtar	24	22
8	Col. Engr. M. S. Kamal (Retd.)	24	22
9	Mr. Asif Rahman	24	14
10	Mr. Faruque Alamgir	24	15
11	Mr. Shaikh Abdul Aziz	24	24
12	Mr. Kazi Masudur Rageb	24	19
13	Professor Shibli Rubayat Ul Islam (appointed on 11.10.2018)	24	05
14	Mr. Waliul Huq Khandker (appointed on 11.11.2018)	24	03
15	Mr. Mohammed Rabiul Hossain	24	24

### Meetings

The following meetings were held during the year 2018:

Name of the Meetings	Number of meetings	
	2018	2017
Board of Directors	24	25
Executive Committee	48	48
Audit Committee	12	12
Risk Management Committee	05	04

### Senior Management Team (SMT)

Senior Management Team consists of senior executives and departmental heads of the Bank. The head of this committee is the Managing Director & CEO of the Bank. The committee meets every month and helps the Board of Directors to formulate policies/guidelines and implements the same. During the year 2018, SMT organized 12 meetings.

### Directors' Honorarium

During the year, an amount of Tk. 4,448,000.00 has been paid to the Directors including Independent Directors as honorarium for attending the meeting of Directors. It may be mentioned here that each Director receives Tk. 8,000.00 for attending each meeting as per BRPD circular letter No. 11 dated 04.10.2015.



**Compliance of Section 1.5 (XXI) of Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012.**

**The pattern of shareholdings as on 31.12.2018**

- a). Parent/ Subsidiary/ Associated Companies and other related parties: Nil  
 b). Shareholding of Directors:

Serial No.	Name	Position	Total Shares held	% of Shares as on 31.12.2018
1	Mr. Azharul Islam	Chairman	20,529,721	5.131
2	Mr. Iftekharul Islam	Vice-Chairman	11,952,323	2.987
3	Mrs. Badrunnesa Sharmin Islam	Director	5,552,748	1.388
4	Mr. Arif Rahman	Director	8,004,150	2.001
5	Mr. Abul Barq Alvi	Director	39,949	0.010
6	Dr. Md. Nazmul Karim Chowdhury	Independent Director	-	-
7	Mr. Md. Kamal Akhtar	Independent Director	-	-
8	Col. Engr. M. S. Kamal (Retd.)	Director	40,074	0.010
9	Mr. Asif Rahman	Director	9,682,850	2.420
10	Mr. Faruque Alamgir	Director	3,339	0.001
11	Mr. Shaikh Abdul Aziz	Director	4,000	0.001
12	Kazi Masudur Rageb	Director	8,788,000	2.197
13	Professor Shibli Rubayat Ul Islam (Nominated by SBC)	Director	18,941,542	4.734
14	Mr. Waliul Huq Khandker	Independent Director	-	-
15	Mr. Mohammed Rabiul Hossain	Managing Director & CEO	-	-

**Shareholding of CEO, CFO, Company Secretary & Head of Internal Audit:**

1	Chief Executive Officer and his spouse and minor children	Nil
2	Company Secretary and his spouse and minor children	Nil
3	Chief Financial Officer and his spouse and minor children	Nil
4	Head of Internal Audit and his spouse and minor children	Nil

- c). Shareholdings of Executives (Top five salaried persons other than the Directors, CEO, CFO, CS and HIA): Nil  
 d). Shareholders holding 10% or more voting interest in the company: Nil



## Directors' declaration as to Financial Statements

### The directors solemnly declare that:

- a) The Financial Statements prepared by the management fairly present its statement of affairs, the result of its operations, cash flows and changes in equity.
- b) Proper books of accounts as required by law have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgement.
- d) International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed.
- e) The system of internal control in the bank is sound in design and has been effectively implemented and monitored.
- f) There is no doubt upon the banks ability to continue as a going concern.

### Conclusion


The Board of Directors expresses gratitude to the almighty Allah for the success of the Bank in 2018. The Board extends thanks to the valued

Clients, Shareholders and Patrons for extending support and cooperation in the activities of the Bank during the year 2018.

The Board offers thanks to the Government of Bangladesh, Bangladesh Bank, Registrar of Joint Stock Companies and Firms, Bangladesh Securities & Exchange Commission, Dhaka and Chittagong Stock Exchanges Limited for their co-operation and guidance to the Bank.

The Board also expresses its appreciation to M/s. M.J. Abedin & Co. and M/s. Shafiq Basak & Co. Chartered Accountants, the Auditors of the Bank, for their efforts for timely completion of Audit. The Directors also wish to place on record their sincere appreciation and thanks for the effort and dedicated services and cooperation extended by the employees towards overall improved performance of the Bank.

On behalf of the Board of Directors



(Azharul Islam)

Chairman



# FIVE YEARS

## AT A GLANCE

(Figure in Million– where applicable)

Sl. No.	Particulars	2018	2017	2016	2015	2014
<b>Income Statement</b>						
1	Gross Income	17,097.5	14,916.3	14,724.3	15,332.3	15,181.1
2	Gross Expenditure	13,186.0	12,086.1	12,221.5	11,355.6	11,368.3
3	Gross Profit	3,911.5	2,830.2	2,502.8	3,976.7	3,812.8
4	Pre Tax Profit	2,981.5	2,530.2	2,022.8	2,520.6	2,902.8
5	Post-Tax Profit	1,719.3	1,556.4	1,530.7	1,502.9	1,389.4
<b>Balance Sheet</b>						
6	Authorized Capital	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0
7	Paid up Capital	4,000.8	4,000.8	4,000.8	4,000.8	4,000.8
8	Reserve Fund and Other Reserves	10,741.9	9,890.0	9,350.0	9,155.4	8,179.1
9	Shareholders' Equity	14,742.7	13,890.8	13,350.8	13,156.2	12,179.9
10	Deposit	153,057.8	148,514.9	134,951.6	122,407.6	11,397.9
11	Advances (Gross)	118,789.7	105,260.9	83,269.3	75,806.9	74,198.9
12	Investment	28,669.3	32,603.9	31,614.3	41,336.6	42,787.9
13	Guarantee Business	3,482.8	3,250.3	3,014.1	3,098.9	2,394.2
14	Export Business	16,483.1	11,590.7	10,327.6	12,224.4	13,447.3
15	Import Business	56,244.5	48,440.3	39,962.4	38,738.0	45,870.9
16	Foreign Remittance	38,227.2	37,988.6	37,051.7	47,552.3	52,030.2
17	Fixed Assets	3,050.0	3,188.5	3,276.8	3,345.5	3,352.0
18	Total Assets	190,029.9	178,879.6	162,417.7	151,476.3	140,810.3
19	Classified Loans and Advances	7,518.9	7,104.6	6,458.0	6,272.6	5,875.7
20	Total Off Balance Sheet Exposures	24,939.4	24,220.3	21,243.1	22,494.5	25,358.2
<b>BIS Capital Measures</b>						
21	Required Capital (with Buffer)	13,079.6	11,381.7	9,908.8	9,559.6	9,616.7
22	Actual Capital	13,752.7	13,071.3	12,481.9	12,059.3	11,493.3
<b>Credit Quality</b>						
23	Required Provision	3,315.1	2,245.4	1,926.3	1,680.4	1,530.8
24	Provision Maintained	3,319.0	2,253.6	1,990.6	1,782.2	1,542.0
25	Required Prov.against off Balance sheet exposures	197.8	242.2	212.4	224.9	253.6
26	Provision Maintained	197.9	242.3	212.5	225.0	254.0
<b>Share Information</b>						
27	Earning per Share (Face value Tk.10)	4.30	3.89	3.83	3.76	3.47
28	Market Value Per Share (Face value Tk.10)	28.50	35.30	24.70	22.70	25.90
29	Price Earning Ratio (Time)	6.63	9.07	6.45	6.04	7.46
30	Net Assets value per share	36.85	34.72	33.37	32.88	30.44
<b>Operating Performance Ratio</b>						
31	Advance-Deposit Ratio	0.78:1	0.71:1	0.62:1	0.62:1	0.65:1
32	Class. Advance/Total Advance (%)	6.33%	6.75%	7.75%	8.27%	7.92%
33	Class. Advance/Total Adv. (net)%	3.54%	4.61%	5.36%	5.92%	5.84%
34	Income from Equity (%)	11.66%	11.20%	11.47%	11.42%	11.41%
35	Income from Assets (%)	0.90%	0.87%	0.94%	0.99%	0.99%
<b>Other Information</b>						
36	Number of Shareholders	40,018	45,784	52,763	63,083	76,389
37	Number of Branches	235	233	229	227	223
38	Number of Employees	3,527	3,542	3,667	3,743	3,730
39	Human Resources Development	1,606	2,591	2,419	2,654	4,421





# **CORPORATE GOVERNANCE**



# Corporate Governance

---

Fairness, transparency, accountability and the responsibility are the minimum standard of acceptable corporate behavior today. A sound corporate governance practice has consistently been followed in carrying out the operation of Uttara Bank Limited. The bank management is smoothly running the day to day activities of the bank within the policy guidelines of the Board of Directors and in accordance with the legal and regulatory framework of different regulatory bodies of the country. The main aspects of corporate governance are:

## Board of Directors and Committees

The Board of Directors mainly deal with formulation of business policies, service regulation, procurement policies, approval of large credit proposals, rescheduling of loan, remission of interest, approval of the long term plan, annual budget and audited accounts of the bank.

The Board within the powers conferred upon it by the articles, determines its function and responsibilities. The Board retains full and effective control over the bank, determines the strategies and objectives of the bank and sets the principles for sound business practice. Audit Committee reviews the internal and external audit, financial reporting, corporate affairs and compliance matters.

## Legal and Regulatory Compliance

Uttara Bank Limited has been carrying out its activities in accordance with the legal and regulatory requirement of Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC). The bank also ensures compliance of Bank Company Act 1991 (amended up to 2013), Companies Act 1994, Income Tax Ordinance 1984, Negotiable Instrument Act 1881, Anti-money Laundering Act 2012 and other related laws, regulations and reporting requirements.

## Disclosure and Transparency

Uttara Bank Limited follows a transparent policy in the decision making process and discloses all material facts in the Annual Report and in the Audited Balance Sheet, Profit and Loss Account and notes to the financial statements. Besides, periodical reporting disclosures are made as per requirement of different agencies.

## Risk Management

Risk Management Department of Uttara Bank Limited identifies, evaluates, monitors and supervises all risk related works as per Guidelines and Directions of Bangladesh Bank with the approval of the Board of Directors and the Competent Authority.

## Reviews of Activities

The Board of Directors consistently monitors and reviews the implementations of policies and overall performance of the bank.

# **HUDA & CO.**

## **Chartered Accountants**

House No. 51, Road No. 13,  
Sector-13, Uttara Model  
Town, Dhaka

Tell: 7911445  
Mobile: 017 15 030 823

### **Report to the Shareholders on Compliance of Corporate Governance Code to the Shareholders' of Uttara Bank Limited.**

We have examined the compliance status to the Corporate Governance Code by **Uttara Bank Limited** for the year ended on 31 December 2018. This Code relates to the Notification No. **BSEC/CMRRC/2006-158/207/Admin/80 dated 03 June 2018** of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Dated, Dhaka  
07 May 2019



**Huda & Co.**  
Chartered Accountants



# Status/Report on Compliance with the Corporate Governance Guidelines

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRC/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Bangladesh Securities and Exchange Ordinance, 1969:

## (Report under Condition No. 9.00)

Condition No.	Title	Compliance Status (√ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
<b>1</b>	<b>Board of directors</b>			
1(1)	Size of the Board of Directors;	√		
1(2)	Independent Directors shall have effective representation on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company;	√		
1(2) (a)	at least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors;	√		
1(2) (b)(i)	doesn't hold any share in the company or hold less than 1% shares of the total paid-up shares of the company;	√		The independent Directors of our Bank do not hold any share of the company.
1(2) (b) (ii)	is not a sponsor of the company or is not connected with the company's any sponsor or director or shareholder who holds 1% or more shares of the company;	√		
1(2) (b) (iii)	has not been an executive of the company immediately preceding 2(two) financial years;	√		
1(2) (b) (iv)	does not have any relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		
1(2) (b) (v)	is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		
1(2) (b) (vi)	is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary or the capital market;	√		
1(2) (b) (vii)	is not a partner or an executive or was not a partner or an executive during the preceding 3(three) years of the concerned company's statutory audit firm or audit firm engaged in international audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		
1(2) (b) (viii)	is not an independent director in more than 5 (five) listed companies;	√		
1(2) (b) (ix)	has not been convicted by a court as a defaulter to a bank or a NBF I ;	√		
1(2) (b) (x)	has not been convicted for a criminal offence involving moral turpitude;	√		
1(2)(c)	shall be nominated by the board of directors and approved by the shareholders in the AGM;	√		
1(2)(d)	the post of independent directors can't remain vacant for more than 90 days;	√		
1(2)(e)	the tenure shall be for a period of 3 (three) years, which may be extended or 1(one) tenure only;	√		
1(3)(a)	shall be a knowledgeable individual with integrity, able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		

Condition No.	Title	Compliance Status (✓ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1(3)(b)(i)	business leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or business association;	N/A		
1(3)(b)(ii)	corporate leader who is or was a top level executive not lower than CEO or MD or DMD or CFO or Head of Finance or Accounts or CS or HIAC or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk.100.00 million or of a listed company	✓		
1(3)(b)(iii)	former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale and has at least educational background of bachelor degree in economics or commerce or business or law	✓		
1(3)(b)(iv)	University Teacher with Economics or Commerce or Business Studies or Law background	✓		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Chartered Public Accountant or Chartered Management Accountant or Chartered Secretary or Equivalent qualification			
1(3)(c)	shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1(3)(d)	in special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission;	✓		
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1(4)(d)	The Board of Directors shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer.	✓		
1(4)(e)	In absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		
1(5)(i)	Industry outlook and possible future developments in the industry;	✓		
1(5)(ii)	The segment-wise or product-wise performance;	✓		
1(5)(iii)	Risks and concerns;	✓		
1(5)(iv)	Discussion on cost of goods sold, gross profit margin and net profit margin (being a banking company);	✓		
1(5)(v)	Discussion on continuity of any Extra-ordinary activities and their implications (gain or loss);	✓		
1(5)(vi)	Detail statements of all related party transactions and basis of transactions of all related party transactions	✓		
1(5)(vii)	Utilization of proceeds from public issues, right issues and/ or through any others instruments;	✓		
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing etc;	N/A		
1(5)(ix)	Explanation on any significant variance occurs between quarterly financial performance and annual financial statements;	✓		
1(5)(x)	Remuneration paid to the directors including independent directors;	✓		
1(5)(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the results of its operation, cash flows and changes in equity;	✓		

Condition No.	Title	Compliance Status (√ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1(5)(xii)	whether proper books of account of the issuer company have been maintained;	√		
1(5)(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1(5)(xiv)	International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed;	√		
1(5)(xv)	The system of internal control is sound in design has been effectively implemented and monitored;	√		
1(5)(xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of , controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1(5)(xvii)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof shall be disclosed;	√		
1(5)(xviii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained.	√		
1(5)(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	N/A		
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		
1(5)(xxii)	Disclosure of the total number of Board meetings held during the year and attendance by each director;	√		
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name wise details);	√		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	√		
1(5)(xxiii)(c)	Executives; and	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	NIL		
1(5)(xxiv)(a)	A brief resume of the Director;	√		
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas;	√		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board;	√		
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and globe;	√		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e. actual position shall be explained to the shareholders in the next AGM;	√		

Condition No.	Title	Compliance Status (✓ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No.3(3) shall be disclosed as per Annexure- A; and	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure- B and Annexure-C.	✓		
1(6)	The company shall conduct its Board meeting and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code;	✓		
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No.6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest;- compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency;	✓		
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	✓		
2(b)	At least 1 (one) independent director on the Boar of the holding company shall be a director on the Board of the subsidiary company;	✓		
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	✓		
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	✓		
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company;	✓		
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board and shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief;	✓		
3(3)(a)(i)	These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		



Condition No.	Title	Compliance Status (√ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report;			
<b>4</b>	<b>Board of Director's Committee</b>			
4(i)	Audit Committee; and	√		
4(ii)	Nomination and Remuneration Committee.	√		
<b>5</b>	<b>Audit Committee</b>			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring systems within the business;	√		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
5(2)(a)	The Audit Committee shall be composed of at least 3(three) member;			
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		
5(2)(c)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10(ten) years of such experience;	√		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3(three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1(one) independent director.	√		
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5(3)(b)	In absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	√		
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year;	√		Twelve meetings have been held during the year 2018
5(4)(b)	The Quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must;	√		two-third of the members of the Audit Committee constitute Quorum
<b>5(5)</b>	<b>Role of Audit Committee</b>			
5(5)(a)	shall oversee the financial reporting process;	√		

Condition No.	Title	Compliance Status (✓ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
5(5)(b)	shall monitor choice of accounting policies and principles;	✓		
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	oversee hiring and performance of external auditors;	✓		
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	review alone with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(h)	review the adequacy of internal audit function;	✓		
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5)(j)	review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission;			
<b>5(6)</b>	<b>Reporting of the Audit Committee</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board;	✓		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:	✓		
5(6)(a)(ii)(a)	report on conflict of interest;	✓		
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	✓		
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	✓		
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			
5(6)(b)	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the Management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier;	✓		
5(7)	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the Bank;	✓		
<b>6</b>	<b>Nomination and Remuneration Committee (NRC)</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	no		We have sent a letter Ref. No. উন্মালি/প্র: কা:/বোর্ড/২০১৯/৭৭৭ to Bangladesh Bank for their instruction regarding formation of NRC.

Condition No.	Title	Compliance Status (√ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	-		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 5(6)(b);	-		
6(2)(a)	The NRC shall comprise of at least three members including an independent director;	-		
6(2)(b)	All members of the Committee shall be non-executive directors;	-		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	-		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	-		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the Board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	-		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-		
6(2)(g)	The company secretary shall act as the secretary of the Committee;	-		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	-		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company;	-		
<b>6(3)</b>	<b>Chairperson of the NRC</b>			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	-		
6(3)(b)	In absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	-		
6(3)(c)	The Chairperson of the NRC or any other member in absence of the Chairperson shall attend the Annual General Meeting (AGM) to answer the queries of the shareholder.	-		
<b>6(4)</b>	<b>Meeting of the NRC</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	-		
6(4)(b)	The Chairperson of NRC may convene any emergency meeting upon request by an member of the NRC;	-		
6(4)(c)	The quorum of the meeting of NRC shall be constituted in presence of either two members or two third of the member of the Committee, whichever is higher and presence of Independent director is a must as required under condition no. 6(2)(h);	-		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	-		
<b>6(5)</b>	<b>Role of the NRC</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	-		
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the director, top level executive, considering the following:	-		
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	-		

Condition No.	Title	Compliance Status (√ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	-		
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	-		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-		
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	-		
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	-		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	-		
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	-		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	-		
<b>7</b>	<b>External or Statutory Auditors -</b>			
7(1)(i)	appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	financial information systems design and implementation;	√		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	√		
7(1)(iv)	broker-dealer services;	√		
7(1)(v)	actuarial services;	√		
7(1)(vi)	internal audit services or special audit services;	√		
7(1)(vii)	any service that the Audit Committee determines;	√		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition no. 9(1); and	√		
7(1)(ix)	any other service that creates conflict of interest.	√		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company.	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General meeting) to answer the queries of the shareholders.	√		
<b>8</b>	<b>Maintaining a website by the Company</b>			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance</b>			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the Annual General Meeting.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure- C attached, in the directors' report whether the company has complied with these conditions or not.	√		





# **REPORT ON RISK MANAGEMENT**



# Report on Risk Management

## RISK

Risk in a banking organization is possibility that the outcome of an action or event could bring up adverse impacts. Such outcomes could either result in a direct loss of earnings / capital or may result in imposition of constraints on bank's ability to meet its business objectives. Such constraints pose a risk as these could hinder a bank's ability to conduct its ongoing business or to take benefit of opportunities to enhance its business.

Risk is an integral part of financial services. Risk can be defined as the variability or volatility of unexpected outcomes. It is usually measured by the standard deviation of historic outcomes.

According to **ISO 31000**, risk is the “effect of uncertainty on objectives” and an effect is a positive or negative deviation from what is expected.

## RISK MANAGEMENT

Risk Management refers to the exercise or practice of forecasting the potential risk, analyzing and evaluating those risks and taking some corrective measures to reduce or minimize those risks.

Risk management as commonly perceived does not mean minimizing risk; rather the goal of risk management is to optimize risk-reward trade-off. Expanding business arenas deregulation and globalization of financial activities emergence of new financial products and increased level of competition has necessitated a need for an effective and structured risk management in financial institutions. A bank's ability to measure, monitor, and steer risks comprehensively is becoming a decisive parameter for its strategic positioning. Banks are obliged to establish a comprehensive and reliable risk management system, integrated in all business activities and providing for the bank risk profile to be always in line with the established risk propensity.

## ELEMENTS OF A SOUND RISK MANAGEMENT OF UBL

The key elements of a sound risk management system for effective business operations will be encompass the following:

a)	Active involvement of board and senior management;
b)	Adequate organization, policies and procedures;
c)	Appropriate management information systems;
d)	Comprehensive internal controls and limits.

It will not be understood that risk management functions are only limited to the Risk Management Department (RMD). Business lines are primarily responsible for the risks they are taking. Because the line personnel can understand the risks of their activities, any lack of accountability on their part may hinder sound and effective risk management.

## RISK MANAGEMENT PROCESS OF UBL

Risk Management Process shows all the steps need to take to implement the overall risk management of the organization. The risk management process involves communicate and consult, establish the context, identify the risks, analyze the risks, evaluate the risks, treat the risks and monitor the risks.



Risk Management Process

## STEPS OF RISK MANAGEMENT PROCESS

Risk Management is an iterative process that can contribute progressively to organizational improvement by providing management with a greater insight into risks and their impact. It is a series of multi-steps that, when undertaken in sequence, enable continual improvement in decision-making. The steps of the risk management process of the bank may be as follows:-

### Steps of Risk Management Process

Step 1	Communicate and Consult
Step 2	Establish the context
Step 3	Identify the risks
Step 4	Analyze the risks
Step 5	Evaluate the risks
Step 6	Treat the risks
Step 7	Monitor the risks

## DIMENSIONS OF RISK MANAGEMENT

<b>Risk Culture</b>	A sound and consistent risk culture throughout a financial institution is a key element of effective risk management. Risk Culture is an integrated and institution-wide risk culture, based on a full understanding of the risks it faces and how they are managed, considering risk tolerance and appetite. Every member of the bank should be fully aware of his or her responsibility regarding risk management. Financial Stability Board (FSB) defines risk culture as “an institution’s norms, attitudes and behaviors related to risk awareness, risk taking and risk management, or the institution’s risk culture.”
<b>Risk Strategies</b>	The bank will adopt its risk goals and risk strategies which enable them to achieve the desired risk profile along with business goals. The board of directors sets the strategies and the senior management is responsible for implementing risk strategies and communicating them throughout the organization. Risk strategy comprises the long-term, and in some cases, short-term goals and objectives, as well as how progress toward its achievement is measured.
<b>Risk Appetite</b>	Risk appetite statement plays an important role in cascading the risk strategy down through the institution. It should include metrics and indicators in relation to specific risk types. Risk appetite is the amount and type of risk an organization is prepared to pursue or take, in order to attain the objectives of the organization and those of its shareholders and stakeholders (ISO Guide 73).
<b>Risk Tolerance</b>	Risk tolerance and risk appetite are terms often used interchangeably. Risk tolerance relates to the actual limits that a bank has set. Risk tolerance(s) is/are quantified risk criteria or measures of risk exposure that serve to clarify and communicate risk appetite. Risk tolerances are used in risk evaluation in order to determine the treatment needed for acceptable risk.
<b>Risk Identification</b>	Risk identification is the starting point for understanding and managing risks and/or crucial activities. The bank will identify the nature of risk, sources of risk, cost of risk, areas of impacts, events, their causes, and their potential consequences. It will recognize and understand risks that may arise from both existing and new business initiatives. It will put in place adequate tools and techniques to identify risk because risks not identified at this stage will not be included in further analysis
<b>Risk Analysis</b>	Risk analysis involves developing an understanding of the risk. It provides an input to risk evaluation and to decisions on the most appropriate strategies and techniques for risk treatment. Risk analysis involves measuring risk by considering consequences of an unfavourable event and likelihood of such event occurring. Factors that affect consequences and likelihood should also be identified. Risk analysis can be undertaken with varying degrees of detail, depending on the nature of risk, severity of risk; and the information, data and resources available. Analysis should be quantitative and qualitative in nature.

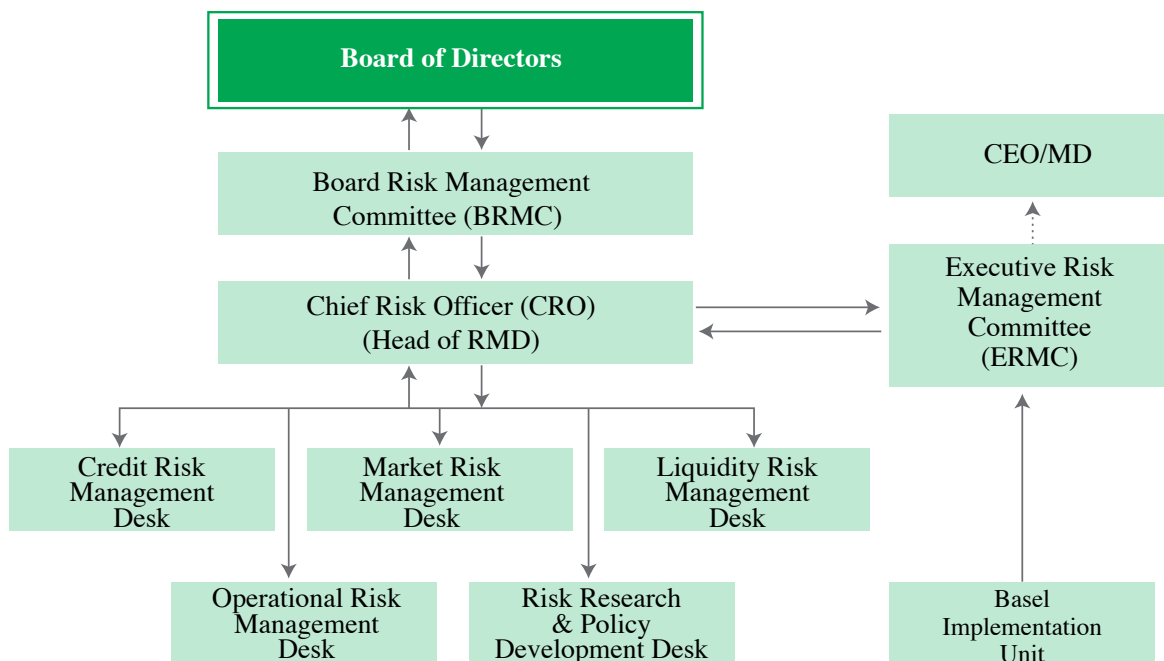


<p><b>Risk Evaluation</b></p>	<p>Risk evaluation is undertaken to assist in making decisions, based upon the outcomes of risk analysis, about which risks need treatment and the priority for treatment implementation. Some risks need to be immediately addressed and should be brought to the attention of the competent authority promptly. Risk evaluation mainly involves comparing the level of risk found during the analysis process with the bank's risk appetite, risk tolerance level and regulatory limits. Based on this comparison, the need for appropriate treatment should be considered.</p>
<p><b>Risk Treatment</b></p>	<p>Risk treatment options are not necessarily mutually exclusive or appropriate in all circumstances. The options can include the following and can be applied either individually or in combination:</p> <ul style="list-style-type: none"> <li>• Avoiding the risk by deciding not to start or continue with the activity that gives rise to the risk.</li> <li>• Accepting and retaining the risk by making informed decision and having plans for managing and funding the consequences of the risk if it occurs.</li> <li>• Reducing the likelihood of the risk through staff training, changing procedures, or by reducing the impact through diversifying credit portfolio, setting up off-site data backup etc.</li> <li>• Sharing the risk with another party or parties through insurance, consortium financing etc.</li> </ul>
<p><b>Risk Governance</b></p>	<p>Risk governance refers to the structure, rules, processes, and mechanisms by which decisions about risks are taken and implemented. Risk governance should follow a three-lines-of-defense-model:</p> <p><b>The first line of defense</b> - Provides that the business and operation units of the institution have in place effective processes to identify, assess measure, monitor, mitigate, and report on their risks. Each unit operates in accordance with the risk policies.</p> <p><b>The second line of defense</b> - Relates to the appropriate Internal Control framework put in place to ensure effective and efficient operations, including adequate control of risks, prudent conduct of business, reliability of financial and non-financial information reported or disclosed and compliance with laws, regulations, supervisory requirements, and the institution's internal policies and procedures.</p> <p><b>The third line of defense</b> - Consists of the bank's internal audit which performs independent periodic reviews of the first two lines of defense, provides assurance and informs strengths and potential weaknesses of the two first lines.</p>



## RISK MANAGEMENT ORGANOGRAM & STRUCTURE OF UBL

With reference to the Bangladesh Bank, Department of Off-Site Supervision, DOS Circular No.4 dated 08.10.2018, Bangladesh Bank instructed us, among others, to follow the Risk Management Organogram. Accordingly, the risk management organogram of UBL has been reconstructed as under:



Risk Management Organogram of UBL

## RISK MANAGEMENT GUIDELINE OF UBL

To manage risk in a prudent manner UBL introduced Risk Management Guideline of the Bank which was approved by Board vide its Board Memo No.21 dated 04/01/2017.

## BOARD RISK MANAGEMENT COMMITTEE (BRMC) OF UBL

In compliance with the sub-section (3) of section 15kha of Bank Company (Amended) Act, 2013 and the subsequent BRPD Circular No. 11 dated 27 October 2013 issued by Bangladesh Bank, Uttara bank Limited has formed a committee named as “Risk Management Committee of the Board” on 30 October 2013. Risk Management Committee of the Board renamed as “Board Risk Management Committee” vide Board Risk Management Committee Memo 13 dated 30.10.2018 in the light of “Risk Management Guidelines of Banks” issued by Bangladesh Bank as per Bangladesh Bank, Department of Off-Site Supervision, DOS Circular No.04 dated 08.10.2018. The names & status of the members of the Board Risk Management Committee are as

SL NO	Name of the Directors	Designation	Status with the Committee
01	Mr. Iftekharul Islam	Vice-Chairman	Chairman
02	Col. Engr. M.S. Kamal (Retd.)	Director	Member
03	Mr. Faruque Alamgir	Director	Member
04	Sheikh Abdul Aziz	Director	Member
05	Mr. Mohammed Rabiul Hossain	Managing Director & CEO	Member
06	Mr. Iftekhar Zaman	EGM	Secretary

The board is responsible for understanding the nature of risks significant to the bank and for ensuring that the management is taking necessary steps to implement those strategies and manage accompanying risks. Therefore, the risk appetite, risk tolerance and risk limit, and risk strategies will be set by the board of director. Board Risk Management Committee (BRMC) will formulating and reviewing (at least annually) risk management policies and strategies, Monitoring the implementation of risk management policies & process, ensuring construction of adequate organizational structure for managing risks, Supervising the activities of Executive Risk Management Committee (ERMC), establishing standards of ethics and integrity for staff and enforcing these standards and most importantly analyzing all existing and probable risk issues in the meeting, taking appropriate decisions for risk mitigation, incorporating the same in the meeting minutes and ensuring follow up of the decisions for proper implementation etc.

### **EXECUTIVE RISK MANAGEMENT COMMITTEE (ERMC) OF UBL**

---

To comply with “Risk Management Guidelines of Banks” issued by Bangladesh Bank as per Bangladesh Bank, Department of Off-Site Supervision, DOS Circular No.04 dated 08.10.2018 Uttara Bank Limited formed an Executive Risk Management Committee (ERMC) as on 15th November, 2018 comprising of Chief Risk Officer (CRO) as the Chairman of ERMC vide Board Risk Management Committee Memo 13 dated 30.10.2018.

### **CHIEF RISK OFFICER (CRO)**

---

According to the Basel Committee on Banking Supervision, Chief Risk Officer (CRO) has been referred as an independent senior executive with distinct responsibility for the risk management function and the institution's comprehensive risk management framework across the entire organization. The Chief Risk Officer (CRO) is responsible for ensuring intense and effective risk management across the organization. The CRO works to ensure that the bank is compliant with rules, regulations, and reviews factors that could negatively affect the bank's objectives. Chief Risk Officer (CRO) will act as the head of Risk Management Department. Appointment, dismissal and other changes to the CRO position should be approved by the board or its risk management committee. If the CRO is removed from his/her position, this should be disclosed publicly. The bank should also discuss the reasons for such removal with its supervisor. Beside this, CRO provide opinion regarding extent of risk in case of credit proposal for big amounts before submission to EC/board for sanctioning. CRO should not have any reporting relationships with business verticals of the bank and should not be given any business targets.

Chief Risk Officer (CRO) oversee the development and implementation of the bank's risk management functions, support the Board of Directors/Board's Risk Management Committee, actively engage with the management in the process of setting risk appetite and limits for the various business lines, contribute and participate in key decision-making processes, monitor major and critical risk issues independently with full empowerment, provide opinion regarding extent of risk in case of credit proposal for big amounts and organize Annual Risk Conference etc.

Accordingly Uttara Bank Limited has been appointed **Mr. Md. Reaz Hasan, Executive General Manager**, Uttara Bank Limited, Head Office, Dhaka as the Chief Risk Officer (CRO) vide Board Risk Management Committee Memo 13 dated 30.10.2018.

## RISK MANAGEMENT DEPARTMENT (RMD) OF UBL

Uttara Bank Limited has established an independent “Risk Management Unit” on 14 September 2009 in compliance with the instruction of Bangladesh Bank, letter no. DOS (EW) 1164/14(Uttara)/2009-442 dated 10.06.2009 and it became “**Risk Management Department**” through the Bank’s Information Circular Letter No. 667 dated 14.09.2009. The Risk Management Department (RMD) manages and measures risks as per regulatory requirements in accordance with the bank’s approved risks parameters independently.

Uttara Bank Limited has an independent full-fledged **Risk Management Department** headed by the Chief Risk Officer (CRO). The risk management function will be functionally and hierarchically independent from business and other operation functions. The officials who take and own risks will not be given responsibility for monitoring and evaluating their risks. Safeguards against conflict of interest should be put in place to maintain independence of the risk management function.

To perform the assigned activities of Risk Management Department, the following desks will form for smooth functioning of risk management activities in the bank:-

Desks of Risk Management Department
Credit Risk Management Desk
Market Risk Management Desk
Liquidity Risk Management Desk
Operational Risk Management Desk
Risk Research & Policy Development Desk

## ROLE OF RISK MANAGEMENT DEPARTMENT (RMD) OF UBL

The RMD will manage and measure risks on the basis of the bank approved risk parameters independently in line with regulatory requirements. The role of RMD includes, but not limited to, the following:

- Collecting and analyzing data/information for identifying risks and making appropriate recommendations for risk mitigation;
- Preparing risk management reports, arranging monthly meeting of ERMC and preparing meeting minutes, disseminating the decisions to the concerned department/divisions, monitoring and follow up of implementation status;
- Ensuring timely submission of risk management reports, meeting minutes, compliance report and other documents to BB;
- Assisting BRMC/ERMC by providing risk issues that are needed to be addressed;
- Designing bank’s overall risk management strategy;
- Ensuring significant contribution in establishing sophisticated risk management infrastructure with a sufficiently robust data-base, data architecture and information technology;
- Conducting, developing and overseeing Stress Testing activity;
- Utilizing the Stress Test result and scenario analysis to better understand potential risk exposures under a variety of adverse circumstances;
- Developing and testing different models (such as VaR, HHI index, Collection scoring, Vintage curve etc.), and observe their use for measuring and monitoring risks;



- Assisting senior management in formulating strategic planning considering bank's risk exposures and industry as a whole;
- Supporting the board, BRMC and ERMC in formulation, review and approval of the enterprise wide risk governance framework which includes the bank's risk culture, risk appetite, risk limits, and MAT;
- Monitoring on ongoing basis the risk-taking activities and risk exposures in line with the board approved risk appetite, risk limit and corresponding capital or liquidity needs (i.e. capital planning)
- Taking initiatives for interim review of risk appetites on request of other related departments and informing the board of directors and BRMC time to time about the status of risk exposures as compared to appetite;
- Establishing an early warning or trigger system for breaches of the bank's risk appetite or limits;
- Communicating views of the board and senior management throughout the bank;
- Taking initiatives for establishing enterprise/comprehensive risk management policies and procedures with the approval of the board;
- Monitoring concerned departments in formulating and reviewing related risk management policies and procedures;
- Monitoring compliance of irregularities found in core risk inspection reports of BB;
- Adopting proper financial protection measures through risk transfer, risk avoidance, and risk retention programs;
- Taking appropriate steps to control or mitigate risk exposures and ensure reporting the same to senior management and BRMC.

### ➤ **RISK APPETITE STATEMENT (RAS)**

Risk appetite is the level and type of risk a bank is able and willing to assume in its exposures and business activities, given its business objectives and obligations to stakeholders (depositors, creditors, shareholders, borrowers, regulators). Risk appetite is generally expressed through both quantitative and qualitative means and should consider extreme conditions, events, and outcomes. It states the potential impact on profitability, capital and liquidity.

The risk appetite focuses mainly on the following five overarching risk management objectives:-

- Upholding the highest ethical standards of conduct;
- Preserving the long-term financial resilience of the bank;
- Avoiding losses when investing public money;
- Ensuring compliance with legal and regulatory obligations;
- Maintaining a robust internal control environment and safeguarding operational continuity.

Risk appetite is the cornerstone of a successful risk management system. Risk appetite framework of the bank may include the following criteria:

- Be reviewed and approved by the board of directors at least annually;
- Be in line with the organization's strategy, objectives and key stakeholders' demands;
- Cover all key risks, discussing risk preferences both in terms of risks that are sought out and



risks that should be minimized;

- Clearly document risks as part of a risk register, including risk-specific definitions, risk owner, how and how often each risk will be measured, assumptions related to each risk, judgment on severity and likelihood, and speed at which risks could manifest;
- Recognize that losses occur and are part of business but include loss tolerances that are reflective of overall business objectives.
- Reflect the human and technological resources needed to measure and manage the bank's risks in a timely fashion.

The Bank prepare risk appetite statement covering all regulatory requirements related to risks, components of pillar II under Basel III, strategic planning and all other probable risks exist in the bank. In addition, the bank also considers the Comprehensive Risk Management Report in setting the above limits. The possible areas for setting risk appetite are as follows:-

• Overall growth of total loans and advances including off-balance sheet item
• Credit concentration(borrower/sector/geographical area wise)
• Gross and net NPL to total loans
• Cash recovery against classified loan/written off loan
• Amount of loan outstanding with acceptable rated customers (ECA score up to 3) to the amount lies with total rated customers
• Unsecured exposure to total exposure (funded) where unsecured exposure means the exposure against which no eligible collateral (defined by BB) is held.
• Rescheduled loans to total classified loans
• Written off loan to total classified loans
• Interest waiver as % of NPL
• Impact on Net Interest Income (NII) due to adverse change in interest rate
• Bucket-wise gap under simple sensitivity analysis for interest rate change
• Exchange Rate shock to operating income
• Value at Risk (VAR) for securities and FX
• Overdue accepted bills (payable and receivable) to total loans
• Net Open Position limit
• Exchange rate shock to operating income
• Liability concentration(Top-10 deposit suppliers to total deposit
• Bucket-wise gap under structural Liquidity Profile (SLP)
• Liquidity ratios (at least for regulatory requirements) including Commitment Limit and Wholesale borrowing Guideline(WBG) Limit
• Loss due to overall operational risk
• Loss due to internal and external fraud
• Operational loss due to employment practice and workplace safety, clients, products, and business practice, damage to physical assets , business disruption and system failure, execution, delivery and process management
• Expected operational loss as % of operating income
• Operating expenses to operating income
• CRAR including CRAR after combined minor shock
• Credit rating of bank itself
• CAMELS rating
• Core risks rating
• Regulatory ratios

## ➤ STRESS TESTING IN RISK MANAGEMENT

Stress testing is a simulation technique, which is used to determine the reactions of different financial



institutions under a set of exceptional, but plausible assumptions through a series of battery of tests. At institutional level, stress testing techniques provide a way to quantify the impact of changes in a number of risk factors on the assets and liabilities portfolio of the institution. For instance, a portfolio stress test makes a rough estimate of the value of portfolio using a set of exceptional but plausible events in abnormal markets. Stress tests help in managing risk within a financial institution to ensure optimum allocation of capital across its risk profile. The system level stress tests also complement the institutional level stress testing by providing information about the sensitivity of the overall financial system to a number of risk factors. These tests help the regulators to identify structural vulnerabilities and the overall risk exposure that could cause disruption of financial markets. Its prominence is on potential externalities and market failures. The techniques of stress testing are:

- a) Simple Sensitivity Analysis (single factor tests) measures the change in the value of portfolio for shocks of various degrees to different independent risk factors while the underlying relationships among the risk factors are not considered.
- b) Scenario Analysis encompasses the situation where a change in one risk factor affects a number of other risk factors or there is a simultaneous move in a group of risk factors. Scenarios can be designed to encompass both movements in a group of risk factors and the changes in the underlying relationships between these variables (for example correlations and volatilities).
- c) Extreme Value/ Maximum Shock Scenario measure the change in the risk factor in the worst-case scenario, i.e. the level of shock which entirely wipes out the capital.

## CORE RISK MANAGEMENT

Banks face significant risk management challenges in the run-up to Basel III and other regulations. In essence however these challenges are not far removed from core conservative principles of banking in the key areas of Capital, liquidity management and corporate governance. In line with the Bangladesh Bank instruction Uttara Bank Limited has taken various initiatives for strengthening risk management practices in conjunction with the business strategy and operational activities. UBL has an integrated approach for management of risk and in this regard it has formulated policy documents taking into account the business requirements/best international practices and above all as per the guidelines of the Bangladesh Bank.

Banking companies in Bangladesh, while conducting day-to-day operations, usually face the following major risks:

### Major Risks that Bank Faces

**Credit risk** (including portfolio/concentration risk, settlement risk, country risk, environmental risk)

**Market risk** (including interest rate risk in the banking book, foreign exchange risk, and equity market risk)

**Operational Risk**

**Other risks** (Liquidity risk, Compliance risk, strategic risk, reputation risk and money laundering risk)

## 01. CREDIT RISK

Simple definition of credit risk is that: Credit risk is defined as the possibility that a borrower or other contractual counterparty might default, i.e. might fail to honor their contractual obligations. The latest definition of Credit Risk is that: The potential deterioration of the credit quality of an un-defaulted exposure is called migration risk. This form of potential loss is generally also subsumed under a broader definition of credit risk.

The effective management of credit risk is a critical component of a comprehensive approach to risk management. It is essential for long-term success of any Bank. The goal of credit risk management is to maximize a Bank's risk-adjusted rate of return by maintaining credit risk exposure within acceptable parameters. Bank need to manage the credit risk inherent in the entire portfolio as well as the risk in individual credits or transactions. Credit risk management is a continuous effort of identifying, measuring, monitoring and mitigating the credit risk in both pre-sanction stage as well as post-sanction stage. Following table refers the applicability of the steps in those two stages.

### CREDIT RISK AS RANGE OF POSSIBLE OUTCOMES

Credit risk arises from the potential that a bank's borrower will fail to meet its obligations in accordance with agreed terms, resulting in a negative effect on the profitability and capital of the bank. Credit risk could stem from both on-balance sheet and off-balance sheet activities such as guarantees. It may arise from either an inability or an unwillingness to perform in the pre-committed contracted manner. Credit risk comes from a bank's dealing with households, small or medium-sized enterprises (SMEs), corporate clients, other banks and financial institutions, or a sovereign. Credit risk can be viewed as the existence of multiple possible outcomes when a bank makes a loan or other extension of credit. The possible outcomes range from full and timely payments according to the contract, all the way to a complete absence of any repayment (a total loss on the loan). In credit risk management, "loan" is used as shorthand for all possible types of exposure to a single client or group of related clients.

INDICATORS OF HIGH CREDIT RISK	INDICATORS OF POOR CREDIT RISK
The level of loans is high relative to total assets and equity capital.	Credit culture is absent or materially flawed.
Loan growth rates significantly exceed national trends and the trends of similar banks.	Strategic and/or business plans encourage taking on liberal levels of risk.
Growth was not planned or exceeds planned levels, and stretches management and staff expertise.	Anxiety for income dominates planning activities.
The bank is highly dependent on interest and fees from loans and advances.	The bank engages in new loan products or initiatives without conducting sufficient due diligence testing.
Loan yields are high and reflect an imbalance between risk and return.	Loan management and personnel may not possess sufficient expertise and/or experience.



The bank has one or more large concentrations. Concentrations have exceeded internal limits.	Responsibilities and accountabilities in the origination, administration, or problem loan management processes are unclear.
Existing and/or new extensions of credit reflect liberal judgment and risk-selection standards.	The bank may not identify concentrated exposures, and/or identifies them but takes little or no actions to limit, reduce, or mitigate risk.
Practices have resulted in a large number of exceptions to the credit policy.	Concentration limits, if any, are exceeded or raised frequently.
The bank has a large volume and/or number of classified loans.	Compensation structure is skewed toward volume of loans originated, rather than quality.
Even among standard and special mention account loans, the portfolios are skewed toward lower internal ratings.	There is little evidence of accountability for loan quality in the origination and/or administration function.
Classified loans are skewed toward the less favorable categories (doubtful and bad/loss).	Staffing levels throughout the origination and/or administration function are low.
Collateral requirements are liberal, or if conservative, there are substantial deviations from requirements.	Skills throughout the origination and/or administration function are low.
Collateral valuations are not always obtained, frequently unsupported, and/or reflect inadequate protection.	Credit policies are deficient in one or more ways and require significant improvement in one or more areas. They may not be sufficiently clear or are too general to adequately communicate portfolio objectives, risk tolerance, and loan judgment and risk selection standards.
Loan documentation exceptions are frequent, and exceptions are outstanding for long periods of time.	The bank approves significant policy exceptions, but does not report them individually or in the aggregate and/or does not analyze their effect on portfolio quality. Policy exceptions do not receive appropriate approval.
The bank liberally reschedules and/or restructures loans in a manner that raises substantial concern about the accuracy or transparency of reported problem loan numbers.	Risk rating and problem loan review are deficient and require improvement. Problem loans and advances are not identified accurately or in a timely manner; as a result, portfolio risk is likely misstated.
Quarterly loan losses, as a percentage of the total loan portfolio, are high and/or routinely exceed established provisions.	Credit analysis is deficient. Analysis is superficial and key risks are overlooked.



## CONCENTRATION RISK

Concentration risk arises when any bank invests its most or all of the assets to single or few individuals or entities or sectors or instruments. Downturn in concentrated activities and/or areas may cause huge losses to a bank relative to its capital and can threaten the bank's health or ability to maintain its core operations. Banks need to pay attention to the following credit concentration risk areas:

- Sector wise exposure,
- Division wise exposure (Geographic Concentration),
- Group wise exposure (Outstanding amount more than),
- Single borrower wise exposure (Outstanding amount more than),
- Top borrower wise exposure (Top 10-50 borrowers will be counted)

## MANAGING CREDIT RISK

Borrower evaluation is the key & first step to managing Credit Risk. Borrower's credit history (if any), repayment capacity, business positions etc. may consider to extent credit.

## INTERNAL CREDIT RISK RATING SYSTEM

An internal credit risk rating system (ICRRS) categorize all the credits of bank into various classes on the basis of underlying credit quality. Bank on the way to develop an internal credit risk rating system in line with Bangladesh Bank guidelines so that the credit will in consistent with the nature, size and complexity of the bank's activities. ICRRS assigns all the credit facilities in to 4 (four) risk rating named Excellent, Good, Marginal, Unacceptable. Component of ICRRS consist of both Qualitative indicators & Quantitative indicators as follows:-

Qualitative indicators	Weight	Quantitative indicators	Weight
Leverage	10	Performance Behaviour	10
Liquidity	10	Business & Industrial Risk	7
Profitability	10	Management Risk	7
Coverage	15	Security Risk	11
Operational Efficiency	10	Relationship Risk	3
Earning Quality	5	Compliance Risk	2

ICRRS observes any deterioration in risk, assigns the risk grade of a borrower and the facilities may immediately change to mitigate risk.

## EXTERNAL CREDIT ASSEMENT INSTITUTIONS (ECAIS)

External Credit Assessment Institutions (EACIs) are registered by Bangladesh Securities and Exchange Commission (BSEC) as well as recognized by Bangladesh Bank to assist financial institutions. EACIs are analysis of the creditworthiness of potential borrowers and assist the bank's credit analysts in organizing thinking and forming an opinion about the potential borrowers.

## ANALYZING THE FINANCIAL STATEMENTS

To determine a borrower's creditworthiness, there is no substitute for thorough and rigorous analysis of a borrower's financial statements. The balance sheet, income statement, cash flow statement, and financial projections all provide critical information about the borrower's creditworthiness and capacity to repay. The bank will always use five key components of analysis, which are: -

- Income statement,
- Balance sheet,
- Net worth and fixed asset reconciliation,
- Key ratios, and
- Cash flow statement.

## RISK BASED LOAN PRICING

Loan pricing of Bank will cover all the cost as follows:-

▪ Cost of fund	▪ Expected loss
▪ Cost of allocated capital	▪ Term cost of liquidity
▪ Cost of liquid assets buffer	▪ Loans administrative cost
▪ Competitive margin etc.	

## CREDIT MONITORING & CONTROL

UBL develop and implement comprehensive procedures and information systems to monitor the condition of each individual credit across various portfolios. Bank has enunciated a system that enables to monitor quality of the credit portfolio on a day to day basis and take remedial measures as and when any deterioration occurs.

These procedures will define criteria for identifying and reporting potential problem credits and other transactions to ensure that they are subject to more frequent monitoring as well as possible corrective action, classification and/or provisioning. Establishing an efficient and effective credit monitoring system would help senior management to monitor the overall quality of the total credit portfolio and its trends and helps to reassess credit strategy/policy accordingly before encountering any major setback. An Early Alert account is one that has risks or potential weaknesses of a material nature requiring monitoring, supervision, or close attention by management. Early Alert Report is an unique tool to monitoring the Credit portfolios of Bank. UBL effectively follow the early alert reporting to minimize credit risk.

## SETTLEMENT RISK

The risks that arise when payments are not exchange simultaneously. The simplest case is when a bank makes a payment to counterparty but will not be recompensed until sometime later; the risk is that the counterparty may default before making the counter payment. Settlement risk is most pronounced in the foreign exchange markets, where payments in different currencies take place during normal business hours in their respective countries and can therefore be made up to 18 hours apart, and where the volume of payments makes it impossible to monitor receipts except on a delayed basis.

## COUNTRY RISK

The risk of loss arising from a sovereign state freezing foreign currency payments (transfer/conversion risk) or when it defaults on its obligations (sovereign risk); this type of risk is prominently associated with the country's macroeconomic performance and its political stability.

## ENVIRONMENTAL & SOCIAL RISK MANAGEMENT

Climate change is a global physical phenomenon with very drastic and adverse environmental, social and human consequences. Bangladesh is already experiencing climate-induced extreme weather events, e.g. cyclones, floods and droughts periodically. Due to climate change, these are expected to be more intense and more frequent. Borrowers whose operations are vulnerable to extreme weather events are likely to be affected. Climate change impacts can lead to the borrowers not being able to continue the business activity and hence unable to service / repay the financing taken from the Banks/FIs. An Environmental & Social (E&S) Risk Management System is a set of policies, procedures, tools and internal capacity to identify, monitor and manage the bank's exposure to the E&S risks of its clients. An E&S Management System states the bank's commitment to E&S management, explains its procedures for identifying, assessing and managing E&S risk of financial transactions, defines the decision-making process, describes the roles, responsibilities and capacity needs of staff in doing so and states the documentation and recordkeeping requirements. It also provides guidance on how to screen transactions, categorize transactions based on their E&S risk, conduct E&S due diligence and monitor the client's E&S performance.

### Risks associated with E&S Risk in Credit Management

Bank is exposed to some level of E&S risk through its clients. If left unmanaged, these risks can lead to a decline in the Bank's reputational image, costly litigation, or loss of revenue. The type, quantity and severity of E&S issues that present a risk to the Bank for any given transaction depend on a variety of factors, including geographic context, industry sector, and the type of transaction: corporate, real estate, insurance, leasing, microfinance, project finance, retail, short-term finance, micro, small and medium enterprise and trade. Please refer to Credit Type Wise E&S Risks (Annex-5) for risks associated with different types of transactions.

<b>Credit Risk</b>	The bank is exposed to credit risk when a client is unwilling and/or unable to fulfil the- contractual obligations associated with a transaction as a result of E&S issues. For example, if a client faces increased capital or operating costs of complying with E&S standards or if operating and emission/discharge permits are absent or expired resulting in regulatory fines or penalties, there is a risk that the client cannot meet its financial obligations to the Bank. Again, it is exposed to credit risk stemming from a reduction in the value of collateral associated with a transaction due to E&S problems. For example, if a production site becomes contaminated, the market value of the underlying collateral will fall.
<b>Legal Risk</b>	By virtue of taking possession of collateral assets, the bank is exposed to liability risk stemming from a client's legal obligations. This includes fines, penalties, and costs for addressing third-party claims for damages due to negligence in managing E&S risks in a client's operations and clean-up of contamination. If the bank is a principal shareholder of a client's operations, it may also be directly liable for all E&S risks associated with a client's operations



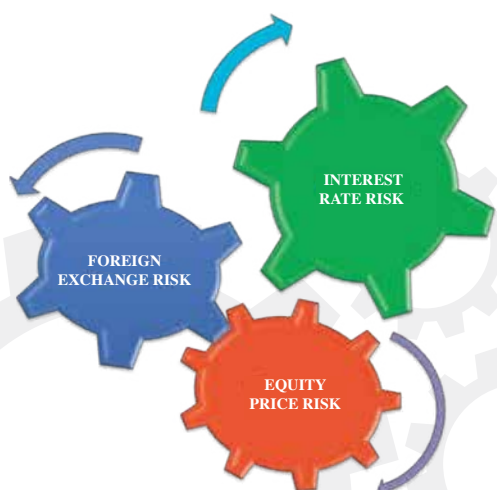
<b>Operational Risk</b>	The bank is exposed to financial risk stemming from potential disruption of client's operations as a result of E&S problems. If not managed properly, these problems can affect a client's stability to meet its financial obligations to the bank and/ or can drive down the value of a client's collateral in the context of a transaction. A client's failure to effectively address E&S considerations can jeopardize its business operations as well as the bank that is supporting the transaction.
<b>Liquidity Risk</b>	The bank will also face liquidity risks from E & S problems associated with collateral. For example, the bank will have to use up internal resources to meet government clean-up requirements or to clean the site up before it can be sold if collateral is contaminated.
<b>Reputational Risk</b>	The bank is exposed to reputational risk due to potentially negative publicity associated with a client's poor E&S practices. This harms the bank's brand value and image in the media, with the public, with the business and financial community, and even with its own staff. For example, if a client faces strong public opposition against its operations, the bank's reputation may be tarnished through its association with this particular client.

## 02. MARKET RISK

Market Risk can be defined as the risk of losses in both on-balance sheet and off-balance sheet positions arising from adverse movements in market prices. From a banks perspective Market Risk stems from all the positions included in banks' trading book as well as from commodity and foreign exchange risk positions in the whole balance sheet.

Market risk can be subdivided into three categories depending on risk factors:

- a) Interest Rate Risk,
- b) Foreign Exchange Risk, and
- c) Equity Price Risk.



### A) INTEREST RATE RISK

The potential losses from unexpected changes in interest rate which can significantly alter bank profitability & market value of equity. The amount interest rate risk is a function of the magnitude and direction of interest rate changes and the size and maturity structure of the mismatch position.

Such risk can't be eliminated as re-pricing period of assets and liabilities are different. Other than re-pricing issue, sources of interest risk are: yield curve risk, basis risk, and embedded options. The immediate impact of a variation in interest is on the bank's net interest income, while a long term impact is on bank's net worth since economic value of banks assets, liabilities and off balance sheet exposures are affected.

## MEASUREMENT OF INTEREST RATE RISK

For measuring interest-rate risk bank use a variety of methods. The level of sophistication and complexity of individual methods varies. In professional literature the most frequently stated are the analysis of maturity and re-pricing tables, or simply termed gap analysis, the duration gap method, the basis point value method, and simulation methods. Bank may use a combination of these techniques in managing its interest rate risk exposure.

## INTEREST RATE RISK MANAGEMENT & CONTROL

Bank's interest rate risk management involves the application of following basic elements in the management of assets, liabilities, and OBS instruments. Principles of interest rate risk management include:

- a. Appropriate board and senior management oversight;
- b. Adequate risk management policies and procedures;
- c. Appropriate risk measurement, monitoring, and control functions; and
- d. Comprehensive internal controls and independent audits.

The bank measures the impact of interest rate risk via GAP analysis and GAP is categorized as positive gap and negative gap. **Positive gap** = Rate Sensitive Asset (RSA) less Rate Sensitive Liabilities (RSL) whereas **Negative gap** = Rate Sensitive Liabilities (RSL) less Rate Sensitive Asset (RSA). Bank has developed and implemented effective and comprehensive procedures and information systems to manage and control interest rate risk in accordance with its interest rate risk policies. Internal inspections/audits are a key element in managing and controlling interest rate risk management program. Moreover, to measure and control interest rate risk the following facts/figures/ratios are assessed in monthly ALCO papers.

- Interest Rate Break Down: Interest Rate Break Down = Interest rate break up for Assets and Liabilities Net
- Interest Income: Net Interest Income = Total Interest Income Minus Total Interest Expenses
- Net Interest Margin: Net Interest Margin = Net Interest Income / Total Average Earning Assets
- Interest Earning Assets/Total Assets
- Cost of Fund: (Weighted average Cost of deposit + Weighted average Cost of borrowing + Admin cost).
- Average Interest Rate of Loans :(on realized amount of Interest)
- Average Interest Rate of Deposits: (on payment amount of Interest)
- Tools to minimize Interest Rate Risk such as VaR ( Unavailability of software and & data)

## B) FOREIGN EXCHANGE RISK

Foreign exchange risk is the risk that a business's financial performance or position will be affected by fluctuations in the exchange rates between currencies. The risk is most acute for businesses that deal in more than one currency.

Foreign exchange risk is the risk of an investment's value changing due to changes in currency exchange rates. Foreign exchange risk is the risk that an investor will have to close out a long or short position in a foreign currency at a loss due to an adverse movement in exchange rates.



## FOREIGN EXCHANGE RISK MANAGEMENT

---

Limits on a bank's foreign exchange exposure reflects both the specific foreign currency exposures that arise from daily foreign currency dealing or trading activities (transactional positions) and those exposures that arise from a bank's overall asset/liability infrastructure, both on- and off-balance sheet (structural or translational positions). Treasury mid office will monitor all the risk which is taken by the dealers. Their role is to review risk limit annually, to identify risk factors, to develop proposals for risk taking unit's risk limits/triggers, to recommend corrective measures considering market environment or any volatile situation in market which may associate with risk limit. Mid office should maintain all official documents relating to risk limit like limit breaches, any corrective measures and resolutions. Moreover, main functions of Mid Office as per treasury manual are as follows:

- ✓ Monitoring performance of the Dealing Room.
- ✓ Monitoring individual Dealers performance.
- ✓ Analysis of usage of limits and recommendations in changes of limits or products.
- ✓ Analysis of risk of new instruments and products.
- ✓ Real time valuation of Risk exposures.
- ✓ Analysis of GAP and Cash flow Reports.
- ✓ Manages to various internal and regulatory policies and guidelines.
- ✓ Minimization of all risks related to treasury functions.
- ✓ Report any violations of crossing limits.

## C) EQUITY PRICE RISK

---

Equity price risk is the risk of losses caused by changes in equity prices. These losses could arise because of

- changes in the value of listed shares held directly by the bank
- changes in the value of listed shares held by a bank subsidiary
- changes in the value of listed shares used as collateral for loans from a Bank a bank subsidiary, whether or not the loan was made for the purpose of buying the share and
- changes in the value of unlisted shares.

## EFFECTIVE EQUITY PRICE RISK MANAGEMENT

---

- Equity investment follows the risk appetite.
- Management should have broad capital markets experience
- Management should establish strong policy controls and risk limits for capital Market.
- Risk management personnel should have an in-depth understanding of equity market risk and risk management principles, including VaR.
- There should be formal procedures to report how and why exceptions have occurred, and how they have been resolved.
- Management reports should be prepared independently of the investing and trading function and should provide a comprehensive and accurate summary of investing and trading activity.
- Risk monitoring, valuation, and control functions should be independent of the trading and investing functions
- measurement of how much and why profitability, balance sheet capital, and regulatory capital will be affected by major declines in the equity market overall, or in the value of individual shares



## MEASURING EQUITY PRICE RISK

Value at Risk (VaR) is generally accepted and widely used tool for measuring market risk inherent in trading portfolios. VaR summarizes the predicted maximum loss (or worst loss) over a target horizon within a given confidence level. Generally there are three methods of computing VaR:

- Parametric or variance-covariance method
- Historical simulation method
- Monte Carlo simulation method

## 03. OPERATIONAL 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.

It is clear that operational risk differs from other risks in that it is typically not directly taken in return for an expected reward, but exists in the natural course of corporate activity, and that this affects the risk management process. At the same time, failure to properly manage operational risk can result in a misstatement of a bank's risk profile and expose the bank to significant losses. Operational risk can be subdivided into two components Operational strategic risk & Operational failure risk.

### OPERATIONAL STRATEGIC RISK

Operational strategic risk arises from environmental factors such as a new competitor that changes the business paradigm, a major political and regulatory regime change, and other factors that are generally outside the control of the bank. It also arises from a major new strategic initiative, such as getting into a new line of business or redoing how current business is to be done in the future. It is also defined as external operational risk.

### OPERATIONAL FAILURE RISK

Operational failure risk arises from the potential for failure in the course of operating the business. A firm uses people, process, and technology to achieve business plans, and any one of these factors may experience a failure of some kind. Accordingly, operational failure risk is the risk that exists within the business unit caused by the failure of people, process, systems or technology. A certain level of the failures may be anticipated and should be built into the business plan. These failures can be expected to occur periodically, although both their impact and their frequency may be uncertain.

OPERATIONAL RISK		
OPERATIONAL STRATEGIC RISK		OPERATIONAL FAILURE RISK
The risk of choosing an inappropriate strategy in response to environmental factors, such as		The risk encountered in the pursuit of particular strategy due to
<ul style="list-style-type: none"> <li>▪ Political</li> </ul>	<ul style="list-style-type: none"> <li>▪ Taxation</li> </ul>	<ul style="list-style-type: none"> <li>▪ People</li> </ul>
<ul style="list-style-type: none"> <li>▪ Government</li> </ul>	<ul style="list-style-type: none"> <li>▪ Societal</li> </ul>	<ul style="list-style-type: none"> <li>▪ Process</li> </ul>
<ul style="list-style-type: none"> <li>▪ Regulation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Competition, etc</li> </ul>	<ul style="list-style-type: none"> <li>▪ Technology</li> </ul>



## OPERATIONAL RISK MANAGEMENT POLICY

An effective Internal Control System ensures compliance with laws and regulations, policies and procedures issued by both the bank management and the regulators. Internal Control & Compliance (ICC) ensures compliance with laws and regulations, policies and procedures issued by both the bank management and the regulators. ICC is one of the scientific means by which business opportunities are maximized and potential losses associated with unwanted events are reduced. To strengthen the Internal Control and Compliance system of UBL introduce a Internal Control & Compliance Manual to assemble the procedures, rules and guidelines of bank and regulators. Senior Management Team (SMT) of UBL monitor the adequacy and effectiveness of the Internal Control System based on the bank's established policy and procedure. The SMT review on a yearly basis the overall effectiveness of the control system of the organization and provide a certification on a yearly basis to the Board of Directors on the effectiveness of Internal Control policy, practice and procedure.

## OPERATIONAL RISK ASSESSMENT & QUATIFICATION

To understand better banks risk profile the possible tools that bank will used may be as follows:-

<b>Self Risk Assessment</b>	A bank assesses its operations and activities against a menu of potential operational risk vulnerabilities. This process is internally driven and should be based on approved checklists to identify the strengths and weaknesses of the operational risk environment.
<b>Risk Mapping</b>	Various business units, organizational functions or process flows are mapped by risk type. This exercise can reveal areas of weakness and help prioritize subsequent management actions.
<b>Risk Indicators</b>	Risk indicators are statistics and/or metrics, often financial, which can provide insight into a bank's risk position. These indicators are to be reviewed on a periodic basis (such as monthly or quarterly) to alert banks to changes that may be indicative of risk concerns. Such indicators may include the number of failed trades, staff turnover rates and the frequency and/or severity of errors and omissions. Threshold/limits could be tied to these indicators such that when exceeded, could alert management on areas of potential problems.
<b>Historical Data Analysis</b>	The use of data on a bank's historical loss experience could provide meaningful information for assessing the bank's exposure to operational risk and developing a policy to mitigate/control the risk. An effective way of making good use of this information is to establish a framework for systematically tracking and recording the frequency, severity and other relevant information on individual loss events. Banks may also combine internal loss data with external loss data (from other banks), scenario analyses, and risk assessment factors.

An effective monitoring process is essential for adequately managing operational risk. Regular monitoring activities can offer the advantage of quickly detecting and correcting deficiencies in the policies, processes and procedures for managing operational risk. Promptly detecting and addressing these deficiencies can substantially reduce the potential frequency and/or severity of a loss event. The

personals, involve in operational risk, report regular to senior management and the board that supports the proactive management of operational risk. Senior management established a program to:

- a) Monitor assessment of the exposure to all types of operational risk faced by the bank;
- b) Assess the quality and appropriateness of mitigating actions, including the extent to which identifiable risks can be transferred outside the bank; and
- c) Ensure that adequate controls and systems are in place to identify and address problems before they become major concerns.

## **OPERATIONAL RISK MITIGATION**

---

Operational risks are analyzed through review of Internal Audit Reporting of Head Office & inspection of Zonal Offices, Departmental Control Function Check List (DCFCL), Quarterly Operation Report, Loan Document Checklist (LDCL). Besides this, Investments in appropriate processing technology and information technology security are also important for operational risk mitigation.

## **OPERATIONAL RISK MONITORING**

---

Regular monitoring activities help quickly detecting and correcting deficiencies in the policies, processes and procedures for managing operational risk. Promptly detecting and addressing these deficiencies can substantially reduce the potential frequency and/or severity of a loss event. There should be regular reporting of pertinent information to senior management and the board that supports the proactive management of operational risk. In addition to monitoring operational loss events, banks should specify and identify appropriate indicators that provide early warning of an increased risk of future losses.

## **OPERATIONAL RISK REPORTING**

---

The reporting process Operational Risk includes the following information:-

- a) The critical operational risks facing, or potentially facing, the bank;
- b) Risk events and issues together with intended remedial actions;
- c) The effectiveness of actions taken;
- d) Details of plans formulated to address risk issues;
- e) Areas of stress where crystallization of operational risks is imminent; and
- f) The status of steps taken to address operational risk.

## **ESTABLISHING CONTROL MACHANISM**

---

Identified all the material risks and follow appropriate procedure to control and/or mitigate the risks, or bear the risks. For those risks that cannot be controlled, the bank decide whether to accept these risks, reduce the level of business activity involved, or withdraw from this activity completely. Control activities should be an integral part of the regular activities of a bank. A framework of formal, written policies and procedures is necessary in this regards.

## **CONTIGENCY PLANNING**

---

Recovery and business continuity plans to ensure its ability to operate as a going concern and minimize losses in the event of severe business disruption. The business disruption and contingency plans need to take into account different types of scenarios to which the bank may be vulnerable and need to be commensurate with the size and complexity of its operations.



## LIQUIDITY RISK

In banking parlance, Liquidity is a financial institution's capacity to meet its obligations as they fall due without incurring losses. Liquidity Risk is a risk to an institution's earnings, capital and reputation arising from its inability (real or perceived) to meet its contractual obligations in a timely manner without incurring unacceptable losses when they are due.

### CAUSES OF LIQUIDITY RISK

Internal Banking Factors	External Banking Factors
High Off-Balance Sheet Exposures	Very sensitive financial markets depositors
Highly rely heavily on the short-term corporate deposits	External & internal economic shocks
A gap in the maturity dates of assets and liabilities	Low/slow economic performances
Rapid assets expansions exceed the available funds on the liability side	Decreasing depositor's trust on the banking sector
Concentration of deposits in the short term tenor	Non-economic factors
Less allocation in the liquid government instruments	Sudden & massive liquidity withdrawals from depositors
Fewer placements of funds in long-term deposits	Unplanned termination of government deposits

### LIQUIDITY RISK MANAGEMENT PROCESS OF BANK

There are three alternative strategies to manage the Liquidity Risk which are as follows:

- a) Asset Liquidity Management manual
- b) Wholesale borrowing guideline
- c) Management action trigger
- d) Investment policy

### MINIMIZE LIQUIDITY RISK

Responsibility of managing and controlling liquidity of the bank lies with Asset Liability Committee (ALCO) and the committee meets at least once in every month. Asset and Liability Management (ALM) Department of the Treasury Division closely monitors and controls liquidity requirements on a daily basis by appropriate coordination of funding activities and they are primarily responsible for management of liquidity in the bank. ALM Department performs the following activities to minimize the Liquidity Risk-

- Maintenance of CRR and SLR.
- Investment in Treasury Bills/Bond Portfolio.
- Repo/Reverse Repo activities.
- Propose to the ALCO (through the head of treasury) of statutory investments.
- Call money activities & Profitably trading.
- Spot any arbitrage opportunities and take advantage.



- Remaining within all counter party limits at all times.
- Operating within all given balance sheet gap limits.
- Primary dealership activities & New Product/business
- Money Market Product Pricing
- Other investment in local currency
- Adherence to various internal as well as regulatory policies
- Maintenance of CDBL Software.
- Daily report to Head of Treasury.

**ALM Department also calculates the followings to manage the liquidity risk:-**

- Liquidity coverage ratio (LCR)
- Net Stable Funding Ratio (NSFR)
- Minimum Cumulative Outflow
- Snap Liquidity Ratio = Liquid Assets/Total external Liabilities
- Short Term Borrowings/Liquid Assets Ratio
- Volatile Liability/Total Assets Ratio
- Total Loans/Total Deposits Ratio
- Management Forecast Liquidity Ratios
- Composition of Liquid Assets (Local)
- Composition of Liquid Assets (External)
- Volatile Liability dependence.
- Size of Deposits

## ➤ OTHERS RISK

Others Risks includes Money Laundering Risk, Internal Control & Compliance Risk, Information & Communication Technology Risk etc.

### A. MONEY LAUNDERING & TERRORIST FINANCING RISK

#### MONEY LAUNDERING

Money laundering can be defined in a number of ways. But the fundamental concept of money laundering is the process by which proceeds from a criminal activity is disguised to conceal their illicit origins. Most countries adopted to the following definition which was delineated in the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988) (the Vienna Convention) and the United Nations Convention against Transnational Organized Crime (2000) (the Palermo Convention):

- The conversion or transfer of property, knowing that such property is derived from any offense, e.g. drug trafficking, or offenses or from an act of participation in such offense or offenses, for the purpose of concealing or disguising the illicit origin of the property or of assisting any person who is involved in the commission of such an offense or offenses to evade the legal consequences of his actions;
- The concealing or disguising the true nature, source, location, disposition, movement, rights with respect to, or ownership of property, knowing that such property is derived from an offense or offenses or from an act of participation in such an offense or offenses, and;
- The acquisition, possession or use of property, knowing at the time of receipt that such property was derived from an offense or offenses or from an act of participation in such offense or offenses.



## TERRORIST FINANCING

---

1. Terrorist financing can be simply defined as financial support, in any form, of terrorism or of those who encourage, plan, or engage in terrorism. The International Convention for the Suppression of the Financing of Terrorism (1999) under the United Nations defines TF in the following manner:
  - i. ‘If any person commits an offense by any means, directly or indirectly, unlawfully and willingly, provides or collects funds with the intention that they should be used or in the knowledge that they are to be used, in full or in part, in order to carry out:
  - ii. An act which constitutes an offence within the scope of and as defined in one of the treaties listed in the link given below; or Any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking any active part in the hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing an act’.
2. For an act to constitute an offense set forth in the preceding paragraph 1, it shall not be necessary that the funds were actually used to carry out an offense referred to in said paragraph 1, sub paragraph (i) or (ii).

## AML & CFT COMPLIANCE POLICY OF UBL

---

- Establishing clear responsibilities and accountabilities within the organization to ensure that policies, procedures and controls are introduced and maintained which can deter criminals from using facilities of UBL for money laundering and the financing of terrorist activities.
- Ensuring that UBL complies with its obligations under the law.
- Standards and procedures to comply with applicable laws and regulations to reduce the prospect of criminal abuse.
- The bank’s AML & CFT compliance procedure will address its Know Your Customer (“KYC”) policy and identification procedures before opening new accounts, monitoring existing accounts for unusual or suspicious activities, information flows, reporting suspicious transactions, hiring and training employees and a separate audit or internal control function to regularly test program’s effectiveness.
- The role of AML & CFT Compliance Officer(s)/Unit and other appropriate personnel.
- Incorporating AML & CFT compliance into job descriptions and performance evaluations of appropriate personnel.

## CENTRAL COMPLIANCE COMMITTEE (CCC)

---

The central compliance Committee of Uttara Bank Limited is headed by a high official (Deputy Managing Director), who is known as the Chief Anti Money Laundering Compliance Officer (CAMLCO). In this case, ‘High Official’ is considered as an official up to 2(Two) steps below of the managing director. The bank ensures that if the CAMLCO is changed, it will be informed to BFIU without delay. CCC has been established in the Head Office of the bank like other department or division. Human Resources of the Committee consists 09 members including CAMLCO & Deputy CAMLCO. Among the other 7 (seven) officials are Executive General Manager, Head of Human Resources Division, Head of International

Division, Head of ICT, Head of Credit Division, Head of Corporate Banking Division & Head of Anti Money Laundering Department. Main responsibilities of the Central Compliance Committee (CCC) are to develop bank's policy, procedure and strategies in preventing ML, TF & PF; coordinate bank's AML & CFT compliance initiatives; coordinate the ML & TF risk assessment of the bank and review thereon; present the compliance status with recommendations before the Managing Director on half yearly basis; forward STR/SAR and CTR to BFIU in time and in proper manner; report summary of self assessment and independent testing procedure of BFIU in time and in proper manner; impart training, workshop, seminar related to AML & CFT for the employee of the bank; take required measures to submit information, report or documents in time.

For shouldering these responsibilities, the Central Compliance Committee (CCC) will inculcate authorities:

- Review/update the job responsibility of BAMLCO as and when required;
- Requisition of human resources and logistic supports for CCC;
- Make suggestion or administrative sanction for non-compliance by the employees.

### **AUTHORITIES AND RESPONSIBILITIES OF CAMLCO**

---

Chief Anti Money Laundering Compliance Officer (CAMLCO) will be able to act on his own authority as per approval of Board/ Management; may not take any permission or consultation from/with the Managing Director before submission of STR/SAR and any document or information to BFIU, shall maintain the confidentiality of STR/SAR and any document or information required by laws and instructions by BFIU, must have access to any information of the bank; shall ensure his/her continuing competence etc. The responsibilities of CAMLCO must ensure overall AML&CFT compliance of the bank, oversee the submission of STR/SAR or any document or information to BFIU in time and maintain the day-to-day operation of the bank's AML&CFT compliance. CAMLCO shall be liable to Managing Director for proper functioning of CCC& shall review and update ML & TF risk assessment of the bank, ensure that corrective actions have been taken by the bank to address the deficiency identified by the BFIU or BB.

### **AUTHORITIES AND RESPONSIBILITIES OF DCAMLCO**

---

Deputy Chief Anti Money Laundering Compliance Officer will hold the authorities and responsibilities of CAMLCO in absence of CAMLCO. Besides, he will also help CAMLCO by ensure overall AML&CFT compliance of the bank, oversee the submission of STR/SAR or any document or information to BFIU in time, maintain the day-to-day operation of the bank's AML&CFT compliance, shall review and update ML & TF risk assessment of the bank and ensure that corrective actions have been taken by the bank to address the deficiency identified by the BFIU or BB.

### **AUTHORITIES AND RESPONSIBILITIES OF HEAD OF AML DEPARTMENT**

---

Head of Anti Money Laundering Department will hold the authorities and responsibilities of DCAMLCO in absence of DCAMLCO. Besides, he will also help DCAMLCO by assist Central Compliance Committee/ Central Compliance Officer in implementing and enforcing the Bank's AML policies, implement and to enforce the Bank's AML policies, report on suspicious clients to Bangladesh Bank through Central Compliance Committee/ Central Compliance Officer, inform Head of Branches or all Divisional Heads in the Head Office of required action related to AML Program and turn up the employees on AML program as an ongoing policy.



## **AUTHORITIES AND RESPONSIBILITIES OF ZONAL HEAD**

---

Head of the Zonal Office will act as the Anti Money Laundering Compliance Officer of his Zone. He has to have detailed knowledge in the existing acts, rules and regulations, BFIU's instructions and bank's own policies on preventing Money Laundering and Terrorist Financing etc. and will ensure compliance of the same by the branches under his close supervision and monitoring. Head of the Zonal Office will communicate and follow up activities of the BAMLCOs, motivate the BAMLCOs to submit STR/SAR proactively, take initiative for updating KYC/TP/Risk grading of all accounts, escalate any true match hit on Sanction screening to CAMLCO and any other work as and when required by Anti Money Laundering Department.

## **AUTHORITIES AND RESPONSIBILITIES OF BAMLCO**

---

For preventing ML, TF & PF in the branch, the BAMLCO will ensure that the UN Security Council and domestic sanction list checked properly before opening of account and while making any international transaction & ensure that the KYC of all customers have done properly and for the new customer KYC is being done properly. The BAMLCO will keep information of 'dormant accounts' and take proper measures so that any withdrawal from these accounts shall not be allowed without compliance of BFIU's instruction, ensure regular transaction monitoring to find out any unusual transaction. Since Uttara Bank Limited is an automated bank, it will follow a triggering system against transaction profile or other suitable threshold. The BAMLCO will also records of all transaction monitoring must be kept in the file, review cash transaction to find out any structuring, review of CTR to find out STR/SAR, ensure the checking of UN sanction list before making any foreign transaction, ensure that all the employees of the branch are well aware and capable to identify any unusual transaction or any attempt of unusual transaction, compile self-assessment of the branch regularly and arrange quarterly meeting regularly, accumulate the training records of branch officials and take initiatives including reporting to CCC, HR and training academy, ensure all the required information and document are submitted properly to CCC and any freeze order or stop payment order are implemented properly, follow the media report on terrorism, terrorist financing or other offences, like corruption, bribery, drug trafficking, gold smuggling, human trafficking, kidnapping or other predicate offences and find out any relationship of the branch with the involved person; if so the BAMLCO will make an STR/SAR, ensure that corrective actions have taken by the branch to address the deficiency identified by the BFIU or BB, of internal audit/ system check report. The BAMLCO will be strictly adhering to AMLD/BFIU circulars; circular letters, instructions etc & ensure review of CTR & ensure providing sufficient controls and monitoring systems for the timely detection and reporting of suspicious activity. The BAMLCO will also ensure rectifying the objections raised by BFIU or bank inspection team on time. Uttara Bank Ltd. never conceals the true source of funds. It is an objective of the Bank to prevent criminals from using the bank's facilities, systems and services to conceal their illegal activity. Therefore, the Bank has a process which allows for identification of unusual transactions, pattern and activity.

## **CUSTOMER ACCEPTANCE POLICY**

---

Customer Acceptance Policy must ensure that explicit guidelines are in place to set up any kind of business relationship with the bank. A concrete Customer Acceptance Policy is very important so that inadequate understanding of a customer's background and purpose for utilizing a bank account or any other banking service may not expose the bank to a number of risks. The customer acceptance policy of bank should not

be used against the disadvantaged people or the people who have not proper identification document. A customer acceptance policy should encourage the ultimate goal of transparent, accountable and inclusive financial system in Bangladesh. Customer acceptance policy of a bank must include:

- No account in anonymous or fictitious name or account only with numbers shall be opened;
- No banking relationship shall be established with a Shell Bank: and
- No account in the name of any person or entity listed under United Nations Security Council

Resolutions (UNSCRs) or their close alliance adopted under Chapter VII of the Charter of UN on suspicion of involvement in terrorist or terrorist financing activities and proscribed or enlisted by Bangladesh Government shall be opened or operated.

### **CUSTOMER REJECTION POLICY**

---

Due to reasons connected with controlling the risk of money laundering and terrorist financing, the following categories of customers will not be accepted by the bank:

- Individuals or entity listed under United Nations Security Council Resolutions (UNSCRs) or their close alliance adopted under Chapter VII of the Charter of UN on suspicion of involvement in terrorist or Terrorist financing activities and prescribed or Organization of Foreign Asset Control (OFAC) sanction list or enlisted by Bangladesh Government ;
- The Bank shall not open or maintain account in anonymous or account only with numbers.

### **B. INTERNAL CONTROL & COMPLIANCE RISK**

---

Internal control is the process, affected by a company's board of directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations, and internal policies.

Internal controls are the policies and procedures established and implemented alone, or in concert with other policies or procedures, to manage and control a particular risk or business activity, or combination of risks or business activities, to which the company is exposed or in which it is engaged.

### **RISK RECOGNITION AND ASSESSMENT**

---

- An effective internal control system continually recognizes and assesses all of the material risks that could adversely affect the achievement of the Bank's goals.
- Effective risk assessment must identify and consider both internal and external factors" Internal factors include complexity of the organization structure, the nature of the bank's activities, the quality of personnel, organization changes and also employee turnover. External factors include fluctuating economic conditions, changes in the industry, socio-political realities and technological advances.
- Risk assessment by Internal Control System differs from the business risk management process which typically focuses more on the review of business strategies developed to maximize the risk/ reward trade off within the different areas of the bank. The risk assessment by Internal Control focuses more on compliance with regulatory requirements, social, ethical and environmental risks those affect the banking industry.



## MONITORING ACTIVITIES AND CORRECTING DEFICIENCIES

---

- The overall effectiveness of the bank's internal controls is monitored on an ongoing basis. Monitoring of key risks is part of the daily activities of the bank as well as periodic evaluations by the business lines and internal audit team.
- There is an effective and comprehensive internal audit of the internal control system carried out by operationally independent, appropriately trained and competent staff specially designated by the Management. The significant deficiencies identified by the audit team reports to the Board on a periodic basis. Such report is forwarded to the Audit Committee of the Board for review.
- Internal control deficiencies, whether identified by internal audit or other control personnel is reported in a timely and prompt manner to the appropriate management level and addressed immediately. Material internal control deficiencies are reported to senior management and the board of directors.

## C. INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

---

With the increasing use of Information and Communication Technology in the activities of the Banks, the system of Information and Communication Technology risk management has become important. The process deals with finding out the weakness in a particular operation and the using most suitable strategy to deal with it.

ICT Security Management of bank must ensure that the ICT functions are efficiently and effectively managed.

ICT Security Policy covers common technologies such as computers and peripherals, data and network, applications and other specialized ICT resources. Bank's service delivery depends on availability, reliability and integrity of its information technology system so that we adopt appropriate controls to protect its information system. The senior management of the Bank must express commitment to ICT security by ensuring continuous awareness and training program for each level of staff and stakeholders. Dependence on information and communications technologies (ICTs) has increased rapidly in Bangladesh as well as in the whole world, as have the consequences of disruption. Cyber security affects us all and even seemingly mundane cyber incidents can have major ramifications. Similarly, the opportunities created by ICTs are also a particular challenge for financial services institutions. Different types of Cyber Crimes like Hacking, Denial of service attack, Virus dissemination, Software Piracy, Pornography, Credit Card Fraud, NET Extortion, Phishing, Spoofing, Cyber Stalking, Cyber Defamation, Threatening, Salami Attack (Normally financial crime) etc. now-a-days are common phenomenon. UBL try to build up the ICT risk Management capacity to protect the Bank from Cyber Crime/Risks.

## ICT SECURITY MANAGEMENT

---

ICT Security Management must ensure that the ICT functions are efficiently and effectively managed. We should be aware of the capabilities of Information Technology and be able to appreciate and recognize opportunities and the risk of possible abuses. We have to ensure maintenance of appropriate systems documentations, particularly for systems, which support financial reporting. We have to contribute in ICT

security planning to ensure that resources are allocated consistent with business objectives. At the same time, we have to ensure that sufficient and qualified technical staff is employed so that continuance of the Information Technology operation area is unlikely to be seriously at risk. ICT Security Management deals with ICT Security policy, Documentation, Internal ICT Audit, ICT Infrastructure Security Management etc.

## ICT RISK MANAGEMENT

---

The Bank faces different types of risk like strategic risk, environmental risk, market risk, credit risk, operational risk, compliance risk, etc. Among these types of risk ICT related risk is considered to be a component of operational risk. However, ICT risk is a component of the overall risk universe of a Bank. Moreover, ICT risk is business risk - specifically, the business risk associated with the use, ownership, operation, involvement, influence and adoption of ICT within a Bank. Even strategic risk can have an ICT component itself, especially where ICT is the key facilitator of a new business initiative. In case of credit risk, where poor ICT security can be lead to lower credit ratings. It consists of ICT related events and conditions that could potentially impact the business. It can occur with both uncertain frequency and magnitude and it creates challenges in meeting strategic goals and objectives.

## ICT RISK IDENTIFICATION

---

Users and System Administrator follow these policies in identifying a risk:

- **Abnormal system resource usage:** If the CPU, memory utilization on a system is very high, the system could have been compromised. Attackers use compromised systems for spreading viruses or attacking other machines leading to high resource utilization. System Administrator tracks resource utilization and analyze reasons for any abnormal usage.
- **Users experience slow response:** End users could experience slow response times if the application servers or the network has been compromised and is being used for malicious purposes. Virus or worm outbreak could lead to network congestion that would in-turn cause application responses to be slow and unstable. End users report any drastic drop in application response or system stability to System Administrator.
- **Data corruption:** Unauthorized modification or deletion of data or inability to retrieve data in correct format or web site defacement.
- **Changes in passwords and user-id:** System users report to System Administrator if they find the passwords do not work. Any changes in user passwords, addition/deletion of user accounts could be indications of system compromise.
- **Traffic on non-essential ports:** If there is network traffic on ports that are not used by any of the internal applications this could be signs of a backdoor application in the network. The traffic is tracked and reported by the monitoring team. If the backdoor application tries to traverse the firewall, these are tracked by the firewall logs.
- **Existence of unknown user accounts:** Normally, attackers create new accounts on the systems after they are compromised. Existence of unknown user accounts, especially those with administrative privileges, could indicate that system has been attacked.

## ICT RISK GOVERNANCE

An ICT Risk Management Committee of Uttara Bank Limited has been formed to govern overall ICT risks and relevant mitigation measures. The Bank has to review and approve risk appetite and tolerance change over time; especially for new technology, new organizational structure, new business strategy and any factors require by the organization to reassess its risk portfolio at least once a year. The Bank has to define the responsibilities to individuals about risk for ensuring successful completion. The Bank has to define the risk accountability applies to those who owned the required resources and have the authority to approve the execution and/or accept the outcome of an activity within specific ICT Risk processes. Ownership of risk stays with owner or custodian whoever is in better position to mitigate the identified risk for that specific ICT asset. The Bank has to acknowledge all risks by Risk Awareness so that those are well understood, known and recognized as the means to manage them. The Bank has to contribute to executive management's understanding of the actual exposure to ICT risk by Open communication, enabling definition of appropriate and informed risk responses. The Bank has to aware amongst all internal stakeholders of the importance of integrating risk and opportunity in their daily duties. The Bank has to be transparent to external stakeholders regarding the actual level of risk and risk management processes in use. The Bank has to begin Risk-aware Culture from the top with board and executives, who set direction, communicate risk-aware decision making and reward effective risk management behaviours. ICT security cell has to report status of identified ICT security risk to the ICT Security Committee and Risk Management Committee monthly basis.

**ICT Steering Committee** needs to be formed with representatives from ICT, Risk, HR, ICC/Audit, Legal and other related Business units. (a) Monitor management methods to determine and achieve strategic goals (b) Aware about exposure towards ICT risks and controls. The role and responsibilities of ICT Steering Committee are :

- a. Monitor management methods to determine and achieve strategic goals.
- b. Aware about exposure towards ICT risks and controls.
- c. Provide guidance related to risk, funding or sourcing.
- d. Ensure project priorities and assessing feasibility for ICT proposals.
- e. Ensure that all critical projects have a component for "project risk
- f. Consult and advise on the selection of technology within standards.
- g. Ensure that vulnerability assessments of new technology are performed.
- h. Ensure compliance to regulatory and statutory requirements.
- i. Provide direction to architecture design and ensure that the ICT architecture
- j. Reflects the need for legislative and regulatory compliance.

**ICT Security Committee** needs to be formed with representative from ICT, ICT Security, Risk, ICC and Business units. (a) Ensure development and implementation of ICT security objectives, ICT security related policies and procedures (b) Provide ongoing management support to the Information security processes. The role and responsibilities of ICT Steering Committee are:

- a. Ensure development and implementation of ICT security objectives, ICT security related policies and procedures.
- b. Provide ongoing management support to the Information security processes.
- c. Ensure continued compliance with the business objectives, regulatory and legal requirements related to ICT security.
- d. Support to formulate ICT risk management framework/process and to establish acceptable ICT risk thresholds/ICT risk appetite and assurance requirements.
- e. To review and provide approval for modification in ICT Security processes.

## ICT RISK PREVENTION

---

Risk handling process is to conduct a detailed analysis to identify the strong and weak points in the existing ICT infrastructure and policies. If needed, ICT Division recommends for necessary changes to security policies, standards and procedures. If any immediate steps need to be taken to prevent re-occurrence of risk, the same are communicated to all relevant personnel by ICT Division. ICT Division maintains a database of risks and solutions. This helps in providing quicker solutions if the same or similar risk happens again. Based on the learning from the risk, ICT Division recommends to the Management of the Bank for procuring additional security services and solutions (if required) for improving security. Moreover,

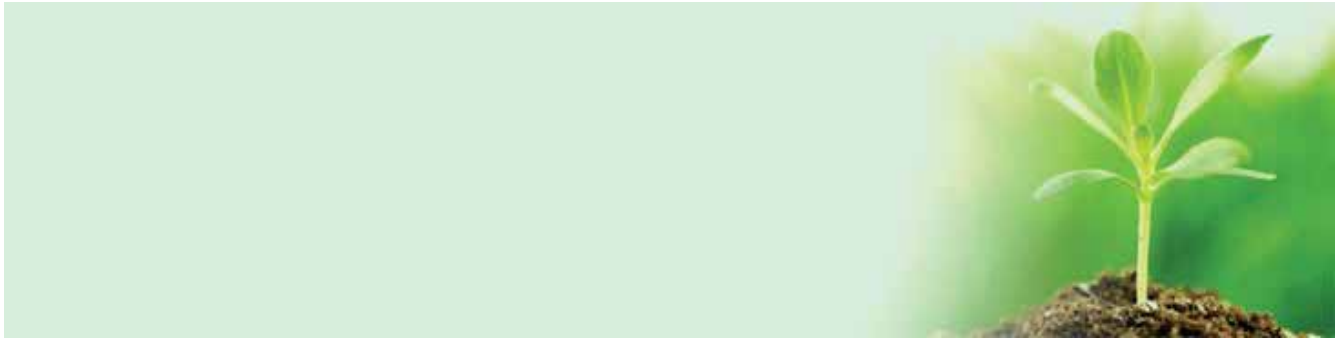
- To minimize and control the IT risk, our Bank has strengthened ICT Security infrastructure, develop Business Continuity Plan (BCP).
- The BCP is formulated to cover operational risks and taking into account the potential for wide area disaster, data centre disaster and the recovery plan. The BCP takes into account the backup and recovery process.
- To comply with the ICT guideline of Bangladesh Bank, an independent audit team has been formed under Internal Control & Compliance Division.

## CYBER SECURITY RISK MANAGEMENT

---

'**Cyber Risk**' means any **risk** of financial loss, disruption or damage to the reputation of an organization from some sort of failure of its information technology systems. Cyber security has become an important phenomenon for every organization in today's digitally connected world. Cyber Security is among the top issues currently on the minds of the banking sector including the stockholders i.e. boards of directors, managements, customers and other stakeholders of organisations. Awareness of the risks and appropriate responses is critical for everyone. Cyber Security are the techniques of protecting computers, networks, programs and data from unauthorized access or attacks that are aimed for exploitation, activities to protect the usability, reliability, integrity and safety of the network. Cyber Crimes includes Hacking, Denial of service attack, Virus dissemination, Software Piracy, Pornography, IRC Crimes [IRC (Internet Relay Chat): Talk City- #hottub and #riskybus], Credit Card Fraud, NET Extortion, Phishing, Spoofing, Cyber Stalking, Cyber Defamation, Threatening, Salami Attack(Normally financial crime) etc. **Cyber Security Risk Management** is the protection of internet-connected systems, including hardware, software and data, from cyber attacks. In a computing context, security comprises cyber security and physical security -- both are used by enterprises to protect against unauthorized access to data centers and other computerized systems.





## Report on **Green Banking**

---

Environment friendly banking is called Green Banking. It is also called as socially responsible banking. It can cover a multitude of areas from a bank being environment friendly to how their money is invested. Green Banking is a component of the global initiative by a group of stakeholders, considers all the social, environmental and ecological factors with an aim to protect the planet and its lives. Green Banking transforms the conventional bank to ethical bank, environmentally & socially responsible bank or sustainable bank. This deals with people, planet & profit, social & community benefit, ensuring allocation efficiency, financial & social stability and responsible to human and social commitment. The broad objectives of the banks are to use their resources at high efficiently with responsibility avoiding wastage and giving priority to environment and the society.

Bangladesh is one of the emerging economies of the World and has witnessed rapid industrial growth. At the same time, it also needs to be noted that Bangladesh is vulnerable to risks related to environmental pollution and climate change impacts that are enhanced by man-made activities of irresponsibly to the Environmental Act and Rules which need to be discouraged for the sake of environmental and social sustainability of the country. In fact, all the economic activities of a country circles over the bank. So green banking is the demand of time can play a vital role to save the world and its habitable environment.

Here, the air pollution, water pollution, converting crop land into industrial/house land, filling of water bodies for other purposes, improper disposal of industrial, medical and house-hold wastages, deforestation and loss of open space and loss of biodiversity make the rapid deterioration of its environmental state, even to one of the worst environment country of the world. In line with global development and response to the environmental degradation, banking sector in Bangladesh should play important roles by adopting Green Banking concept that can make great contribution to the transition to resource-efficient and low carbon industries i.e. green industry and green economy in general.

Banks hold a unique position in the economic system that can affect industrial production, trading business, service concern and other economic activities and thus may contribute to pollute environment. Energy efficiency and waste reduction are of high concern for the banking industry to minimize the operating cost and pollution. Green banking can solve the both problems. Green banks do not only improve their own standards but also affect socially responsible behaviour of other businesses. Profit



alone does not hold a central focus in such Bank's operation; they have to perform for the betterment of the society and for sustainable economic growth of the country by internal and external activities.

Internally, the bank has to follow the green strategic planning towards implementation of paperless/paper saving banking, on-line banking, e-communications, effective in-house management e.g. minimizing/less carbon emission, use of energy efficient equipments, efficient use of energy & natural resources, wastages management, green marketing etc. Externally, the bank can invest in environment friendly products & projects and controls the projects' contribution to the environmental degradation by ensuring the implementation of green technologies for converting to lower/ zero pollution in the concern business. Bank measures the business contribution to the environment using the Environmental & Social Risk Rating tools (ESDD) as the regular monitoring process for prior and post sanction of the finance. Environmental and Social Risks are now going to be counted as another core risk with existing.

Bangladesh Bank has advised the banks to adopt a comprehensive Green Banking policy in a formal and structured manner in line with global norms so as to protect environmental degradation and ensure sustainable banking practices. Thereafter, we have also issued and circulated a "Policy Guidelines for Green Banking" through our Instruction Circular No.1331 dated 24.01.2012. We have circulated 52 (fifty two) green products through our different Instruction Circulars being instructed by Bangladesh Bank. We are trying our best to increase investment in green products and activities. We have already invested about Tk. 13456.57 Lac up to 2018 in different green products, details of which are given below:

*(Figure in lac Taka)*

Year	Solar Energy	Bio-gas Plant	ETP	Brick Industry	Vermi-compost	Ensuring Work Env.	Green Industry	Manure Production	Total
2010	3.12	1.00							4.12
2011	89.28	14.00							103.28
2012	54.01	52.41	150.00	0	0				256.42
2013	67.95	56.01	0	0	0				123.96
2014	70.79	66.00	100.00	1625.00	5.30				1867.09
2015	294.78	73.06	0	3049.78	12.65	450.00	0	2.00	3882.28
2016	178.96	86.10	0	247.30	8.40	300.00	0	1.00	821.76
2017	99.10	103.95	2500.00	170.69	4.10	320.00	1500.00	2.00	4699.84
2018	211.20	70.60	0	105.00	0.90	536.00	774.13	0	1697.83
<b>Grand Total</b>	<b>1069.20</b>	<b>523.12</b>	<b>2750.00</b>	<b>5197.77</b>	<b>31.35</b>	<b>1606.00</b>	<b>2274.13</b>	<b>5.00</b>	<b>13456.57</b>

Sustainability has been increasingly being recognized as central tenant to the growth of emerging market economies; new standards and codes of conduct have been developed towards Environment and Social Risk Management (ESRM) within the banking sector to promote corporate accountability and transparency on the impacts of businesses on environment and society to have aim to reduce the Probability of Default (PD) for banks in their credit/investment.

The Bank assumes the commitment to sustainable development in its mission; social and environmental responsibility is to value and ensure the integration of the social and environmental dimensions into its strategies, policies, practices and procedures.



# Corporate Social Responsibility (CSR)

---

Corporate Social responsibility (CSR) is gaining fast global acceptance as a standard to assume environmentally sustainable and socially equitable business practices. CSR is a process with the aim to embrace responsibility for the Bank's actions and encourage a positive impact through its activities on the environment, customers, employees, communities, stakeholders and all other members of the public sphere. CSR is used as a framework for measuring an organization's performance against economic, social and environmental parameters. Uttara Bank Limited believes, it is about building sustainable business, which needs healthy economies, communities and friendly environments.

## Employees:

The Bank's business is dynamic and growing. This dynamism and growth comes from its skilled and experienced human resources that can be found at every level of the organization. Bank offers its employees handsome service benefits by way of Contributory Provident Fund, Gratuity and Superannuation benefits. The employees follow the ethical and other codes of conduct as embodied in the Service Rules and Regulations of the Bank. Besides, Bank operates benevolent fund for the welfare of its permanent employees.

## Customers:

Bank discharges banking business responsibility by offering financial products and services that truly meet customers' needs. The Bank looks upon the customers as its partners in business and sincerely endeavours to improve its relationship with them for mutual benefits.

## Shareholders:

Bank is fully committed to protect the interest of its shareholders. It releases enough disclosures for the information of the shareholders in the Annual Report, half-yearly financial statements, the print and electronic media and in the Bank's web site. Since its inception, the Bank has paid good dividends to the shareholders. Mentionable here that the bank has recommended 20% cash dividend and 2% stock dividend per ordinary share for the year 2018.

## The Bank's Business Associates:

The Bank always endeavours to create a long lasting win-win relationship with its suppliers and business associates for mutual growth. Bank enjoys credit lines from Correspondents and foreign Banks.

## Regulators:

Bank firmly believes that it is imperative to comply with the relevant laws, rules and regulations of all regulatory authorities to be a responsible corporate citizen. The Bank's business practices are transparent and are appreciated by the regulators. The Bank operates cautiously observing the anti money laundering and combating Financing of Terrorism practices.

## Community:

Bank works to promote good community relation to foster a relationship of understanding, trust and credibility. It has a long history of support for charitable causes. Bank donates for education, sports, art, culture, health-care, community development, relief operation etc.

## National Economy:

Bank has directly employed 3,527 people in the service of the Bank and has also generated employments for thousands of men and women in the projects and industrial ventures established with our finance. Bank is contributing handsome amounts to the national exchequer as corporate tax, vat, excise duty, etc.

## Environment:

Bank conducts business in a manner which seeks to prevent or minimize the possibility of our operations causing harm to people, plants or animals through imposing conditions and closely monitoring loan sanction and other financial benefits. We are quite concerned about how projects financed by the Bank are impacting the environment. Participating in the programme of beautification of Dhaka City, the Bank financed in the sculpture of national bird “Doel” which is known as “Doel Square” in front of Karzon Hall of Dhaka University.

## The Bank conducted following CSR activities in the year 2018

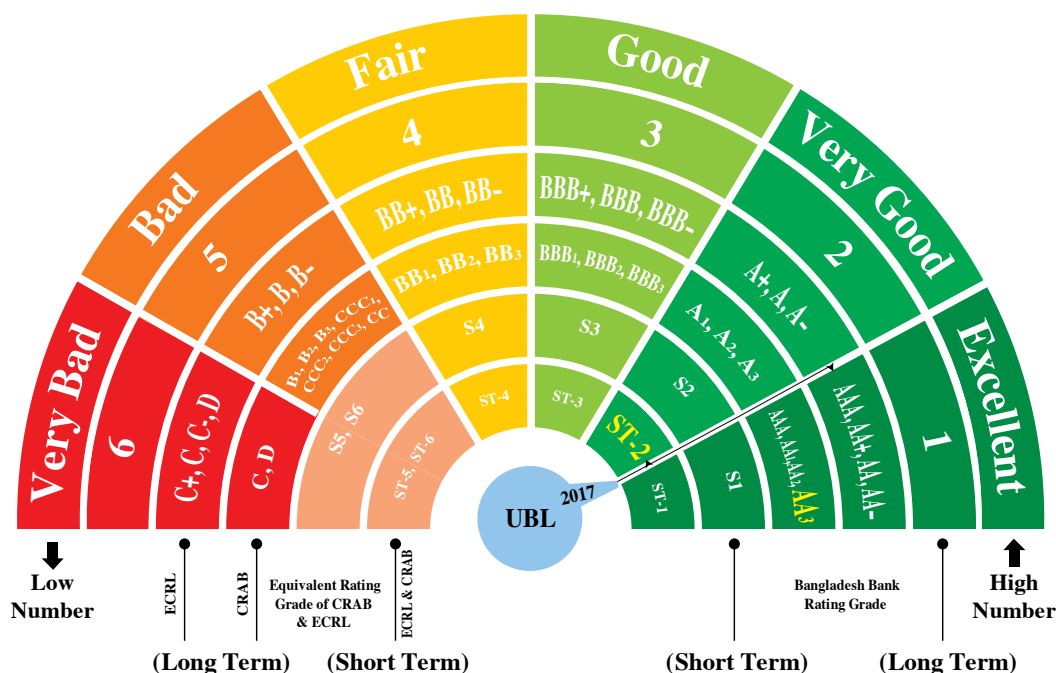
(Amount in Taka)

SL. No.	Sector/Head of CSR	Details	Expenditure incurred
01.	<b>Climate Risk</b> including other disaster management	<ul style="list-style-type: none"><li>▪ Bank donated blankets to the Prime Minister’s Relief Fund Office for onward delivery to distressed cold affected people of the country.</li><li>▪ Bank also donated to Prime Minister’s Relief &amp; Welfare Fund as the Bank’s corporate social responsibility.</li><li>▪ To the family of martyred army officers killed in BDR carnage.</li></ul>	3,04,00,000.00  5,00,00,000.00  4,80,000.00
02.	<b>Education</b>	Bank donated for organizing “Bangladesh Chemical Congress 2018”, 41st Annual Conference 2018 of Bangladesh Chemical Society and for the program of honouring highly performed students in different examinations held in 2017 of police officials of special branch engaged in duties at Dhaka	65,000.00
03.	<b>Preventive &amp; Curative Healthcare</b>	Bank donated to “Cure and Smile Bangladesh Foundation” for purchasing the commercial spaces to establish the diagnostic Centre and dialysis unit and to other individuals for treatment purposes.	50,70,000.00
04.	<b>Others:</b> <ul style="list-style-type: none"><li>▪ Arts &amp; Culture:</li><li>▪ Child Day Care Centre</li><li>▪ Other</li></ul>	<ul style="list-style-type: none"><li>▪ Bank donated to Ministry of Cultural Affairs for executing some creative works along with to others cultural activities.</li><li>▪ To Child Day Care Centre of Private Banks, Motijheel.</li><li>▪ To other purposes including “Economic Reporter’s Forum” for founding its own office premises.</li></ul>	54,43,000.00  4,00,000.00  10,10,000.00
<b>Total</b>			<b>9,28,68,000.00</b>



# Credit Rating Report

(Entity)



Emerging Credit Rating Limited (ECRL) has affirmed the long term rating of Uttara Bank Limited at “AA” (Pronounced as ‘Double A’) and the short term rating at “ST-2” for the year 2017.

## Persistent 'Stable' outlook for consecutive 4 (four) years

Particulars	Current Rating		Previous Rating	
	(Entity)	(Surveillance)	(Surveillance)	(Surveillance)
<b>Year</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Long Term	AA	AA3	AA3	AA3
	('AA' / 'AA3' indicate 'Very Strong Capacity & Very High Quality')			
Short Term	ST-2	ST-2	ST-2	ST-2
	('ST-2' indicate 'High Grade')			
Based on Financials	31 December 2017	31 December 2016	31 December 2015	31 December 2014
Date of Rating	28 June 2018	15 June 2017	23 June 2016	08 June 2015
Validity of Rating	30 June 2019	30 June 2018	30 June 2017	30 June 2016
<b>Outlook</b>	<b>Stable</b>	<b>Stable</b>	<b>Stable</b>	<b>Stable</b>

Commercial Banks rated “AA” in the long term have very strong capacity to meet their financial commitments, and is generally in a position to withstand adverse developments in the economy, and in business and other external conditions. These institutions typically possess a good track record and have no readily apparent weakness. Commercial Banks rated “ST-2” in the short term category are considered to have strong capacity to meet its financial commitments in a timely manner. Commercial Banks rated in this category are characterized with commendable position in terms of liquidity, internal fund generation, and access to alternative sources of funds. The rating reflects the Bank’s strength in risk weighted capital adequacy, reasonable profitability and surplus provision.





**AUDITORS' REPORT  
AND FINANCIAL  
STATEMENTS OF  
UTTARA BANK LIMITED**



# Independent Auditors' Report

## to the Shareholders of Uttara Bank Limited

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

#### Opinion

We have audited the consolidated financial statements of Uttara Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of Uttara Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2018 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 2018, 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 3.01.

#### 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 Auditors' 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), 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

Description of key audit matters	Our Response to the key audit matters
<p>The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex.</p> <p>For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation.</p>	<p><b>We tested the design and operating effectiveness of key controls focusing on the following:</b></p> <ul style="list-style-type: none"> <li>• Tested the Credit monitoring and provisioning process;</li> <li>• Identification of loss events, including early warning and default warning indicators;</li> <li>• Reviewed quarterly Classification of Loans (CL);</li> <li>• Followed Bangladesh Bank's Circulars and Guidelines.</li> </ul>



<p>At year end 2018 the Bank reported total gross loans and advances of BDT 118,624.37 million (2017: BDT 105,061.09 million) and provision for loans and advances of BDT 3,319.00 million (2017: BDT 2,253.64 million).</p>	<p><b>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</b></p> <ul style="list-style-type: none"> <li>• Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank’s Guidelines.</li> <li>• Assessed the methodologies on which the provision amounts 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>
<p>See Note No. 3.07.3, 8.00.a and 13.03 to the financial statements</p>	

## 2. Valuation of Treasury Bonds

Description of key audit matters	Our Response to the key audit matters
<p>The classification and measurement of treasury bonds require significant judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of treasury bonds is determined using complex valuation techniques which takes into consideration of direct or indirect unobservable market data and complex pricing models.</p>	<p>We tested the design and operating effectiveness of key controls focusing on the classification and measurement of treasury bonds.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques applicable in the circumstances.</p> <p>Finally, we have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
<p>See Note No 3.07.2 and 7.02 to the financial statements</p>	

## 3. Legal and Regulatory Matters

Description of key audit matters	Our Response to the key audit matters
<p>We focused on legal and regulatory matters because the Bank operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions and other contingent liabilities.</p>	<p>We obtained an understanding of the Bank’s key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Bank’s internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank’s provisions and contingent liabilities disclosure.</p>



#### 4. IT Systems and Controls

Description of key audit matters	Our Response to the key audit matters
<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 IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring operating effectiveness of IT department application based controls.</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). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Bank's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization.</p>
See Note No. 2.06 to the financial statements	

#### Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditors' 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 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 Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank in accordance with IFRSs as explained in note 3.01, 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 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, 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.



## 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 skepticism 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.
- 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.
- 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 auditors' 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.

### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, the Bank Company Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

- a) 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;
- b) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility 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 antifraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
  - i. internal audit, internal control and risk management arrangements of the Group as disclosed in note 2.00 of the financial statements appeared to be materially adequate;
  - ii. 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;
- c) financial statements for the year ended 31 December 2018 of two subsidiaries namely, Uttara Bank Securities Limited and Uttara Bank Capital & Investment Limited have been audited by Rahman Mostafa Alam & Co., Chartered Accountants and have been properly reflected in the consolidated financial statements. The auditors have expressed unqualified opinion for both companies with an "Emphasis of Matter" paragraph in respect of Uttara Bank Securities Limited referring to Note 05 of the financial statements of the said subsidiary;
- d) 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;
- e) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- f) 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;
- g) the expenditures incurred were for the purpose of the Bank's business for the year;

- h) 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;
- i) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- j) the information and explanations required by us have been received and found satisfactory;
- k) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 8,700 person hours; and
- l) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Dated: Dhaka  
28 April 2019



**Shafiq Basak & Co.**  
Chartered Accountants



**M. J. Abedin & Co.**  
Chartered Accountants





# Consolidated Balance Sheet

AS AT 31 DECEMBER 2018

	Notes	Amount in Taka	
		2018	2017
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	<b>4.00.a</b>		
Cash in Hand (including foreign currencies)		3,136,639,429	2,700,532,209
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currencies)		10,425,234,715	10,524,420,389
		<b>13,561,874,144</b>	<b>13,224,952,598</b>
<b>Balance with other Banks and Financial institutions</b>	<b>5.00.a</b>		
In Bangladesh		15,127,431,763	13,273,697,305
Outside Bangladesh		1,702,282,172	1,207,535,185
		<b>16,829,713,935</b>	<b>14,481,232,490</b>
<b>Money at call on short notice</b>	<b>6.00</b>	-	<b>250,000,000</b>
<b>Investments</b>	<b>7.00.a</b>		
Government		21,672,972,694	25,752,983,156
Others		7,264,474,885	7,166,109,648
		<b>28,937,447,579</b>	<b>32,919,092,804</b>
<b>Loans and Advances</b>	<b>8.00.a</b>		
Loans, cash credits, overdrafts etc.		115,932,791,547	102,752,009,352
Bills purchased and discounted		2,691,578,624	2,309,083,851
		<b>118,624,370,171</b>	<b>105,061,093,203</b>
<b>Fixed assets including land, building, furniture and fixtures</b>	<b>9.00.a</b>	<b>3,055,854,194</b>	<b>3,196,157,054</b>
<b>Other Assets</b>	<b>10.00.a</b>	<b>8,875,263,269</b>	<b>9,657,115,533</b>
<b>Non Banking Assets</b>	<b>10.00.b</b>	<b>64,838,541</b>	<b>65,146,346</b>
<b>TOTAL ASSETS</b>		<b>189,949,361,833</b>	<b>178,854,790,028</b>
<b>LIABILITIES AND CAPITAL/SHAREHOLDERS' EQUITY</b>			
<b>LIABILITIES</b>			
<b>Borrowings from other Banks, Financial Institutions and Agents</b>	<b>11.00</b>	<b>5,466,097,631</b>	<b>992,330,322</b>
<b>Deposits and other accounts</b>	<b>12.00.a</b>		
Current and other accounts		57,228,027,430	64,375,505,286
Bills payable		3,987,808,356	4,103,666,388
Savings bank deposits		47,142,440,228	43,718,788,827
Fixed deposits		41,161,018,674	33,259,810,797
Other deposits		3,338,760,626	2,863,355,965
		<b>152,858,055,314</b>	<b>148,321,127,263</b>
<b>Other Liabilities</b>	<b>13.00.a</b>	<b>16,895,929,342</b>	<b>15,614,263,942</b>
<b>TOTAL LIABILITIES</b>		<b>175,220,082,287</b>	<b>164,927,721,527</b>
<b>CAPITAL/SHAREHOLDERS' EQUITY</b>			
Paid up capital	<b>14.02</b>	4,000,803,370	4,000,803,370
Statutory reserve	<b>15.00</b>	4,330,837,039	4,330,837,039
Other reserves	<b>16.00</b>	4,661,407,930	3,958,654,627
Surplus in profit and loss account	<b>17.00.a</b>	1,736,196,016	1,636,735,293
		<b>14,729,244,355</b>	<b>13,927,030,329</b>
<b>Non controlling interest</b>		<b>35,191</b>	<b>38,172</b>
<b>TOTAL CAPITAL/SHAREHOLDERS' EQUITY</b>		<b>14,729,279,546</b>	<b>13,927,068,501</b>
<b>TOTAL LIABILITIES AND CAPITAL/SHAREHOLDERS' EQUITY</b>		<b>189,949,361,833</b>	<b>178,854,790,028</b>



# Consolidated Balance Sheet

AS AT 31 DECEMBER 2018


	Notes	Amount in Taka	
		2018	2017
<b>OFF BALANCE SHEET ITEMS</b>			
<b>Contingent Liabilities</b>			
Acceptances & Endorsements	18.01	6,689,696,249	5,455,004,146
Letters of guarantee	18.02	3,482,799,011	3,250,347,850
Irrevocable letters of credit	18.03	9,607,591,350	10,454,882,063
Bills for collection	18.04	5,159,313,074	5,060,020,557
		<b>24,939,399,684</b>	<b>24,220,254,616</b>
<b>Other Commitments</b>			
Documentary credits 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		-	-
		-	-
		-	-
<b>Total Off Balance Sheet Items including Contingent Liabilities &amp; Other Commitments</b>		<b>24,939,399,684</b>	<b>24,220,254,616</b>

These financial statements should be read in conjunction with the annexed notes.

  
(Mohammed Rabiul Hossain)  
Managing Director


  
(Arif Rahman)  
Director


  
(Kazi Masudur Rageb)  
Director

  
(Waliul Huq Khandker)  
Director

Signed in terms of our separate report of even date.

Dated: Dhaka  
28 April 2019

  
Shafiq Basak & Co.  
Chartered Accountants

  
M. J. Abedin & Co.  
Chartered Accountants



# Consolidated Profit and Loss Account

FOR THE YEAR ENDED 31 DECEMBER 2018

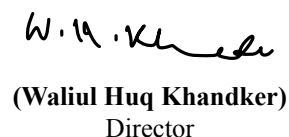
	Notes	Amount in Taka	
		2018	2017
<b>OPERATING INCOME</b>			
Interest Income	19.01.a	12,721,427,510	10,433,685,831
Interest paid on deposits and borrowings etc.	20.00.a	7,005,603,219	6,067,672,950
<b>Net Interest Income</b>		<b>5,715,824,291</b>	<b>4,366,012,881</b>
Investment Income	21.00.a	2,832,269,459	2,853,751,565
Commission, Exchange and Brokerage	22.00.a	849,424,704	1,012,998,429
Other Operating Income	23.00.a	697,469,443	643,499,684
<b>Total operating income</b>		<b>10,094,987,897</b>	<b>8,876,262,559</b>
<b>OPERATING EXPENSES</b>			
Salary and allowances	24.00.a	4,590,127,924	4,401,609,690
Rent, taxes, insurance, electricity etc.	25.00.a	497,912,044	453,955,366
Legal expenses	26.00.a	27,261,643	25,402,703
Postage, stamp, telecommunication etc.	27.00.a	91,182,174	79,134,703
Stationery, printing, advertisements etc.	28.00.a	93,994,768	93,839,457
Managing Director's salary & allowances and fees	29.00	14,331,883	13,147,328
Directors' fees	30.00.a	4,612,000	4,522,000
Auditors' fees	31.00.a	625,000	525,000
Charges on Loan losses		206,254,831	242,576,186
Repair, maintenance and depreciation of Bank's property	32.00.a	309,631,534	328,797,313
Other expenses	33.00.a	375,176,709	376,021,678
<b>Total operating expenses</b>		<b>6,211,110,510</b>	<b>6,019,531,424</b>
<b>Profit before provision</b>		<b>3,883,877,387</b>	<b>2,856,731,135</b>
<b>Provision</b>			
Provision for loans and advances & off balance sheet exposures	34.00	930,000,000	242,500,000
Provision for diminution in value of investments		14,416,910	41,380,750
Provision for others	35.00	-	57,500,000
		<b>944,416,910</b>	<b>341,380,750</b>
<b>Profit before tax</b>		<b>2,939,460,477</b>	<b>2,515,350,385</b>
<b>Provision for Taxation</b>			
Current tax	13.01.01.a	1,288,134,326	1,015,634,746
Deferred tax	13.02.1.a	(18,292,265)	(34,165,322)
		<b>1,269,842,061</b>	<b>981,469,424</b>
<b>Profit after taxation</b>		<b>1,669,618,416</b>	<b>1,533,880,961</b>
<b>Non controlling interest</b>		<b>(2,981)</b>	<b>(1,351)</b>
<b>Profit after taxation without non controlling interest</b>		<b>1,669,621,397</b>	<b>1,533,882,312</b>
Retained earning brought forward	17.00.a.1	66,574,619	102,852,981
<b>Profit available for appropriation</b>		<b>1,736,196,016</b>	<b>1,636,735,293</b>
Appropriations		-	-
Statutory reserve	15.00	-	-
General reserve		-	-
<b>Retained surplus</b>	17.00.a	<b>1,736,196,016</b>	<b>1,636,735,293</b>
<b>Earnings Per Share (EPS)</b>	40.00.a	<b>4.17</b>	<b>3.83</b>

These financial statements should be read in conjunction with the annexed notes.

  
(Mohammed Rabiul Hossain)  
Managing Director

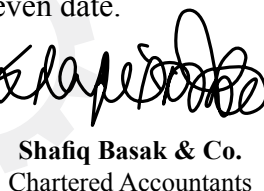
  
(Arif Rahman)  
Director


  
(Kazi Masudur Rageb)  
Director

  
(Waliul Huq Khandker)  
Director

Signed in terms of our separate report of even date.

Dated: Dhaka  
28 April 2019

  
Shafiq Basak & Co.  
Chartered Accountants

  
M. J. Abedin & Co.  
Chartered Accountants

# Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2018

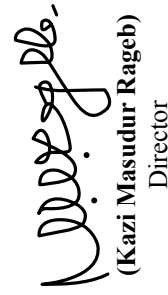
(Amount in Taka)

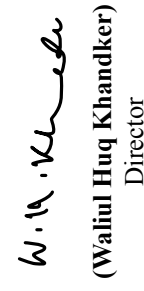
Particulars	Paid up Capital	Statutory Reserve	Other Reserves	Retained Earnings	Non Controlling Interest	Total
<b>Balance as at 01 January 2018</b>	4,000,803,370	4,330,837,039	3,958,654,627	1,636,735,293	38,172	13,927,068,501
Transfer to General Reserve	-	-	770,000,000	(770,000,000)	-	-
Cash Dividend	-	-	-	(800,160,674)	-	(800,160,674)
<b>Restated opening balance</b>	4,000,803,370	4,330,837,039	4,728,654,627	66,574,619	38,172	13,126,907,827
Surplus/(deficit) of Revaluation Reserve on Govt. Securities	-	-	(67,246,697)	-	-	(67,246,697)
Net profit after Tax	-	-	-	1,669,618,416	-	1,669,618,416
Non Controlling Interest	-	-	-	2,981	(2,981)	-
<b>Appropriations during the year</b>						
Transfer to Statutory Reserve	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
<b>Balance as at 31 December 2018</b>	4,000,803,370	4,330,837,039	4,661,407,930	1,736,196,016	35,191	14,729,279,546
<b>Balance as at 31 December 2017</b>	4,000,803,370	4,330,837,039	3,958,654,627	1,636,735,293	38,172	13,927,068,501

These financial statements should be read in conjunction with the annexed notes.

  
(Mohammed Rabul Hossain)  
Managing Director

  
(Arif Rahman)  
Director

  
(Kazi Masudur Rabe)  
Director

  
(Waliul Huq Khandker)  
Director



# Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 2018


	Notes	Amount in Taka	
		2018	2017
<b>A. Cash flows from operating activities</b>			
Interest receipts in cash		15,518,160,111	13,153,534,329
Interest payments		(6,640,238,205)	(6,164,445,541)
Dividend receipts		105,736,815	98,244,904
Fees and commission receipts in cash		849,424,704	1,012,998,429
Recoveries on loans previously written off		190,510,000	190,000,000
Cash payments to employees		(4,602,494,776)	(4,404,779,443)
Cash payments to suppliers		(774,661,295)	(857,907,632)
Income tax paid		(1,005,126,642)	(922,785,607)
Receipts from other operating activities		698,932,047	634,849,113
Payments for other operating activities	36.00.a	(404,630,200)	(416,343,211)
<b>Operating cash flow before changes in operating assets and liabilities</b>		<b>3,935,612,559</b>	<b>2,323,365,341</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
Purchase/sale of trading securities		2,825,600,756	3,223,728,330
Loans and advances to other banks		250,000,000	(250,000,000)
Loans and advances to customers		(13,872,580,269)	(22,189,951,770)
Other assets	37.00.a	480,711,926	(810,434,093)
Deposits from other Banks		574,349,590	(317,991,048)
Deposits from customers		3,599,859,280	14,018,550,354
Other liabilities	38.00.a	4,610,081,681	1,133,917,794
		<b>(1,531,977,036)</b>	<b>(5,192,180,433)</b>
<b>Net cash received from/(used in) operating activities</b>		<b>2,403,635,523</b>	<b>(2,868,815,092)</b>
<b>B. Cash flows from investing activities</b>			
Proceeds from sale/payments for purchase of securities		1,156,044,470	(4,434,698,157)
Purchase of property, plants and equipments		(79,069,358)	(140,740,767)
Sale of property, plants and equipments		480,955	833,695
<b>Net cash received from/(used in) investing activities</b>		<b>1,077,456,067</b>	<b>(4,574,605,229)</b>
<b>C. Cash flows from financing activities</b>			
Dividend paid		(795,688,599)	(922,256,154)
Net cash received from/(used in) financing activities		<b>(795,688,599)</b>	<b>(922,256,154)</b>
<b>D. Net Increase/ (decrease) in cash and cash equivalents (A+B+C)</b>		<b>2,685,402,991</b>	<b>(8,365,676,475)</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>		-	-
<b>F. Opening cash and cash equivalents</b>		<b>27,706,185,088</b>	<b>36,071,861,563</b>
<b>G. Closing cash and cash equivalents (D+E+F)</b>	39.00.a	<b>30,391,588,079</b>	<b>27,706,185,088</b>
<b>Closing Cash and cash equivalents</b>			
Cash in hand (including foreign currencies )		3,136,639,429	2,700,532,209
Bal. with Bangladesh Bank & its agent Banks (including foreign currencies)		10,425,234,715	10,524,420,389
Balance with other banks and financial institutions		16,829,713,935	14,481,232,490
		<b>30,391,588,079</b>	<b>27,706,185,088</b>

These financial statements should be read in conjunction with the annexed notes.

  
(Mohammed Rabiul Hossain)  
Managing Director

  
(Arif Rahman)  
Director

  
(Kazi Masudur Rabe)  
Director

  
(Waliul Huq Khandker)  
Director

# Consolidated Liquidity Statement

## (Assets And Liabilities Maturity Analysis )

AS AT 31 DECEMBER 2018

(Amount in Taka)

Particulars	Upto 01 month	01- 03 months	03-12 months	01- 05 years	Above - 05 years	Total
<b>Assets</b>						
Cash in hand (including balance with Bangladesh Bank & its agent bank)	5,167,115,144	-	-	-	8,394,759,000	13,561,874,144
Balances with other banks and financial institutions	9,029,713,935	7,500,000,000	300,000,000	-	-	16,829,713,935
Investment	996,381,120	450,000,000	2,092,370,897	11,976,474,859	13,422,220,703	28,937,447,579
Loans & Advances	18,968,444,954	21,021,111,661	58,627,111,383	10,888,260,271	9,119,441,902	118,624,370,171
Fixed assets including Land, Building, Furniture & Fixtures	-	-	332,072,727	700,674,194	2,023,107,273	3,055,854,194
Other assets	616,760,615	1,729,043,426	1,054,671,835	265,662,886	5,209,124,507	8,875,263,269
Non banking assets	-	-	-	-	64,838,541	64,838,541
<b>Total Assets (A)</b>	<b>34,778,415,768</b>	<b>30,700,155,087</b>	<b>62,406,226,842</b>	<b>23,831,072,210</b>	<b>38,233,491,926</b>	<b>189,949,361,833</b>
<b>Liabilities</b>						
Borrowings from Bangladesh Bank , other banks, financial institutions & agents	4,503,600,742	269,899,015	446,298,550	216,499,931	29,799,393	5,466,097,631
Deposits & other accounts	19,488,798,303	31,648,666,285	32,122,245,247	32,849,980,263	36,748,365,216	152,858,055,314
Provision & other liabilities	1,212,229,415	931,683,481	8,062,082	2,113,666,602	12,630,287,762	16,895,929,342
<b>Total Liabilities (B)</b>	<b>25,204,628,460</b>	<b>32,850,248,781</b>	<b>32,576,605,879</b>	<b>35,180,146,796</b>	<b>49,408,452,371</b>	<b>175,220,082,287</b>
<b>Net Liquidity Gap (A-B)</b>	<b>9,573,787,308</b>	<b>(2,150,093,694)</b>	<b>29,829,620,963</b>	<b>(11,349,074,586)</b>	<b>(11,174,960,445)</b>	<b>14,729,279,546</b>
<b>Cumulative Net Liquidity Gap</b>	<b>9,573,787,308</b>	<b>7,423,693,614</b>	<b>37,253,314,577</b>	<b>25,904,239,991</b>	<b>14,729,279,546</b>	<b>-</b>

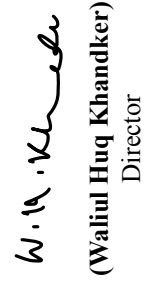
Net result of the Liquidity Statement represents the "Shareholders' Equity" of the Bank.

These financial statements should be read in conjunction with the annexed notes.

  
(Mohammed Rabiul Hossain)  
Managing Director

  
(Arif Rahman)  
Director

  
(Kazi Masudur Rabe)  
Director

  
(Waliul Huq Khandker)  
Director

# Balance Sheet

AS AT 31 DECEMBER 2018

	Notes	Amount in Taka	
		2018	2017
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	<b>4.00</b>		
Cash in Hand (including foreign currencies)		3,136,618,694	2,700,511,035
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currencies)		10,425,234,715	10,524,420,389
		<b>13,561,853,409</b>	<b>13,224,931,424</b>
<b>Balance with other Banks and Financial institutions</b>	<b>5.00</b>		
In Bangladesh		15,057,975,166	13,236,883,464
Outside Bangladesh		1,702,282,172	1,207,535,185
		<b>16,760,257,338</b>	<b>14,444,418,649</b>
<b>Money at call on short notice</b>	<b>6.00</b>	-	<b>250,000,000</b>
<b>Investments</b>	<b>7.00</b>		
Government		21,672,972,694	25,752,983,156
Others		6,996,325,947	6,850,892,306
		<b>28,669,298,641</b>	<b>32,603,875,462</b>
<b>Loans and Advances</b>	<b>8.00</b>		
Loans, cash credits, overdrafts etc.		116,098,161,831	102,951,863,806
Bills purchased and discounted		2,691,578,624	2,309,083,851
		<b>118,789,740,455</b>	<b>105,260,947,657</b>
<b>Fixed assets including land, building, furniture and fixtures</b>	<b>9.00</b>	<b>3,050,006,695</b>	<b>3,188,512,839</b>
<b>Other Assets</b>	<b>10.00</b>	<b>9,133,925,929</b>	<b>9,841,790,539</b>
<b>Non Banking Assets</b>	<b>10.00.b</b>	<b>64,838,541</b>	<b>65,146,346</b>
<b>TOTAL ASSETS</b>		<b>190,029,921,008</b>	<b>178,879,622,916</b>
<b>LIABILITIES AND CAPITAL/SHAREHOLDERS' EQUITY</b>			
<b>Borrowings from other Banks, Financial institutions and Agents</b>	<b>11.00</b>	<b>5,466,097,631</b>	<b>992,330,322</b>
<b>Deposits and other accounts</b>	<b>12.00</b>		
Current and other accounts		57,229,004,422	64,376,460,787
Bills payable		3,987,808,356	4,103,666,388
Savings bank deposits		47,149,266,870	43,727,723,131
Fixed deposits		41,352,962,425	33,443,680,117
Other deposits		3,338,760,626	2,863,355,965
		<b>153,057,802,699</b>	<b>148,514,886,388</b>
<b>Other Liabilities</b>	<b>13.00</b>	<b>16,763,276,613</b>	<b>15,481,565,291</b>
<b>TOTAL LIABILITIES</b>		<b>175,287,176,943</b>	<b>164,988,782,001</b>
<b>CAPITAL/SHAREHOLDERS' EQUITY</b>			
Paid up capital	<b>14.02</b>	4,000,803,370	4,000,803,370
Statutory reserve	<b>15.00</b>	4,330,837,039	4,330,837,039
Other reserves	<b>16.00</b>	4,661,407,930	3,958,654,627
Surplus in profit and loss account	<b>17.00</b>	1,749,695,726	1,600,545,879
<b>TOTAL CAPITAL/SHAREHOLDERS' EQUITY</b>		<b>14,742,744,065</b>	<b>13,890,840,915</b>
<b>TOTAL LIABILITIES AND CAPITAL/SHARE HOLDERS' EQUITY</b>		<b>190,029,921,008</b>	<b>178,879,622,916</b>

# Balance Sheet

AS AT 31 DECEMBER 2018

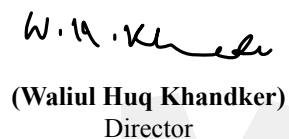
	Notes	Amount in Taka	
		2018	2017
<b>OFF BALANCE SHEET ITEMS</b>			
<b>Contingent Liabilities</b>	<b>18.00</b>		
Acceptances & Endorsements	<b>18.01</b>	6,689,696,249	5,455,004,146
Letters of guarantee	<b>18.02</b>	3,482,799,011	3,250,347,850
Irrevocable letters of credit	<b>18.03</b>	9,607,591,350	10,454,882,063
Bills for collection	<b>18.04</b>	5,159,313,074	5,060,020,557
		<b>24,939,399,684</b>	<b>24,220,254,616</b>
<b>Other Commitments</b>			
Documentary credits 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		-	-
		-	-
<b>Total Off Balance Sheet Items Including Contingent Liabilities &amp; Other Commitments</b>		<b>24,939,399,684</b>	<b>24,220,254,616</b>

These financial statements should be read in conjunction with the annexed notes.

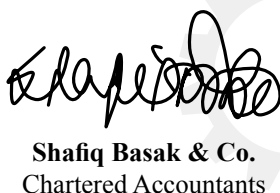
  
(Mohammed Rabiul Hossain)  
Managing Director

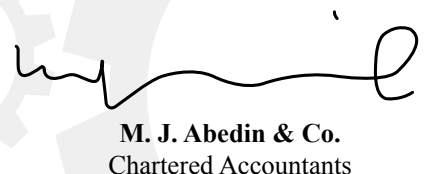
  
(Arif Rahman)  
Director

  
(Kazi Masudur Rageb)  
Director

  
(Waliul Huq Khandker)  
Director

Signed in terms of our separate report of even date.

  
Shafiq Basak & Co.  
Chartered Accountants

  
M. J. Abedin & Co.  
Chartered Accountants

Dated: Dhaka  
28 April 2019





# Profit and Loss Account

FOR THE YEAR ENDED 31 DECEMBER 2018


	Notes	Amount in Taka	
		2018	2017
<b>OPERATING INCOME</b>			
Interest Income	19.01	12,734,054,623	10,440,389,168
Interest paid on deposits and borrowings etc.	20.00	7,018,402,546	6,076,716,270
<b>Net Interest Income</b>		<b>5,715,652,077</b>	<b>4,363,672,898</b>
Investment Income	21.00	2,820,445,382	2,827,916,201
Commission, Exchange and Brokerage	22.00	843,864,805	1,002,918,352
Other Operating Income	23.00	699,139,154	645,106,443
<b>Total operating income</b>		<b>10,079,101,418</b>	<b>8,839,613,894</b>
<b>OPERATING EXPENSES</b>			
Salary and allowances	24.00	4,584,113,687	4,395,880,396
Rent, taxes, insurance, electricity etc.	25.00	497,564,925	453,625,161
Legal expenses	26.00	27,261,643	25,402,703
Postage, stamp, telecommunication etc.	27.00	90,927,576	78,893,473
Stationery, printing, advertisements etc.	28.00	93,966,835	93,802,985
Managing Director's salary & allowances and fees	29.00	14,331,883	13,147,328
Directors' fees	30.00	4,448,000	4,440,000
Auditors' fees	31.00	600,000	500,000
Charges on Loan losses		206,254,831	242,576,186
Repair, maintenance and depreciation of Bank's property	32.00	307,785,379	326,947,028
Other expenses	33.00	340,378,672	374,152,990
<b>Total operating expenses</b>		<b>6,167,633,431</b>	<b>6,009,368,250</b>
<b>Profit before Provision</b>		<b>3,911,467,987</b>	<b>2,830,245,644</b>
<b>Provision</b>			
Provision for loans and advances & off balance sheet exposures	34.00	930,000,000	242,500,000
Provision for Others	35.00	-	57,500,000
		<b>930,000,000</b>	<b>300,000,000</b>
<b>Profit before tax</b>		<b>2,981,467,987</b>	<b>2,530,245,644</b>
<b>Provision for Taxation</b>			
Current tax	13.01.01	1,280,664,641	1,008,016,065
Deferred tax	13.02.01	(18,507,175)	(34,165,322)
		<b>1,262,157,466</b>	<b>973,850,743</b>
<b>Profit after taxation</b>		<b>1,719,310,521</b>	<b>1,556,394,901</b>
Retained earning brought forward	17.01	30,385,205	44,150,978
<b>Profit available for appropriations</b>		<b>1,749,695,726</b>	<b>1,600,545,879</b>
<b>Appropriations</b>			
Statutory reserve	15.00	-	-
General reserve		-	-
		<b>-</b>	<b>-</b>
<b>Retained surplus</b>	17.00	<b>1,749,695,726</b>	<b>1,600,545,879</b>
<b>Earnings Per Share (EPS)</b>	40.00	<b>4.30</b>	<b>3.89</b>

These financial statements should be read in conjunction with the annexed notes.

  
(Mohammed Rabiul Hossain)  
Managing Director


  
(Arif Rahman)  
Director

  
(Kazi Masudur Rabe)  
Director

  
(Waliul Huq Khandker)  
Director

Signed in terms of our separate report of even date.

Dated: Dhaka  
28 April 2019

  
Shafiq Basak & Co.  
Chartered Accountants

  
M. J. Abedin & Co.  
Chartered Accountants



# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

(Amount in Taka)

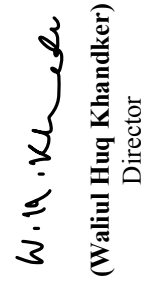
Particulars	Paid up Capital	Statutory Reserve	Other Reserves	Retained Earnings	Total
<b>Balance as at 01 January 2018</b>	4,000,803,370	4,330,837,039	3,958,654,627	1,600,545,879	13,890,840,915
Transfer to General Reserve	-	-	770,000,000	(770,000,000)	-
Cash Dividend	-	-	-	(800,160,674)	(800,160,674)
<b>Restated opening balance</b>	4,000,803,370	4,330,837,039	4,728,654,627	30,385,205	13,090,680,241
Surplus/(deficit) of Revaluation Reserve on Govt. Securities	-	-	(67,246,697)	-	(67,246,697)
Net profit after Tax	-	-	-	1,719,310,521	1,719,310,521
<b>Appropriations during the year</b>					
Transfer to Statutory Reserve	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-
<b>Balance as at 31 December 2018</b>	4,000,803,370	4,330,837,039	4,661,407,930	1,749,695,726	14,742,744,065
<b>Balance as at 31 December 2017</b>	4,000,803,370	4,330,837,039	3,958,654,627	1,600,545,879	13,890,840,915

These financial statements should be read in conjunction with the annexed notes.

  
 (Mohammed Rabiul Hossain)  
 Managing Director

  
 (Arif Rahman)  
 Director

  
 (Kazi Masudur Rabe)  
 Director

  
 (Waliul Huq Khandker)  
 Director

# Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 2018

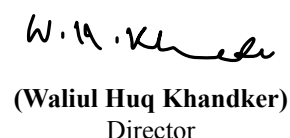
	Notes	Amount in Taka	
		2018	2017
<b>A. Cash flows from operating activities</b>			
Interest receipts in cash		15,530,787,224	13,146,002,121
Interest payments		(6,652,538,583)	(6,173,747,315)
Dividend receipts		93,155,395	90,249,796
Fees and commission receipts in cash		843,864,805	1,002,918,352
Recoveries on loans previously written off		190,510,000	190,000,000
Cash payments to employees		(4,596,480,539)	(4,399,050,149)
Cash payments to suppliers		(773,982,206)	(857,246,155)
Income tax paid		(996,772,568)	(916,530,666)
Receipts from other operating activities		700,601,758	636,455,872
Payments for other operating activities	36.00	(369,634,446)	(414,318,947)
<b>Operating cash flow before changes in operating assets and liabilities</b>		<b>3,969,510,840</b>	<b>2,304,732,909</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
Purchase/sale of trading securities		2,825,600,756	3,223,728,330
Loans and advances to other banks		250,000,000	(250,000,000)
Loans and advances to customers		(13,838,096,099)	(22,389,806,225)
Other assets	37.00	399,127,541	(772,174,595)
Deposits from other banks		574,349,590	(317,991,048)
Deposits from customers		3,605,348,591	13,994,232,461
Other liabilities	38.00	4,632,220,391	1,114,245,027
		<b>(1,551,449,230)</b>	<b>(5,397,766,050)</b>
<b>Net cash received from/(used in) operating activities</b>		<b>2,418,061,610</b>	<b>(3,093,033,141)</b>
<b>B. Cash flows from investing activities</b>			
Proceeds from sale/payments for purchase of securities		1,108,976,065	(4,213,316,767)
Purchase/Sale of property, plants and equipments		(79,069,357)	(140,740,767)
Sale of property, plants and equipments		480,955	833,695
Net cash received from/(used in) investing activities		<b>1,030,387,663</b>	<b>(4,353,223,839)</b>
<b>C. Cash flows from financing activities</b>			
Dividend paid		(795,688,599)	(922,256,154)
Net cash received from/(used in) financing activities		<b>(795,688,599)</b>	<b>(922,256,154)</b>
<b>D. Net Increase/(decrease) in cash and cash equivalents (A+B+C)</b>		<b>2,652,760,674</b>	<b>(8,368,513,134)</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>		-	-
<b>F. Opening cash and cash equivalents</b>		<b>27,669,350,073</b>	<b>36,037,863,207</b>
<b>G. Closing cash and cash equivalents (D+E+F)</b>	39.00	<b>30,322,110,747</b>	<b>27,669,350,073</b>
<b>Closing cash and cash equivalents</b>			
Cash in hand (including foreign currencies )		3,136,618,694	2,700,511,035
Bal. with Bangladesh Bank & its agent Bank(s) (including for eign currencies)		10,425,234,715	10,524,420,389
Balance with other banks and financial institutions		16,760,257,338	14,444,418,649
		<b>30,322,110,747</b>	<b>27,669,350,073</b>

These financial statements should be read in conjunction with the annexed notes.

  
(Mohammed Rabiul Hossain)  
Managing Director

  
(Arif Rahman)  
Director

  
(Kazi Masudur Rageb)  
Director

  
(Waliul Huq Khandker)  
Director

# Liquidity Statement (Assets And Liabilities Maturity Analysis )

AS AT 31 DECEMBER 2018


Particulars	Upto 01 month	01- 03 months	03-12 months	01- 05 years	Above - 05 years	(Amount in Taka)	
						Total	Total
<b>Assets</b>							
Cash in hand (including balance with Bangladesh Bank & its agent bank)	5,167,094,409	-	-	-	8,394,759,000	13,561,853,409	
Balances with other Banks and financial institutions	8,960,257,338	7,500,000,000	300,000,000	-	-	16,760,257,338	
Investment	728,232,182	450,000,000	2,092,370,898	11,976,474,859	13,422,220,702	28,669,298,641	
Loans & Advances	18,968,444,954	21,021,111,661	58,792,481,667	10,888,260,271	9,119,441,902	118,789,740,455	
Fixed assets including Land, Building, Furniture & Fixtures	-	-	332,072,727	694,826,695	2,023,107,273	3,050,006,695	
Other Assets	634,735,625	1,779,435,054	1,085,409,427	273,405,425	5,360,940,398	9,133,925,929	
Non-banking assets					64,838,541	64,838,541	
<b>Total Assets (A)</b>	<b>34,458,764,508</b>	<b>30,750,546,715</b>	<b>62,602,334,719</b>	<b>23,832,967,250</b>	<b>38,385,307,816</b>	<b>190,029,921,008</b>	
<b>Liabilities</b>							
Borrowings from Bangladesh Bank, other Banks, Financial Institutions & agents	4,503,600,742	269,899,015	446,298,550	216,499,931	29,799,393	5,466,097,631	
Deposits & other accounts	19,488,798,303	31,648,666,285	32,321,992,632	32,849,980,263	36,748,365,216	153,057,802,699	
Provision & other liabilities	1,202,712,002	924,368,680	7,998,785	2,097,071,857	12,531,125,289	16,763,276,613	
<b>Total Liabilities (B)</b>	<b>25,195,111,047</b>	<b>32,842,933,980</b>	<b>32,776,289,967</b>	<b>35,163,552,051</b>	<b>49,309,289,898</b>	<b>175,287,176,943</b>	
<b>Net Liquidity Gap(A-B)</b>	<b>9,263,653,461</b>	<b>(2,092,387,265)</b>	<b>29,826,044,752</b>	<b>(11,330,584,801)</b>	<b>(10,923,982,082)</b>	<b>14,742,744,065</b>	
<b>Cumulative Net Liquidity Gap</b>	<b>9,263,653,461</b>	<b>7,171,266,196</b>	<b>36,997,310,948</b>	<b>25,666,726,147</b>	<b>14,742,744,065</b>	<b>-</b>	

These financial statements should be read in conjunction with the annexed notes.

  
(Mohammed Rabiul Hossain)  
Managing Director

  
(Arif Rahman)  
Director

  
(Kazi Masudur Rabe)  
Director

  
(Waliul Huq Khandker)  
Director



# Uttara Bank Limited and its Subsidiaries

Notes to the Financial Statements as at and for the year ended 31 December 2018

## 1.00 Legal status and Nature of the Bank

Uttara Bank Limited (The Bank) had been a nationalized bank in the name of Uttara Bank under the Bangladesh Bank (Nationalization) order 1972, formerly known as the Eastern Banking Corporation Limited. The Bank started functioning on and from 28 January 1965. Consequent upon the amendment of Bangladesh Bank (Nationalization) Order 1972, the Uttara Bank was converted into Uttara Bank Limited as a public Limited company in the year 1983. The converted Uttara Bank Limited was incorporated as a banking company on 29 June 1983 and obtained business commencement certificate on 21 August 1983. The Bank floated its shares in the year 1984. The Bank is listed in the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly quoted company for trading of its shares.

The Registered Office of the Bank is located at 47, Shahid Bir Uttam Asfaqus Samad Sarak (Former 90, Motijheel Commercial Area), Motijheel, Dhaka- 1000. It has 235 branches all over Bangladesh through which it carries out all its banking activities.

## 1.01 Principal activities

The principal activities of the Bank are to provide all kinds of commercial banking services to its customers through its branches in Bangladesh.

## 1.02 Correspondent banking

The focus of International Division with its expertise caters mainly to the Banking needs related to import and export affairs. The division establishes correspondent relationships with the foreign banks in consultation with the respective senior management.

## 1.03 UB capital and Investment Limited

Uttara Bank Limited has formed a subsidiary in the name and style “UB capital and Investment Limited” and was incorporated as a public limited company with the Registrar of Joint Stock Companies and Firms, Dhaka Bangladesh on 28 September 2010 under the Companies Act, 1994 bearing registration no C- 87220/10.

The main activities of the company are to act as a full fledged merchant banker and portfolio manager to provide services like underwriting public issue of shares, buy and sell of shares/ securities on behalf of clients under portfolio management operation etc. The company is also authorized to buy, sell, hold or otherwise acquire or invest the capital of the company in shares, stock and fixed income securities.

The Company will commence its operation after obtaining license from the Bangladesh Securities and Exchange Commission. The Registered office of the company is at 47, Shahid Bir Uttam Asfaqus Samad Sarak, Motijheel, Dhaka-1000.

#### **1.04 Uttara Bank Securities Limited**

Uttara Bank Securities Limited, a subsidiary company of Uttara Bank Limited, was incorporated on 13 June 2013 as a Public Limited company with the Registrar of Joint Stock Companies and Firms Dhaka, Bangladesh under the Companies Act, 1994 bearing registration no.C-109691/13. The main objectives of the company are to carry on business of stock brokers/dealers in relation to shares and securities dealings and other services as mentioned in the Memorandum and Articles of Association of the company. The Registered office of the company is at 47, Shahid Bir Uttam Asfaqus Samad Sarak, Motijheel, Dhaka-1000.

#### **1.05 Off-shore Banking Unit (OBU)**

The Off-shore Banking Unit (OBU) of the Bank is the separate Unit governed by the applicable rules & regulations and guidelines of Bangladesh Bank. The Bank obtained the permission for conducting the operations of OBU from Bangladesh Bank on 23 March 2015. The Bank started the operation of OBU on 06 July 2015. The number of OBU was (1) one as at 31st December 2018 situated at the Bank's Head Office.

The principal activities of the OBUs are to provide commercial banking services through its unit within the rules & regulations and guidelines of Bangladesh Bank applicable for the off-shore Banking Unit.

#### **2.00 Internal audit, internal control and risk management**

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 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.

Bangladesh Bank Department of Off-site Supervision (DOS) has issued Circular No. 02 dated 15 February 2012 on Risk Management Guidelines for Banks and instructed all scheduled banks operating in Bangladesh to follow there Guidelines for managing various risks which have been complied by the Bank.

The risk of the Bank is possibility of losses, financial or otherwise and covers six core risk areas of banking business namely, a) Credit Risks b) Asset and Liability/Balance Sheet Risks c) Foreign Exchange Risks d) Money Laundering Risks e) Internal Control and Compliance Risks and f) Information and Communication Technology Risks.

The main objective of the risk management is that in carrying out business the Bank undertakes well calculated business risks while safeguarding its capital, assets and profitability from risks.

In recognition of the importance of an effective risk management system, the Bank has taken steps to implement the guidelines of Bangladesh Bank as under:

#### **2.01 Credit Risk**

Credit Risk is the due to a borrower's lack of ability to meet its financial obligations. Credit Risk Management has been introduced in the Bank in line with the directives received from the Bangladesh Bank. It is one of the major risks faced by the Bank. The Bank has segregated duties of the officers/executives involved in Credit related activities. A separate Credit Division has been formed at Head Office which is entrusted with the duties of maintaining effective relationship

with the customers, marketing of credit products, exploring new business opportunities etc. Moreover, Marketing, Credit Approval, Credit Administration & Monitoring, Recovery and Suit functions have been segregated. For these purposes separate Departments/Cells have been formed within the Credit Division at Head Office. These are (a) Credit Approval Department (b) Credit Administration & Monitoring Department (c) Credit Recovery Department (d) Lease Finance Department (e) SME Department (f) Sustainable Finance Department (g) Agri Cell and (h) CIB Cell. Credit Division is entrusted with the duties of maintaining assets quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy/strategy for lending operation etc.

This Bank being one of the pioneer banks in the private sector has introduced lending policies based on its long experiences and in line with guidelines given by Bangladesh Bank to provide loans and advances to commercial and industrial enterprises and also to individuals.

Bank is following all circulars including core risk guidelines related to credit risk management to mitigate the risk to an acceptable level.

## **2.02 Market Risk**

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates, equity and commodity prices.

## **2.03 Foreign Exchange Risk**

Foreign exchange risk is the potential risk which can bring change in earnings arising due to change in market prices. Treasury Division independently conducts the transactions and the Back Office of Treasury Division is responsible for verification and settlement of the deals and passing of the entries in books of accounts. All Nostro accounts are reconciled immediately and outstanding entries are reviewed by the management for settlement.

Bank is following all circulars including core risk guidelines related to Foreign Exchange risk management to mitigate the risk to an acceptable level.

## **2.04 Asset liability Management Risk**

The Asset Liability Committee (ALCO) of the Bank monitors Balance sheet risk and liquidity risks of the Bank. Managing the asset liability is the most important responsibility of the Bank as it runs the risk for not only of the bank, but also of the thousands of depositors who put money into it. The primary objective of the ALCO is to monitor and avert significant volatility in Net Interest Income (NII), investment value and exchange earnings.

Bank is following all circulars including core risk guidelines related to ALM risk management to mitigate the risk to an acceptable level.

## **2.05 Money Laundering Risk**

Money laundering risk is 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 Chief Anti Money Laundering Compliance Officer at Head Office and Compliance Officer at branches, who independently reviews the transactions of the accounts to verify suspicious transactions. Manuals for prevention of money laundering have been established and transaction profile has been introduced.

Bank is following all circulars including core risk guidelines related to Anti-Money Laundering Risk Management to mitigate the risk to an acceptable level.

## 2.06 Information and Communication Technology Security Risk Management

IT management deals with IT policy documentation, internal IT audit, training and insurance. IT operation management covers the dynamics of technology operation management including change management, asset management and operating environment procedures management. The objective is to achieve the highest levels of technology service quality by minimum operational risk. Physical security involves providing environmental safeguards as well as controlling physical access to equipment and data.

The Bank follows the guidelines stated in BRPD Circular No.14 dated 23 October 2005 regarding “Guideline on Information and Communication Technology for Scheduled Banks”.

## 2.07 Internal Control and Compliance Risk

Internal control and compliance is considered as an eye of an organization. It is a mirror of operations and keeps record of the same. The primary objects of internal control system are to help the Bank to perform in a better height through the use of its resources & under the guidances of internal control system, bank identifies its weakness and takes appropriate measures to overcome the same. Uttara Bank Limited follows Bangladesh Bank Guidelines strictly in line with Internal Control & Compliance of the Bank.

## 2.08 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.

## 2.09 Internal Audit

Being an integral part of daily activities of the Bank, Internal Control and Compliance Division with three departments namely: Compliance, Monitoring and Audit & Inspection are working as ongoing process to ensure smooth operation of the Bank. Compliance Department is functioning to ensure compliance with statutory & regulatory requirement. Monitoring department is responsible for operational performance of Branches and Head Office Divisions by minimizing/avoiding risk factors.

### Internal Audit Activities:

- To review and approve “Internal Audit Charter”;
- To guide and approve “Internal Audit Plan”;
- To guide and review “Internal Audit Process and Procedure”;
- To guide bank management body for ensuring compliance on audit recommendation(s) and scope of development;
- To review compliance status of audit recommendation;
- To review annual assessment of the performance of audit and inspection activity;
- To recommend audit findings to be placed to the Board of Directors.

As an internal watch dog of the Bank the Audit & Inspection Department is conducting Audit & Inspection to identify, measure, control and mitigate risk factors at the Branches/Divisions.

No materially untrue statement is identified that might be misleading the financial statements.



## 2.10 Fraud and Forgeries

Internal Control and Compliance Division conducts audit at the branches with the existing manpower to minimize irregularities/lapses to prevent fraud and forgeries and to avoid risks at the operational level. Bank fraud is the use of potentially illegal means to obtain money, assets, or other property owned or held by a financial institution, or to obtain money from depositors by fraudulently posing as a bank or other financial institution.

### **To mitigate the fraud the Bank has taken the following initiatives:**

- Reviewing the corrective measures taken by the management with regard to reports relating to fraud-forgery, deficiencies in internal control and external auditors and inspectors of the regulatory authority and inform the Board on a regular Basis;
- Effort made for improving the compliance culture and introducing stricter controls to eliminate fraud exposures.
- Board Audit Committee reviews fraud and forgery report and advises Management on corrective measure and preventive action as applicable.
- The Audit Committee also advised management on potential threats of fraud and forgery activity.

No transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct and there was no administrative error and exception or anything detrimental committed by employees of the bank.

## 3.00 Summary of Significant Accounting Policies and Basis for Preparation of Financial Statements

### 3.01 Statement of Compliance

The Financial Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under the FRA has been formed in 2017 but the Financial Reporting Standards (FRS) under this Council is yet to be issued for public interest entities such as banks. The Bank Company Act, 1991 was amended to require banks to prepare their financial statements under such financial reporting standards. The FRC has been formed but yet to issue any financial reporting standards as per the provisions of the FRA and hence International Financial Reporting Standards (IFRS) as issued by the Institute of Chartered Accountants of Bangladesh (ICAB) are still applicable. Accordingly, the financial statements of the Bank continue to be prepared in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Bank Companies Act 1991, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Bangladesh Securities and Exchange Rules 1987. In case any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail.



## Compliance of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)

Name of the IAS	IAS No.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Statement of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting estimates & Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The effects of changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosure	24	Applied
Accounting and Reporting by Retirement Benefits Plan	26	N/A
Separate Financial Statements	27	Applied
Investment in Associates	28	N/A
Interest in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied
Earning per share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied
Investment Property	40	N/A
Agriculture	41	N/A

Name of the IFRS	IFRS No.	Status
First time Adoption of International Financial Reporting Standards	1	N/A
Share Based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non- current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resource	6	N/A
Financial Instruments: Disclosures	7	Applied
Operating Segments	8	Applied
Financial Instruments	9	Applied
Consolidated Financial Statements	10	Applied
Joint Agreements	11	N/A
Disclosure of Interest in Other Entities	12	N/A
Fair Value Measurement	13	Applied
Regulatory Deferral Accounts	14	N/A
Revenue from Contracts with Customers	15	Applied

## Material departures from the requirements of IFRS are as follows:

### i) Investment in Shares and Securities

#### IFRS :

As per requirements of IFRS 9: classification and measurement of investment in equity instruments 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 and 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 shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment.

### ii) Revaluation Gains/Losses 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:

As per DOS circular no. 05 dated 26 May 2008, HFT Securities are revalued on the basis of marking to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognized in other reserve 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 amortization of discounts are recognized in the profit and loss account. T-Bill designated as held to maturity are measured at amortized cost method but interest income/gain should be recognized through other reserve as a part of equity.

### iii) Provision on Loans and Advances

#### IFRS :

As per IFRS 9 Financial Instruments an entity shall recognize 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 month 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.14 dated 23 September 2012, BRPD circular no.19 dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013 & BRPD circular no. 16 dated 18 November 2014, 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. Also provision 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 time past due. Again as per BRPD circular no.10 dated 18 September 2007 and BRPD circular no.14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IFRS 9.

### iv) 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 in profit and loss account by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently become 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, interest on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest suspense account, which is presented as liability in the balance sheet.

### v) 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 Other Comprehensive Income (OCI) Statement.



**Bangladesh Bank:**

Bangladesh Bank has issued templates for financial statements as per BRPD circular no.14 dated 25 June 2003, which will strictly 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 include in a Single other Comprehensive Income (OCI) Statement. As such the company does not prepare the other comprehensive income statement. However elements of OCI, if any, are shown in the statements of changes in equity.

**vi) Financial Instruments-Presentation and Disclosure**

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

**vii) Financial Guarantees****IFRS :**

As per IFRS 9 Financial Instruments, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the term of debt instruments. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the loss allowance determined as expected credit loss under IFRS 9. Financial guarantees are prescribed to be included within other liabilities.

**Bangladesh Bank:**

As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as letter of credit, letter of guarantee will be treated as Off- Balance Sheet items. No liability is recognized for the guarantee except the cash margin.

**viii) Cash and Cash Equivalent**

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

**Bangladesh Bank:** Some cash and cash equivalent items such as ‘money at call and on short notice’, treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

**ix) 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 must exist a face item named Non-banking asset.

**x) Cash Flow Statement**

**IFRS:** The Cash flow statement can be prepared using either the direct method or the indirect method. 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 flow is the mixture of direct and indirect methods.

**xi) Balance with Bangladesh Bank: (Cash Reserve Requirement)**

**IFRS:** Balance 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 is treated as cash and cash equivalents.

**xii) Presentation of Intangible Asset**

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

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

**xiii) Off-Balance Sheet Items**

**IFRS:** There is no concept of off-balance sheet items in any IFRS; hence 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.

**xiv) Provision netted of against Loans and Advances**

**IFRS:** As per IFRS-9, Loans and Advances should be presented in net of provision.

**Bangladesh Bank:** As per BRPD circular no.14 dated 25 June 2003, provision on Loans and Advances is presented separately as liability and can not be netted off against Loans and Advances.

**3.02 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 or 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:** A format of financial statements (i.e. balance sheet, profit and loss account, cash flows statement, changes in equity, liquidity statement) is prescribed in the “First Schedule” of section 38 of the Bank Company Act 1991 and amendments thereon and BRPD circular No-14 dated 25 June 2003 of Bangladesh Bank. Assets and liabilities are not classified under current and non-current heading in the prescribed format of financial statement.

### **3.03 Basis of Consolidation**

The consolidated financial statements include the financial statements of Uttara Bank Limited, the Off Shore Banking Unit and its subsidiaries UB Capital and Investment Limited, Uttara Bank Securities Limited made up to the end of the financial year. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS 10): Consolidated Financial Statements. The consolidated financial statements are prepared to a common financial year ending December 31, each year.

#### **3.03.1 Subsidiaries**

UB Capital and Investment Limited and Uttara Bank Securities Limited are the Subsidiaries of the Bank. 99.994% shares of the subsidiaries are owned by the Bank.

A subsidiary is an enterprise which is controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an enterprise from the date of commencement of control until the date that control ceases. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that the control effectively ceases.

#### **3.03.2 Transactions Eliminated and Judgments**

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Profit and losses resulting from transactions between Groups are also eliminated on consolidation.

### **3.04 Going Concern**

The accompanying financial statements have been prepared on a going concern Basis which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

### **3.05 Use of Estimates and Judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions as per IAS-37 that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised in any future periods affected.

#### **3.05.1 Materiality of Financial Statements**

Each material item as considered by management significant has been presented separately in the financial statements wherever applicable.

### **3.06 Reporting Period**

These financial statements cover one calendar year from 1 January 2018 to 31 December 2018.

### **3.07 Assets and Basis of their Valuation**

#### **3.07.1 Cash and Cash Equivalents**

Cash and cash equivalents include notes and coins on hand held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their value, and are used by the Bank management for its short term commitments.

### 3.07.2 Investment

Investments have been initially recognized at cost, including acquisition charges associated with the investment. Premiums have been amortized and discount accredited, using the effective or historical yield method. Government Treasury Bills and Bonds (categorized as HFT or/and HTM) are accounted for as per Bangladesh Bank DOS circular letter no.05 dated 26 May 2008 and DOS circular no. 05 dated 28 January 2009.

The valuation methods of investment used are:

#### Government Securities

##### Held to Maturity (HTM)

Investments which are intended to be held to maturity are classified as “Held to Maturity”. These are measured at amortized cost at each year end by taking into account any discount or premium in acquisition. Amortised amount of such premium are booked into Profit and Loss Account or discount is booked to reserve until maturity/disposal.

##### Held for Trading (HFT)

Investment primarily held for selling or trading is classified in this category. After initial recognition, investments are marked to market weekly. Decrease in the book value is recognized in the Profit and Loss Account and any increase is transferred to revaluation reserve account.

**Value of investments has been enumerated as follows:**

Investment Class	Initial Recognition	Measurement after Initial Recognition	Recording of Changes
Treasury Bill/ Bond (HFT)	Cost	Market value	Loss to profit and loss account (P & L), gain to Revaluation Reserve.
Treasury Bill/ Bond (HTM)	Cost	Amortised value	Increase in value to equity and decrease in value to P & L.
Debenture	Face value	None	None
Prize Bond	Cost	None	None
Shares/Bond	Cost	Lower of cost or market value	Any loss, charged in P & L. Unrealized gain, not recognized in accounts.

##### Investment in Quoted Shares

These securities are bought and held primarily for the purpose of selling them in future or held for dividend income. Realized gains or losses are recognized in the Profit and Loss Account.

##### Investment in Unquoted Shares

Investment in unlisted securities is reported at cost under cost method.

##### Investment in Subsidiaries

Investments in subsidiaries are accounted for under the cost method of accounting in the Bank’s financial statements in accordance with the IFRS 10: Consolidated Financial Statements and IFRS 3: Business Combination.



### 3.07.3 Loans and Advances and Provisions

As per BRPD circular No-07 dated 21 June 2018, BRPD Circular No-15 dated 27 September 2017, BRPD Circular No-12 dated 20 August 2017, BRPD circular No-16 dated 18 November 2014, BRPD Circular No-14 dated 23 September 2012, BRPD circular No-19 dated 27 December 2012, BRPD circular No-05 dated 29 May 2013, BRPD circular No-01 dated 20 February 2018 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard and special mentioned accounts) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 5% to 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 14 dated 23 September 2012, BRPD circular letter No-01 dated 03 January 2018, BRPD circular No-07 dated 21 June 2018 and BRPD circular No-13 dated 18 October 2018 a general provision a 1% is required to be provided for all off-balance sheet exposures except on 'Bills for Collection' and 'guarantees' where the counter guarantees have been issued by multilateral development bank (MDB/ international bank having BB rating grade '1' equivalent outlined in the guidelines on risk based capital adequacy (Revised Regulatory Capital Framework for Banks in line with BASEL-III). Such provision policies are not specifically in line with those prescribed by IAS 39.

**The rate of provision is given below:**

Particulars	Short Term Agri. Credit & Micro-credit	Consumer Financing			Small & Medium Enterprise Financing	Loans to BHs/MBs/SDs	All Other Credits	Credit Card	Off-Balance sheet exposure	
		Other than HF & LP	HF	LP						
Un-Classified	Standard	1%	5%	1%	2%	0.25%	2%	1%	2%	1%
	SMA	0%	5%	1%	2%	0.25%	2%	1%	2%	-
Classified	SS	5%	20%	20%	20%	20%	20%	20%	20%	-
	DF	5%	50%	50%	50%	50%	50%	50%	50%	-
	B/L	100%	100%	100%	100%	100%	100%	100%	100%	-

Loans and advances are written off to the extent that (i) there is no realistic prospect to recovery (ii) against which suit cases have been filed for recovery of Bank's dues as per guidelines of Bangladesh Bank. However, write off will not reduce the claim against the borrower, detailed records for all such write off accounts are maintained.

### 3.07.4 Stock of Stationery

Stock of stationery has been shown under other assets and is valued at cost.

### 3.07.5 Fixed Assets and Depreciation

- (a) All fixed assets are stated at cost/valuation less accumulated depreciation as per IAS-16 "Property, Plant and Equipment".
- (b) Depreciation is charged for the year at the following annual rates on reducing balance method on all fixed assets with the exception of Motor Vehicles and Software on which straight-line method is applied. No depreciation is charged on Land.

Particulars of Assets	Rate of Depreciation
Land	Nil
Building	2.50%
Furniture and Fixtures	10.00%
Office Appliance	20.00%
Motor vehicle (Straight line)	20.00%
Software (Straight line)	20.00 %

- (c) Depreciation at applicable rates is charged on additions to fixed assets from the month of acquisition of the asset (full month).
- (d) Upon sale or retirement of any item of fixed assets, depreciation is charged up to the month of disposal or retirement, the net book value is eliminated from accounts and any resulting gain or loss is transferred to profit and loss account.
- (e) Basis of revaluation of land and building

Revaluation of the land and building was done in 2010 by an independent valuer, Jorip O Paridarshan Company Limited by taking into consideration of the location, configuration, means of communication, size of land, mouza rate, prevailing market rate, etc.

### 3.07.6 Leasing

Leases are classified as finance leases whenever ‘the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee as per IAS-17 “Lease”. The Bank has finance lease under its credit portfolio. Amount disbursed to lessees under lease on recorded as lease finance and shown along with loans and advances.

### 3.07.7 Other Assets

Provision for other assets is made as per BRPD circular No. 14 dated 25 June 2003.

### 3.07.8 Non Banking Assets

The Bank has shown non-Banking assets, acquired by virtue of decree from Artha-Rin-Adalat, at its market value as required by BRPD circular no.14 dated 25 June 2003.

## 3.08 Liabilities and Provisions

### 3.08.1 Share Capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

### 3.08.2 Statutory Reserve

Bank Companies Act, 1991 requires the Bank to transfer 20% of its current year profit before tax to reserve until such reserve equals to Paid up capital.

### 3.08.3 Revaluation Reserve

When an asset’s carrying amount is increased as a result of a revaluation, the increase amount should be credited directly to equity under the heading of revaluation surplus/reserve as per IAS-16: Property, Plant and Equipment.



#### **3.08.4 Borrowings from other Banks, Financial Institutions and Agents:**

Inter Bank and financial institution borrowings include interest bearing borrowings which are brought to account at gross value of the outstanding as on 31 December 2018.

#### **3.08.5 Deposits from Customers**

Deposits include non-interest bearing deposits, savings deposits, term deposits etc. They are brought to account at the gross value of the outstanding balance. Interest paid is charged to the Profit & Loss account.

#### **3.08.6 Provision for Taxation**

##### **3.08.6.1 Current Tax**

Provision for taxation has been made as per rates prescribed in Finance Act 2018 of the Income Tax Ordinance, 1984 on the profit made by the bank after considering some of the add backs of income and disallowances of expenditure as per income Tax laws in compliance with IAS-12 "Income Taxes".

##### **3.08.6.2 Deferred Tax**

As per provision of IAS 12: Income Taxes, deferred tax assets and deferred tax liabilities shall be measured and shall be reflected the tax consequence of the entity at the balance sheet date.

Deferred tax is recognized, using the liability method on temporary differences between the carrying amount of assets and liabilities in the balance sheet and the amount attributed to such assets and liabilities for tax purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent it is probable that future taxable profits will be available against which deductible temporary differences unused tax loss and unused tax credit can be utilized. The tax rate (37.5%) prevailing at the balance sheet date is used to determine deferred tax.

#### **3.09 Non Controlling Interest**

Non Controlling Interest is the equity in a subsidiary not attributable, directly or indirectly, to parent. As per IFRS 10 "Consolidated Financial Statements", Bank presents Non Controlling Interest separately in financial statements.

Profit or Loss and each component of other shareholders equity are attributed to the owners of the parent and to the Non Controlling Interest even if this result in the Non Controlling Interest having a deficit balances.

#### **3.10 Employees Benefit Obligation**

##### **(a) Provident Fund**

Provident fund benefits are given to the staff of the bank in accordance with the locally registered provident fund rules. The fund is approved and recognized by the National Board of Revenue. All confirmed employees of the Bank are eligible to participate in the Fund. It is operated by a separate Board of Trustees of the Bank as per IAS-19 "Employee Benefits".

##### **(b) 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 with effect from May 2008. The fund is operated by a Board of Trustees of the Bank. Employees are entitled to get gratuity benefits after completion of minimum 10 (Ten) years of service in the Company.

(c) Superannuation Fund

The Bank operates a Superannuation Fund Scheme, contribution in respect of which is made on monthly basis covering all its eligible employees. The trust fund has been established to meet the contingency of death occurring while in service. The fund is operated by a separate Board of Trustees.

(d) Benevolent Fund

This fund is mainly created for helping the distressed employees of the Bank when applied for and /or for the benefit of the deceased employees' family on humanitarian ground and also to help the sons/daughters of the employees for passing SSC/HSC Examinations or its equivalent Examinations. This fund is administered by a board of administrators. Managing Director is the Chairman of this fund by the virtue of the post.

### 3.11 Provision for Liabilities

A provision is recognized in the balance sheet when the Bank has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the IAS- 37 "Provisions, Contingent Liabilities and Contingent Assets".

### 3.12 Rebate to Good Borrower:

As per BRPD circular no. 06 dated 19 March, 2015 and BRPD circular no. 03 dated 16 February, 2016 Banks are required to provide 10% interest rebate to good borrower subject to some qualifying criteria. The bank has kept provision for rebate to its customers.

### 3.13 Provision for Nostro Account

Provision for Nostro Accounts is maintained as per Circular Letter No. FEPD (FEMO)/01/2005-677 dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank.

### 3.14 Revenue Recognition

The revenue during the year is recognized following International Financial Reporting Standard(IFRS-15) "Revenue from Contracts with Customers" as detailed below:

#### 3.14.1 Interest Income

- (i) Interest is calculated on daily product basis on loan and advances but charged and accounted for quarterly on accrual basis.
- (ii) Interest is charged on classified loans and advances as per Bangladesh Bank BRPD circular No. 14 dated 23 September 2012 and other related circulars and such interest is not taken into income.

#### 3.14.2 Fees and Commission Income

Commission and discounts on bills purchased and discounted are recognized at the time of realization.

#### 3.14.3 Investment Income

Income on investments is recognized on accrual Basis. Capital gain/loss is recognized at the time of realization.

#### 3.14.4 Dividend Income on Shares

Dividend income from investments is recognised at the time when it is declared, ascertained and right to receive the payment of the dividend is established.



### **3.14.5 Interest paid and other Expenses**

In terms of the provisions of the IAS-1 “Presentation of the Financial Statements” interest and other expenses are recognized on accrual basis.

### **3.15 Foreign Currency Transactions**

- (a) Transactions in foreign currencies are translated into taka currency at the rates of exchange prevailing on the date of such transactions except Wage Earner’s Scheme as per IAS-21 “The effects of changes in Foreign Exchange Rates”.
- (b) Gains and losses arising from fluctuation of exchange rates are recognized in Profit and Loss Account.

### **3.16 Cash Flow Statement**

Cash Flow Statement has been prepared in accordance with IAS -7 “Statement of Cash Flows” and under the guidelines of Bangladesh Bank BRPD circular No. 14 dated 25 June 2003. The Statement shows the structure of changes in cash and cash equivalents during the year.

### **3.17 Liquidity Statement**

The Liquidity Statement has been prepared in accordance with the remaining maturity grouping of the value of the assets and liabilities as on the reporting date under the guidelines of Bangladesh Bank BRPD Circular No. 14 dated 25 June 2003.

### **3.18 Statement of Changes in Equity**

Statement of Changes in Equity has been prepared in accordance with IAS-1 “Presentation of Financial Statements” and under the guidelines of Bangladesh Bank BRPD Circular No. 14 dated 25 June 2003.

### **3.19 Reconciliation of Books of Account**

Books of account in regard to inter bank (in Bangladesh and outside Bangladesh) and inter branch transactions are reconciled and no material difference was found which may affect the financial statements significantly. However, there exist some entries that have remained unreconciled. (Note- 13.11)

### **3.20 Earning per Share**

#### **Basic Earning per Share**

Earning per share (EPS) has been computed by dividing the Basic earnings by the number of Ordinary shares outstanding as on 31 December 2018 as per IAS- 33 “Earning per Share”.

#### **Diluted Earning per Share**

Diluted earning per share was not required to calculate, as there was no dilution possibilities occurred.

### **3.21 Off Balance Sheet Items, Commitments & Contingencies and Provision**

Under general banking transactions, liabilities against acceptance, endorsement and other obligations and bills against which acceptance has been given and claim exists there against, have been shown as off balance sheet items as per Bangladesh Bank’s guidelines.

Various outstanding liabilities for acceptances, endorsements etc. in the normal course of business are reflected in these accounts as per contra items to keep an accounting control on the outstanding bills.





General Provision @ 1% against Off Balance Sheet Exposures has been made on the basis of year end review by the management and instructions contained in Bangladesh Bank BRPD circular No. 14 dated 23 September 2012 and BRPD circular No-7 dated 21 June 2018.

### 3.22 Credit Rating of the Bank

As per the BRPD circular No. 06 Dated 5 July 2006 the Bank has done its credit rating by Emerging Credit Rating Limited (ECRL) on 28 June 2018 based on the audited financial statements of 31 December 2017 and the following rating was awarded:

#### Credit Rating Report (Entity Rating) on Uttara Bank Ltd.

Particulars	Long Term	Short Term
Entity Rating' 2017	AA (Very High Quality and very low credit risk)	ST-2 (Strong capacity for timely repayment and characterized with commendable position in terms of liquidity, internal fund generation and access to alternative source of funds)
Date of Rating	<b>28-06-2018</b>	
Validity of Rating	30-06-2019	30-06-2019

### 3.23 Audit Committee

The particulars of the members of the Audit Committee of the Board as on 31.12.2018 were as under:-

SL No.	Name	Status with the Bank	Status with the Committee	Educational Qualification
1.	Prof. Dr. Md. Nazmul Karim Chowdhury	Independent Director	Chairman	He obtained B.Com (Hons.) in 1969 & M.Com in Management in 1970 from Dhaka University, MBA in 1980 from Leuven University and Ph.D in 1984 from Brussels University, Belgium.
2.	Mr. Faruque Alamgir	Director	Member	He obtained M.A. degree from the University of Dhaka. He also did LLB.
3.	Mr. Shaikh Abdul Aziz	Director	Member	He obtained M.Sc from Dhaka University
4.	Mr. Waliul Huq Khandker	Independent Director	Member	He obtained B.Sc and M.Sc degree both in Biochemistry from Dhaka University

### 3.24 Related Party Disclosures

#### 3.24.1 Name of the Directors and the entities in which they have interest as on 31.12.2018:

SL No.	Name	Status with the Bank	Name of the entities in which the Directors have interest		Status with the entities	Amount/ Percentage of holding/interest in the entities
01	Mr. Azharul Islam	Chairman	1	Milnars Pumps Ltd.	Executive Chairman	Representing Sea Trade Fertilizer Ltd. and Aftab Fertilizers & Chemicals Ltd.
			2	Aftab Fertilizers & Chemicals Ltd.	Executive Chairman	11.15%
			3	Sea Trade Fertilizer Ltd.	Executive Chairman	45.00%
			4	Aftab CNG Ltd.	Executive Chairman	0.40%
			5	Aftab Group of Industries Ltd.	Executive Chairman	Representing Sea Trade Fertilizer Ltd., Aftab Fertilizers & Chemicals Ltd. and Aftab Foods Ltd.
			6	Aftab Foods Ltd.	Executive Chairman	0.035%
			7	Aftab Milk & Milk Products Ltd.	Executive Chairman	10.00%
			8	Aftab Global Textiles Ltd.	Executive Chairman	1.008%
			9	Aftab Power Ltd.	Executive Chairman	40.00%
			10	Aftab Garments Ltd.	Executive Chairman	0.021%
			11	Frozen Foods Ltd.	Executive Chairman	48.00%
			12	Aftab Real Estate Ltd.	Executive Chairman	50.00%
			13	Aftab IT Limited	Executive Chairman	40.00%
			14	Aftab Global Fisheries Ltd.	Executive Chairman	0.04%
02	Mr. Iftekharul Islam	Vice Chairman	1	Milnars Pumps Ltd.	Chairman and Managing Director	Representing Sea Trade Fertilizer Ltd. and Aftab Fertilizer and Chemicals Ltd.
			2	Aftab Fertilizers & Chemicals Ltd.	Chairman and Managing Director	13.56%
			3	Sea Trade Fertilizer Ltd.	Chairman and Managing Director	51.00%
			4	Aftab CNG Ltd.	Chairman and Managing Director	0.43%
			5	Aftab International Ltd.	Chairman and Managing Director	80.00%
			6	Aftab Group of Industries Ltd.	Chairman and Managing Director	60.00%
			7	Aftab Steel Ltd.	Chairman and Managing Director	80.00%
			8	Aftab Foods Ltd.	Chairman and Managing Director	0.0125%
			9	Aftab Local & Intl. Trading Ltd.	Chairman and Managing Director	90.00%
			10	Aftab Garments Ltd.	Chairman and Managing Director	0.026%
			11	Aftab Software Ltd.	Chairman and Managing Director	80.00%
			12	Aftab Computers Ltd.	Chairman and Managing Director	80.00%



SL No.	Name	Status with the Bank	Name of the entities in which the Directors have interest		Status with the entities	Amount/ Percentage of holding/interest in the entities
			13	Aftab Properties Ltd.	Chairman and Managing Director	80.00%
			14	Aftab Motors Ltd.	Chairman and Managing Director	80.00%
			15	Aftab Holdings Ltd.	Chairman and Managing Director	80.00%
			16	Aftab Fabrics Ltd.	Chairman and Managing Director	80.00%
			17	Aftab Logistics Ltd.	Chairman and Managing Director	80.00%
			18	Aftab Electronics Ltd.	Chairman and Managing Director	80.00%
			19	Aftab Global Textiles Ltd.	Chairman and Managing Director	1.008%
			20	Aftab Global Fisheries Ltd.	Chairman and Managing Director	0.04%
			21	Aftab Power Ltd.	Chairman and Managing Director	40.00%
			22	Frozen Foods Ltd.	Chairman and Managing Director	48.80%
			23	Aftab Broad Casting Corporation Ltd.	Chairman and Managing Director	80.00%
			24	Aftab Dyeing Industries Ltd.	Chairman and Managing Director	40.00%
			25	Aftab Basic Chemical Industries Ltd.	Chairman and Managing Director	95.00%
			26	Aftab Chemicals Ltd.	Chairman and Managing Director	80.00%
			27	Aftab Batteries Ltd.	Chairman and Managing Director	40.00%
			28	Aftab Plastic Ltd.	Chairman and Managing Director	80.00%
			29	Milnars Holdings Ltd.	Chairman and Managing Director	95.00%
			30	Aftab Furniture Ltd.	Chairman and Managing Director	95.00%
			31	Aftab Jute Mills Ltd.	Chairman and Managing Director	80.00%
			32	Aftab Real Estate Ltd.	Chairman and Managing Director	50.00%
			33	Aftab Global Foundation Ltd.	Chairman and Managing Director	90.00%
			34	Aftab Spinning Mills Ltd.	Chairman and Managing Director	95.00%
03	Mrs. Badrunnesa Sharmin Islam	Director	1	Milnars Pumps Ltd.	Executive Vice Chairman	Representing Sea Trade Fertilizer Ltd. and Aftab Fertilizers and Chemicals Ltd.
			2	Aftab Fertilizers & Chemicals Ltd.	Executive Vice Chairman	4.40%
			3	Sea Trade Fertilizer Ltd.	Executive Vice Chairman	10.00%

SL No.	Name	Status with the Bank	Name of the entities in which the Directors have interest		Status with the entities	Amount/ Percentage of holding/interest in the entities
			4	Aftab CNG Ltd.	Executive Vice Chairman	0.033%
			5	Aftab Group of Industries Ltd.	Executive Vice Chairman	6.67%
			6	Aftab Steel Ltd.	Executive Vice Chairman	10.00%
			7	Aftab Milk & Milk Products Ltd.	Executive Vice Chairman	10.00%
			8	Aftab Local & International Trading Ltd.	Executive Vice Chairman	10.00%
			9	Aftab Global Textiles Ltd.	Executive Vice Chairman	1.004%
			10	Frozen Foods Ltd.	Executive Vice Chairman	18.40%
			11	Aftab Garments Ltd.	Executive Vice Chairman	0.0052%
			12	Aftab Global Fisheries Ltd.	Executive Vice Chairman	0.02%
			13	Aftab Foods Ltd.	Executive Vice Chairman	0.025%
04	Mr. Arif Rahman	Director		Bengal Tradeways Ltd.	Director	24.97%
05	Mr. Abul Barq Alvi	Director		N I L	N I L	N I L
06	Dr. Md. Nazmul Karim Chowdhury	Independent Director		N I L	N I L	N I L
07	Mr. Md. Kamal Akhtar	Independent Director		N I L	N I L	N I L
08	Col. Engr. M.S. Kamal (Retd.)	Director	1	Lafarge Surma Cement	Shareholder	2,000 shares, Tk. 20,000/-
			2	Power Grid	Shareholder	1,892 shares, Tk. 18,920/-
			3	Grameen Phone	Shareholder	3200 shares, Tk. 32,000/-
			4	ICB AMCL 2nd	Shareholder	2,765 shares, Tk. 27,650/-
			5	NBL	Shareholder	3,360 shares, Tk 33,600/-
09	Mr. Asif Rahman	Director	1	Bengal Tradeways Ltd.	Director	24.97%
			2	CHB Building Technologies Ltd.	Director	45%
			3	Bengal Sourcing	Proprietor	100%
10	Mr. Faruque Alamgir	Director		N I L	N I L	N I L
11	Mr. Shaikh Abdul Aziz	Director		N I L	N I L	N I L
12	Mr. Kazi Masudur Rageb	Director		N I L	N I L	N I L
13	Professor Shibli Rubayat Ul Islam	Director		Representing Sadharan Bima Corporation	Chairman	N I L
14	Mr. Waliul Huq Khandker	Director		N I L	N I L	N I L
15	Mr. Mohammed Rabiul Hossain	Managing Director		N I L	N I L	N I L

### 3.24.2 Significant contracts where Bank is a party and wherein Directors have interest

Nature of contract	Purpose	Name of Director and related by	Lease period	Remarks
Lease agreement with Aftab Fertilizers & Chemicals Ltd.	Tenancy of portion of 4 <sup>th</sup> floor space at Head Office Building, 47, Shahid Bir Uttam Asfaqus Samad Sarak Motijheel C/A, Dhaka-1000	1. <b>Mr. Azharul Islam</b> , Chairman of Uttara Bank Ltd. (Executive Chairman of Aftab Fertilizers & Chemicals Ltd.) 2. <b>Mr. Iftekharul Islam</b> , Vice Chairman of Uttara Bank Ltd. (Chairman & Managing Director of Aftab Fertilizers & Chemicals Ltd.)	Lease period-6 (six) years w.e.f 01.07.2012 to 30.06.2018. The rent will be refixed after every 02(two) years.	
Lease agreement with Sea Trade Fertilizer Ltd.	Tenancy of portion of 5 <sup>th</sup> floor space at Head Office Building, 47, Shahid Bir Uttam Asfaqus Samad Sarak Motijheel C/A, Dhaka-1000	1. <b>Mr. Azharul Islam</b> , Chairman of Uttara Bank Ltd. ( Executive Chairman of Sea Trade Fertilizer Ltd.) 2. <b>Mr. Iftekharul Islam</b> , Vice Chairman of Uttara Bank Ltd. (Chairman & Managing Director of Sea Trade Fertilizer Ltd.)	Lease period-6 (six) years w.e.f 15.02.2012 to 14.02.2018. The rent will be refixed after every 02(two) years.	
Lease agreement with Milnars Pumps Limited	Tenancy of portion of 5 <sup>th</sup> floor space at Head Office Building, 47, Shahid Bir Uttam Asfaqus Samad Sarak Motijheel C/A, Dhaka-1000.	1. <b>Mr. Azharul Islam</b> , Chairman of Uttara Bank Ltd. (Executive Chairman of Milnars Pumps Limited.) 2. <b>Mr. Iftekharul Islam</b> , Vice Chairman of Uttara Bank Ltd. (Chairman and Managing Director of Milnars Pumps Limited)	Lease period-6 (six) years w.e.f 15.02.2012 to 14.02.2018. The rent will be refixed after every 02 (two) years.	

### 3.24.3 Shares issued to directors and executives without consideration or exercisable at discount: Nil



### 3.24.4 Related Party Transactions

The Bank in normal course of business has had transactions with other entities that fall within the definition of Related Party as contained in International Accounting Standards (IAS)-24 (Related Party Disclosures) and as defined in the BRPD circular No. 14 dated 25 June 2003 issued by Bangladesh Bank.

i)

Name of the Party	Related by	Nature of Transaction	Outstanding as on 01-Jan-18 (Taka)	Transaction		Outstanding as on 31-Dec-18
				Debit (Taka)	Credit (Taka)	
Islam Brothers Properties Ltd.	Mr. Azharul Islam (Chairman of the Bank) as Guarantor	Term Loan	75,021,972.94	25,000.00	25,504,706.94	49,542,266.00

ii)

Name of the Party	Related by	Nature of Transaction	Outstanding as on 01-Jan-18 (Taka)	Transaction		Outstanding as on 31-Dec-18
				Debit (Taka)	Credit (Taka)	
Aftab Fertilizers and Chemicals Ltd.	Chairman and Vice-Chairman	Floor Rent	69,80,160/-	12,69,120/-	16,92,160/-	65,57,120/-
Sea Trade Fertilizer Ltd.	Chairman and Vice-Chairman	Floor Rent	48,80,160/-	4,06,680/-	10,71,120/-	42,15,720/-
Milnars Pumps Limited	Chairman and Vice-Chairman	Floor Rent	75,91,360/-	4,06,680/-	9,42,240/-	70,55,800/-
UB Capital and Investment Ltd.	Subsidiary Company	Floor Rent	Nil	4,05,000/-	4,05,000/-	Nil
Uttara Bank Securities Ltd.	Subsidiary Company	Floor Rent	Nil	13,50,000/-	13,50,000/-	Nil

### 3.25 Lending Policies to Related Parties

Lending to related parties is effected as per requirements of Section 27(1) of Bank Companies Act, 1991 (amended up to 2013).

**3.25.1 Loans and advances to directors and their related concern (Note - 8.05)**

**3.25.2 Business other than banking business with any related concern of the directors as per Section 18(2) of the Bank companies Act, 1991 (amended up to 2013). (Note- 3.24.4)**

**3.25.3 Investments in the Uttara Bank Securities Limited and UB Capital & Investment Limited of directors and their related concerns: Nil**

### 3.26 Regulatory and Legal Compliance

The Bank complied with the requirements of following regulatory and legal authorities:

- (a) The Bank Companies Act, 1991(amended up to 2013).
- (b) The Companies Act, 1994.
- (c) Rules & Regulations issued by Bangladesh Bank.
- (d) The Securities and Exchange Rules 1987 and the Bangladesh Securities and Exchange Commission (Public Issue) Rules 2006.
- (e) Dhaka & Chittagong Stock Exchange listing regulations-2015.
- (f) The Income Tax Ordinance, 1984.
- (g) The VAT Act, 1991.

### 3.27 General

- (a) Figures appearing in these financial statements have been rounded off to the nearest Taka.
- (b) The expenses, irrespective of capital or revenue nature, accrued but not paid have been provided for in the books of accounts of the Bank.
- (c) Previous year's figures have been re-arranged in order to conform to current year's presentation.
- (d) The accounting policy has been followed consistently throughout the year.
- (e) No Asset has been off set against any liability except UBL General Account.

		Amount in Taka	
		2018	2017
<b>4.00</b>	<b>Cash</b>		
	Cash in hand (Note - 4.01)	3,136,618,694	2,700,511,035
	Balance with Bangladesh Bank and its agent Bank (Note - 4.02)	10,425,234,715	10,524,420,389
		<b>13,561,853,409</b>	<b>13,224,931,424</b>
<b>4.00.a</b>	<b>Consolidated cash</b>		
	Cash in hand (Note - 4.01.a)	3,136,639,429	2,700,532,209
	Balance with Bangladesh Bank and its agent Bank (Note- 4.02)	10,425,234,715	10,524,420,389
		<b>13,561,874,144</b>	<b>13,224,952,598</b>
<b>4.01</b>	<b>Cash in hand</b>		
	Local currency	3,102,066,304	2,658,747,748
	Foreign currencies	34,552,390	41,763,287
		<b>3,136,618,694</b>	<b>2,700,511,035</b>
<b>4.01.a</b>	<b>Consolidated cash in hand</b>		
	Uttara Bank Limited (Notes - 4.01)	3,136,618,694	2,700,511,035
	UB Capital & Investment Ltd.	-	-
	Uttara Bank Securities Ltd.	20,735	21,174
		<b>3,136,639,429</b>	<b>2,700,532,209</b>
<b>4.02</b>	<b>Balance with Bangladesh Bank and its agent Bank</b>		
	Bangladesh Bank		
	In local currency	8,447,304,091	9,621,100,355
	In foreign currencies	1,067,022,424	150,602,577
		<b>9,514,326,515</b>	<b>9,771,702,932</b>
	Sonali Bank as agent of Bangladesh Bank		
	Local currency	910,908,200	752,717,457
		<b>10,425,234,715</b>	<b>10,524,420,389</b>
<b>4.03</b>	<b>Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR)</b>		
	Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with section 33 of the Bank Companies Act 1991, MPD circular no. 02 & 01 dated 10.12.2013 & 03.04.2018, DOS circular no. 01 dated 19.01.2014.		
<b>4.03.1</b>	<b>Cash Reserve Ratio (CRR) : 5.5% of Average Demand and Time Liabilities</b>		
	Required reserve in amount	8,394,759,340	9,405,998,860
	Percentage (%)	5.50	6.50
	Average reserve held in amount (Bangladesh Bank)	8,899,808,118	9,600,640,118
	Percentage (%)	5.83	6.63
	Surplus/ (Deficit) (%)	<b>0.33</b>	<b>0.13</b>
<b>4.03.2</b>	<b>Statutory Liquidity Ratio (SLR): 13% of Average Demand and Time Liabilities</b>		
	Required reserve in amount	19,842,158,440	18,811,997,717
	Percentage (%)	13.00	13.00
	Actual reserve held in amount (Note 4.03.3)	26,280,769,588	29,298,479,148
	Percentage (%)	17.22	20.25
	Surplus/ (Deficit) (%)	<b>4.22</b>	<b>7.25</b>

		Amount in Taka	
		2018	2017
<b>4.03.3</b>	<b>Held for Statutory Liquidity Ratio</b>		
	Cash in hand	3,136,618,694	2,700,511,035
	Balance with Bangladesh Bank (Excess Reserve)	560,270,000	91,908,000
	Balance with Sonali Bank Limited as agent of Bangladesh Bank (Note- 4.02)	910,908,200	752,717,457
	Unencumbered approved securities	21,672,972,694	25,753,342,656
		<b>26,280,769,588</b>	<b>29,298,479,148</b>
<b>5.00</b>	<b>Balance with other Banks and financial institutions In Bangladesh</b>		
	Current deposit (Note- 5.01)	57,975,166	47,433,464
	Fund placement & Fixed term deposit (Note- 5.02 & 5.03)	15,000,000,000	13,189,450,000
		<b>15,057,975,166</b>	<b>13,236,883,464</b>
	<b>Outside Bangladesh (Note- 5.04)</b>	1,702,282,172	1,207,535,185
		<b>16,760,257,338</b>	<b>14,444,418,649</b>
<b>5.00.a</b>	<b>Consolidated Balance with other Banks and financial institutions In Bangladesh</b>		
	Uttara Bank Limited	15,057,975,166	13,236,883,464
	UB Capital & Investment Ltd.	-	-
	Uttara Bank Securities Ltd.	69,456,597	36,813,841
		<b>15,127,431,763</b>	<b>13,273,697,305</b>
	<b>Outside Bangladesh (Note- 5.04)</b>	1,702,282,172	1,207,535,185
		<b>16,829,713,935</b>	<b>14,481,232,490</b>
<b>5.01</b>	<b>In Bangladesh</b>		
	Current deposit with		
	Janata Bank Limited	46,694	47,844
	ICB Islamic Bank Limited	21,300,000	21,300,000
	Agrani Bank Limited	4,239,815	41,277
	Sonali Bank Limited	32,388,657	26,044,343
		<b>57,975,166</b>	<b>47,433,464</b>
<b>5.02</b>	<b>Fund placement with</b>		
	Eastern Bank Limited	-	82,700,000
	NRB Bank Limited	-	41,350,000
	Mercantile Bank Limited	-	165,400,000
	BRAC Bank Limited	-	-
		-	<b>289,450,000</b>
<b>5.03</b>	<b>Fixed Term Deposit with</b>		
	AB Bank Limited	2,500,000,000	1,000,000,000
	NRB Global Bank Limited	500,000,000	400,000,000
	National Bank Limited	3,000,000,000	1,000,000,000
	Bangladesh Commerce Bank Limited	100,000,000	250,000,000
	Social Islami Bank Limited	500,000,000	500,000,000
	Meghna Bank Limited	300,000,000	250,000,000
	Dhaka Bank Limited	1,000,000,000	150,000,000
	First Security Islami Bank Limited	1,000,000,000	-
	One Bank Limited	1,500,000,000	-
	Union Bank Limited	500,000,000	-
	Jamuna Bank Limited	1,500,000,000	-
	The Premier Bank Limited	500,000,000	-
	Standard Bank Limited	-	1,000,000,000
	Modhumoti Bank Limited	-	250,000,000
	Mercantile Bank Limited	-	500,000,000
	IFIC Bank Limited	-	1,000,000,000
	Southeast Bank Limited	-	500,000,000
	NRB Commerce Bank Limited	-	400,000,000
	Lanka Bangla Finance Limited	300,000,000	600,000,000
	Investment Corporation of Bangladesh	800,000,000	1,500,000,000
	Delta Brac Housing Finance Corporation Limited	700,000,000	1,800,000,000
	IPDC Finance Limited	200,000,000	300,000,000
	Hajj Finance Company Limited	100,000,000	-
	Industrial and Infrastructure Development Finance Company Limited	-	500,000,000
	IDLC Finance Limited	-	1,000,000,000
		<b>15,000,000,000</b>	<b>12,900,000,000</b>

		Amount in Taka	
		2018	2017
<b>5.04</b>	<b>Outside Bangladesh (Nostro Account)</b>		
	<b>Current account</b>	<b>1,702,282,172</b>	<b>1,207,535,185</b>
	(Details are shown in Annexure "A" )		
<b>5.05</b>	<b>Maturity grouping of Balance with other Banks and financial institutions</b>		
	<b>In Bangladesh</b>		
	Repayable on demand	36,675,166	26,133,464
	Upto 1 month	7,200,000,000	8,539,450,000
	Over 1 month but not more than 3 months	7,500,000,000	4,650,000,000
	Over 3 months but not more than 1 year	300,000,000	-
	Over 1 year but not more than 5 years	21,300,000	21,300,000
	Over 5 years	-	-
		<b>15,057,975,166</b>	<b>13,236,883,464</b>
	<b>Outside Bangladesh</b>		
	Repayable on demand	1,702,282,172	1,207,535,185
		<b>16,760,257,338</b>	<b>14,444,418,649</b>
<b>6.00</b>	<b>Money at call on short notice</b>		
	With Banks	-	-
	With financial institutions	-	250,000,000
		<b>-</b>	<b>250,000,000</b>
<b>7.00</b>	<b>Investments</b>		
	<b>Investments Securities</b>		
	Treasury Bills (Note- 7.01)	-	-
	Government Treasury Bonds (Note- 7.02)	21,664,851,294	25,746,504,956
	Prize Bond	8,121,400	6,478,200
	Bangladesh Bank Bills	-	-
		<b>21,672,972,694</b>	<b>25,752,983,156</b>
	<b>Other Investments</b>		
	Shares and Debentures of ICB sponsored companies (Note- 7.03)	6,618,663	6,618,663
	Shares of Companies (Note-7.04)	326,326,701	317,893,060
	Subordinated bond	5,910,000,000	6,090,000,000
	Commercial Paper	750,000,000	433,000,000
	Others (Note- 7.05)	3,380,583	3,380,583
		<b>6,996,325,947</b>	<b>6,850,892,306</b>
		<b>28,669,298,641</b>	<b>32,603,875,462</b>
	<b>Investment in Securities are classified according to Bangladesh Bank Circular</b>		
	Held for trading	997,308,807	3,822,909,563
	Held to maturity	20,636,547,487	21,855,794,393
	Other securities	7,035,442,347	6,925,171,506
		<b>28,669,298,641</b>	<b>32,603,875,462</b>
<b>7.00.a</b>	<b>Consolidated Investments</b>		
	Uttara Bank Limited	28,669,298,641	32,603,875,462
	Uttara Bank Securities Limited	268,148,938	315,217,342
	UB Capital & Investment Limited	-	-
		<b>28,937,447,579</b>	<b>32,919,092,804</b>



		Amount in Taka	
		2018	2017
<b>7.01 Treasury Bills</b>			
	91 days Treasury Bills	-	-
	182 days Treasury Bills	-	-
	364 days Treasury Bills	-	-
		-	-
<b>7.02 Government Treasury Bonds</b>			
	25 years Treasury Bond (JSAC)	30,995,000	67,801,000
	20 years' Treasury Bond	3,299,717,979	3,303,970,974
	15 years Treasury Bond	6,286,521,324	6,329,503,367
	10 years Treasury Bond	11,737,936,727	14,210,832,027
	5 years Treasury Bond	309,680,264	1,007,454,428
	2 years Treasury Bond	-	826,943,160
		<b>21,664,851,294</b>	<b>25,746,504,956</b>
<b>7.03 Share &amp; Debentures of ICB sponsored companies</b>			
	Underwriting Advance (Share)	5,201,243	5,201,243
	Underwriting Advance (Taken up share)	1,057,920	1,057,920
	Underwriting Advance (Debenture)	359,500	359,500
		<b>6,618,663</b>	<b>6,618,663</b>

#### 7.04 Investment in Shares

Name of company (Quoted)	No. of Share	Market price per share (Taka)	Total Market value (Taka)	Book value 2018	Book value 2017
Investment Corporation of Bangladesh	10,562,139	116.20	1,227,320,552	199,445,000	199,445,000
Eastern Bank Ltd.	30,749,937	36.00	1,106,997,732	104,017,400	104,017,400
National Tea Co. Ltd.	24,250	775.40	18,803,450	242,500	242,500
8th ICB Mutual Fund	6,160	60.00	369,600	61,600	61,600
Bangladesh Shipping Corporation	6,380	39.00	248,820	57,000	57,000
<b>A</b>	<b>41,348,866</b>		<b>2,353,740,154</b>	<b>303,823,500</b>	<b>303,823,500</b>

Name of company (Un-quoted)	No. of Share	Face value (Taka)	Average Cost (Taka)	Book value 2018	Book value 2017
Karmasangsthan Bank	100,000	100.00	100.00	10,000,000	10,000,000
Central Depository Bangladesh Ltd.	571,181	10.00	2.75	1,569,450	1,569,450
Industrial Promotion Services Ltd.	25,000	10.00	10.00	250,000	250,000
Calico Cotton Mills Ltd.	25,011	10.00	10.00	250,110	250,110
MSF A.M. Co. Ltd.	200,000	10.00	10.00	2,000,000	2,000,000
SWIFT Share	25	0.00	-	8,433,641	-
<b>B</b>	<b>921,217</b>			<b>22,503,201</b>	<b>14,069,560</b>
<b>A+B</b>	<b>42,270,083</b>			<b>326,326,701</b>	<b>317,893,060</b>

		Amount in Taka	
		2018	2017
<b>7.05</b>	<b>Others</b>		
	Rajshahi Jute Mills Ltd. (Govt. Guaranteed)	43,134	43,134
	Star Jute Mills Ltd.(Govt. Guaranteed)	3,337,449	3,337,449
		<b>3,380,583</b>	<b>3,380,583</b>
<b>7.06</b>	<b>Asset pledged as security</b>		
	Assets in the amounts shown below were pledged as security for the following liabilities		
	Liabilities to banks	-	26,000,000
	Liabilities to customers	-	-
			<b>26,000,000</b>
	Following assets were pledged as security for the above mentioned liabilities		
	Claims on banks	-	37,000,000
	Claims on customers	-	-
		-	<b>37,000,000</b>
<b>7.07</b>	<b>Maturity grouping of investments</b>		
	On Demand	8,121,400	6,478,200
	Upto 1 month	720,110,782	400,392,950
	Over 1 month but not more than 3 months	450,000,000	150,000,000
	Over 3 months but not more than 1 year	2,092,370,898	3,239,098,205
	Over 1 year but not more than 5 years	11,976,474,859	1,417,970,777
	Over 5 years	13,422,220,702	27,389,935,330
		<b>28,669,298,641</b>	<b>32,603,875,462</b>
<b>7.08</b>	<b>Classification of investment</b>		
	Un-classified	28,658,799,285	32,593,376,106
	Sub-standard	-	-
	Doubtful	-	-
	Bad or Loss	10,499,356	10,499,356
		<b>28,669,298,641</b>	<b>32,603,875,462</b>
<b>7.09</b>	<b>Particulars of required provision for investment</b>		
	Un-classified	-	-
	Sub-standard	-	-
	Doubtful	-	-
	Bad or Loss	10,499,356	10,499,356
	<b>Provision required</b>	<b>10,499,356</b>	<b>10,499,356</b>
	Provision maintained (Note-13.08)	11,704,000	11,704,000
	Excess provision	<b>1,204,644</b>	<b>1,204,644</b>

	Amount in Taka	
	2018	2017
<b>8.00 Loans and advances</b>		
Loans , cash credits and over drafts etc.		
In Bangladesh		
Over draft	10,307,185,245	10,201,405,501
Cash credit	55,194,989,837	48,673,919,129
Loan	33,705,111,092	31,363,003,365
Consumer financing	6,732,853,667	4,362,245,710
Agri credit	2,805,515,730	2,195,030,950
Uttaran paribashbandhab loan scheme	297,511,246	303,818,630
Rural credit	6,322,205	6,337,266
Loan against imported merchandise	42,382,133	298,174,623
Loan against trust receipt	5,514,035,794	4,413,459,153
Overdraft export	280,007,468	255,073,658
Lease financing (Note- 8.02)	216,547,094	174,848,936
Uttaran taka 10 small/micro loan scheme	30,962,234	25,934,653
EDF Loan Account	964,738,086	678,612,232
	<b>116,098,161,831</b>	<b>102,951,863,806</b>
Outside Bangladesh	-	-
	<b>116,098,161,831</b>	<b>102,951,863,806</b>
Bills purchased and discounted		
In Bangladesh		
Demand draft purchased	-	-
Inland bills purchased	2,008,377,214	1,657,833,364
Payment against documents	582,584,145	513,339,899
	<b>2,590,961,359</b>	<b>2,171,173,263</b>
Outside Bangladesh		
Foreign bills purchased	100,617,265	137,910,588
Foreign drafts purchased	-	-
	<b>100,617,265</b>	<b>137,910,588</b>
	<b>2,691,578,624</b>	<b>2,309,083,851</b>
	<b>118,789,740,455</b>	<b>105,260,947,657</b>
<b>8.00.a Consolidated Loans and advances</b>		
Uttara Bank Limited	118,789,740,455	105,260,947,657
Uttara Bank Securities Limited	(165,370,284)	(199,854,454)
UB Capital & Investment Limited	-	-
	<b>118,624,370,171</b>	<b>105,061,093,203</b>
<b>8.01 Net loans and advances</b>		
Total loans and advances	118,789,740,455	105,260,947,657
Interest suspense (Note-13.09 )	(1,543,201,141)	(1,262,734,090)
Provision for loans and advances (Note-13.03)	(3,319,004,682)	(2,253,643,152)
Net loans and advances	<b>113,927,534,632</b>	<b>101,744,570,415</b>
<b>8.02 Lease finance</b>		
Lease finance receivable within 1 year	96,834,261	85,325,221
Lease finance receivable within 5 years	158,964,786	141,536,081
Lease finance receivable after 5 years	-	-
Total Lease rental receivable	<b>255,799,047</b>	<b>226,861,302</b>
Less: Unearned income on lease finance	(39,251,953)	(52,012,366)
	<b>216,547,094</b>	<b>174,848,936</b>

Amount in Taka	
2018	2017

### 8.03 Maturity grouping of loans & advances including bills purchased and discounted

#### i) Loans and Advances

Receivable on Demand	-	-
Upto 1 month	18,968,444,954	15,164,685,702
Over 1 month but not more than 3 months	18,329,533,037	16,518,167,499
Over 3 months but not more than 1 year	58,792,481,667	55,804,620,111
Over 1 year but not more than 5 years	10,888,260,271	8,754,727,477
Over 5 years	9,119,441,902	6,709,663,017
	<b>116,098,161,831</b>	<b>102,951,863,806</b>

#### ii) Bills purchased and discounted

Payable within 1 month	-	-
Over 1 month but not more than 3 months	2,691,578,624	2,309,083,851
Over 3 months but not more than 6 months	-	-
6 months or more	-	-
	<b>2,691,578,624</b>	<b>2,309,083,851</b>
	<b>118,789,740,455</b>	<b>105,260,947,657</b>

### 8.04 Loans and advances under the following broad categories

#### In Bangladesh

Loan	50,315,979,281	43,821,465,518
Cash Credit	55,194,989,837	48,673,919,129
Over Draft	10,587,192,713	10,456,479,159
	<b>116,098,161,831</b>	<b>102,951,863,806</b>

#### Outside Bangladesh

	-	-
	<b>116,098,161,831</b>	<b>102,951,863,806</b>

#### Bills purchased and discounted

In Bangladesh	2,590,961,359	2,171,173,263
Outside Bangladesh	100,617,265	137,910,588
	<b>2,691,578,624</b>	<b>2,309,083,851</b>
	<b>118,789,740,455</b>	<b>105,260,947,657</b>

### 8.05 Loans and advances on the basis of significant concentration

Advance to allied concerns of Directors (Note- 3.24.4)	49,542,266	75,021,973
Advance (HBL) to the employees' of the Bank (Note- 8.06)	3,082,171,999	3,081,241,668
Advance to customers' group	89,741,572,885	79,814,476,839
Industrial Advances (Note- 8.07)	25,916,453,305	22,290,207,177
	<b>118,789,740,455</b>	<b>105,260,947,657</b>

	Amount in Taka	
	2018	2017
<b>8.06 Advance (HBL) to the employees of the Bank</b>		
Advance to the Managing Director & senior executives	12,594,456	14,295,964
Advance to other employees	3,069,577,543	3,066,945,704
	<b>3,082,171,999</b>	<b>3,081,241,668</b>

### 8.07 Industry - wise loans and advances including bills purchased and discounted

<b>Agriculture (Dairy, Poultry, Nursery, Hatchery etc)</b>	<b>2,805,515,730</b>	<b>2,195,030,950</b>
<b>Industries (Manufactures/Manufacturing Companies)</b>	<b>25,916,453,305</b>	<b>22,278,019,826</b>
Textile Mills	4,321,068,881	3,868,101,297
Jute Mills/ Jute Products Manufacturing Industries	371,192,577	746,875,993
Rubber & Plastic Industries	696,026,954	904,930,339
Readymade Garments	3,038,555,303	3,363,473,388
Pharmaceutical Industries	656,348,994	533,596,743
Chemical Industries	1,701,101,052	1,210,370,560
Cement Industries	21,808,376	178,786,434
Iron, Steel & Aluminum Industries	5,217,805,256	3,619,487,974
Others Industries	9,892,545,912	7,852,397,098
<b>Industries (Gas/Electricity/Power Generating Companies)</b>	<b>-</b>	<b>12,187,351</b>
<b>Service Industries</b>	<b>7,188,330,881</b>	<b>8,634,975,578</b>
Hospital, Clinic & Pathology	16,752,006	42,390,552
Fuel & Electricity	757,545,638	51,808,821
IT Sector	2,750,455	3,215,271
Transport	9,850,760	11,027,761
Construction	3,171,669,077	7,202,169,612
Telecommunication	21,909,906	18,799,127
Others	3,207,853,039	1,305,564,434
<b>Agro based Industries</b>	<b>8,254,161,425</b>	<b>7,331,130,555</b>
<b>Commerce &amp; Trade</b>	<b>63,061,738,592</b>	<b>51,788,464,735</b>
<b>Financial Corporation</b>	<b>8,188,503,308</b>	<b>9,085,050,096</b>
<b>Others</b>	<b>3,375,037,214</b>	<b>3,936,088,566</b>
	<b>118,789,740,455</b>	<b>105,260,947,657</b>

### 8.08 Sector wise loans & advances including bills purchased and discounted

<b>In Bangladesh</b>		
Government & Autonomous bodies	11,006,721	11,070,904
Financial Institutions	539,069,319	2,318,998,981
Private Sector	118,239,664,415	102,930,877,772
	118,789,740,455	105,260,947,657
<b>Outside Bangladesh</b>	<b>-</b>	<b>-</b>
	<b>118,789,740,455</b>	<b>105,260,947,657</b>



### 8.09 Geographical area basis distribution of loans and advances including bills discounted and purchased

	Amount in Taka	
	2018	2017
Dhaka Division	69,985,817,896	63,613,051,601
Chittagong Division	19,936,701,302	16,870,844,312
Khulna Division	7,213,915,107	6,514,738,135
Barisal Division	3,845,367,812	3,286,329,978
Rajshahi Division	6,905,258,538	5,791,946,394
Sylhet Division	2,911,267,287	2,516,552,197
Rangpur Division	5,571,948,945	4,443,586,907
Mymensingh Division	2,419,463,568	2,223,898,133
	<b>118,789,740,455</b>	<b>105,260,947,657</b>

### 8.10 Loans and advances allowed to each customer exceeding 10% of Bank's total Capital

Number of clients with amount of outstanding and classified loan to whom loans & advances sanctioned exceeding 10% of total capital of the Bank. Total capital of the Bank was Tk.1,375.27 crore at 2018 ( 2017 : Tk. 1,307.13 crore).

Number of clients	20	13
Amount of outstanding advances	27,960,712,704	19,702,987,965
Amount of classified advances	-	638,487,780

(Details are given in Annexure - B)

### 8.11 Classification of loans & advances including bills as per Bangladesh Bank circular

#### Unclassified (including staff loan)

Standard (Including staff loan)	109,318,461,958	97,057,720,322
Special mentioned account	1,952,348,911	1,098,616,135
	<b>111,270,810,869</b>	<b>98,156,336,457</b>

#### Classified loans & advances

Sub-Standard	786,459,609	1,095,664,326
Doubtful	609,079,974	542,452,326
Bad or loss	6,123,390,003	5,466,494,548
	<b>7,518,929,586</b>	<b>7,104,611,200</b>
	<b>118,789,740,455</b>	<b>105,260,947,657</b>

## 8.12 Particulars of required provision for loans and advances

Particulars	Outstanding Balance (Taka)	Base for provision (Taka)	Required Provision	
			2018 Taka	2017 Taka

### Unclassified-general provision

#### a) Standard

i) Small&Medium Entpris.Financing (SMEF) @ 0.25%	51,639,925,308	51,639,925,308	129,099,813	113,601,471
ii) CF (Other than HF & LP) @ 5%	2,999,576,519	2,999,576,519	149,978,826	172,727,831
iii) Consumer Financing -Credit Card General @ 2%	46,040	46,040	921	-
iv) Housing Finance (HF) @1%	5,654,925,920	5,654,925,920	56,549,259	35,664,662
v) Loans for Professionals (LP) @2%	46,319,406	46,319,406	926,388	23,607,473
vi) Loans to BHs/MBs/SDs @2%	165,451,187	165,451,187	3,309,024	-
vii) Short term Agri. Credit & Micro Credit@1.0%	610,529,126	610,529,126	6,105,292	6,765,871
viii) Others (Other than SMEF& CF,LP, BHs/MBs/SDs) @1%	45,131,596,921	45,131,596,921	451,315,969	396,579,067
	<b>106,248,370,427</b>	<b>106,248,370,427</b>	<b>797,285,492</b>	<b>748,946,375</b>

#### b) SMA

i) Small&Medium Entpris.Financing (SMEF) @0.25%	420,494,409	420,346,537	1,050,866	1,216,143
ii) CF (Other than HF & LP) @ 5%	8,752,106	8,412,740	420,637	672,124
iii) Housing Finance (HF) @1%	411,796,671	406,010,141	4,060,101	3,290,732
iv) Loans for Professionals (LP) @2%	340,088	340,088	6,802	57,757
v) Loans to BHs/MBs/SDs @2%	-	-	-	-
vi) Others (Other than SMEF& CF,LP, BHs/MBs/SDs) @1%	1,098,885,169	1,097,318,824	10,973,188	2,667,555
vii) Short term Agri. Credit@1.0%	-	-	-	-
ix) Staff Loan	12,080,468	12,080,468	-	-
	<b>1,952,348,911</b>	<b>1,944,508,798</b>	<b>16,511,594</b>	<b>7,904,311</b>
<b>Total Unclassified Loans and Advances</b>	<b>108,200,719,338</b>	<b>108,192,879,225</b>	<b>813,797,086</b>	<b>756,850,686</b>

### Classified-specific provision

Substandard	786,459,609	261,120,475	33,934,672	103,698,995
Doubtful	609,079,974	188,378,069	57,736,541	45,284,101
Bad or loss	6,123,390,003	1,484,393,370	1,484,393,370	1,339,576,315
	<b>7,518,929,586</b>	<b>1,933,891,914</b>	<b>1,576,064,583</b>	<b>1,488,559,411</b>

Staff loans	3,070,091,531	-	-	-
-------------	---------------	---	---	---

<b>Total Loans and Advances</b>	<b>118,789,740,455</b>	<b>110,126,771,139</b>	<b>2,389,861,669</b>	<b>2,245,410,097</b>
---------------------------------	------------------------	------------------------	----------------------	----------------------

#### Required provision:

For loans and advances			2,389,861,669	2,245,410,097
------------------------	--	--	---------------	---------------

For Loans and advances against stay orders			925,227,000	-
--	--	--	-------------	---

			3,315,088,669	2,245,410,097
--	--	--	---------------	---------------

Provision maintained (Note-13.03)			3,319,004,682	2,253,643,152
-----------------------------------	--	--	---------------	---------------

<b>Excess provision</b>			<b>3,916,013</b>	<b>8,233,055</b>
-------------------------	--	--	------------------	------------------



### 8.13 Loan restructuring

In terms of Bangladesh Bank, Banking Regulation & Policy Department BRPD Circular No. 04 dated January 29,2015 Bank allowed above amount as restructuring facilities to Samannaz Super Oil Ltd., Agrabad Branch, Chittagong for the year 2018.

### 8.14 Particulars of loans and advances

	Amount in Taka	
	2018	2017
	<b>518,761,530</b>	<b>519,075,313</b>
i) Debts considered good in respect of which the Bank Company is fully secured	118,368,183,422	104,890,051,008
ii) Debts considered good for which the Bank holds no other security than the debtors' personal security	11,006,721	11,070,904
iii) Debts considered good being secured by the personal securities of one or more parties in addition to the personal security of the debtors	410,550,312	359,825,745
iv) Debts considered doubtful or bad not provided for	-	-
	<b>118,789,740,455</b>	<b>105,260,947,657</b>
v) Balance of debts due by Directors or Officers of the bank or any of them either severally or jointly with any other persons	3,082,171,999	3,081,241,668
vi) Balance of debts due by companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or in the case of private companies as members	49,542,266	75,021,973
vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or employees' of the bank or any of them either severally or jointly with any other person	3,082,171,999	3,081,241,668
viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the bank are interested as Directors,partners or managing agents or in the case of private companies, as members.	49,542,266	75,021,973
ix) Debts due from Bank Companies	-	-
x) Classified loan on which interest/profit has not been charged	7,518,929,586	7,104,611,200
xi) Increase/decrease in provision (specific)	1,008,361,530	191,506,968
xii) Amount of loan written off debt	391,476,432	540,928,839
xiii) Amount recovered against the debt which was previously written off	190,510,000	190,000,000
xiv) Amount of provision kept against the amount of loan classified as bad/loss	2,389,104,682	1,347,143,152
xv) Amount of interest credited to intt. suspense account (Note- 13.09)	970,209,308	285,655,971
xvi) Cumulative amount of written off debts for which suit has been filed for recovery		
Amount of debt written off	14,213,862,256	13,672,933,417
Amount of written off debt during the year	391,476,432	540,928,839
	<b>14,605,338,688</b>	<b>14,213,862,256</b>

	Amount in Taka	
	2018	2017
<b>9.00 Fixed assets including land, building, furniture and fixtures</b>		
<b>Cost</b>		
Land	1,315,648,485	1,315,648,485
Building	1,285,054,527	1,285,054,527
Furniture and fixtures	672,547,830	662,021,899
Vehicles	168,146,476	173,347,976
Office appliance	1,256,712,914	1,212,842,799
Software	241,566,111	230,077,620
	<b>4,939,676,343</b>	<b>4,878,993,306</b>
<b>Less : accumulated depreciation</b>	<b>1,889,669,648</b>	<b>1,690,480,467</b>
<b>Net Book value at the end of the year</b>	<b>3,050,006,695</b>	<b>3,188,512,839</b>
<b>(Details are shown in Annexure - C)</b>		

**9.00.a Consolidated Fixed assets including land, building, furniture and fixtures**

**Uttara Bank Limited**

Cost	4,939,676,343	4,878,993,306
Less: Accumulated Depreciation	1,889,669,648	1,690,480,467
	<b>3,050,006,695</b>	<b>3,188,512,839</b>

**Uttara Bank Securities Ltd.**

Cost	10,544,481	11,817,481
Less: Accumulated Depreciation	4,696,982	4,173,266
	<b>5,847,499</b>	<b>7,644,215</b>

**Net Book value at the end of the year**

**(Details are shown in Annexure -D)**

	<b>3,055,854,194</b>	<b>3,196,157,054</b>
--	----------------------	----------------------

**9.01 Classification of fixed assets as per Bangladesh Bank circular**

Unclassified	3,036,127,015	3,174,633,159
Sub-Standard	-	-
Doubtful	-	-
Bad or loss	13,879,680	13,879,680
	<b>3,050,006,695</b>	<b>3,188,512,839</b>

**9.02 Particulars of required provision for fixed assets**

Sub-standard	-	-
Doubtful	-	-
Bad or loss	13,879,680	13,879,680
Required provision	<b>13,879,680</b>	<b>13,879,680</b>
Provision maintained (Note-13.07)	15,000,000	15,000,000
Surplus provision	<b>1,120,320</b>	<b>1,120,320</b>

	Amount in Taka	
	2018	2017
<b>10.00 Other Assets</b>		
Stationery, stamps, printing materials in stock etc.	53,958,172	53,302,752
Advance rent	125,758,108	157,165,024
Interest accrued on Investment but not collected	578,569,708	795,100,868
Interest receivable on loans and advances	316,900,946	171,330,978
Pre-payment and Security Deposit	30,620,634	35,023,392
Suspense account	203,876,453	18,202,122
Investment in subsidiaries (Note- 10.01)	599,964,000	599,964,000
Others (Note- 10.02)	7,224,277,908	8,011,701,403
	<b>9,133,925,929</b>	<b>9,841,790,539</b>
<b>10.00.a Consolidated other assets</b>		
Uttara Bank Limited	9,133,925,929	9,841,790,539
UB Capital & Investment Ltd.	22,889,979	20,256,546
Uttara Bank Securities Ltd.	318,411,361	395,032,448
	<b>9,475,227,269</b>	<b>10,257,079,533</b>
Less: Inter Company Elimination	(599,964,000)	(599,964,000)
	<b>8,875,263,269</b>	<b>9,657,115,533</b>
<b>10.00.b Non-Banking assets</b>		
Opening balance	65,146,346	68,941,814
Adjustment during the year	(307,805)	(3,795,468)
Closing balance	<b>64,838,541</b>	<b>65,146,346</b>
	<b>599,964,000</b>	<b>599,964,000</b>
<b>10.01 Investment in subsidiaries</b>		
This represents investment in UB Capital & Investment Limited and Uttara Bank Securities Limited which are subsidiary companies of Uttara Bank Limited.		
<b>10.02 Others</b>		
Income tax deducted at source	991,870,329	868,107,638
Upfront tax on Govt. bills/bonds etc.	15,581,186	49,782,648
Clearing House Adjustment	43,300,000	28,569,045
Receivable from Government	24,225	24,225
Excise duty receivable	13,886,530	10,244,490
Claims on Govt. Savings Instruments (Sanchaypatra & wage earners bond)	817,575,696	799,678,586
Claim against re-structuring of debts of raw jute under Government agreement	20,301,905	20,301,905
Protested bills	43,383,419	43,683,419
Advance income tax	4,621,238,968	4,936,192,030
Claim against waiver of interest to Jute traders for the period from July to December (1998)	897,200	897,200
Fund placement to OBU	592,293,316	1,190,699,333
Electricity, Wasa, Gas Bill Receivable	3,265,627	2,756,915
Dividend Receivable on shares	33,167,720	31,649,142
Rent Receivable	17,828,640	19,451,680
Investment in Portfolio	9,663,147	9,663,147
	<b>7,224,277,908</b>	<b>8,011,701,403</b>



	Amount in Taka	
	2018	2017
<b>10.03 Classification of other assets as per Bangladesh Bank circular</b>		
Unclassified	9,074,465,912	9,760,306,353
Substandard	-	-
Doubtful	-	30,000,000
Bad or loss	59,460,017	51,484,186
	<b>9,133,925,929</b>	<b>9,841,790,539</b>
<b>10.04 Particulars of required provision for other assets</b>		
Sub-standard	-	-
Doubtful	-	15,000,000
Bad or loss	59,460,017	51,484,186
Required provision	<b>59,460,017</b>	<b>66,484,186</b>
Provision maintained (Note- 13.06)	59,571,535	72,158,922
Provision surplus	<b>111,518</b>	<b>5,674,736</b>
<b>11.00 Borrowings from other banks and financial institutions</b>		
Borrowing from other Bank (Note-11.01)	4,300,000,000	-
Re-Finance from Bangladesh Bank (Note-11.02)	1,166,097,631	992,330,322
	<b>5,466,097,631</b>	<b>992,330,322</b>
<b>11.01 Borrowing from Other Bank</b>		
Janata Bank Limited	500,000,000	-
Rupali Bank Limited	550,000,000	-
IFIC Bank Limited	500,000,000	-
Sonali Bank Limited	1,050,000,000	-
Southeast Bank Limited	1,000,000,000	-
Meghna Bank Limited	600,000,000	-
State Bank of India	100,000,000	-
	<b>4,300,000,000</b>	<b>-</b>
<b>11.02 Re- Finance from Bangladesh Bank</b>		
Re- finance against SME	1,334,398	11,878,650
Re-finance against green products	18,642,962	37,230,092
Re-finance against uttaran taka 10 small/micro loan scheme	20,027,500	8,737,500
Re-finance against brick kiln efficiency improvement	212,714,288	276,528,572
Re-finance against JICA FSPDSME Fund for SME Entrepreneurship	5,509,687	7,958,437
Re-finance against EDF loan	907,868,796	649,997,071
	<b>1,166,097,631</b>	<b>992,330,322</b>

	Amount in Taka	
	2018	2017
<b>11.03 Security against borrowings from other banks and financial institutions</b>		
Secured	5,466,097,631	992,330,322
Unsecured	-	-
	<b>5,466,097,631</b>	<b>992,330,322</b>
<b>11.04 Maturity grouping of Borrowings from other banks and financial institutions</b>		
Payable on demand	-	-
Upto 1 month	4,300,000,000	-
Over 1 month but within 3 months	907,868,796	649,997,071
Over 3 months but within 1 year	258,228,835	342,333,251
Over 1 year	-	-
	<b>5,466,097,631</b>	<b>992,330,322</b>
<b>12.00 Deposits and other accounts</b>		
<b>Current deposit and other accounts etc.</b>		
Current Account Deposits	16,059,086,591	16,254,978,310
Special Notice Deposits	11,429,462,820	11,696,467,198
Foreign Currency Deposits	198,674,226	202,895,875
Cash Credit and Loan Account Credit Balance	733,475,428	733,748,932
Double Benefits Deposit Scheme	5,956,134,843	8,018,737,894
Monthly Deposit Scheme	9,741,471,224	14,166,906,670
Mashik Munafa Prokalpa	1,664,642,176	3,578,595,147
Uttaran Bibaha S. Prokalpa	155,461,982	169,549,319
Uttaran Swapnopuran S. Prokalpa	9,258,474,129	8,616,140,448
Uttaran Shikkhaya S. Prokalpa	380,714,435	409,257,668
School Banking Deposits	630,486,023	528,746,815
VISA Prepaid Card Holders A/c.	1,037,616	257,258
Uttaran Millionaire Deposit Scheme	945,254,889	150,731
Uttaran Lakhpoti Deposit Scheme	74,628,040	28,522
	<b>57,229,004,422</b>	<b>64,376,460,787</b>
<b>Bills payable</b>		
Drafts payable	121,484,668	90,693,544
Payment Order	3,860,032,310	4,006,119,592
Security Deposit Receipt	6,291,378	6,853,252
	<b>3,987,808,356</b>	<b>4,103,666,388</b>
<b>Saving Banks Deposits</b>	<b>47,149,266,870</b>	<b>43,727,723,131</b>
<b>Fixed Deposits</b>	<b>41,352,962,425</b>	<b>33,443,680,117</b>
<b>Other Deposits</b>	<b>3,338,760,626</b>	<b>2,863,355,965</b>
	<b>153,057,802,699</b>	<b>148,514,886,388</b>

	Amount in Taka	
	2018	2017
<b>12.00.a Consolidated Deposit and other accounts</b>		
<b>Uttara Bank Limited</b>		
Current deposit and other accounts etc.	57,229,004,422	64,376,460,787
Bills payable	3,987,808,356	4,103,666,388
Saving Banks Deposits	47,149,266,870	43,727,723,131
Fixed Deposits	41,352,962,425	33,443,680,117
Other Deposits	3,338,760,626	2,863,355,965
	<b>153,057,802,699</b>	<b>148,514,886,388</b>
<b>Less: Inter Company Elimination</b>		
Current deposit and other accounts etc.	(976,992)	(955,501)
Saving Banks Deposits	(6,826,642)	(8,934,304)
Fixed Deposits	(191,943,751)	(183,869,320)
	<b>(199,747,385)</b>	<b>(193,759,125)</b>
	<b>152,858,055,314</b>	<b>148,321,127,263</b>
<b>12.01 Sector wise deposits</b>		
Government	6,813,638,913	8,629,379,757
Deposit money Banks (Note- 12.02.1)	869,317,450	294,967,860
Foreign Currency Deposits	198,674,226	202,895,875
Private	145,176,172,110	139,387,642,896
	<b>153,057,802,699</b>	<b>148,514,886,388</b>
<b>12.02 Residual maturity grouping of deposits including bills payable account</b>		
Deposit from Banks (Note- 12.02.1)	869,317,450	294,967,860
Deposit from other than Banks (Note-12.02.2)	152,188,485,249	148,219,918,528
	<b>153,057,802,699</b>	<b>148,514,886,388</b>
<b>12.02.1 Deposit from Banks</b>		
<b>i) Maturity grouping wise</b>		
Payable on demand	2,233,887	3,804,763
Within one month	867,083,563	291,163,097
Over 1 month 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	-	-
Over 10 years	-	-
	<b>869,317,450</b>	<b>294,967,860</b>

**ii) Category wise**

**In Current deposit accounts**

	Amount in Taka	
	2018	2017
Prime Bank Ltd.	-	167,816
Bank Asia Ltd.	143,612	144,912
State Bank of India	2,077,016	3,477,924
The Mercantile Bank Ltd.	12,961	14,111
Pubali Bank Limited	298	-
	<b>2,233,887</b>	<b>3,804,763</b>

**In Special notice deposit accounts**

Janata Bank Ltd.	76,247	74,992
Bank Asia Ltd.	107,775	149,653
State Bank of India	8,640,917	3,688,097
One Bank Ltd.	458,117,847	287,112,643
Bangladesh Commerce Bank Ltd.	136,087	131,988
South East Bank Ltd.	-	57
United Commercial Bank Ltd.	4,690	5,667
	467,083,563	291,163,097

**Fixed Term Deposit**

Premier Bank Ltd.	400,000,000	-
	<b>869,317,450</b>	<b>294,967,860</b>

**12.02.2 Deposit from other than Banks**

**Maturity grouping wise**

Payable on demand	3,987,808,356	4,103,666,388
Within one month	14,631,672,497	18,736,553,253
Over 1 month but within 6 months	31,648,666,285	24,229,275,919
Over 6 months but within 1 year	32,321,992,632	25,261,413,887
Over 1 year but within 5 years	32,849,980,263	38,678,799,528
Over 5 years but within 10 years	36,748,365,216	37,210,209,553
Over 10 years	-	-
	<b>152,188,485,249</b>	<b>148,219,918,528</b>

**13.00 Other liabilities**

Provision for income tax (Note- 13.01)	8,305,116,973	8,246,616,734
Deferred Tax liability (Note- 13.02)	14,666,217	33,173,392
Benevolent fund	5,000,000	5,000,000
Employee's income tax payable	7,989,242	6,646,327
Govt. guarantee fund for special agri credit.	8,801,000	8,801,000
Fund for credit on Nath Bank (Pak) Ltd.	151,284	151,284
Balance of exchange houses	391,606,162	362,931,883

	Amount in Taka	
	2018	2017
Reserve for unforeseen losses	87,489,526	77,542,086
Interim dividend payable	222,871	222,871
Audit fee payable	600,000	500,000
Unaccounted Lease Rental receivable	55,973	72,123
Cash assistance	-	205,050
Bonus payable	241,965,031	240,000,000
Provision for loans and advances (Note- 13.03)	3,319,004,682	2,253,643,152
Provision for other (non-banking assets) (Note- 13.04)	65,146,346	65,146,346
General provision on off-balance sheet exposures (Note- 13.05)	197,900,000	242,300,000
Provision for classified other assets (Note- 13.06)	59,571,535	72,158,922
Provision for classified fixed assets (Note- 13.07)	15,000,000	15,000,000
Interest suspense account (Note- 13.09)	1,543,201,141	1,262,734,090
Un-claimed dividend (Note- 13.10)	430,996,509	426,524,434
Provision for classified Investment (Note- 13.08)	11,704,000	11,704,000
Expenditure payable other	40,139,207	38,177,810
Provision for unreconciled outstanding entries (Note- 13.14)	2,620,589	6,120,589
Clearing house adjustment	2,224,179	262,492
SEDP fund mobilization account	5,585,831	5,585,831
Unearned Interest Income	790,298	-
Risk Fund (Lease A/c)	3,513,556	5,172,694
ATM Card ITCL payable A/c CW, BI & MS (NPSB)	792,140	369,767
Sales proceed of Sanchaypatra & Wage Earners Development Bond	916,480,000	1,510,903,882
Branch adjustment Account (Note- 13.11)	145,060,509	29,021,102
Balance with agents & correspondents (Note- 13.12)	341,746,794	21,802,463
Payable to Government (Note- 13.13)	536,491,975	483,525,347
Payable for Books, Forms & Vouchers	-	6,502,581
Rebate for Good Borrowers	23,300,000	17,300,000
Delijquent Charge on Lease Rental Receive for unclassified	769,271	353,068
Intt.payable on money at call & short notice	2,645,833	-
Intt.payable on borrowing from FTD Treasury	600,000	-
Ramittance adjustment A/c.	95,880	-
EFTN Settlement Account	34,232,059	25,393,971
	<b>16,763,276,613</b>	<b>15,481,565,291</b>



		Amount in Taka	
		2018	2017
<b>13.00.a</b>	<b>Consolidated other liabilities</b>		
	Uttara Bank Limited	16,763,276,613	15,481,565,291
	UB Capital and Investment Ltd.	26,614,104	23,457,700
	Uttara Bank Securities Ltd.	106,038,625	109,240,951
		<b>16,895,929,342</b>	<b>15,614,263,942</b>
<b>13.01</b>	<b>Provision for income tax</b>		
	<b>Opening balance</b>	8,246,616,734	7,238,600,669
	Provision for tax made during the year (Note - 13.01.01)	1,280,664,641	1,008,016,065
	Settlement/adjustment made during the year	(1,222,164,402)	-
	<b>Closing balance</b>	<b>8,305,116,973</b>	<b>8,246,616,734</b>
<b>13.01.01</b>	<b>Provision for tax made during the year</b>		
	Current year tax on taxable income	1,570,079,789	1,246,501,564
	Adjustment for previous years	(289,415,148)	(238,485,499)
	<b>Closing balance</b>	<b>1,280,664,641</b>	<b>1,008,016,065</b>
<b>13.01.01.a</b>	<b>Consolidated Provision for tax made during the year</b>		
	Uttara Bank Limited	1,280,664,641	1,008,016,065
	UB Capital and Investment Ltd.	3,158,905	2,151,910
	Uttara Bank Securities Ltd.	4,310,780	5,466,771
	<b>Closing balance</b>	<b>1,288,134,326</b>	<b>1,015,634,746</b>
<b>13.01.02</b>	During this year, the assessment of income tax for the accounting year 2014 has been settled with the Tax Authority. Final assessment of income tax for the accounting years 2008, 2011, 2013 & 2015 are pending with Appellate Authorities. The tax assessment of the Bank for the years 2016 & 2017 have not yet been completed by the Deputy Commissioner of Taxes.		
<b>13.02</b>	<b>Deferred tax liability</b>		
	<b>Opening balance</b>	33,173,392	67,338,714
	Deferred tax (income)/expense made during the year (Note - 13.02.01)	(18,507,175)	(34,165,322)
	<b>Closing balance</b>	<b>14,666,217</b>	<b>33,173,392</b>

		Amount in Taka	
		2018	2017
<b>13.02.1</b>	<b>Deferred tax (income)/expense made during the year</b>		
	Carrying value of depreciable fixed assets	1,275,397,182	1,402,135,092
	Tax base value	(1,236,287,270)	(1,319,201,612)
	<b>Net taxable liabilities</b>	<b>39,109,912</b>	<b>82,933,480</b>
	<b>Tax Rate</b>	<b>37.50%</b>	<b>40.00%</b>
	Closing Deferred Tax Liability	14,666,217	33,173,392
	Opening Deferred Tax Liability	33,173,392	67,338,714
		<b>(18,507,175)</b>	<b>(34,165,322)</b>
<b>13.02.1.a</b>	<b>Consolidated Deferred tax</b>		
	Uttara Bank Limited	(18,507,175)	(34,165,322)
	Uttara Bank Securities Ltd.	214,910	-
		<b>(18,292,265)</b>	<b>(34,165,322)</b>
<b>13.03</b>	<b>Provision for classified and unclassified loans and advances</b>		
	<b>The movement in specific provision on classified loan and advances</b>		
	Provision held at the beginning of the year	1,496,143,152	1,304,636,184
	Fully provided debts written off	(103,048,470)	(155,630,727)
	Specific provision for the year	817,700,000	116,200,000
	Amount transferred from un-classified loans & advances	58,500,000	25,000,000
	Adjustment of written off amount	-	15,937,695
	Amount transferred from unreconciled outstanding entries	3,500,000	-
	Amount transferred from Off balance sheet exposures	41,200,000	-
	Recoveries of amounts previously written off	190,510,000	190,000,000
		<b>2,504,504,682</b>	<b>1,496,143,152</b>
	<b>The movement in general provision on unclassified loans &amp; advances</b>		
	Provision held at the beginning of the year	757,500,000	686,000,000
	Amount transferred to classified loans and advance	(58,500,000)	(25,000,000)
	General provision for the year	92,500,000	97,500,000
	Amount transferred to Off balance sheet exposures	23,000,000	(1,000,000)
		<b>814,500,000</b>	<b>757,500,000</b>
		<b>3,319,004,682</b>	<b>2,253,643,152</b>
<b>13.04</b>	<b>Provision for other (Non Banking Asset)</b>		
	Opening balance	65,146,346	20,252,000
	Provision made during the year	-	44,894,346
	Closing balance	<b>65,146,346</b>	<b>65,146,346</b>

		Amount in Taka	
		2018	2017
<b>13.05</b>	<b>Provision for Off Balance Sheet Exposures</b>		
	Balance at the beginning of the year	242,300,000	212,500,000
	Specific provision for the year	19,800,000	28,800,000
	Amount transferred to Un-classified loans & advances	(23,000,000)	-
	Amount transferred to classified loans & advances	(41,200,000)	1,000,000
	Closing balance	<b>197,900,000</b>	<b>242,300,000</b>
<b>13.06</b>	<b>Provision for classified other assets</b>		
	Opening balance	72,158,922	72,158,922
	Amount transferred to profit and loss account	-	-
	Provision made during the year	-	-
	Adjustment during the year	(12,587,387)	-
	Closing balance	<b>59,571,535</b>	<b>72,158,922</b>
<b>13.07</b>	<b>Provision for classified fixed assets</b>		
	Opening balance	15,000,000	15,000,000
	Provision made during the year	-	-
	Closing balance	<b>15,000,000</b>	<b>15,000,000</b>
<b>13.08</b>	<b>Provision for classified Investment</b>		
	Opening balance	11,704,000	11,704,000
	Amount transferred to classified other assets	-	-
	Closing balance	<b>11,704,000</b>	<b>11,704,000</b>
<b>13.09</b>	<b>Interest suspense</b>		
	Opening balance	1,262,734,090	1,166,917,430
	Addition during the year	970,209,308	1,160,785,277
	Recovery during the year	(607,569,126)	(922,246,690)
	Amount written off during the year	(82,173,131)	(142,721,927)
	Closing balance	<b>1,543,201,141</b>	<b>1,262,734,090</b>
<b>13.10</b>	<b>Un- claimed dividend</b>		
	Un- claimed dividend '2003	4,025,194	4,111,668
	Un- claimed dividend '2004	3,510,667	3,586,828
	Un- claimed dividend '2005	1,590,460	1,620,312
	Un- claimed dividend '2006	3,052,367	3,112,071
	Un-claimed Dividend '2010	62,056,441	62,831,168
	Un-claimed Dividend '2011	44,317,066	45,319,505
	Un-claimed Dividend '2012	35,816,761	36,624,892
	Un-claimed Dividend '2013	44,393,137	45,383,139
	Un-claimed Dividend '2014	59,948,531	61,201,063
	Un-claimed Dividend '2015	56,988,004	58,333,206
	Un-claimed Dividend '2016	57,364,053	104,400,582
	Un-claimed Dividend '2017	57,933,828	-
		<b>430,996,509</b>	<b>426,524,434</b>

### 13.11 Branch adjustment account (UBL General Account)

Amount in Taka	
2018	2017
<b>145,060,509</b>	<b>29,021,102</b>

Branch adjustment account represents outstanding inter-branch transactions and Head office transactions (net) originated but yet to be responded on the balance sheet date. The status of unresponded entries as on 31.12.2018.

Particulars	No. of Un-responded entries		Un-responded entries (Tk.)		Net amount 2018
	Dr.	Cr.	Dr.	Cr.	
Upto 3 months	1	7	25	145,060,534	145,060,509
Over 3 months but within 6 months	-	-	-	-	
Over 6 months but within 1 year	-	-	-	-	
Over 1 year	-	-	-	-	
<b>Total</b>	<b>1</b>	<b>7</b>	<b>25</b>	<b>145,060,534</b>	<b>145,060,509</b>

### 13.12 Balance with agents & correspondents

Name of the Bank	Foreign currency name	Amount in foreign currency	Conversion rate per unit FC	Amount in Taka as at	
				31-Dec-18	31-Dec-17
Unicredito Italiano, SPA, Milano	EURO	100,621.35	95.23489	9,582,663	4,553,343
Standard Chartered Bank, PLC	EURO	2,589,653.89	95.23489	246,625,403	-
Commerz Bank AG, Frankfurt	EURO	-	-	-	11,790,584
AB Bank Limited, Mumbai	ACU	144,312	83.90000	12,107,790	-
United Bank of India	ACU	631,921	83.90000	53,018,131	-
Sonali Bank Ltd. Kolkatta	ACU	81,597	83.90000	6,845,953	-
Habib American Bank, N.Y	USD	161,703	83.90000	13,566,854	-
ICICI Bank Limited Mumbai	ACU	-	-	-	5,458,536
				<b>341,746,794</b>	<b>21,802,463</b>

Amount in Taka	
2018	2017

### 13.13 Payable to Government

Three major categories of Government dues are reported. Tax deducted at source, VAT and Excise duty payable to Government exchequer are as follow:

Excise duty payable	296,697,537	271,110,020
Tax deducted at source (TDS)	193,025,171	167,691,502
VAT deducted at source (VDS)	46,769,267	44,723,825
	<b>536,491,975</b>	<b>483,525,347</b>

### 13.14 Provision for unreconciled outstanding entries

Opening balance	6,120,589	6,120,589
Amount transferred to classified loans & advances	(3,500,000)	-
Provision made during the year	-	-
Closing balance	<b>2,620,589</b>	<b>6,120,589</b>

### 14.00 Share Capital

#### 14.01 Authorised capital

600,000,000 Ordinary Shares of Tk.10	6,000,000,000	6,000,000,000
	<b>6,000,000,000</b>	<b>6,000,000,000</b>

#### 14.02 Paid up capital

400,080,337 Ordinary Shares of Tk. 10 each	4,000,803,370	4,000,803,370
	<b>4,000,803,370</b>	<b>4,000,803,370</b>

### 14.03 Paid up capital as per shareholders category

Particulars	2018			2017		
	No. of shares	Percentage	Amount	No. of shares	Percentage	Amount
Government of the People's Republic of Bangladesh	6,009	0.002%	60,090	6,009	0.002%	60,090
Directors/Sponsors	83,538,696	20.880%	835,386,960	50,316,351	12.576%	503,163,510
Bank and financial institutions	78,313,515	19.574%	783,135,150	81,432,117	20.354%	814,321,170
Foreigner	9,473,603	2.368%	94,736,030	8,873,837	2.218%	88,738,370
General public	228,748,514	57.176%	2,287,485,140	259,452,023	64.850%	2,594,520,230
	<b>400,080,337</b>	<b>100.000%</b>	<b>4,000,803,370</b>	<b>400,080,337</b>	<b>100.00%</b>	<b>4,000,803,370</b>





#### 14.04 Range - wise shareholdings

Range of holding of Shares	2018			2017		
	No. of share holders	Percentage of holding of shares	Number of shares	No. of share holders	Percentage of holding of shares	Number of shares
Upto 500	23,346	56.53%	3,611,698	25,832	0.99%	3,976,368
501 - 10,000	16,117	39.02%	37,029,644	17,851	10.37%	41,474,472
10,001 - 20,000	886	2.15%	12,406,036	1,004	3.53%	14,110,008
20,001 - 30,000	291	0.70%	7,065,079	327	1.99%	7,978,025
30,001 - 40,000	124	0.30%	4,402,385	140	1.25%	5,005,492
40,001 - 50,000	78	0.19%	3,541,371	116	1.34%	5,359,639
50,001 - 100,000	168	0.41%	12,356,643	213	4.01%	16,030,413
100,001 - 1,000,000	226	0.55%	64,944,745	242	16.91%	67,643,208
Over 1,000,000	63	0.15%	254,722,736	59	59.61%	238,502,712
	<b>41,299</b>	<b>100.00%</b>	<b>400,080,337</b>	<b>45,784</b>	<b>100.0%</b>	<b>400,080,337</b>

#### 14.05 Capital to Risk-weighted Asset Ratio (CRAR) of the Bank:

The calculation of CRAR has been done as per Basel-III guideline December 2014 vide BRPD Circular No.18 dated 21 December 2014

A	Tier-1 Capital (Going-Concern Capital)	31-Dec-18		31-Dec-17	
		Solo	Consolidated	Solo	Consolidated
a	<b>Common Equity Tier-1</b>				
	Fully Paid-up Capital	4,000,803,370	4,000,803,370	4,000,803,370	4,000,803,370
	Statutory Reserve	4,330,837,039	4,330,837,039	4,330,837,039	4,330,837,039
	General Reserve	2,355,633,339	2,355,633,339	1,585,633,339	1,585,633,339
	Retained Earnings	1,749,695,726	1,736,196,016	1,600,545,879	1,636,735,250
	Dividend Equalization Reserve	64,427,000	64,427,000	64,427,000	64,427,000
	Minority Interest		35,191		38,172
	<b>Sub Total</b>	<b>12,501,396,474</b>	<b>12,487,931,955</b>	<b>11,582,246,627</b>	<b>11,618,474,170</b>
	<b>Regulatory Adjustments:</b>	<b>39,813,197</b>	<b>39,813,197</b>	<b>67,257,790</b>	<b>67,257,790</b>
	<b>Total Common Equity Tier-1 Capital</b>	<b>12,461,583,277</b>	<b>12,448,118,758</b>	<b>11,514,988,837</b>	<b>11,551,216,380</b>
b	<b>Additional Tier-1 Capital</b>				
	Minority Interest	-	-	-	-
	Others	-	-	-	-
	<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Regulatory Adjustments:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Additional Tier-1 Capital Available</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Tier-1 Capital ( a+b)</b>	<b>12,461,583,277</b>	<b>12,448,118,758</b>	<b>11,514,988,837</b>	<b>11,551,216,380</b>

	31-Dec-18		31-Dec-17	
	Solo	Consolidated	Solo	Consolidated
<b>B Tier-2 Capital (Going Concern Capital)</b>				
General Provision	1,012,400,000	1,012,400,000	998,900,000	998,900,000
All Other preference shares	-	-	-	-
Subordinated debt	-	-	-	-
Minority Interest	-	-	-	-
Revaluation Reserves as on 31 December, 2014	1,393,598,456	1,393,598,456	1,393,598,456	1,393,598,456
Others				
<b>Sub Total</b>	<b>2,405,998,456</b>	<b>2,405,998,456</b>	<b>2,392,498,456</b>	<b>2,392,498,456</b>
<b>Regulatory Adjustments:</b>				
Revaluation Reserves for Fixed Assets, Securities & Equity Securities	1,114,878,765	1,114,878,765	836,159,074	836,159,074
Investment in own T-2 Instruments/ Shares				
Others				
<b>Sub Total</b>	<b>1,114,878,765</b>	<b>1,114,878,765</b>	<b>836,159,074</b>	<b>836,159,074</b>
<b>Total Tier-2 Capital Available</b>	<b>1,291,119,691</b>	<b>1,291,119,691</b>	<b>1,556,339,382</b>	<b>1,556,339,382</b>
<b>Total Regulatory Capital(A+B)</b>	<b>13,752,702,968</b>	<b>13,739,238,449</b>	<b>13,071,328,219</b>	<b>13,107,555,762</b>
<b>Total Risk Weighted Assets</b>	<b>110,144,185,826</b>	<b>110,291,866,284</b>	<b>101,170,226,116</b>	<b>101,296,626,250</b>
Capital to Risk Weighted Assets Ratio	12.49%	12.46%	12.92%	12.94%
Common Equity Tier-1 to RWA	11.31%	11.29%	11.38%	11.40%
Tier-1 Capital to RWA	11.31%	11.29%	11.38%	11.40%
Tier-2 Capital to RWA	1.17%	1.17%	1.54%	1.54%
Minimum Capital Requirement (@ 10%)	11,014,418,583	11,029,186,628	10,117,022,612	10,129,662,625
Excess Capital Maintained (before conservation buffer)	2,738,284,385	2,710,051,820	2,954,305,608	2,977,893,137
<b>Minimum Capital Requirement (with conservation buffer @ 11.875%)</b>	<b>13,079,622,067</b>	<b>13,097,159,121</b>	<b>11,381,650,438</b>	<b>11,395,870,453</b>
Excess Capital Maintained (after conservation buffer)	673,080,901	642,079,328	1,689,677,781	1,711,685,309

## 14.6 Particulars of Shareholdings of the Directors

Name of the Directors	Status	31-Dec-18		31-Dec-17	
		No. of Shares	Amount	No. of Shares	Amount
Mr. Azharul Islam	Chairman	20,529,721	205,297,210	20,529,721	205,297,210
Mr. Iftekharul Islam	Vice-Chairman	11,952,323	119,523,230	11,952,323	119,523,230
Mrs. Badrunnesa Sharmin Islam	Director	5,552,748	55,527,480	-	-
Mr. Arif Rahman	Director	8,004,150	80,041,500	8,004,150	80,041,500
Mr. Abul Barq Alvi	Director	39,949	399,490	39,949	399,490
Dr. Md. Nazmul Karim Chowdhury	Independent Director	-	-	-	-
Mr. Md. Kamal Akhtar	Independent Director	-	-	-	-
Col. Engr. M.S. Kamal (Retd.)	Director	40,074	400,740	40,074	400,740
Mr. Asif Rahman	Director	9,682,850	96,828,500	9,682,850	96,828,500
Mr. Faruque Alamgir	Director	3,339	33,390	3,339	33,390
Mr. Shaikh Abdul Aziz	Director	4,000	40,000	4000	40000
Mr. Kazi Masudur Rageb	Director	8,788,000	87,880,000	-	-
Professor Shibli Rubayat -ul-Islam (Nominated by SBC)	Director	18,941,542	189,415,420	-	-
Mr. Waliul Huq Khandker	Independent Director	-	-	-	-
Mr. M. Tajul Islam	Director	-	-	19,870	198,700
Engr. Tofazzal Hossain	Director	-	-	40,075	400,750
Mr. Mohammed Rabiul Hossain	Managing Director	-	-	-	-
		<b>83,538,696</b>	<b>835,386,960</b>	<b>50,316,351</b>	<b>503,163,510</b>

		Amount in Taka	
		2018	2017
<b>15.00</b>	<b>Statutory reserve</b>		
	Balance brought forward	4,330,837,039	4,330,837,039
	Addition during the year	-	-
	Balance carried forward	<b>4,330,837,039</b>	<b>4,330,837,039</b>
<b>16.00</b>	<b>Other reserves</b>		
	General reserve (Note- 16.01)	2,355,633,339	1,585,633,339
	Assets revaluation reserve	1,919,528,511	1,919,528,511
	Revaluation reserve A/c (Govt. Securities)	321,819,080	389,065,777
	Dividend equalization reserve	64,427,000	64,427,000
		<b>4,661,407,930</b>	<b>3,958,654,627</b>
<b>16.01</b>	<b>General reserve</b>		
	Balance brought forward	1,585,633,339	835,633,339
	Transfer from profit & loss A/c	770,000,000	750,000,000
	Balance carried forward	<b>2,355,633,339</b>	<b>1,585,633,339</b>
<b>17.00</b>	<b>Surplus in profit and loss account</b>		
	Retained earning (Note- 17.01)	30,385,205	44,150,978
	Profit after tax and provision during the year	1,719,310,521	1,556,394,901
	<b>Profit before appropriation</b>	<b>1,749,695,726</b>	<b>1,600,545,879</b>
	<b>Appropriation for the year:</b>		
	Statutory reserve	-	-
	General reserve	-	-
		-	-
	<b>Retained surplus</b>	<b>1,749,695,726</b>	<b>1,600,545,879</b>
<b>17.01</b>	<b>Retained earning</b>		
	Opening balance	1,600,545,879	1,594,311,652
	Issue of bonus share and cash dividend	(800,160,674)	(800,160,674)
	Transferred to General reserve	(770,000,000)	(750,000,000)
	Transferred to benevolent Fund	-	-
	Closing balance	<b>30,385,205</b>	<b>44,150,978</b>
<b>17.00.a</b>	<b>Consolidated Surplus in profit and loss account</b>		
	Retained earning (Note- 17.00.a.1)	66,574,619	102,852,981
	Profit after taxation	1,669,621,397	1,533,882,312
	<b>Profit before appropriation</b>	<b>1,736,196,016</b>	<b>1,636,735,293</b>
	<b>Appropriation for the year:</b>		
	Statutory reserve	-	-
	General reserve	-	-
		-	-
	<b>Retained surplus</b>	<b>1,736,196,016</b>	<b>1,636,735,293</b>

		Amount in Taka	
		2018	2017
<b>17.00.a.1</b>	<b>Consolidated Retained earning</b>		
	Opening balance	1,636,735,293	1,653,013,655
	Issue of bonus share and cash dividend	(800,160,674)	(800,160,674)
	Transferred to General reserve	(770,000,000)	(750,000,000)
	Closing balance	<b>66,574,619</b>	<b>102,852,981</b>
<b>18.00</b>	<b>CONTINGENT LIABILITIES</b>	<b>24,939,399,684</b>	<b>24,220,254,616</b>
<b>18.01</b>	<b>Acceptances and endorsements</b>		
	IFBC on behalf of Customers	6,689,696,249	5,455,004,146
	IFBC on behalf of Directors	-	-
	IFBC on behalf of Government	-	-
	IFBC on behalf of Others	-	-
		<b>6,689,696,249</b>	<b>5,455,004,146</b>
<b>18.02</b>	<b>Letter of guarantees</b>		
	Letter of Guarantee on behalf of Customers	3,482,799,011	3,003,196,850
	Letter of Guarantee on behalf of Directors	-	-
	Letter of Guarantee on behalf of Government	-	-
	Letter of Guarantee on behalf of Bank & Others	-	-
	Letter of Guarantee on behalf of Financial Institution	-	247,151,000
		<b>3,482,799,011</b>	<b>3,250,347,850</b>
<b>18.03</b>	<b>Irrevocable letters of credit</b>		
	Letter of credit on behalf of Customers	9,607,591,350	10,454,882,063
	Letter of credit on behalf of Directors	-	-
	Letter of credit on behalf of Government	-	-
	Letter of credit on behalf of Others	-	-
		<b>9,607,591,350</b>	<b>10,454,882,063</b>
<b>18.04</b>	<b>Bills for collection</b>		
	Bills for collection on behalf of Coustmers	<b>5,159,313,074</b>	<b>5,060,020,557</b>



**19.00****PROFIT AND LOSS ACCOUNT ITEMS****Income**

	Amount in Taka	
	2018	2017
Interest income (Note - 19.01)	12,734,054,623	10,440,389,168
Dividend income (Note - 21.00)	94,673,973	90,220,697
Fee, commission and brokerage (Note - 22.01)	499,694,211	441,553,258
Gains less losses arising from dealing in securities (Note - 21)	206,472,336	289,909,183
Gains less losses arising from investment in securities	2,519,299,073	2,447,786,321
Gains less losses arising from dealing in foreign currencies (Note - 22.02)	344,170,594	561,365,094
Income from Non-banking assets (Note - 23.00)	502,440	590,148
Other operating income	698,636,714	644,516,295
Profit less losses on interest rate changes	-	-
<b>Total income</b>	<b>17,097,503,964</b>	<b>14,916,330,164</b>
<b>Expenses</b>		
Interest paid on deposits, fees, borrowings etc (Note - 20.00)	7,018,402,546	6,076,716,270
Administrative expenses (Note - 20.03)	5,405,460,875	5,169,393,089
Charges on loan losses account	206,254,831	242,576,186
Depreciation on banking assets (Note - 32.01)	215,539,053	223,245,985
Other operating expenses (Note - 33.00)	340,378,672	374,152,990
<b>Total expenses</b>	<b>13,186,035,977</b>	<b>12,086,084,520</b>
<b>Operating Profit</b>	<b>3,911,467,987</b>	<b>2,830,245,644</b>

**19.01****Interest income**

Interest on Loans & Advances (Note-19.02)	11,412,633,198	8,936,436,628
Interest on Balances with other Banks or Financial Institutions (Note-19.03)	1,171,085,493	1,361,881,649
Interest on Accounts with Foreign Banks	97,666,914	85,847,130
Income from Off-Shore Banking Unit (OBU)	52,669,018	56,223,761
	<b>12,734,054,623</b>	<b>10,440,389,168</b>

**19.01.a****Consolidated Interest income**

Uttara Bank Limited	12,734,054,623	10,440,389,168
UB Capital and Investment Ltd.	-	-
Uttara Bank Securities Ltd.	(12,627,113)	(6,703,337)
	<b>12,721,427,510</b>	<b>10,433,685,831</b>

		Amount in Taka	
		2018	2017
<b>19.02</b>	<b>Interest on Loans &amp; Advances</b>		
	Over draft	1,029,791,623	930,179,917
	Packing Credit	6,181,229	4,428,194
	Cash credit	6,132,928,523	4,830,569,204
	Uttaran Small Business Loan	30,213,658	22,674,037
	Nari Swanirbhor Rin Prokalpa	5,598,060	6,865,572
	Staff Loan	178,756,152	186,660,038
	Demand Loan	50,107,923	47,954,052
	Project Finance	134,198,913	88,242,738
	Consumer Credit	594,345,612	382,988,401
	Agri Credit	161,769,510	162,337,935
	Uttaran paribashbandhab loan	28,687,822	14,956,829
	Uttaran taka 10 small/micro loan	2,243,648	1,696,130
	Rural Credit	-	445,980
	Lease financing	42,138,075	22,072,177
	Export Development Fund (EDF)	15,028,743	16,421,425
	Loan against imported merchandise (LIM)	84,622,414	35,376,632
	Loan against Trust Receipt (LTR)	410,736,200	388,398,617
	Term Loan	1,707,700,403	1,326,790,696
	Bills Purchased/Discounted/Negotiated	297,209,363	304,090,571
	Advance Rent	1,903,132	1,519,344
	Sundry Account	12,447,683	8,630,169
	Interest on Uttran short term loan (RSTL)	486,024,512	153,137,970
		<b>11,412,633,198</b>	<b>8,936,436,628</b>
<b>19.03</b>	<b>Interest on Balances with other Banks or Financial Institutions</b>		
	Call Loans to Other Banks	51,646,792	69,566,486
	Fixed Term Deposit with Other Banks	1,078,889,514	1,276,658,542
	Fund Placements to Abroad	28,218,657	8,711,011
	Foreign Exchange Clearing A/c.	12,330,530	6,945,610
		<b>1,171,085,493</b>	<b>1,361,881,649</b>
<b>20.00</b>	<b>Interest paid on deposits and borrowing etc.</b>		
	Interest on deposits (Note-20.01)	6,971,180,233	6,036,975,111
	Interest on borrowings (Note-20.02)	47,222,313	39,741,159
	Interest on foreign bank accounts	-	-
		<b>7,018,402,546</b>	<b>6,076,716,270</b>
<b>20.00.a</b>	<b>Consolidated Interest paid on deposits and borrowing etc.</b>		
	Uttara Bank Limited	7,018,402,546	6,076,716,270
	UB Capital and Investment Ltd.	(9,045,533)	(6,417,923)
	Uttara Bank Securities Ltd.	(3,753,794)	(2,625,397)
	Less: Inter Company Elimination	(12,799,327)	(9,043,320)
		<b>7,005,603,219</b>	<b>6,067,672,950</b>

		Amount in Taka	
		2018	2017
<b>20.01</b>	<b>Interest paid on deposits</b>		
	Fixed deposit receipt	2,358,157,516	1,602,755,836
	Mashik Munafa scheme	143,103,879	208,084,173
	Double benefit deposit scheme	689,765,225	787,351,042
	Monthly deposit scheme	1,574,219,460	1,432,988,373
	Uttaran Bibaha Sanchaya Prokalpa	13,831,882	16,081,185
	Uttaran Swapnopuran Sanchaya Prokalpa	738,910,865	714,397,977
	Uttaran Shikkhaya Sanchaya Prokalpa	30,816,367	39,505,565
	Savings Banks deposits	1,131,624,711	929,058,460
	School Banking deposit	25,488,339	21,115,097
	Special Notice Deposit	218,539,199	277,353,666
	Foreign currency deposit	841,116	337,506
	Other Deposits	45,881,674	7,946,231
		<b>6,971,180,233</b>	<b>6,036,975,111</b>
<b>20.02</b>	<b>Interest on Borrowings</b>		
	Borrowing from Bangladesh Bank	22,420,466	28,779,881
	Borrowing from Other Banks	24,801,847	10,961,278
		<b>47,222,313</b>	<b>39,741,159</b>
<b>20.03</b>	<b>Administrative expenses</b>		
	Salary and allowances (excluding MD's salary, allow. & fees):(Note-24.00)	4,584,113,687	4,395,880,396
	Rent, taxes,insurance,electricity etc.	497,564,925	453,625,161
	Legal expenses	27,261,643	25,402,703
	Postage,stamp,telecommunication etc.	90,927,576	78,893,473
	Stationery,printing,advertisements etc.	93,966,835	93,802,985
	Managing Director's salary & allowances	14,331,883	13,147,328
	Directors' fees	4,448,000	4,440,000
	Auditors' fees	600,000	500,000
	Repair of Bank's property (Note-32.02)	68,703,390	78,570,409
	Maintenance of Bank's property (Note-32.03)	23,542,936	25,130,634
		<b>5,405,460,875</b>	<b>5,169,393,089</b>
<b>21.00</b>	<b>Income from investment</b>		
	Interest on treasury bills/bonds	2,390,523,156	2,588,700,632
	Interest on debenture	-	1,270,223
	Interest on amortization of Govt. Securities (HFT & HTM)	-	14,281,153
	Interest on Govt. securities (HFT & HTM)	-	7,710,123
	Interest on subordinate bond	569,929,927	286,014,472
	Interest on Commercial Paper	61,552,388	24,262,389
	Dividend received on shares	94,673,973	90,220,697
	Gain on sale of Govt. securities	206,472,336	289,909,183
	Interest received on REPO and reverse REPO	972,857	347,805
	Capital gain from investment in shares	-	1,622,217
	Interest paid on treasury bond	(120,137,983)	(21,859,482)
	Revaluation Loss on Govt. Securities	(371,726,112)	(449,054,544)
	Interest paid on REPO and reverse REPO	(1,756,261)	(1,322,678)
	Loss on sale of Govt. securities	(10,058,899)	(4,185,989)
		<b>2,820,445,382</b>	<b>2,827,916,201</b>

		Amount in Taka	
		2018	2017
<b>21.00.a</b>	<b>Consolidated Income from investment</b>		
	Uttara Bank Limited	2,820,445,382	2,827,916,201
	UB Capital and Investment Ltd.	-	-
	Uttara Bank Securities Ltd.	11,824,077	25,835,364
		<b>2,832,269,459</b>	<b>2,853,751,565</b>
<b>22.00</b>	<b>Commission, exchange and brokerage</b>		
	Commission Income (Note-22.01)	499,694,211	441,553,258
	Exchange Gain/Loss (Note-22.02)	344,170,594	561,365,094
		<b>843,864,805</b>	<b>1,002,918,352</b>
<b>22.00.a</b>	<b>Consolidated Commission, exchange and brokerage</b>		
	Uttara Bank Limited	843,864,805	1,002,918,352
	UB Capital and Investment Ltd.	-	-
	Uttara Bank Securities Ltd.	5,559,899	10,080,077
		<b>849,424,704</b>	<b>1,012,998,429</b>
<b>22.01</b>	<b>Commission Income</b>		
	Commission on L/C Local	2,284,306	1,459,267
	Commission on L/C Foreign	151,288,034	143,650,562
	Commission on L/C Back to Back	27,054,179	20,212,808
	Commission on IFBC/ILBC	47,089,073	49,459,778
	Commission on Export Bill/Documents	14,642,614	20,762,140
	Commission on BG Local	58,666,568	54,754,785
	Commission on BG Foreign	3,305,861	5,240,016
	Commission on Other Services	195,363,576	146,013,902
		<b>499,694,211</b>	<b>441,553,258</b>
<b>22.02</b>	<b>Exchange (Gain/Loss)</b>		
	Exchange Gain on Foreign Bill Purchase	235,642	1,795,688
	Exchange Gain on Foreign Currency	483,725,923	677,487,484
	Exchange Gain on EDF	-	550,550
	Exchange Gain on Demand Loan	1,935,109	2,203,355
	Exchange Gain on others	39,377,041	37,867,155
	Exchange Loss on Foreign Currency	(181,062,855)	(158,533,213)
	Exchange loss on other	(40,266)	(5,925)
		<b>344,170,594</b>	<b>561,365,094</b>
<b>23.00</b>	<b>Other operating income</b>		
	Postage, Telephone and Telegram charges recovered	9,221,369	8,712,609
	Swift, Telex/Fax charges recovered	53,363,640	46,518,619
	Rent recovered	22,637,367	33,643,673
	Income from Foreign Correspondents	28,472,322	37,744,199
	Income on sale of Bank's Assets	160,436	147,691
	Income on sale of Non Banking Assets	502,440	590,148
	Income on Risk Fund on Lease	2,523,438	371,880
	Service charges related to trade operations/Fee based income (Note- 23.01)	532,426,513	472,360,837
	Other earnings	46,946,494	43,060,270
	Other operating income of Off Shore Banking Unit	2,885,135	1,956,517
		<b>699,139,154</b>	<b>645,106,443</b>

		Amount in Taka	
		2018	2017
<b>23.00.a</b>	<b>Consolidated other operating income</b>		
	Uttara Bank Limited	699,139,154	645,106,443
	UB Capital and Investment Ltd.	-	-
	Uttara Bank Securities Ltd.	119,003	126,591
		<b>699,258,157</b>	<b>645,233,034</b>
	Less: Inter Company Elimination	(1,788,714)	(1,733,350)
		<b>697,469,443</b>	<b>643,499,684</b>
<b>23.01</b>	<b>Service charges related to trade operations/Fee based income</b>		
	Accounts maintenance charges recovered	214,686,706	203,279,373
	Service fees on Loans & Advances and others	89,109,025	90,765,157
	Cost of LC application form recovered	16,421,426	12,671,775
	Income from SMS banking services	171,209,931	137,797,273
	Prize money on Prize Bond/ Commission on Lottery Tickets	56,145	534,000
	Student file opening & renewal fees	199,000	159,000
	CIB collection fees	1,472,365	1,743,666
	Cost of MICR/Non MICR cheque recovered	31,134,063	22,950,204
	ATM Card issuance & renewal fees	6,302,600	2,460,389
	Income on Incentive Rebate from 10 Taka SMLL/ MICRO loan Scheme	508,767	-
	Settlement of Income on Amount realised against written off loans	1,211,995	-
	Processing Fees Credit CARD	114,490	-
		<b>532,426,513</b>	<b>472,360,837</b>
<b>24.00</b>	<b>Salary and allowances (excluding MD's salary, allowances &amp; fees)</b>		
	Basic salary	1,424,977,841	1,398,504,225
	House rent allowances	814,416,833	821,221,731
	House maintenance allowances	9,370,444	9,221,832
	Conveyance allowances	240,064,055	242,358,247
	Medical allowances	191,923,428	195,895,949
	Contributory Provident Fund	142,116,929	139,885,684
	Festival Bonus	384,822,508	382,245,394
	Incentive Bonus	240,000,000	240,000,000
	Gratuity	620,000,000	450,000,000
	Other allowances	516,421,649	516,547,334
		<b>4,584,113,687</b>	<b>4,395,880,396</b>
<b>24.00.a</b>	<b>Consolidated salary and allowances (excluding MD's salary, allowances &amp; fees)</b>		
	Uttara Bank Limited	4,584,113,687	4,395,880,396
	UB Capital and Investment Ltd.	-	-
	Uttara Bank Securities Ltd.	6,014,237	5,729,294
		<b>4,590,127,924</b>	<b>4,401,609,690</b>
<b>25.00</b>	<b>Rent, taxes, insurance, electricity etc.</b>		
	Rent (Branch offices)	221,496,666	202,417,851
	Rent (Godown & Garage)	8,346,704	8,514,579
	Rates & taxes	64,881,228	69,646,227
	Insurance charge	98,926,764	78,649,921
	Electric fittings & Fixation	6,060,245	5,530,979
	Utility bill	97,659,680	87,949,995
	Other charges	193,638	915,609
		<b>497,564,925</b>	<b>453,625,161</b>



		Amount in Taka	
		2018	2017
<b>25.00.a</b>	<b>Consolidated Rent, taxes, insurance, electricity etc.</b>		
	Uttara Bank Limited	497,564,925	453,625,161
	UB Capital and Investment Ltd.	78,883	82,279
	Uttara Bank Securities Ltd.	268,236	247,926
		<b>497,912,044</b>	<b>453,955,366</b>
<b>26.00</b>	<b>Legal expenses</b>		
	Lawyer charges	7,115,892	10,453,097
	Court fees and other expenses	20,145,751	14,949,606
		<b>27,261,643</b>	<b>25,402,703</b>
<b>26.00.a</b>	<b>Consolidated Legal expenses</b>		
	Uttara Bank Limited	27,261,643	25,402,703
	UB Capital and Investment Ltd.	-	-
	Uttara Bank Securities Ltd.	-	-
		<b>27,261,643</b>	<b>25,402,703</b>
<b>27.00</b>	<b>Postage, stamp and telecommunication</b>		
	Postage & telegram/telex etc.	8,519,381	5,552,103
	Fax	-	-
	Stamps	12,585	46,635
	Telephone	7,146,257	7,426,596
	SWIFT	10,913,440	10,908,298
	Internet/E-mail	1,220,672	2,402,421
	Data/Bandwidth Connectivity	50,535,965	43,523,312
	Reuter/SMS Notification Services	8,095,104	3,733,538
	Courier	4,293,147	5,138,941
	Dish Cable	191,025	161,629
		<b>90,927,576</b>	<b>78,893,473</b>
<b>27.00.a</b>	<b>Consolidated Postage, stamp and telecommunication</b>		
	Uttara Bank Limited	90,927,576	78,893,473
	UB Capital and Investment Ltd.	-	-
	Uttara Bank Securities Ltd.	254,598	241,230
		<b>91,182,174</b>	<b>79,134,703</b>
<b>28.00</b>	<b>Stationery, printing, advertisement etc.</b>		
	Stationery	14,942,333	17,219,559
	Computer accessories	24,559,904	22,613,083
	Printing and stationery	18,742,732	17,910,132
	Consumption of books & forms	11,887,037	14,170,301
	Advertisement	13,454,384	12,787,883
	MICR cheque issue	10,380,445	9,102,027
		<b>93,966,835</b>	<b>93,802,985</b>
<b>28.00.a</b>	<b>Consolidated Stationery, printing, advertisement etc.</b>		
	Uttara Bank Limited	93,966,835	93,802,985
	UB Capital and Investment Ltd.	2,762	1,534
	Uttara Bank Securities Ltd.	25,171	34,938
		<b>93,994,768</b>	<b>93,839,457</b>

		Amount in Taka	
		2018	2017
<b>29.00</b>	<b>Managing Director's salary &amp; allowances and Fees</b>		
	Salary & allowances and fees	14,331,883	13,147,328
		<b>14,331,883</b>	<b>13,147,328</b>
<b>30.00</b>	<b>Directors' Fees</b>	<b>4,448,000</b>	<b>4,440,000</b>
<b>30.00.a</b>	<b>Consolidated Directors' Fees</b>		
	Uttara Bank Limited	4,448,000	4,440,000
	UB Capital and Investment Ltd.	68,000	36,000
	Uttara Bank Securities Ltd.	96,000	46,000
		<b>4,612,000</b>	<b>4,522,000</b>
<b>31.00</b>	<b>Auditors' fees</b>		
	Statutory annual audit fees	600,000	500,000
<b>31.00.a</b>	<b>Consolidated auditors' fees</b>		
	Uttara Bank Limited	600,000	500,000
	UB Capital and Investment Ltd.	10,000	10,000
	Uttara Bank Securities Ltd.	15,000	15,000
		<b>625,000</b>	<b>525,000</b>
<b>32.00</b>	<b>Repair, maintenance and depreciation of Bank's property</b>		
	Depreciation on Fixed Assets (Note - 32.01)	215,539,053	223,245,985
	Repair & maintenance of Fixed Assets (Note - 32.02)	68,703,390	78,570,409
	Renovation & maintenance of Office (Note - 32.03)	23,542,936	25,130,634
		<b>307,785,379</b>	<b>326,947,028</b>
<b>32.00.a</b>	<b>Consolidated Repair, maintenance and depreciation of Bank's property</b>		
	Depreciation on Fixed Assets (Note - 32.01.a)	217,335,769	225,042,701
	Repair & maintenance of Fixed Assets (Note - 32.02)	68,703,390	78,570,409
	Renovation & maintenance of Office (Note - 32.03.a)	23,592,375	25,184,203
		<b>309,631,534</b>	<b>328,797,313</b>
<b>32.01</b>	<b>Depreciation of fixed assets</b>		
	Furniture and fixtures	36,665,910	38,891,664
	Vehicles	12,958,427	13,909,627
	Office appliance	103,787,034	109,623,300
	Bank premises	23,194,598	23,789,331
	Software	38,933,084	37,032,063
		<b>215,539,053</b>	<b>223,245,985</b>

		Amount in Taka	
		2018	2017
<b>32.01.a</b>	<b>Consolidated Depreciation of fixed assets</b>		
	Uttara Bank Ltd.	215,539,053	223,245,985
	UB Capital and Investment Ltd.	-	-
	Uttara Bank Securities Ltd.	1,796,716	1,796,716
		<b>217,335,769</b>	<b>225,042,701</b>
<b>32.02</b>	<b>Repair &amp; maintenance of Fixed Assets</b>		
	Furniture & Fixtures	3,191,317	3,383,295
	Vehicles	8,983,119	10,477,052
	Office Appliance	23,053,283	21,779,639
	Software	33,475,671	42,930,423
		<b>68,703,390</b>	<b>78,570,409</b>
<b>32.03</b>	<b>Renovation &amp; maintenance of Office</b>		
	Office Renovation (Own & Rented)	485,576	41,042
	Office Maintenance (Own & Rented)	18,204,029	19,975,859
	Lift maintenance expenses	1,620,695	1,838,465
	ATM Booth & Software maintenance	1,784,099	1,816,567
	Other Maintenance	1,448,537	1,458,701
		<b>23,542,936</b>	<b>25,130,634</b>
<b>32.03.a</b>	<b>Consolidated Renovation &amp; maintenance of Office</b>		
	Uttara Bank Ltd.	23,542,936	25,130,634
	UB Capital and Investment Ltd.	-	-
	Uttara Bank Securities Ltd.	49,439	53,569
		<b>23,592,375</b>	<b>25,184,203</b>
<b>33.00</b>	<b>Other expenses</b>		
	Newspaper, Books & periodicals	2,389,212	2,350,554
	Professional expenses	413,057	933,687
	Sanitation cost	4,657,897	4,405,189
	Entertainment	32,330,855	32,991,046
	Consumption of fuel & other charges for Vehicles	45,591,741	51,516,660
	Donation, Subscriptions & CSR	97,749,123	134,437,426
	Honorarium & awards	13,618,900	5,430,930
	Travelling expenses	29,106,477	37,290,167
	Conveyance	22,860,609	23,866,535
	Staff training expenses	5,196,863	4,448,846
	Liveries & Uniforms	4,927,614	3,535,362
	Promotional/Business development expenses	7,470,573	6,210,991
	Staff Welfare and Recreation	7,031,145	9,525,113

		Amount in Taka	
		2018	2017
	Benevolent Fund	5,000,000	5,000,000
	Loss on sale of Fixed Assets	1,715,928	5,047,508
	Photocopy expenses	4,751,173	4,742,998
	Cash transit expenses	15,609,839	15,554,971
	Branch opening and shifting expenses	984,790	447,146
	Gun licence fees	2,344,537	2,174,952
	Excise Duty on Bank's account	2,703,981	3,587,173
	CDBL expenses	114,300	227,687
	AGM expenses	4,585,932	4,500,065
	CIB reporting expenses	1,728,190	1,562,140
	BO accounts maintenance fees	38,000	600,450
	NPSB expense	1,169,038	685,646
	Misc. expenses	5,794,037	5,802,364
	Visa Card expenses	3,089,270	1,914,930
	Misc . Charges of Visa Card	37,746	362,454
	Rebate to Good Borrowers	6,000,000	5,000,000
	ATM card , PIN Mailer purchase	1,826,504	-
	Recruitment expenses	9,541,341	-
		<b>340,378,672</b>	<b>374,152,990</b>
<b>33.00.a</b>	<b>Consolidated other expenses</b>		
	Uttara Bank Limited	340,378,672	374,152,990
	UB Capital and Investment Ltd.	27,850	19,481
	Uttara Bank Securities Ltd.	34,770,187	1,849,207
		<b>375,176,709</b>	<b>376,021,678</b>
<b>34.00</b>	<b>Provision for loans &amp; advances and off balance sheet exposures</b>		
	For classified loans and advances	817,700,000	116,200,000
	For unclassified loans and advances	92,500,000	97,500,000
	For off balance sheet exposures	19,800,000	28,800,000
		<b>930,000,000</b>	<b>242,500,000</b>
<b>35.00</b>	<b>Provision for Others</b>		
	Non Banking assets	-	44,894,346
	Other Assets	-	12,605,654
		-	<b>57,500,000</b>
<b>36.00</b>	<b>Payments for other operating activities</b>		
	Closing other operating expenditure payable	10,142,026	8,804,085
	Other operating expenditure paid	(370,972,387)	(399,448,185)
	Opening other operating expenditure payable	(8,804,085)	(23,674,847)
		<b>(369,634,446)</b>	<b>(414,318,947)</b>

		Amount in Taka	
		2018	2017
<b>36.00.a</b>	<b>Consolidated Payments for other operating activities</b>		
	Closing other operating expenditure payable	10,198,054	8,868,830
	Other operating expenditure paid	(405,959,424)	(401,423,873)
	Opening other operating expenditure payable	(8,868,830)	(23,788,168)
		<b>(404,630,200)</b>	<b>(416,343,211)</b>
<b>37.00</b>	<b>Increase/ (decrease) of other assets</b>		
	Opening Other Assets (including Non Banking Assets)	9,906,936,885	8,177,675,292
	AIT, IT & Upfront Tax paid	(5,854,082,316)	(4,937,551,650)
	Interest accrued on investment but not collected	(795,100,868)	(820,112,428)
	Interest receivable on loans and advances	(171,330,978)	(114,236,867)
	Dividend receivable on shares	(31,649,142)	(31,678,242)
	Rent receivable	(19,451,680)	(10,948,800)
	Adjustment of Fixed Assets Narayangonj	(12,587,387)	-
		<b>3,022,734,514</b>	<b>2,263,147,305</b>
	Closing Other Assets (including Non Banking Assets)	9,198,764,470	9,906,936,885
	AIT, IT & upfront Tax paid	(5,628,690,483)	(5,854,082,316)
	Interest accrued on investment but not collected	(578,569,708)	(795,100,868)
	Interest receivable on loans and advances	(316,900,946)	(171,330,978)
	Dividend receivable on shares	(33,167,720)	(31,649,142)
	Rent receivable	(17,828,640)	(19,451,681)
		<b>2,623,606,973</b>	<b>3,035,321,900</b>
		<b>399,127,541</b>	<b>(772,174,595)</b>
<b>37.00.a</b>	<b>Consolidated Increase/ (decrease) of other assets</b>		
	Opening Other Assets (including Non Banking Assets)	9,722,261,879	7,944,881,136
	AIT, IT & Upfront Tax paid	(5,888,828,986)	(4,966,043,379)
	Interest accrued on investment but not collected	(795,100,868)	(820,112,428)
	Interest receivable on loans and advances	(171,330,978)	(114,236,867)
	Dividend receivable on shares	(19,451,680)	(31,888,242)
	Rent receivable	(35,463,854)	(10,948,800)
	Adjustment of expenditure payable A/c.	(12,587,387)	-
		<b>2,799,498,126</b>	<b>2,001,651,420</b>
	Closing Other Assets (including Non Banking Assets)	8,940,101,810	9,722,261,879
	AIT, IT & Upfront Tax paid	(5,671,791,227)	(5,888,828,986)
	Interest accrued on investment but not collected	(578,569,708)	(795,100,868)
	Interest receivable on loans and advances	(316,900,946)	(171,330,978)
	Rent receivable	(17,828,640)	(19,451,680)
	Dividend receivable on shares	(36,225,089)	(35,463,854)
		<b>2,318,786,200</b>	<b>2,812,085,513</b>
		<b>480,711,926</b>	<b>(810,434,093)</b>



**38.00 Increase/ (decrease) of other liabilities**

	Amount in Taka	
	2018	2017
Closing Other Liabilities (including Revaluation Reserve on Govt. Securities - HFT & HTM)	17,085,095,693	15,870,631,066
Borrowings from Other Banks, Financial Institution and Agents	5,466,097,631	992,330,322
Other Payable	(12,707,299,793)	(11,651,288,249)
	<b>9,843,893,531</b>	<b>5,211,673,139</b>
Opening Other Liabilities (including Revaluation Reserve on Govt. Securities - HFT & HTM)	15,870,631,068	13,690,357,943
Borrowings from Other Banks, Financial Institution and Agents	992,330,321	988,412,866
Other Payable	(11,651,288,249)	(10,581,342,697)
	<b>5,211,673,140</b>	<b>4,097,428,112</b>
	<b>4,632,220,391</b>	<b>1,114,245,027</b>

**38.00.a Consolidated Increase/ (decrease) of other liabilities**

Closing Other Liabilities (including Revaluation Reserve on Govt. Securities - HFT & HTM)	17,217,748,422	16,003,329,719
Borrowings from Other Banks, Financial Institution and Agents	5,466,097,631	992,330,322
Other Payable	(12,814,894,876)	(11,736,790,544)
	<b>9,868,951,177</b>	<b>5,258,869,497</b>
Opening Other Liabilities (including Revaluation Reserve on Govt. Securities - HFT & HTM)	16,003,329,719	13,754,432,974
Borrowings from Other Banks, Financial Institution and Agents	992,330,321	988,412,866
Other Payable	(11,736,790,544)	(10,617,894,137)
	<b>5,258,869,496</b>	<b>4,124,951,703</b>
	<b>4,610,081,681</b>	<b>1,133,917,794</b>

**39.00 Closing Cash and Cash equivalents**

Cash in Hand (including foreign currencies)	3,136,618,694	2,700,511,035
Balance with Bangladesh Bank and its agent Banks (Including foreign currencies)	10,425,234,715	10,524,420,389
Balance with Other Banks and Financial Institutions	16,760,257,338	14,444,418,649
	<b>30,322,110,747</b>	<b>27,669,350,073</b>

		Amount in Taka	
		2018	2017
<b>39.00.a</b>	<b>Consolidated Closing Cash and Cash equivalents</b>		
	Cash in Hand (including foreign currencies)	3,136,639,429	2,700,532,209
	Balance with Bangladesh Bank and its agent Banks (Including foreign currencies)	10,425,234,715	10,524,420,389
	Balance with Other Banks and Financial Institutions	16,829,713,935	14,481,232,490
		<b>30,391,588,079</b>	<b>27,706,185,088</b>
<b>40.00</b>	<b>Earning per Share (EPS)</b>		
	Net profit after tax	1,719,310,521	1,556,394,901
	Number of ordinary shares outstanding	400,080,337	400,080,337
	Earning per Share (EPS)	<b>4.30</b>	<b>3.89</b>
<b>40.00.a</b>	<b>Consolidated Earning per Share (EPS)</b>		
	Net profit after tax	1,669,621,397	1,533,882,312
	Number of ordinary shares outstanding	400,080,337	400,080,337
	Earning per Share (EPS)	<b>4.17</b>	<b>3.83</b>

Earning per Share has been calculated in accordance with IAS-33: "Earning per Share" (EPS) and also calculated based on new number of shares as on 31.12.2018.

#### 41.00 Re-statements

Wherever considered necessary previous year's figures have been rearranged for the purpose of comparison with current period's presentation without any impact on the profit and value of assets and liabilities as reported in the financial statements.

#### 42.00 Workers Profit Participation Fund (WPPF)

Consistent with industry practice and in line with section 11(1) of the Bank Company Act 1991 (amendment upto 2013), no provision has been made by the Bank in the reporting period against Workers Profit Participation Fund (WPPF).

#### 43.00 Events after the Balance Sheet date

The Board of Directors of the Bank in its 687th meeting held on 28 April 2019 has recommended 20% Cash & 2% Stock Dividend for the year 2018.


#### 44.00 Approval of Financial Statements

These Financial Statement were reviewed by the Audit Committee of the Board of the Bank it its 99th Meeting held on 18 April 2019 and was subsequently approved by the Board of Directors in its 687th Meeting held on 28 April 2019.

  
(Mohammed Rabiul Hossain)  
Managing Director

  
(Arif Rahman)  
Director

  
(Kazi Masudur Rageb)  
Director

  
(Waliul Huq Khandker)  
Director

# Financial Highlights on the overall activities of the Bank as at 31 December 2018

Amount in Taka

Sl. No.	Particulars	Indicator	Year	
			2018	2017
1	Paid up Capital	Taka	4,000,803,370	4,000,803,370
2	Total Capital (Tier -I+II)	Taka	13,752,702,968	13,071,328,219
3	Capital surplus/(Deficit) after conservation buffer	Taka	673,080,901	1,689,677,781
4	Total Assets	Taka	190,029,921,008	178,879,622,914
5	Total Deposits	Taka	153,057,802,699	148,514,886,388
6	Total Loans & Advances	Taka	118,789,740,455	105,260,947,655
7	Total Contingent Liabilities and Commitments	Taka	24,939,399,684	24,220,254,616
8	Advance/ Deposit Ratio	%	77.61	70.88
9	Percentage of Classified Loans against total Loans & Advances	%	6.33	6.75
10	Profit after tax & provision	Taka	1,719,310,521	1,556,394,901
11	Amount of classified loans during current year	Taka	6,618,148,000	6,088,100,000
12	Provision kept against classified loans	Taka	2,504,504,682	1,496,143,152
13	Provision surplus /(deficit)	Taka	3,916,013	8,233,055
14	Cost of Fund	%	4.68	4.27
15	Interest Earning Assets	Taka	155,047,246,862	144,339,849,385
16	Non-interest Earning Assets	Taka	34,982,674,146	34,539,773,529
17	Return on Investment (ROI) %	%	9.84	8.67
18	Return on Assets (ROA)%	%	0.90	0.87
19	Investment Income	Taka	2,820,445,382	2,827,916,201
20	Earning Per Share (EPS)	Taka	4.30	3.89
21	Net Income per Share	Taka	4.30	3.89
22	Price Earning Ratio (Times)	Times	6.63	9.07



## Balance with other Banks and Financial Institutions Outside Bangladesh (Nostro Accounts)

Name of the Bank	Foreign currency name	Amount in foreign currency	Conversion rate per unit FC	2018 Taka	2017 Taka
Standard Chartered Bank, India	ACU	229,138.49	83.9000	19,224,719	6,591,317
Bank of Ceylon, Colombo	ACU	17,623.72	83.9000	1,478,630	876,928
Standard Chartered Bank, Nepal	ACU	29,457.00	83.9000	2,471,442	2,744,565
Nepal Bank Ltd, Kathmandu	ACU	7,322.56	83.9000	614,363	605,576
Bank of Bhutan, Thimpu	ACU	482,924.13	83.9000	40,517,335	27,288,516
Mashreq Bank, Mumbai	ACU	225,200.16	83.9000	18,894,293	14,692,051
Habib Metropolitan Bank Ltd., Karachi	ACU	142,442.15	83.9000	11,950,896	7,098,787
ICICI Bank Ltd. Mumbai	ACU	896,223.41	83.9000	75,193,144	-
Sonali Bank Kolkata	ACU	-	-	-	25,533,384
A.B.Bank Mumbai, India	ACU	-	-	-	15,871,340
United Bank of India	ACU	-	-	-	15,230,989
Abu Dhabi Commercial Bank	U.AED	25,000.00	22.8492	571,230	-
Habib Bank AG Zurich	CHF	23,662.88	84.2370	1,993,289	888,263
Alpha Bank AE, Athens	EUR	37,517.03	95.2349	3,572,930	4,613,485
Natexis Banques Populaires	EUR	19,590.75	95.2349	1,865,723	491,723
Commerz Bank AG, Frankfurt	EUR	304,382.90	95.2349	28,987,872	-
Standard Chartered Bank, PLC, GMBH	EUR	-	-	-	183,665,217
Unicredit Bank AG	EUR	-	-	-	596,499
Standard Chartered Bank, London	GBP	147,171.11	105.9825	15,597,560	21,412,661
Standard Chartered Bank, Singapore	SGD	29,030.70	61.1427	1,775,015	686,002
Mashreq Bank PSC, N.Y	USD	753,412.89	83.9000	63,211,341	96,209,330
Standard Chartered Bank, New York	USD	670,506.99	83.9000	56,255,536	110,881,692
Mashreq Bank, NY, USA (OBU)	USD	20,653.77	83.9000	1,732,851	2,479,332
Kookmin Bank	USD	361,902.27	83.9000	30,363,600	10,572,293
Industrial Bank of Korea	USD	26,298.26	83.9000	2,206,424	603,921
Commerz Bank AG, Frankfurt	USD	312,661.88	83.9000	26,232,332	26,772,196
Wells Fargo Bank NA.NY	USD	15,394,511.14	83.9000	1,291,599,485	593,209,491
Habib American Bank, New York	USD	-	-	-	27,846,920
Standard Chartered Bank, PLC, Tokyo	JPY	7,928,239.00	0.7533	5,972,161	7,788,712
The Bank of Tokyo Mitsubishi Ltd. Tokyo	JPY	-	-	-	103,495
Westpac Banking Corporation	AUD	-	-	-	2,180,500
<b>Total</b>				<b>1,702,282,172</b>	<b>1,207,535,185</b>

## Loans and advances allowed to each customer exceeding 10% of Bank's total Capital

Sl. No.	Name of the Clients	Sanction Limit (Funded & Non Funded)	Outstanding Balance (31.12.2018)		Total	
			Funded	Non-Funded	2018	2017
1	Abul Khair Group	5,500,000,000	3,144,341,420	445,351,762	3,589,693,182	4,276,310,259
2	BSRM Steel Limited	5,200,000,000	2,760,913,288	1,464,068,746	4,224,982,034	2,546,974,457
3	M/s City Sugar Industries & its Sister Concern	4,610,312,164	1,268,679,313	1,203,461,913	2,472,141,226	2,385,109,511
4	Ifad Group	3,398,128,417	1,382,573,300	324,612,989	1,707,186,289	789,926,650
5	BRAC	3,050,000,000	2,980,099,730	-	2,980,099,730	2,943,049,759
6	M/S. Veloxo Trading Limited	2,380,000,000	995,846,656	125,040,490	1,120,887,146	814,236,436
7	Patriot Group	2,360,000,000	635,358,870	1,129,948,199	1,765,307,069	794,362,380
8	Walton Group	2,150,000,000	5,126,811	16,307,175	21,433,986	1,327,058,750
9	Nitol Motors Limited	2,098,679,795	1,348,018,249	117,866,000	1,465,884,249	1,640,219,626
10	A.R.M. Trading Group	1,960,000,000	138,690,825	5,894,000	144,584,825	422,008,045
11	M/s Saad Musa Fabrics	1,800,000,000	712,465,364	-	712,465,364	638,487,780
12	Banga Millers & Habigonj Agro Limited	1,788,017,125	1,316,474,283	-	1,316,474,283	1,708,520,488
13	Mir Akhter Hossain Limited	1,650,000,000	510,316,667	37,598,176	547,914,843	55,211,604
14	M/s Padma Group	1,642,255,380	665,861,243	504,827,452	1,170,688,695	-
15	Nasir group	2,074,437,646	338,992,047	-	338,992,047	-
16	M/s. Envoy Textile Limited	2,000,000,000	608,798,036	-	608,798,036	-
17	Advanced Chemical Industries Ltd. (ACI)	1,700,000,000	699,810,375	-	699,810,375	-
18	Crecent Chemicals Ltd. Opso Saline	1,571,100,000	699,843,189	272,210,040	972,053,229	-
19	Tusuka Group	1,534,000,000	471,392,345	110,595,392	581,987,737	-
20	KSRM Group	1,500,000,000	1,519,328,359	-	1,519,328,359	-
	<b>Total</b>	<b>49,966,930,527</b>	<b>22,202,930,370</b>	<b>5,757,782,334</b>	<b>27,960,712,704</b>	<b>20,341,475,745</b>

Amount in Taka



## Fixed assets including Land, building, furniture and fixtures

Amount in Taka

Particulars	COST/REVALUATION				DEPRECIATION				Revalued Written down value as at 31-Dec-18
	Balance as on 01-Jan-18	Addition during the year	Disposal/ Adjustment during the year	Balance as at 31-Dec-18	Balance as on 01-Jan-18	Charged during the year	Adjustment during the year	Balance as at 31-Dec-18	
Land	1,315,648,485	-	-	1,315,648,485	-	-	-	-	1,315,648,485
Building	1,285,054,527	-	-	1,285,054,527	354,340,902	23,194,598	-	377,535,500	907,519,027
Furniture & Fixtures	662,021,899	11,718,502	1,192,571	672,547,830	303,784,365	36,665,910	873,969	339,576,306	332,971,524
Vehicles	173,347,976	-	5,201,500	168,146,476	137,990,176	12,958,427	5,201,440	145,747,163	22,399,313
Office Appliance	1,212,842,799	55,862,364	11,992,249	1,256,712,914	731,545,195	103,787,034	10,274,464	825,057,765	431,655,149
Software	230,077,620	11,488,491	-	241,566,111	162,819,830	38,933,084	-	201,752,914	39,813,197
<b>Total</b> 2018	<b>4,878,993,306</b>	<b>79,069,357</b>	<b>18,386,320</b>	<b>4,939,676,343</b>	<b>1,690,480,468</b>	<b>215,539,053</b>	<b>16,349,873</b>	<b>1,889,669,648</b>	<b>3,050,006,695</b>
<b>Total</b> 2017	<b>4,780,604,536</b>	<b>140,740,766</b>	<b>42,351,996</b>	<b>4,878,993,306</b>	<b>1,503,852,966</b>	<b>223,245,985</b>	<b>36,618,484</b>	<b>1,690,480,467</b>	<b>3,188,512,839</b>

## Consolidated Fixed assets including Land, building, furniture and fixtures

Amount in Taka

Particulars	COST/REVALUATION				DEPRECIATION				Revalued Written down value as at 31-Dec-18
	Balance as on 01-Jan-18	Addition during the year	Disposal/ Adjustment during the year	Balance as at 31-Dec-18	Balance as on 01-Jan-18	Charged during the year	Adjustment during the year	Balance as at 31-Dec-18	
Land	1,315,648,485	-	-	1,315,648,485	-	-	-	-	1,315,648,485
Building	1,285,054,527	-	-	1,285,054,527	354,340,903	23,194,598	-	377,535,500	907,519,027
Furniture & Fixtures	667,689,704	11,718,502	1,192,571	678,215,635	305,002,790	37,232,691	873,969	339,576,306	338,639,329
Vehicles	173,347,976	-	5,201,500	168,146,476	137,990,176	12,958,427	5,201,440	145,747,163	22,399,313
Office	1,217,002,474	55,862,364	11,992,249	1,260,872,589	733,625,033	104,618,969	10,274,464	825,057,765	435,814,824
Appliance									
Software	232,067,620	11,488,491	-	243,556,111	163,694,830	39,331,084	-	201,752,914	41,803,197
<b>Total'2018</b>	<b>4,890,810,786</b>	<b>79,069,357</b>	<b>18,386,320</b>	<b>4,951,493,823</b>	<b>1,694,653,732</b>	<b>217,335,769</b>	<b>16,349,873</b>	<b>1,895,639,628</b>	<b>3,055,854,194</b>
<b>Total'2017</b>	<b>4,792,422,017</b>	<b>140,740,766</b>	<b>42,351,996</b>	<b>4,890,810,787</b>	<b>1,506,229,516</b>	<b>225,042,701</b>	<b>36,618,484</b>	<b>1,694,653,733</b>	<b>3,196,157,054</b>



**FINANCIAL STATEMENTS  
OF  
OFF-SHORE BANKING UNIT**



# Uttara Bank Limited (Off-shore Banking Unit)

## Balance Sheet

As at 31 December 2018

	Notes	2018		2017
		USD	BDT	USD
<b>PROPERTY AND ASSETS</b>				
<b>Cash</b>		-	-	-
Cash in hand (Including foreign currencies)		-	-	-
Balance with Bangladesh Bank and its Agent Bank(s) (Including foreign currencies)		-	-	-
<b>Balance with other Banks and Financial Institutions</b>	<b>3.00</b>	20,654	1,732,871	29,980
<b>In Bangladesh</b>				
Outside Bangladesh		20,654	1,732,871	29,980
<b>Money at call on short notice</b>		-	-	-
<b>Investments</b>		-	-	-
Government		-	-	-
Others		-	-	-
<b>Loans and Advances</b>	<b>4.00</b>	7,071,252	593,278,043	14,742,513
Loans, Cash Credit, Overdrafts etc.				
Bills Purchased & Discounted		7,071,252	593,278,043	14,742,513
<b>Fixed assets including Land, Building, Furniture and Fixtures</b>	<b>5.00</b>	128,046	10,743,059	279,136
<b>Other Assets</b>				
<b>Non-Banking Assets</b>				
<b>TOTAL ASSETS</b>		7,219,952	605,753,973	15,051,629
<b>LIABILITIES AND CAPITAL</b>				
<b>Liabilities</b>				
Borrowings from other Banks, Financial Institutions and Agents	<b>6.00</b>	6,518,651	546,914,819	14,537,879
<b>Deposits and other accounts</b>		-	-	-
Current and other accounts		-	-	-
Bills payable		-	-	-
Saving bank deposits		-	-	-
Fixed deposits		-	-	-
Other deposits		-	-	-
<b>Other Liabilities</b>	<b>7.00</b>	247,749	20,786,141	393,816
<b>TOTAL LIABILITIES</b>		6,766,400	567,700,960	14,931,695
<b>CAPITAL/SHARE HOLDERS' EQUITY</b>				
Paid up capital		-	-	-
Statutory reserve		-	-	-
Other reserves		-	-	-
Foreign Currency Translation Reserves		-	296,936	-
Surplus in profit and loss account		453,552	37,756,077	119,933
<b>Total equity attributable to equity holders</b>		453,552	38,053,013	119,933
<b>TOTAL LIABILITIES AND SHARE HOLDERS' EQUITY</b>		7,219,952	605,753,973	15,051,629

# Uttara Bank Limited (Off-shore Banking Unit)

## Balance Sheet

As at 31 December 2018

Notes	2018		2017
	USD	BDT	USD

### OFF BALANCE SHEET ITEMS

#### Contingent Liabilities

Acceptances & Endorsements  
Letters of Guarantee  
Irrevocable Letters of Credit  
Bills for Collection  
Other Contingent Liabilities

-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-

#### Other Commitments

Documentary credits 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 Other Commitments

**Total Off-Balance Sheet Items (Including  
Contingent Liabilities)**

-	-	-
---	---	---





# Uttara Bank Limited (Off-shore Banking Unit)

## Profit and Loss Account

For the year ended 31 December 2018

	Notes	2018		2017
		USD	BDT	USD
<b>Interest income</b>	8.00	599,962	50,101,927	664,494
Interest paid on deposits and borrowings etc.	9.00	269,414	22,498,359	554,992
<b>Net interest income</b>		<b>330,548</b>	<b>27,603,568</b>	<b>109,502</b>
Investment income		-	-	-
Commission, exchange and brokerage	10.00	4,444	371,112	15,018.00
Other operating income	11.00	30,105	2,514,023	8,640.00
<b>Total operating income</b>		<b>365,097</b>	<b>30,488,703</b>	<b>133,160</b>
Salary and allowances		29,933	2,499,660	27,062
Rent, taxes, insurance, electricity etc.		1,259	105,137	1,282
Legal expenses		-	-	-
Postage, stamp, telecommunication etc.		86	7,182	91
Stationery, Printings, Advertisements etc.		200	16,702	200
Chief Executive's salary and fees		-	-	-
Directors' fees		-	-	-
Auditors' fees		-	-	-
Charges on loan losses		-	-	-
Depreciation and repair of bank's assets		-	-	-
Other expenses		-	-	-
<b>Total operating expenses</b>		<b>31,478</b>	<b>2,628,681</b>	<b>28,634</b>
<b>Profit before provision</b>		<b>333,619</b>	<b>27,860,022</b>	<b>104,526</b>
<b>Provision for loan</b>		-	-	<b>57,212</b>
Provision for loans and advances and off balance sheet exposures				57,212
Provision for other		-	-	-
<b>Profit before taxes</b>		<b>333,619</b>	<b>27,860,022</b>	<b>47,314</b>
<b>Provision for taxation</b>		-	-	-
Current tax		-	-	-
Deferred tax		-	-	-
<b>Net profit after taxation</b>		<b>333,619</b>	<b>27,860,022</b>	<b>47,314</b>
Retained earnings brought forward		119,933	9,896,055	72,619
<b>Retained earnings carried forward</b>		<b>453,552</b>	<b>37,756,077</b>	<b>119,933</b>

# Uttara Bank Limited (Off-shore Banking Unit)

## Cash Flow Statement

For the year ended 31 December 2018

	2018		2017
	USD	BDT	USD
<b>A. Cash flows from operating activities</b>			
Interest receipts in cash	742,120	61,705,532	574,053
Interest payments	(370,248)	1,647,754	(463,020)
Fee and commission receipts in cash	13,553	1,124,426	9,333
Cash payments to employees	-	-	-
Cash payments to suppliers	-	-	-
Receipts from other operating activities	29,928	2,499,386	12,145
Payments for other operating activities	-	-	-
<b>Operating profit before changes in operating assets and liabilities</b>	<b>415,353</b>	<b>66,977,098</b>	<b>132,511</b>
<b>Increase/ (decrease) in operating assets and liabilities</b>	<b>(424,679)</b>	<b>(46,165,187)</b>	<b>(154,568)</b>
Loans and advances to customers (other than Banks)	7,671,261	581,091,781	(5,835,649)
Other assets	-	-	60,066
Trading liabilities	(8,019,228)	-	-
Other liabilities	(76,712)	(627,256,968)	5,621,015
<b>Net cash received from/ (used in) operating activities</b>	<b>(9,326)</b>	<b>20,811,911</b>	<b>(22,057)</b>
<b>B. Cash flows from investing activities</b>			
Payments for purchase of securities	-	-	-
Purchase of property, plant & equipment	-	-	-
Sale of property, plant & equipment	-	-	-
Purchase/sale of subsidiary	-	-	-
<b>Net cash received from/ (used in) investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>C. Cash flows from financing activities</b>			
Receipts from issue of loan capital and debt security	-	-	-
Payment for redemptions of loan capital and debt security	-	-	-
Receipts from issue of ordinary share	-	-	-
Dividend paid	-	-	-
<b>Net cash received from/ (used in) financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>D. Net Increase/ (decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(9,326)</b>	<b>20,811,911</b>	<b>(22,057)</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>F. Opening Cash and Cash equivalents</b>	<b>29,980</b>	<b>2,479,332</b>	<b>52,037</b>
<b>G. Closing Cash and Cash equivalents (D+E+F)</b>	<b>20,654</b>	<b>23,291,243</b>	<b>29,980</b>
<b>H. Closing Cash and Cash equivalents</b>			
Cash in hand (including foreign currencies)	-	-	-
Balance with bangladesh bank & its agent banks (including foreign currencies)	-	-	-
Balance with other banks and financial institutions	20,654	1,732,871	29,980
	<b>20,654</b>	<b>1,732,871</b>	<b>29,980</b>

# Uttara Bank LTD. (Off-shore Banking Unit)

## Notes to the Financial Statements

As at and for the year ended 31 December 2018

### 1.0 Status of the Unit

Off-shore Banking Unit is a separate business unit of Uttara Bank Limited, governed under the Rules and Regulations of Bangladesh Bank. The Bank obtained the permission to operate Off-shore Banking Unit (OBU) vide letter no. BRPD(P-3)744(123)/2015-2062 dated March 23, 2015. The Bank started the operation of OBU on July 06, 2015. Presently the Bank has operate 1 (one) Off-shore Banking Unit (OBU) located at Head Office, International Division, Dhaka.

### 1.1 Nature of Business

The principal activities of the Unit are to provide all kind of Banking Business in accordance with Bangladesh Bank's rules and regulation's for operating Off-shore Banking Unit in Bangladesh.

### 2.0 Significant accounting policies and bases of preparation of financial statements

#### 2.1 Basis of accounting

The Financial Statements of the Unit as at and for the year ended December 31, 2018 have been prepared under the historical cost convention and in accordance with International Financial Reporting Standards (IFRSs), the First Schedule (Section - 38) of the Banking Companies Act 1991, as amended by Bangladesh Bank vide BRPD circular no. 14 dated 25 June 2003, other Bangladesh Bank circulars, the Companies Act 1994, the Securities and Exchange Rules 1987 and other rules and regulations applicable in Bangladesh.

#### 2.2 Functional and Presentation Currency

The functional currency of OBU's is US Dollar. While the financial statements are presented both in USD and equivalent in Bangladesh Taka. Transactions in foreign currencies are recorded in the functional currency at the rate of exchange prevailing on the date of the transactions. Foreign currency assets and liabilities are translated into functional currency at the rate of exchange prevailing at the date of balance sheet.

#### 2.3 Cash Flow Statement

Cash Flow Statement has been prepared in accordance with the International Accounting Standard (IAS) - 7, "Cash Flow Statement" under Direct method as recommended in the BRPD circular no. 14 dated 25 June 2003 issued by the Banking Regulation and Policy Department of Bangladesh Bank.

#### 2.4 Assets and basis of their valuation

##### 2.4.1 Loans and Advances

Loans and Advances of Off-shore Banking Unit (OBU) are stated in the Balance Sheet on gross basis. Interest is calculated on a daily product basis but charged and accounted for on the accrual basis. Interest is not charged on bad and loss loans as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

#### 2.5 Revenue recognition

##### 2.5.1 Interest Income

In terms of the provisions of the IAS - 18 "Revenue", the interest income on loans and advances is recognized on the accrual basis.

##### 2.5.2 Interest paid on deposits and borrowings

Interest paid on deposits, borrowings etc. are accounted for on accrual basis.

##### 2.5.3 Fees and Commission Income

Fees and Commission Income arising from different services provided by the Units are recognized as and when received basis.

#### 2.6 General

Figures appearing in these financial statements have been rounded off to the nearest Taka. These financial statements cover from January 01 to December 31, 2018.

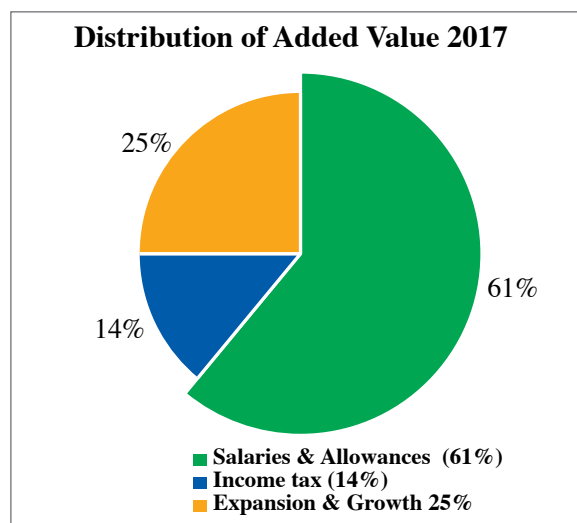
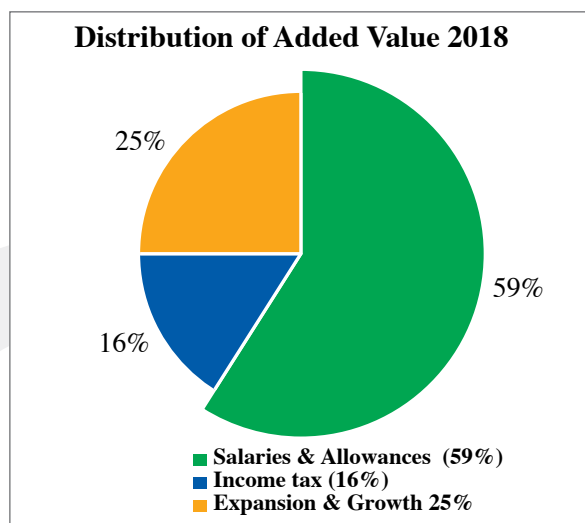
	2018		2017	
	USD	BDT	USD	BDT
<b>3.00 Balance with other banks and financial institutions</b>				
In Bangladesh (Note - 3.01)	-	-	-	-
Outside Bangladesh (Note - 3.02)	20,654	1,732,871	29,980	2,479,332
	<b>20,654</b>	<b>1,732,871</b>	<b>29,980</b>	<b>2,479,332</b>
<b>3.01 In Bangladesh</b>	-	-	-	-
<b>3.02 Outside Bangladesh</b>				
Mashreq Bank, New York, USA (OBU)	<b>20,654.00</b>	<b>1,732,871</b>	<b>29,980</b>	<b>2,479,332</b>
<b>4.00 Loans and Advances</b>				
Loans, Cash Credit, Overdraft etc.	-	-	-	-
Bills purchased & discounted	7,071,252	593,278,043	14,742,513	1,190,699,333
	<b>7,071,252</b>	<b>593,278,043</b>	<b>14,742,513</b>	<b>1,190,699,333</b>
<b>5.00 Other Assets</b>				
Interest Receivable on Bills purchased & discounted	127,384	10,687,518	269,542	22,291,123
Reimbursement Charge Receivable	-	-	9,109	753,314
Suspense Account	-	-	-	-
Income Receivable from Reimbursing Bank	662	54,747	485	40,110
	<b>128,046</b>	<b>10,742,265</b>	<b>279,136</b>	<b>23,084,547</b>
<b>6.00 Borrowings from other Banks, Financial Institutions and Agents</b>				
In Bangladesh	6,518,651	546,914,819	14,537,879	1,174,171,787
Outside Bangladesh	-	-	-	-
	<b>6,518,651</b>	<b>546,914,819</b>	<b>14,537,879</b>	<b>1,174,171,787</b>
<b>7.00 Other Liabilities</b>				
Interest Payable on Borrowings	94,881	7,960,516	195,715	16,185,597
Expenditure Payable	82,155	6,892,805	50,677	4,102,780
Provision for Unclassified Loans & Advances	70,713	5,932,821	147,425	11,906,993
	<b>247,749</b>	<b>20,786,141</b>	<b>393,816</b>	<b>32,195,370</b>
<b>8.00 Interest income</b>				
Interest on Loans and Advances	599,962	50,101,927	664,494	56,223,761
	<b>599,962</b>	<b>50,101,927</b>	<b>664,494</b>	<b>56,223,761</b>
<b>9.00 Interest paid on deposits and borrowings etc.</b>				
Interest paid on borrowings	269,414	22,498,359	554,992	46,808,990
	<b>269,414</b>	<b>22,498,359</b>	<b>554,992</b>	<b>46,808,990</b>
<b>10.00 Commission, exchange and brokerage</b>				
Reimbursement charge recovered	4,444	371,112	15,018	1,241,989
	<b>4,444</b>	<b>371,112</b>	<b>15,018</b>	<b>1,241,989</b>
<b>11.00 Other operating income</b>				
Income from Reimbursing Bank	5,940	496,040	8,640	714,528
Income/Loss from Currency Conversion	24,165	2,017,983		
	<b>30,105</b>	<b>2,514,023</b>	<b>8,640</b>	<b>714,528</b>

# Value Added Statement

## for the year ended 31 December 2018

The value added statement of Uttara Bank Limited shows how the value is created and distributed to the different stakeholders of the Bank. Value added to the Bank stood at Tk.7,825,837,815 registering a growth of 7.82% over the previous year.

Particulars	2018 Taka	%	2017 Taka	%
Income from Banking Services	17,097,503,964		14,916,330,164	
Less : Cost of services & supplies	8,372,051,354		7,453,810,811	
Value added by Banking Services	8,725,452,610		7,462,519,353	
Add Retained surplus	30,385,205		44,150,978	
Less: Loan loss provision & other provision	930,000,000		300,000,000	
<b>Total Value Added</b>	<b>7,825,837,815</b>	<b>100%</b>	<b>7,206,670,331</b>	<b>100%</b>
<b>Distribution of Value Addition</b>				
To employees as salaries & allowances	4,598,445,570	59.00	4,409,027,724	61.00
To Government as Income tax	1,262,157,466	16.00	973,850,743	14.00
To Benevolent Fund	-	-	-	-
To Statutory Reserve	-	-	-	-
To General Reserve	-	-	-	-
<b>To Expansion &amp; Growth</b>	<b>1,965,234,779</b>	<b>25.00</b>	<b>1,823,791,864</b>	<b>25.00</b>
a) Retained Earnings	1,749,695,726		1,600,545,879	
b) Depreciation	215,539,053		223,245,985	
<b>Total</b>	<b>7,825,837,815</b>	<b>100.00</b>	<b>7,206,670,331</b>	<b>100.00</b>





# Economic Value Added Statement (EVA)

## for the year ended 2018

Economic Value Added (EVA) indicates the true economic profit of a Company. EVA is an estimate of the amount by which earnings exceed or fall short of required minimum return for shareholders at comparable risks. EVA of the Bank stood at Tk. 1,283,488,517 as of 31 December 2018 as against Tk. 577,399,563 in 31 December 2017. Uttara Bank Ltd. is always concern for delivery of value to all of our Shareholders/Equity providers.

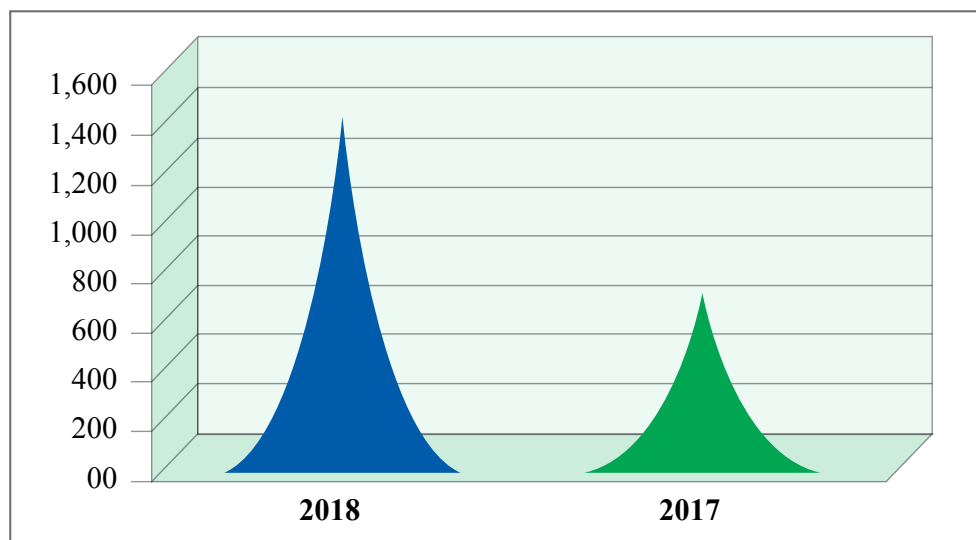
Particulars	2018 Taka	2017 Taka
Total operating income	10,079,101,418	8,839,613,894
less: Operating Expenses	(6,167,633,431)	(6,009,368,250)
Operating Profit	3,911,467,987	2,830,245,644
Less: Income Tax	1,262,157,466	973,850,743
<b>Profit after Tax(PAT)</b>	<b>2,649,310,521</b>	<b>1,856,394,901</b>
Shareholders' Equity	14,742,744,065	13,890,840,915
Average Shareholder's Equity	14,316,792,490	13,620,823,617
Average cost of Equity*	9.54%	9.39%
<b>Equity Cost</b>	<b>1,365,822,004</b>	<b>1,278,995,338</b>
<b>Economic Value Added (PAT-Equity cost)</b>	<b>1,283,488,517</b>	<b>577,399,563</b>
<b>Growth over the last year</b>	<b>122.29</b>	<b>(30.64)</b>

Average cost of Equity (9.54%)

Based on weighted average rate of 10 years treasury bond issued by the Bangladesh Bank (7.54)+ Risk Premium (2.00%)

### Economic Value Added

(Taka in Million)



# Market Value Addition (MVA)

## Statement for the year ended 2018

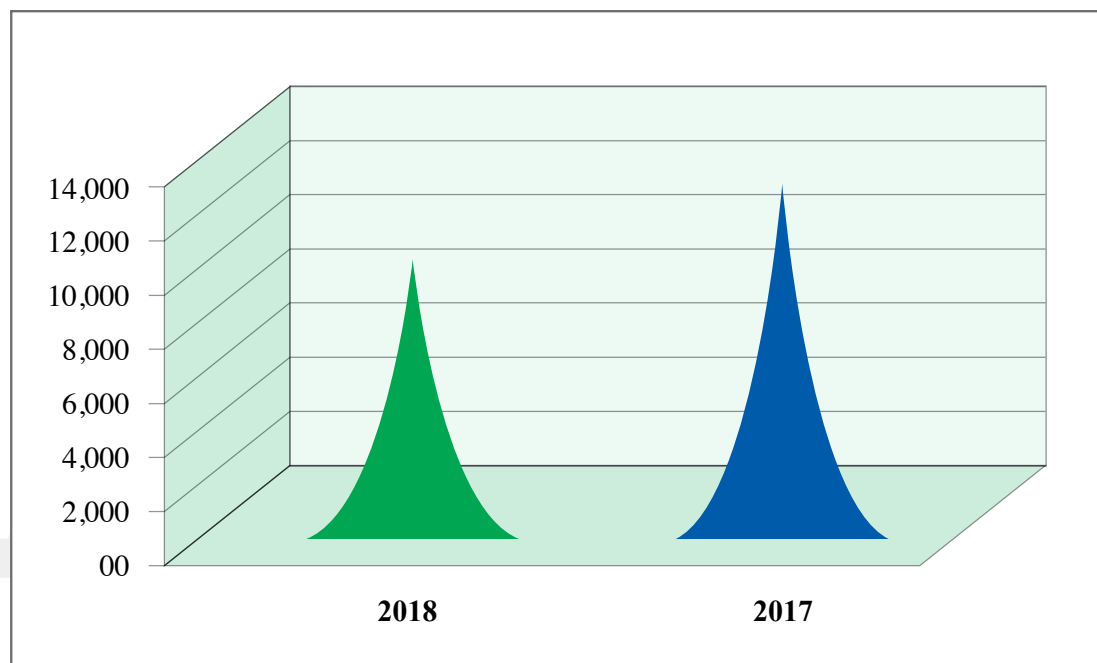
Market Value Added (MVA) is the amount derived from the difference between market capitalization and book value of the shares outstanding in the market. It's the indication of progressive market growth as well as financial strength which the company possesses.

(Amount in Taka)

Particulars	2018	2017
Market value per share	28.50	35.30
Number of shares outstanding	400,080,337	400,080,337
Total market capitalization	11,402,289,605	14,122,835,896
Book value of shares outstanding	4,000,803,370	4,000,803,370
<b>Market value added</b>	<b>7,401,486,235</b>	<b>10,122,032,526</b>

### Market Value Addition

(Taka in Million)





**AUDITOR'S REPORT AND  
FINANCIAL STATEMENTS  
OF  
UB CAPITAL AND  
INVESTMENT LIMITED**



# Auditor's Report

## to the Shareholders' of UB Capital and Investment Limited

---

### Opinion

We have audited the financial statements of UB Capital and Investment Limited which comprises the statement of financial position as at December 31, 2018, 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 disclosed in notes 1 to 12.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the company as at December 31, 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable rules and regulations.

### 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 Auditors' Responsibilities for the Audit of the financial statements section of this report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Management is responsible for the other information. The other information comprises the information included the Annual report, but not included the financial statements and our auditor's report there on. (Any such report consist of other information is made available to us before the date of this audit report.)

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the information is materially inconsistent with financial statements or our knowledge obtain in the audit or otherwise appears to be materially misstated.

When any report consists of other information made available to us, we read the report, if we conclude that there is a material misstatement there in; we are required to report the fact. Now we have nothing to report in this regard.

### 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 of the Company in accordance with IFRSs, 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 consolidated and separate financial statements

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.
- 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 Fund'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 Fund's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of financial statements, including the disclosures, and whether the 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 Fund's to express an opinion on the 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 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.

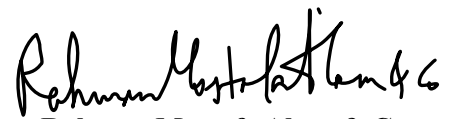
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation 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.

### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose 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 those books; and
- c) the statement 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.

Dated: Dhaka  
28 April 2019

  
**Rahman Mostafa Alam & Co.**  
Chartered Accountants



# UB Capital and Investment Limited

## Statement of Financial Position

As at December 31, 2018

Particulars	Notes	Amount in Taka	
		2018	2017
<b>Assets</b>			
<b>Current Assets</b>			
Interest Receivable on FDR		1,333,818	1,012,823
Advances, Deposits & Prepayments	3.00	22,889,979	20,256,546
Cash & Cash Equivalents	4.00	146,727,986	141,261,166
<b>Total Assets</b>		<b>170,951,783</b>	<b>162,530,535</b>
<b>Shareholders' Equity and Liabilities</b>			
<b>Shareholders' Equity</b>			
Paid up Capital	5.00	100,000,000	100,000,000
Retained Earnings	6.00	44,337,679	39,072,836
<b>Total Shareholders' Equity</b>		<b>144,337,679</b>	<b>139,072,836</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Provision for Expenses	7.00	11,500	14,000
Provision for Income Tax	8.00	26,602,604	23,443,699
<b>Total Liabilities</b>		<b>26,614,104</b>	<b>23,457,699</b>
<b>Total Shareholders' Equity and Liabilities</b>		<b>170,951,783</b>	<b>162,530,535</b>

The annexed notes 1.00 to 12.00 form an integral part of these financial statements.

  
Managing Director

  
Director

  
Director

Signed in terms of our separate report of even date .

Dated: Dhaka  
28 April 2019

  
Rahman Mostafa Alam & Co.  
Chartered Accountants

# UB Capital and Investment Limited

## Statement of Profit or Loss and Other Comprehensive Income

For the year ended December 31, 2018

Particulars	Notes	Amount in Taka	
		2018	2017
<b>Operating Income</b>			
Interest Income	9.00	9,045,533	6,417,923
<b>Total Operating Income</b>		<b>9,045,533</b>	<b>6,417,923</b>
<b>Less: Operating Expense</b>			
Rent, Taxes, Insurance, Electricity etc.	10.00	483,883	573,649
Stationery, Printing, Advertisements etc.		2,762	1,534
Directors' Fees		68,000	36,000
Auditor's Fees		10,000	10,000
Other Expenses	11.00	57,140	58,312
<b>Total Operating Expenses</b>		<b>621,785</b>	<b>679,495</b>
<b>Net Profit before Tax</b>		<b>8,423,748</b>	<b>5,738,428</b>
Less: Provision for Tax	8.01	3,158,905	2,151,910
<b>Net Profit after Tax</b>		<b>5,264,843</b>	<b>3,586,518</b>

The annexed notes 1.00 to 12.00 form an integral part of these financial statements.


  
Managing Director

  
Director

  
Director

Signed in terms of our separate report of even date .

Dated: Dhaka  
28 April 2019

  
Rahman Mostafa Alam & Co.  
Chartered Accountants

# UB Capital and Investment Limited

## Statement of Changes in Equity

For the year ended December 31, 2018

(Amount in Taka)

Particulars	Paid up Capital	Retained Earnings	Total
<b>Balance as at 01 January 2018</b>	<b>100,000,000</b>	<b>39,072,836</b>	<b>139,072,836</b>
Net Profit after Tax	-	5,264,843	5,264,843
<b>Balance as at 31 December 2018</b>	<b>100,000,000</b>	<b>44,337,679</b>	<b>144,337,679</b>
<b>Balance as at 01 January 2017</b>	<b>100,000,000</b>	<b>35,486,318</b>	<b>135,486,318</b>
Net Profit after Tax	-	3,586,518	3,586,518
<b>Balance as at 31 December 2017</b>	<b>100,000,000</b>	<b>39,072,836</b>	<b>139,072,836</b>

  
Managing Director

  
Director

  
Director

# UB Capital and Investment Limited

## Statement of Cash Flows

For the year ended December 31, 2018

Particulars	Amount in Taka	
	2018	2017
<b>A. Cash flows from operating activities</b>		
Interest receipts in cash	8,724,538	6,423,252
Income tax paid	(2,636,060)	(1,679,381)
Payments for operating activities	(624,285)	(682,995)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>5,464,193</b>	<b>4,060,876</b>
<b>Increase/(decrease) in operating assets and liabilities</b>		
Other assets	2,627	12,499
Other liabilities	-	-
	2,627	12,499
<b>Net cash (used in)/received from operating activities</b>	<b>5,466,820</b>	<b>4,073,375</b>
<b>B. Cash flows from investing activities</b>	-	-
Net cash (used in)/received from investing activities	-	-
<b>C. Cash flows from financing activities</b>	-	-
Net cash (used in)/received from financing activities	-	-
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>5,466,820</b>	<b>4,073,375</b>
Cash and cash equivalents at the beginning of the year	141,261,166	137,187,791
<b>Cash and cash equivalents at the end of the year</b>	<b>146,727,986</b>	<b>141,261,166</b>

  
Managing Director

  
Director

  
Director



# UB Capital and Investment Limited

## Notes to the Financial Statements

As at and for the year ended December 31, 2018

### 1.00 Company and its activities

#### 1.01 Status of the Company

UB Capital and Investment Limited was incorporated as a public limited company with the Registrar of Joint Stock Companies and Firms Dhaka, Bangladesh on 28 September 2010 under the Companies Act, 1994 bearing registration no C-87220/10. The Registered Office of the company is at 47 Shahid Bir Uttam Asfaqus Samad Sarak, (Former 90, Motijheel C/A), Dhaka. The company is a subsidiary of Uttara Bank Limited.

#### 1.02 Nature of Business

The main activities of the company is to act as a full fledged merchant banker and portfolio manager to provide services like underwriting public issue of shares, buy and sell of shares/ securities on behalf of clients under portfolio management operation etc. The company is also authorized to buy, sell, hold or otherwise acquire or invest the capital of the company in shares, stocks and fixed income securities.

### 2.00 Significant Accounting Policies and basis of preparations

#### 2.01 Statement of Compliance

The Financial Statements have been prepared on the going concern basis under the historical cost concept in accordance with the Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rule 1987 and other relevant Laws and Regulations.

#### 2.02 Basis of Measurement

The Financial Statements are prepared on Historical Cost Convention.

#### 2.03 Use of Estimates and Assumption

The preparation of the Financial Statements requires management to use judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. However, no such revision to accounting estimates took place during the reporting period.



## **2.04 Reporting Period**

The financial period of the Company covers its period from 01 January 2018 to 31 December 2018.

## **2.05 Components of Financial Statements**

According to Bangladesh Accounting Standard (BAS-1) "Presentation of Financial Statements" are comprises of following components:

- i) Statement of Financial Position
- ii) Statement of Profit or Loss and Other Comprehensive Income
- iii) Statement of Changes in Equity
- iv) Statement of Cash Flows and
- v) Notes to the Financial Statements

## **2.06 Income and Expenditure**

Income and Expenditure are recognized on accrual basis. Income are only recognized if its realization is reasonably certain. The Company will commence its operation after obtaining license from the Bangladesh Securities and Exchange Commission (BSEC).

## **2.07 Provision for Expenses**

Provision for Expenses is recognized when the company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimate of the amount can be measured. Expenditure has been recognized on accrual basis and provision has been made for known liabilities.

## **2.08 Rearrangements**

Wherever considered necessary, Previous year's figures have been rearranged for the purpose of comparison with current period's presentation without any impact on the profit and value of assets and liabilities as reported in the Financial Statements.

## **2.09 General**

- a) The Financial Statements are prepared in Bangladeshi Taka which is both functional currency and presentation currency of the company.
- b) The figures of the Financial Statements have been rounded off to the nearest Taka.

		Amount in Taka	
		2018	2017
<b>3.00</b>	<b>Advances, Deposits &amp; Prepayments</b>		
	Prepaid expenses	108,130	110,757
	Advance Income Tax (Note 3.01)	22,781,849	20,145,789
		<b>22,889,979</b>	<b>20,256,546</b>
<b>3.01</b>	<b>Advance Income Tax</b>		
	<b>Opening balance</b>		
	Advance corporate tax	11,945,820	10,468,721
	TDS on interest income on FDR & SB	8,199,969	7,997,687
		<b>20,145,789</b>	<b>18,466,408</b>
	<b>Add: Paid during the year</b>		
	Advance corporate tax	1,749,629	1,477,099
	TDS on interest income on FDR & SB	886,431	202,282
		<b>2,636,060</b>	<b>1,679,381</b>
		<b>22,781,849</b>	<b>20,145,789</b>
<b>4.00</b>	<b>Cash &amp; Cash equivalents</b>		
	<b>Cash in Hand</b>	-	-
	<b>Cash at Bank with Uttara Bank Limited</b>		
	Current account	3,740	4,740
	Savings Bank account	6,826,642	8,934,304
	Fixed Deposit Receipt account	139,897,604	132,322,122
		<b>146,727,986</b>	<b>141,261,166</b>
		<b>146,727,986</b>	<b>141,261,166</b>
<b>5.00</b>	<b>Share Capital</b>		
	<b>Authorized Capital</b>		
	100,000,000 Ordinary Shares of Tk. 10/- each	<b>1,000,000,000</b>	<b>1,000,000,000</b>
	<b>Issued, Subscribed &amp; Paid-up Capital</b>		
	10,000,000 Ordinary Shares of Tk. 10/- each	100,000,000	100,000,000
		<b>100,000,000</b>	<b>100,000,000</b>

#### Percentage of Shareholdings as on December 31, 2018

Name of the Shareholders	% of Share holdings	No. of Shares	Face value
<b>a) Corporate:</b>			
Uttara Bank Limited	99.994	9,999,400	99,994,000
<b>b) Individual:</b>			
Mr. Iftekharul Islam	0.001	100	1,000
Mr. Md. Majibullah Khan	0.001	100	1,000
Mr. Abul Barq Alvi	0.001	100	1,000
Dr. Md. Rezaul Karim Mazumder	0.001	100	1,000
Mr. Md. Golam Mustafa	0.001	100	1,000
Mr. Muhammad Amimul Ahsan	0.001	100	1,000
<b>Total</b>	<b>100.000</b>	<b>10,000,000</b>	<b>100,000,000</b>

	Amount in Taka	
	2018	2017
<b>6.00 Retained Earnings</b>		
Opening balance	39,072,836	35,486,318
Add: Net Profit after Tax	5,264,843	3,586,518
	<b>44,337,679</b>	<b>39,072,836</b>
<b>7.00 Provision for Expenses</b>		
Audit fee payable	10,000	10,000
Tax payable	-	1,000
VAT payable	1,500	3,000
	<b>11,500</b>	<b>14,000</b>
<b>8.00 Provision for Income Tax</b>		
Opening balance	23,443,699	21,291,789
Add: Provision made during the period (Note - 8.01)	3,158,905	2,151,910
	<b>26,602,604</b>	<b>23,443,699</b>
<b>8.01 Provision made during the period</b>		
Net Profit before Tax	8,423,748	5,738,428
Effective tax rate	37.50%	37.50%
	<b>3,158,905</b>	<b>2,151,910</b>
<b>9.00 Interest Income</b>		
Fixed Deposit Receipt account	279,559	311,880
Savings Bank account	8,765,974	6,106,043
	<b>9,045,533</b>	<b>6,417,923</b>
<b>10.00 Rent, Taxes, Insurance, Electricity etc.</b>		
Office Rent	405,000	491,370
Rates & Taxes	78,883	82,279
	<b>483,883</b>	<b>573,649</b>
<b>11.00 Other Expenses</b>		
Entertainment	12,323	18,481
Bank Charges	29,290	38,831
Renewal Fees	14,527	1,000
Misc. Expenses	1,000	-
	<b>57,140</b>	<b>58,312</b>

## 12.00 Approval of the Financial Statements

These Financial Statements were authorised for issue by the Board of Directors of the Company on April 28 2019

  
Managing Director

  
Director

  
Director



**AUDITOR'S REPORT  
AND  
FINANCIAL STATEMENTS  
OF  
UTTARA BANK SECURITIES LTD.**





# Auditor's Report

## to the Shareholders' of Uttara Bank Securities Limited

---

### Opinion

We have audited the financial statements of Uttara Bank Securities Limited which comprises the statement of financial position as at December 31, 2018, 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 disclosed in notes 1 to 31 & Annexure- A.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the company as at December 31, 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with applicable section of the Companies Act- 1994, the Securities and Exchange Rules- 1987 and other applicable rules and regulations.

### 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 Auditors' Responsibilities for the audit of the financial statements section of this report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Matter of Emphasis

We draw attention to the fact without qualifying our opinion disclosed in Note 05 to the Financial Statements regarding value of DSE TREC.

### Other Information

Management is responsible for the other information. The other information comprises the information included the Annual report, but not included the financial statements and our auditor's report thereon. Any such report consist of other information is made available to us before the date of this audit report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the information is materially inconsistent with financial statements or our knowledge obtain in the audit or otherwise appears to be materially misstated.

When any report consists of other information made available to us, we read the report, if we conclude that there is a material misstatement therein; we are required to report the fact. Now we have nothing to report in this regard.

## **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 of the Company in accordance with IFRSs, 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 consolidated and separate financial statements

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.
- 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 Fund'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 Fund's to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of financial statements, including the disclosures, and whether the 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 Fund's to express an opinion on the 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 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.

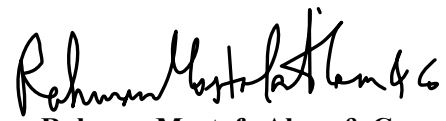
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation 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.

### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose 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 those books; and
- c) the statement 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.

Dated: Dhaka  
28 April 2019

  
**Rahman Mostafa Alam & Co.**  
Chartered Accountants



# Uttara Bank Securities Limited

## Statement of Financial Position

As at 31 December 2018

Particulars	Notes	Amount in Taka	
		2018	2017
<b>ASSETS</b>			
<b>Non-current Assets</b>		<b>288,168,182</b>	<b>327,844,215</b>
Property, Plant and Equipment	3.00	5,130,499	6,529,215
Intangible Assets	4.00	717,000	1,115,000
Value of DSE TREC	5.00	282,320,683	320,200,000
<b>Current Assets</b>		<b>425,402,529</b>	<b>478,369,941</b>
Advances, Deposits and Prepayments	6.00	200,000	200,000
Advance Income Tax	7.00	20,318,895	14,600,881
Investment in Marketable Securities	8.00	268,148,938	315,217,342
Accounts Receivables	9.00	12,514,414	56,216,855
Other Receivables	10.00	3,769,698	4,349,087
Investment in FDR	11.00	50,000,000	-
Cash and Cash Equivalents	12.00	70,450,584	87,785,776
<b>Total Assets</b>		<b>713,570,711</b>	<b>806,214,156</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>		<b>442,161,802</b>	<b>497,118,751</b>
Share Capital	13.00	500,000,000	500,000,000
Retained Earnings	14.00	(57,838,198)	(2,881,249)
<b>Non-current liabilities</b>			
Deferred tax	15.00	214,910	-
<b>Current Liabilities</b>		<b>271,193,999</b>	<b>309,095,405</b>
Accounts Payables	16.00	25,053,896	47,190,106
Short Term Loan	17.00	165,370,284	199,854,454
Liabilities for Expenses	18.00	48,278	56,994
Provision for Diminution in value of Investment	19.00	59,558,713	45,141,803
Provision for Income Tax	20.00	21,162,828	16,852,048
<b>Total Equity and Liabilities</b>		<b>713,570,711</b>	<b>806,214,156</b>

The annexed notes 1 to 31 and Annexure- A form an integral part of these Financial Statements.


  
Director

  
Director

  
Director

Signed in terms of our separate report of even date .

Dated: Dhaka  
28 April 2019

  
Rahman Mostafa Alam & Co.  
Chartered Accountants



# Uttara Bank Securities Limited

## Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2018

Particulars	Notes	Amount in Taka	
		2018	2017
<b>Revenue</b>		<b>24,699,807</b>	<b>40,673,028</b>
Commission Income	21.00	5,559,899	10,080,077
Interest Income	22.00	7,196,828	4,630,996
Realised gain on Investment in Marketable Securities	23.00	-	14,235,545
Dividend Income	24.00	11,824,077	11,599,819
Other Operating Income	25.00	119,003	126,591
<b>Expenses:</b>		<b>60,714,156</b>	<b>19,925,965</b>
Direct Expenses	26.00	681,850	1,263,193
Office & Administrative Expenses	27.00	10,354,859	9,840,061
Realised loss on Investment in Marketable Securities	28.00	33,483,491	-
Financial Expenses	29.00	16,193,956	8,822,711
<b>Profit / (Loss) before Provisions and Tax</b>		<b>(36,014,349)</b>	<b>20,747,063</b>
Provision for Diminution in value of Investment	19.00	(14,416,910)	(41,380,750)
<b>Profit / (Loss) before Tax</b>		<b>(50,431,259)</b>	<b>(20,633,687)</b>
Current tax expenses	20.00	(4,310,780)	(5,466,771)
Deferred tax expenses	15.01	(214,910)	-
<b>Net Profit / (Loss) after Tax</b>		<b>(54,956,949)</b>	<b>(26,100,458)</b>
<b>Earnings Per Share (EPS)</b>	<b>30.00</b>	<b>(1.10)</b>	<b>(0.52)</b>

The annexed notes 1 to 31 and Annexure- A form an integral part of these Financial Statements.



Director




Director



Director

Signed in terms of our separate report of even date .

Dated: Dhaka  
28 April 2019

  
Rahman Mostafa Alam & Co.  
Chartered Accountants



# Uttara Bank Securities Limited

## Statement of Changes in Equity

For the year ended 31 December 2018

Particulars	Share Capital	Retained Earnings	Total Equity
Balance as at 01 January 2018	500,000,000	(2,881,249)	497,118,751
Net Profit/ (Loss) for the year	-	(54,956,949)	(54,956,949)
<b>Balance as at 31 December 2018</b>	<b>500,000,000</b>	<b>(57,838,198)</b>	<b>442,161,802</b>
Balance as at 01 January 2017	500,000,000	23,219,209	523,219,209
Net Profit/ (Loss) for the year	-	(26,100,458)	(26,100,458)
<b>Balance as at 31 December 2017</b>	<b>500,000,000</b>	<b>(2,881,249)</b>	<b>497,118,751</b>



Director



Director



Director

# Uttara Bank Securities Limited

## Statement of Cash Flows

For the year ended 31 December 2018

Particulars	Amount in Taka	
	2018	2017
<b>A. Cash Flows from Operating Activities</b>		
Net Profit During the Year	(54,956,949)	(26,100,458)
Depreciation & Amortization Charged	1,796,716	1,796,716
Finance Cost	16,193,956	8,822,711
(Increase)/Decrease in Accounts Receivable	43,702,441	(38,271,996)
(Increase)/Decrease in other Receivable	579,389	(3,351,587)
(Increase)/Decrease in Advance Income Tax	(5,718,014)	(4,575,560)
Increase/(Decrease) in investment in securities	47,068,404	(221,381,389)
Increase/(Decrease) in Accounts Payable	(22,136,210)	19,676,264
Increase/ (Decrease) in Deferred tax	214,910	-
Increase/(Decrease) in Liabilities for Expenses	(8,716)	(48,577)
Increase/(Decrease) in Provision for Diminution in Value of Investment	14,416,910	41,380,750
Increase/(Decrease) in Provision for Current Tax	4,310,780	5,466,771
<b>Net Cash Provided by/ (Used in) Operating Activities</b>	<b>45,463,617</b>	<b>(216,586,355)</b>
<b>B. Cash Flow from Investing Activities</b>		
Sale of DSE TREC	37,879,317	-
Investment in FDR	(50,000,000)	-
<b>Net Cash Provided by/(Used in) Investing Activities</b>	<b>(12,120,683)</b>	<b>-</b>
<b>C. Cash Flows from Financing Activities</b>		
Increase/(Decrease) in Short Term Loan	(34,484,170)	199,854,454
Finance cost	(16,193,956)	(8,822,711)
<b>Net Cash Provided by/ (Used in) Financing Activities</b>	<b>(50,678,126)</b>	<b>191,031,743</b>
<b>Net Cash Increase/ (Decrease) (A+B+C)</b>	<b>(17,335,192)</b>	<b>(25,554,612)</b>
Cash and Cash Equivalents at the Beginning of the Year	87,785,776	113,340,388
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>70,450,584</b>	<b>87,785,776</b>
<b>Cash and Cash Equivalents</b>		
Cash in Hand	20,735	21,174
Cash at Bank	70,429,849	87,764,602
	<b>70,450,584</b>	<b>87,785,776</b>



Director



Director



Director

# Uttara Bank Securities Limited

## Notes to the Financial Statements

As at and for the year ended December 31, 2018

### 1.00 Status & Activities:

#### 1.01 Legal Form:

Uttara Bank Securities Limited ("the Company") was incorporated as a public limited company with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh on 13 June 2013 under the Companies Act, 1994 bearing registration no-C- 109691/13. The company is a subsidiary of Uttara Bank Limited.

#### 1.02 Address of Registered Office and Principal Place of Business:

The registered office as well as the principal place of business of the company is located at Uttara Bank Bhaban, 47, Shahid Bir Uttam Asfaqus Samad Sarak (Former 90, Motijheel C/A) Dhaka - 1000.

#### 1.03 Activities & Nature of Business:

The company is a Trading Right Entitlement Certificate (TREC) holder of Dhaka Stock Exchange Limited and also a full service DP of Central Depository Bangladesh Limited (CDBL). The main activities of the company is to act as a TREC holder of stock exchange and to carry on the business of Stock-Dealer and Stock-Broker in stocks, shares, securities, bonds, mutual funds and other financial instruments as mention in the Memorandum & Articles of Association of the Company under the rules and regulations of the Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Limited (DSE), Central Depository Bangladesh Limited (CDBL) and other related bodies. Uttara Bank Securities Limited possesses the following registrations and licenses from various regulatory authorities:

Name of Authority	License/Registration	Purpose
Bangladesh Securities and Exchange Commission (BSEC)	3.1/DSE-250/2014/518	Stock Dealer Business with DSE
Bangladesh Securities and Exchange Commission (BSEC)	3.1/DSE-250/2014/519	Stock Broker Business with DSE
Bangladesh Securities and Exchange Commission (BSEC)	CDBL-DP 408	Depository Functions with Central Depository Bangladesh Limited (CDBL)
Dhaka Stock Exchange Limited (DSE)	TREC No. 250	Trading with DSE

### 2.00 Significant Accounting Policies & Disclosures:

#### 2.01 Compliance with International Accounting Standards (IASs):

The Financial Statements have been prepared in compliance with the requirements of International Accounting Standards (IASs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Accounting Standards (BASs) applicable in Bangladesh.



## **2.02 Compliance with International Financial Reporting Standards (IFRSs):**

The financial statements of the company under reporting have been prepared in accordance with the applicable International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) applicable in Bangladesh.

## **2.03 Compliance with Laws:**

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994 & other relevant laws & rules as applicable.

## **2.04 Accounting Convention and Basis:**

These Financial Statements have been prepared under the historical cost convention and going concern basis in accordance with applicable International Accounting Standards which complies with the requirements of the Companies Act 1994.

## **2.05 Going Concern Basis:**

The company has adequate resources to continue its operation for the foreseeable future. For this reason the directors continue to adopt going concern basis following accrual basis accounting in preparing the financial statements.

## **2.06 Reporting Period:**

The financial period of the company covers one calendar year from January 01, 2018 to December 31, 2018.

## **2.07 Functional and Presentational Currency:**

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented has been rounded off to the nearest Taka.

## **2.08 Comparative Information:**

Comparative information has been disclosed in respect of the year 2017 for all numerical information in the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows for understanding of the current year's financial statements.

## **2.09 Rearrangements:**

Wherever considered necessary, previous year's figures have been rearranged for the purpose of comparison with current period's presentation without any impact on the profit/ (Loss) and value of assets and liabilities as reported in the Financial Statements.

## **2.10 Components of the Financial Statements:**

According to the International Accounting Standards (IAS – 01)

*Presentation of Financial Statements*, the complete set of financial statements includes the following components:

- a. Statement of Financial Position.
- b. Statement of Profit or Loss and Other Comprehensive Income.
- c. Statement of Cash Flows.
- d. Statement of Changes in Equity.
- e. Notes to the Financial Statements.

## **2.11 Recognition & Measurement of Fixed Assets:**

Fixed Assets are capitalized at historical cost and subsequently stated at cost less accumulated depreciation.

## **2.12 Depreciation:**

Depreciation is calculated on the cost of fixed assets in order to write off such amounts over the estimated useful lives of such assets. The rates of depreciation used on a straight-line method are as follows:



Name of Fixed Assets	Depreciation Rate (%)
Computer & Computer Equipment	20
Furniture and Fixture	10
Software	20
Electrical Equipment	20
Office Decoration	10

- a) All fixed assets will be stated at cost less accumulated depreciation as per IAS-16 “Property, Plant and Equipment”.
- b) Depreciation at applicable rates will be charged on additions to fixed assets from the month of acquisition of the assets (full month).
- c) Upon sale or retirement of any item of fixed assets, depreciation will be charged up to the month of disposal or retirement, the net book value will be eliminated from accounts and any resulting gain or loss will be transferred to profit and loss account.

### 2.13 Accrual Expenses and Other Payable:

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing stated at their nominal value.

### 2.14 Cash Flow Statement:

Cash Flow Statement is prepared principally in accordance with the IAS 07: Cash Flow Statement. Cash and Cash Equivalents are carried in the Balance Sheet at cost and include cash in hand and with banks on Current, Short Term Deposit and Fixed Deposit Accounts, which are held available for use by the company without any restriction.

### 2.15 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, revenue and expenses. It also requires disclosures 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.

### 2.16 Tax provision

#### 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 amendments thereto.

#### Deferred tax

The company accounts for deferred tax as per IAS 12 Income Taxes. This is provided using the liability method for all temporary timing differences arising between the tax base of the assets and liabilities and their carrying value for financial reporting purposes. Tax rate prevailing at the statement of financial position date is used to determine deferred tax asset or liability.

In calculating deferred tax, temporary difference arising from depreciation of fixed assets is considered.

### 2.17 Earnings Per Share

The company calculates earnings per share in accordance with Bangladesh Accounting Standard (BAS)-33 “Earnings per Share” which has been shown in the face of the Statement of Profit or Loss and Other Comprehensive Income.





### 3.00 Property, Plant and Equipment

#### A. Cost

	Amount in Taka	
	2018	2017
Opening Balance	9,827,481	9,827,481
Add: Addition during the year	-	-
Total acquisition	9,827,481	9,827,481
Less: Disposal during the year	-	-
Closing Balance (A)	9,827,481	9,827,481

#### B. Accumulated Depreciation

Opening Balance	3,298,266	1,899,550
Add: Charged during the year	1,398,716	1,398,716
Accumulated Depreciation	4,696,982	3,298,266
Less: Adjustment made during the year	-	-
Closing Balance (B)	4,696,982	3,298,266

#### Written Down Value (A-B)

	<b>5,130,499</b>	<b>6,529,215</b>
--	------------------	------------------

A schedule of property, plant and equipment is given in Annexure - A (1)

### 4.00 Intangible Assets

#### A. Cost

Opening Balance	1,990,000	1,990,000
Add: Addition during the year	-	-
Total acquisition	1,990,000	1,990,000
Less: Disposal during the year	-	-
Closing Balance (A)	1,990,000	1,990,000

#### B. Accumulated Amortization

Opening Balance	875,000	477,000
Add: Charged during the year	398,000	398,000
Accumulated Amortization	1,273,000	875,000
Less: Adjustment made during the year	-	-
Closing Balance (B)	1,273,000	875,000

#### Written Down Value (A-B)

	<b>717,000</b>	<b>1,115,000</b>
--	----------------	------------------

A schedule of intangible assets is given in Annexure-A (2)

### 5.00 Value of DSE TREC

	<b>282,320,683</b>	<b>320,200,000</b>
--	--------------------	--------------------

Uttara Bank Securities Limited (UBSL) bought the membership of Dhaka Stock Exchange Limited (DSE) at a value of Tk.320,200,000. Membership of DSE had been changed to Trading Right Entitlement Certificate (TREC) under the Exchange Demutualization Act 2013 by allotting 7,215,106 nos of share of DSE. The said membership/TREC was produced to conduct broker & dealer business in DSE. As DSE included Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE) as strategic partner, DSE transferred 1,803,777 nos of share on behalf of each TREC to the SZSE and SSE at an amount of Tk.37,879,317 for each TREC. For this transfer of shares, neither business nor TREC of UBSL hampered. Hence, the management decided to record the proceeds of the share transfer as recovery of TREC cost and reduce the carrying value of the TREC by the same amount.

### 6.00 Advances, Deposits and Prepayments

Security Deposit to CDBL	200,000	200,000
	<b>200,000</b>	<b>200,000</b>

		Amount in Taka	
		2018	2017
<b>7.00</b>	<b>Advance Income Tax</b>		
	<b>Opening Balance</b>	<b>14,600,881</b>	<b>14,600,881</b>
	Corporate Tax	4,967,380	4,967,380
	TDS on FDR & STD Interest	3,947,019	3,947,019
	TDS on Turnover	2,411,624	2,411,624
	TDS on Dividend Income	3,274,858	3,274,858
	<b>Add. Advance Income Tax</b>	<b>1,752,404</b>	-
	Corporate Tax for the year 2017	1,752,404	-
	<b>Add. Advance Income Tax for the year 2018</b>	<b>3,965,610</b>	-
	TDS on FDR & STD Interest	540,499	-
	TDS on Turnover	908,829	-
	TDS on Dividend Income	2,516,282	-
		<b>20,318,895</b>	<b>14,600,881</b>
<b>8.00</b>	<b>Investment in Marketable Securities</b>		
	Investment in Marketable Securities has been shown at cost to keep the consistency with parent company, as the parent company, Uttara Bank Limited, is regulated by the rules & regulations of Bangladesh Bank.	268,148,938	315,217,342
		<b>268,148,938</b>	<b>315,217,342</b>
<b>9.00</b>	<b>Accounts Receivables</b>		
	Receivable from Clients	11,570,199	5,860,179
	Receivable from DSE	944,215	21,675,846
	Receivable from Sale of Marketable Securities	-	28,680,830
		<b>12,514,414</b>	<b>56,216,855</b>
<b>10.00</b>	<b>Other Receivables</b>		
	Accrued Interest on FDR	712,329	534,375
	Dividend on Investment in Marketable Securities (Note-10.01)	3,057,369	3,814,712
		<b>3,769,698</b>	<b>4,349,087</b>

Amount in Taka	
2018	2017

### 10.01 Dividend on Investment in Marketable Securities

Dhaka Stock Exchange Ltd.	2,705,665	-
Dhaka Electric Supply Company Ltd.	80,000	110,000
Saif Power Ltd.	50,000	250,000
Apex Foods Ltd.	18,000	-
BD Lamps Ltd.	200,000	-
Intraco Refueling Ltd.	2,687	-
SK Trims Industries Ltd.	1,017	-
Agni Systems Ltd.	-	50,000
Aramit Ltd.	-	45,000
Baraka Power Ltd.	-	350,000
Beacon Pharma Ltd.	-	750,000
BEXIMCO Ltd.	-	250,000
GBB Power Ltd.	-	495,000
GPH Ispat Ltd.	-	250,000
Nahee Aluminum Composite Panel Ltd.	-	5,712
National Tea Company Ltd.	-	18,000
Saiham Textile Mills Ltd.	-	1,200,000
Sinobangla Industries Ltd.	-	41,000
	<b>3,057,369</b>	<b>3,814,712</b>

### 11.00 Investment in FDR

Uttara Bank Limited (0025200513425)	50,000,000	-
	<b>50,000,000</b>	<b>-</b>

### 12.00 Cash & Cash Equivalents

Cash in Hand	20,735	21,174
Cash at Bank (Note - 12.01)	70,429,849	87,764,602
	<b>70,450,584</b>	<b>87,785,776</b>

### 12.01 Cash at Bank

Name of the Bank	A/c Type	A/c Number	Amount (Tk.)	Amount (Tk.)
ONE Bank Limited	SND-Client	0013000000853	27,136,180	18,424,871
ONE Bank Limited	SND-Dealer	0013000001492	42,320,417	18,388,970
Uttara Bank Limited	SND-Corporate	0014100041150	234,212	606,227
Uttara Bank Limited	SND-IPO	0014100041158	54,959	46,070
Uttara Bank Limited	C/A-Corporate	0012200212459	684,081	298,464
Uttara Bank Limited	FDR	0025100514788	-	50,000,000
			<b>70,429,849</b>	<b>87,764,602</b>

### 13.00 Share Capital

#### Authorized Capital

(100,000,000 Ordinary shares of Tk.10 each)

**1,000,000,000**      **1,000,000,000**

#### Issued, Subscribed & Paid-up Capital

(50,000,000 Ordinary shares of Tk.10 each)

**500,000,000**      **500,000,000**

Amount in Taka	
2018	2017

### Percentage of Share holdings as on 31 December 2018

Name of Shareholders	No. of Shares	Amount (Tk.)	% of Holdings
<b>a) Corporate</b>			
Uttara Bank Limited	49,997,000	499,970,000	99.994
<b>b) Individual</b>			
Mr. Iftekharul Islam	500	5,000	0.001
Engr. Mahmud Husain	500	5,000	0.001
Engr. Sk. Mohd. Ahsanullah	500	5,000	0.001
Engr. A. F. M. Iqbal	500	5,000	0.001
Ar. Abul Quasem Md. Musa	500	5,000	0.001
Mr. Kamal Akhtar	500	5,000	0.001
	<b>50,000,000</b>	<b>500,000,000</b>	<b>100.00</b>

#### 14.00 Retained Earnings

Opening Balance	(2,881,249)	23,219,209
Prior year adjustment	-	-
Restated opening balance	(2,881,249)	23,219,209
Add: Profit/ (Loss) during the year	(54,956,949)	(26,100,458)
Closing balance	<b>(57,838,198)</b>	<b>(2,881,249)</b>

#### 15.00 Deferred tax liabilities

Opening balance	-	-
Addition during the year (Note - 15.01)	214,910	-
Closing balance	<b>214,910</b>	-

#### 15.01 Addition during the year

##### Property, Plant & Equipments

WDV of accounting base	5,847,499	-
WDV of tax base	5,233,471	-
<b>Taxable temporary difference</b>	614,028	-
Company tax rate	35%	-
<b>Deferred tax liabilities</b>	<b>214,910</b>	-

##### Calculation of deferred tax:

Deferred tax liability as on 31 December 2018	214,910	-
Deferred tax liability as on 31 December 2017	-	-
<b>Deferred tax increased during the year</b>	<b>214,910</b>	-

#### 16.00 Accounts Payable

Payable to Clients	24,898,585	44,569,721
Payable to DSE	155,311	2,260,385
Payable to Lead Soft Bangladesh Ltd.	-	360,000
	<b>25,053,896</b>	<b>47,190,106</b>

#### 17.00 Short Term Loan

Uttara Bank Ltd- OD A/c No-12355	165,370,284	199,854,454
	<b>165,370,284</b>	<b>199,854,454</b>



	Amount in Taka	
	2018	2017
<b>18.00 Liabilities for Expenses</b>		
Audit Fees	15,000	15,000
VAT Payable on Audit Fees	2,250	2,250
Amber IT Limited	5,935	6,500
CDBL Expenses	12,493	19,444
Link3 Limited	12,600	13,800
	<b>48,278</b>	<b>56,994</b>

<b>19.00 Provision for Diminution in value of Investment</b>		
Opening Balance	45,141,803	3,761,053
Add: Provision made during the year	14,416,910	41,380,750
	<b>59,558,713</b>	<b>45,141,803</b>

<b>20.00 Provision for Income Tax</b>		
Opening Balance	16,852,048	11,385,277
Add: Provision made during the year	4,310,780	5,466,771
	<b>21,162,828</b>	<b>16,852,048</b>

<b>21.00 Commission Income</b>		
Commission Income	5,559,899	10,080,077
	<b>5,559,899</b>	<b>10,080,077</b>

Commission Income means the amount of commission charged against the total volume of trades of shares, debentures, bonds, mutual funds and any other securities listed in Dhaka Stock Exchange Limited through Uttara Bank Securities Limited during the year.

<b>22.00 Interest Income</b>		
Interest Income on Bank Deposit (Note- 22.01)	5,579,359	3,696,026
Interest on Margin Loan	1,617,469	934,970
	<b>7,196,828</b>	<b>4,630,996</b>

**22.01 Interest Income on Bank Deposit**

Name of the Bank	A/c Type	A/c number	Amount (Tk.)	Amount (Tk.)
Uttara Bank Limited	FDR	0025100514688	-	87,500
Uttara Bank Limited	FDR	0025100514788	59,375	2,315,625
Uttara Bank Limited	FDR	0025200513409	687,500	-
Uttara Bank Limited	FDR	0025200513425	2,774,829	-
Uttara Bank Limited	SND-Corporate	0014100041150	220,976	176,941
Uttara Bank Limited	SND-IPO	0014100041158	11,114	45,331
ONE Bank Limited	SND-Client	0013000000853	900,449	617,729
ONE Bank Limited	SND-Dealer	00130000001492	925,116	452,900
			<b>5,579,359</b>	<b>3,696,026</b>

<b>23.00 Realised gain on Investment in Marketable Securities</b>		
Gain on sale of Marketable Securities	-	14,235,545
	<b>-</b>	<b>14,235,545</b>

<b>24.00 Dividend Income</b>		
Dhaka Stock Exchange Ltd.	9,920,771	7,215,106
Dhaka Electric Supply Company Ltd.	80,000	110,000
Saif Power Ltd.	50,000	250,000
Apex Foods Ltd.	18,000	-
BD Lamps Ltd.	200,000	-
EXIM Bank Ltd.	562,500	-
Intraco Refueling Ltd.	2,687	-



	Amount in Taka	
	2018	2017
Lanka Bangla Finance Ltd.	39,102	-
Pragati Life Insurance Ltd.	450,000	-
SK Trims Industries Ltd.	1,017	-
United Commercial Bank Ltd.	500,000	-
Agni Systems Ltd.	-	50,000
Aramit Ltd.	-	45,000
Baraka Power Ltd.	-	350,000
Beacon Pharma Ltd.	-	750,000
BEXIMCO Ltd.	-	250,000
First Janata Bank Mutual Fund	-	320,001
GBB Power Ltd.	-	495,000
GPH Ispat Ltd.	-	250,000
IBN Sina Pharma Ltd.	-	250,000
Nahee Aluminum Ltd.	-	5,712
National Tea Co. Ltd.	-	18,000
Saiham Textile Mills Ltd.	-	1,200,000
Sinobangla Ind. Ltd.	-	41,000
	<b>11,824,077</b>	<b>11,599,819</b>
<b>25.00 Other Operating Income</b>		
BO Account Opening Fee	16,500	28,500
BO Account Renewal Fee	58,300	46,200
IPO Application Fee	44,200	17,720
Demat of New Securities (IPO) Fee	3	5
Corporate Action Fee	-	10,446
Demat of Existing Securities Fee	-	24
Freeze Fee	-	18,589
Unpledging Fee	-	5,107
	<b>119,003</b>	<b>126,591</b>
<b>26.00 Direct Expenses</b>		
DSE Transaction Fee	454,414	839,473
CDBL Expenses - Daily Settlement (Pay In/Out)	227,436	423,720
	<b>681,850</b>	<b>1,263,193</b>
<b>27.00 Office &amp; Administrative Expenses</b>		
Salary & Allowances	6,014,237	5,729,294
Rent, Taxes, Insurance, Electricity etc. (Note- 27.01)	1,350,000	1,200,000
Renewal and Registration Fees (Note- 27.02)	127,920	153,470
Postage, Stamp, Telecommunication etc. (Note- 27.03)	254,598	241,230
Stationery, Printing, Advertisements etc. (Note- 27.04)	25,171	34,938
Directors' Fees and Meeting Expenses (Note- 27.05)	131,104	78,880
Audit Fees	15,000	15,000
Depreciation on Fixed Assets (Note-3, 4 & Annexure A)	1,796,716	1,796,716
Other Operating Expenses (Note- 27.06)	640,113	590,533
	<b>10,354,859</b>	<b>9,840,061</b>
<b>27.01 Rent, Taxes, Insurance, Electricity etc.</b>		
Office Rent	1,350,000	1,200,000
	<b>1,350,000</b>	<b>1,200,000</b>
<b>27.02 Renewal and Registration Fees</b>		
Annual Subscription for DBA Membership	12,500	-
Authorized Representative Registration Fees	25,500	37,400
DP Registration Fees	4,000	4,000
Stock Broker & Stock Dealer Certificate Fees	20,000	45,000
Trade License Fees	15,920	17,070
TREC Registration Fees	50,000	50,000
	<b>127,920</b>	<b>153,470</b>

		Amount in Taka	
		2018	2017
<b>27.03</b>	<b>Postage, Stamp, Telecommunication etc.</b>		
	Internet Connectivity Charge	236,026	230,445
	Telephone Expenses	18,572	10,785
		<b>254,598</b>	<b>241,230</b>
<b>27.04</b>	<b>Stationery, Printing, Advertisements etc.</b>		
	Printing & Stationery	25,171	34,938
		<b>25,171</b>	<b>34,938</b>
<b>27.05</b>	<b>Directors' Fees and Meeting Expenses</b>		
	Directors' Fees	96,000	46,000
	Board Meeting Expenses	35,104	32,880
		<b>131,104</b>	<b>78,880</b>
<b>27.06</b>	<b>Other Operating Expenses</b>		
	CDBL Charges-CDS Connection Fee	6,000	6,000
	Conveyance	8,730	9,765
	Entertainment	50,021	39,618
	Investor Protection Fund Charges	1,605	3,257
	IPO Application Fees	27,000	6,000
	Office Maintenance	49,439	43,819
	Rates & Taxes	268,236	247,926
	Security Guard expense	199,000	193,000
	RJSC Expenses	30,082	-
	Nationwide Financial Literacy program fund Charges	-	5,000
	Repair & Maintenance	-	9,750
	Travelling and Conveyance	-	12,100
	Tribunal Fees (Tax)	-	1,000
	Miscellaneous Expenses	-	13,298
		<b>640,113</b>	<b>590,533</b>
<b>28.00</b>	<b>Realised loss on Investment in Marketable Securities</b>		
	Loss on sale of Marketable Securities	33,483,491	-
		<b>33,483,491</b>	<b>-</b>
<b>29.00</b>	<b>Financial Expenses</b>		
	Bank Charge	13,809	9,775
	Govt. Excise Duty	110,000	104,000
	Interest on Overdraft	16,070,147	8,708,936
		<b>16,193,956</b>	<b>8,822,711</b>
<b>30.00</b>	<b>Earnings Per Share (EPS)</b>		
	Net Profit after Tax	(54,956,949)	(26,100,458)
	Number of Ordinary Share	50,000,000	50,000,000
		<b>(1.10)</b>	<b>(0.52)</b>

**31.00 Approval of the Financial Statements**

These Financial Statements were authorised for issue by the Board of Directors of the Company on 28 April, 2019.



Director



Director



Director

# Uttara Bank Securities Limited

## Schedule of Fixed Assets

As at 31 December 2018

**(1) Property, Plant and Equipment****Amount in Taka**

Particulars	Cost			"Rate of Depreciation in (%)"	Depreciation				"Written Down Value as at 31.12.2018"
	"Balance as at 01.01.2018"	"Addition during the year"	"Balance as at 31.12.2018"		"Balance as at 01.01.2018"	"Charged during the year"	"Adjustment during the year"	"Balance as at 31.12.2018"	
Electrical Equipment	1,868,496	-	1,868,496	20.00	934,248	373,699	-	1,307,947	560,549
Furniture & Fixtures	756,216	-	756,216	10.00	189,055	75,622	-	264,677	491,539
Computer & Computer Equipment	2,291,179	-	2,291,179	20.00	1,145,590	458,236	-	1,603,826	687,353
Office Decoration	4,911,590	-	4,911,590	10.00	1,029,373	491,159	-	1,520,532	3,391,058
<b>Total</b>	<b>9,827,481</b>	<b>-</b>	<b>9,827,481</b>		<b>3,298,266</b>	<b>1,398,716</b>	<b>-</b>	<b>4,696,982</b>	<b>5,130,499</b>

<b>Closing Balance 2017</b>	<b>9,827,481</b>	<b>-</b>	<b>9,827,481</b>		<b>1,899,550</b>	<b>1,398,716</b>	<b>-</b>	<b>3,298,266</b>	<b>6,529,215</b>
-----------------------------	------------------	----------	------------------	--	------------------	------------------	----------	------------------	------------------

**(2) Intangible Assets**

Particulars	Cost			"Rate of Depreciation in (%)"	Depreciation				"Written Down Value as at 31.12.2018"
	"Balance as at 01.01.2018"	"Addition during the year"	"Balance as at 31.12.2018"		"Balance as at 01.01.2018"	"Charged during the year"	"Adjustment during the year"	"Balance as at 31.12.2018"	
Software	1,990,000	-	1,990,000	20.00	875,000	398,000	-	1,273,000	717,000
<b>Total</b>	<b>1,990,000</b>	<b>-</b>	<b>1,990,000</b>		<b>875,000</b>	<b>398,000</b>	<b>-</b>	<b>1,273,000</b>	<b>717,000</b>

<b>Closing Balance 2017</b>	<b>1,990,000</b>	<b>-</b>	<b>1,990,000</b>		<b>477,000</b>	<b>398,000</b>	<b>-</b>	<b>875,000</b>	<b>1,115,000</b>
-----------------------------	------------------	----------	------------------	--	----------------	----------------	----------	----------------	------------------

# List Of The Branches

## Under Different Zones

(Shown Alphabetically)

**Corporate Branch  
Local Office**

**Under direct control of Head Office**

### **Dhaka Central Zone**

Aulad Hossain Market Branch  
Badda Branch  
Banasree Branch  
Banga Bandhu Avenue Branch  
Circle-1 Branch  
Dhaka Sheraton Hotel Branch  
Dilkusha Branch  
Eskaton Branch  
Fakirapool Branch  
Foreign Exchange Branch  
Fulbaria Branch  
Gulshan Branch  
Hatkhola Branch  
Hotel Ishakha International Branch  
Jatrabari Branch  
Kawran Bazar Branch  
Ladies Branch  
Malibagh Chowdhurypara Branch  
Moghbar Branch  
Mohakhali Branch  
Mugdapara Branch  
Nawabpur Branch  
North Shahjahanpur Branch  
Ramna Branch  
Shantinagar Branch

### **Dhaka North Zone**

AERE EPZ Branch  
Amin Bazar Branch  
Ashulia Branch  
Banijya Shakra  
BKSP Branch  
Darus Salam Road Branch  
Eastern Plaza Branch  
Gazipura Branch  
Gheor Branch  
Green Road Branch

Joar Shahara Branch  
Joydebpur Branch  
Kalabagan Branch  
Konabari Branch  
Manikganj Branch  
Mirpur Branch  
Mohammadpur Branch  
Nabagram Branch  
Pallabi Branch  
Panthapath Branch  
Rokeya Sarani Branch  
Satmasjid Road Branch  
Savar Branch  
Shibalaya Branch  
Shyamoli Branch  
Tongi Branch  
Uttara Branch

### **Dhaka South Zone**

Azimpur Branch  
Babu Bazar Branch  
Bangla Bazar Branch  
Chawk Bazar Branch (DHK)  
Dholaikhal Branch  
Donia Branch  
Elephant Road Branch  
English Road Branch  
Imamgonj Branch  
Islampur Branch  
Johnson Road Branch  
Kaligonj Branch  
Mitford Road Branch  
Moulvibazar Branch (DHK)  
Nawabgonj Branch  
Naya Bazar Branch  
New Market Branch (DHK)  
Peelkhana Branch

Posta Branch  
Postagola Branch  
Sadarghat Branch (DHK)  
Tipu Sultan Road Branch

### **Narayanganj Zone**

Bhairab Bazar Branch  
Bhulta Branch  
D.I.T Branch  
Ghorasal Branch  
Ichhapura Branch  
Madhabdi Bazar Branch  
Munshiganj Branch  
Narayanganj Branch  
Narsingdi Branch  
Netaiganj Branch  
Rekabi Bazar Branch  
Sarkarkhana Branch  
Sonargaon Branch  
Tan Bazar Branch

### **Mymensingh Zone**

Atia Branch  
Bhagalpur Branch  
Haluaghat Branch  
Jamalpur Branch  
Kishoregonj Branch  
Mothkhola Branch  
Mymensingh Branch  
Netrokona Branch  
Sherpur Branch  
Tangail Branch

### **Cumilla Zone**

Basurhat Branch  
Begumganj Branch  
BGSL Branch



Birinchi Branch  
Brahmanbaria Branch  
Chandina Branch  
Chandpur Branch  
Chandragonj Branch  
Chowmuhani Branch  
Comilla Branch  
Companigonj Branch (Cumilla)  
Dharkhar Branch  
Feni Branch  
Gopinathpur Branch  
Laxmipur Branch  
Maijdee Court Branch  
Mudaforgonj Branch  
Raipur Branch  
Rajgonj Road Branch  
Sonapur Branch

### **Chattogram Zone**

Agrabad Branch  
Bandartila Branch  
Bandarban Branch  
Baraiyarhat Branch  
Chaktai Branch  
Chawk Bazar Branch (CTG)  
Cox's Bazar Branch  
Halisahar Branch  
Jubilee Road Branch  
Katghar Branch  
Khatungonj Branch  
Khagrachari Branch  
Laldighi Branch  
Lalkhan Bazar Branch  
Lohagara Branch  
Nasirabad Branch  
Patiya Branch  
Rangamati Branch  
Reazuddin Bazar Branch  
Sadarghat Branch (CTG)  
Sandwip Branch  
Sheikh Mujib Road Branch  
Sitakunda Branch

### **Sylhet Zone**

Ambarkhana Branch  
Baralekha Branch  
Beani Bazar Branch  
Bishwanath Branch  
Chhatak Branch

Companyganj Branch (Sylhet)  
Dhaka Dakshin Branch  
Fenchuganj Branch  
Goala Bazar Branch  
Habiganj Branch  
Jagannathpur Branch  
Jaintapur Branch  
Kulaura Branch  
Laldighirpar Branch  
Mirpur Bazar Branch  
Mostafapur Branch  
Moulvibazar Branch (Sylhet)  
Nabiganj Branch  
Nazir Bazar Branch  
Shahjalal Uposhahar Branch  
Sreemangal Branch  
Sunamganj Branch  
Sylhet Branch

### **Khulna Zone**

Bagerhat Branch  
Chuadanga Branch  
Daulatpur Branch  
Jashore Branch  
Jhenaidah Branch  
K.D.A Branch  
Khalishpur Branch  
Kushtia Branch  
Lower Jashore Road Branch  
Magura Branch  
Meherpur Branch  
Mongla Branch  
Narail Branch  
Noapara Branch  
Sarojgonj Branch  
Satkhira Branch  
Sir Iqbal Road Branch

### **Barishal Zone**

Barguna Branch  
Barisal Branch  
Bhola Branch  
Charfashion Branch  
Chawk Bazar Branch (BAR)  
Daulatkhani Branch  
Faridpur Branch  
Galachipa Branch  
Gopalganj Branch  
Jhalakati Branch

Khepupara Branch  
Lalmohan Branch  
Madaripur Branch  
Mathbaria Branch  
Patuakhali Branch  
Pirojpur Branch  
Rajbari Branch  
Shariatpur Branch  
Tajumuddin Branch  
Tekerhat Branch

### **Rajshahi Zone**

Bonpara Branch  
Chapainawabgonj Branch  
Ishwardi Branch  
Kansat Branch  
Lalpur Branch  
Mahisalbari Branch  
Natore Branch  
New Market Branch (Rajshahi)  
Pabna Branch  
Puthia Branch  
Rani Bazar Branch  
Shaheb Bazar Branch

### **Bogura Zone**

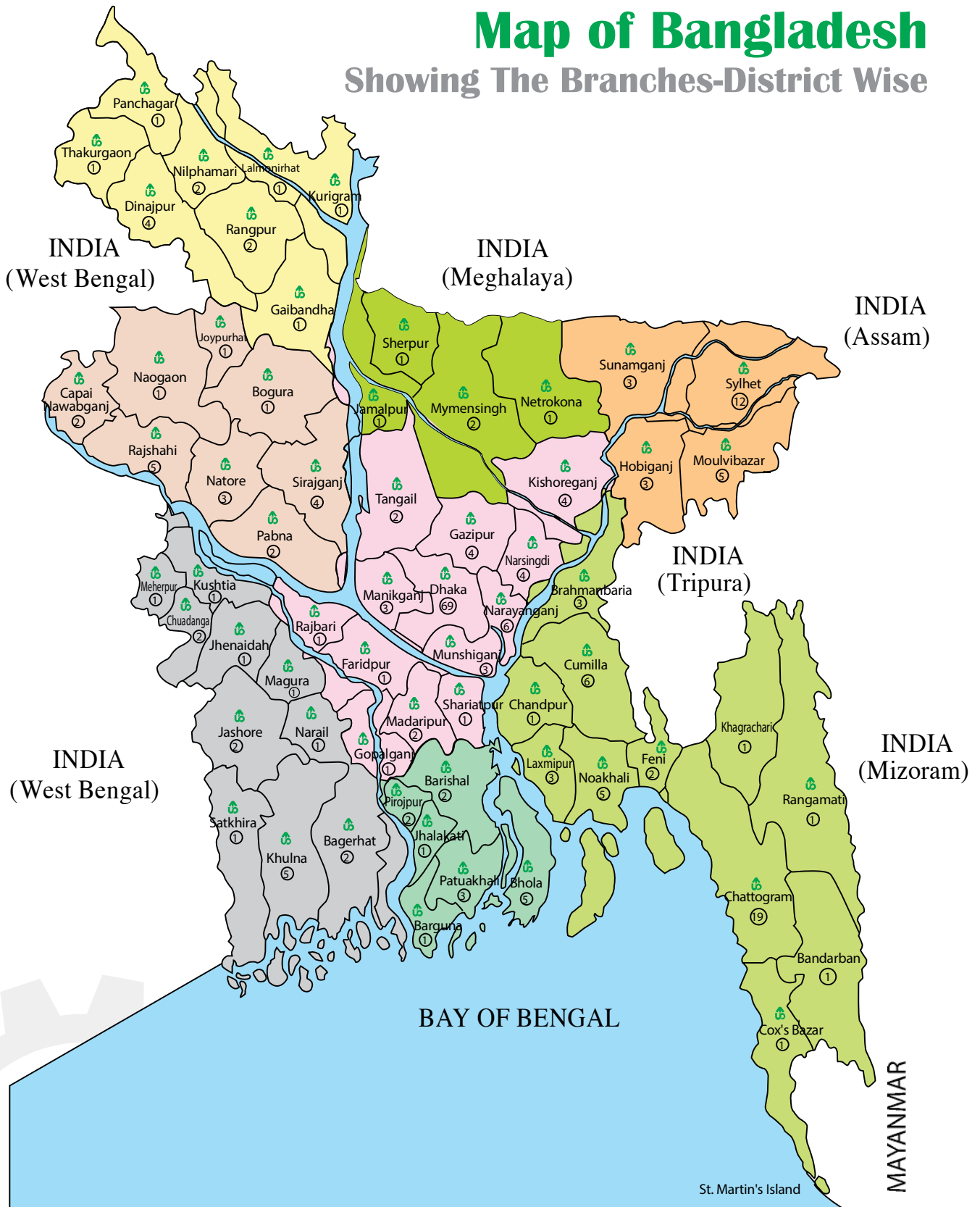
Bogra Branch  
Dinajpur Branch  
Gaibandha Branch  
Joypurhat Branch  
Kurigram Branch  
Lalmonirhat Branch  
Naogaon Branch  
Nilphamari Branch  
Panchagarh Branch  
Phulbari Branch  
Poura Park Market Branch  
Pulhat Branch  
Rangpur Branch  
Saidpur Branch  
Shahjadpur Branch  
Sirajgonj Branch  
Station Road Branch  
Subgacha Branch  
Thakurgaon Branch  
Ullapara Branch





# Map of Bangladesh

Showing The Branches-District Wise





**BASEL III PILLAR III  
MARKET DISCIPLINE  
OF  
UTTARA BANK LIMITED**



## Disclosure on Risk Based Capital

# Annual Disclosure for the year ended

### December 31, 2018

---

Meaningful information about common key risk metrics to market participants is a fundamental tenet of a sound banking system that reduces information asymmetry and helps promote comparability of banks' risk profiles within and across jurisdictions. Pillar 3 of the Basel framework aims to promote market discipline through regulatory disclosure requirements. These requirements enable market participants to access key information relating to a bank's regulatory capital and risk exposures in order to increase transparency and confidence about a bank's exposure to risk and the overall adequacy of its regulatory capital.

With a view to ensuring transparency in the financial sector, in line with the recommendations of Basel Committee on Banking Supervision popularly known as Basel Accords, Bangladesh Bank has formulated "Guidelines on Risk Based Capital Adequacy" in terms of Bangladesh context. Under this guideline, market disclosure occupies a decisive share since the public disclosure of prudential information is an important component of Basel-III framework of capital measurement and capital adequacy. This disclosure aims at enhancing transparency in the financial market of Bangladesh through setting up minimum requirement for disclosure of information on the risk management and capital adequacy.

The following detailed qualitative and quantitative disclosures of the Bank are furnished in accordance with the BRPD Circular No: 18 of 21st December, 2014 to enable our stakeholders make informed assessment regarding the bank's financial health and to identify the risks relating to the assets and capital adequacy as on December 31, 2018.

#### **Uniformity and Validation:**

The quantitative disclosures are made on the basis of consolidated audited financial statements of UBL and its Subsidiaries as at and for the year ended December 31, 2018; prepared under relevant International Accounting & Financial Reporting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and related circulars/ instructions issued by Bangladesh Bank from time to time.

The assets, liabilities, revenues and expenses of the subsidiaries are combined with those of the parent company (UBL), eliminating intra-company transactions. Assets of the subsidiaries were risk weighted and equities of subsidiaries were crossed out with the investment of UBL while consolidating.

The information presented in this Pillar 3 Report is not required to be, and has not been, subject to external audit. UBL has not omitted any disclosures on the grounds that the information may be proprietary or confidential.

So, information presented in the 'Quantitative Disclosures' section can easily be verified and validated with corresponding information presented in the consolidated audited financial statements 2018 of UBL.

## Components of Disclosure:

Disclosure is organized as per Bangladesh Bank requirement in the following components:

1. Scope of Application
2. Capital Structure
3. Capital Adequacy
4. Credit Risk
5. Equities: Disclosures for Banking Book Positions
6. Interest Rate Risk in the Banking Book
7. Market Risk
8. Operational Risk
9. Leverage Ratio
10. Liquidity Ratio
11. Remuneration

### 1. Scope of Application

#### 1.1. Qualitative Disclosure

- a) Top corporate entity in the Group to which this guideline applies  
The framework applies to Uttara Bank Limited (UBL) on ‘Consolidated Basis’ as there were two (02) subsidiaries of the Bank as on the reporting date i.e. December 31, 2018. However, ‘Solo Basis’ information has been presented beside those of ‘Consolidated Basis’ to facilitate comparison.
- b) *An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group that are:*
  - *Fully consolidated*
  - *Given a deduction treatment &*
  - *Neither consolidated nor deducted*

**Entities within the Group:** The Bank has two (02) fully owned subsidiaries incorporated for respective operations.

- a) **UB Capital and Investment Ltd** was incorporated as a Public Limited Company with the Registrar of Joint Stock Companies and Firms, Dhaka Bangladesh on September 28, 2010 under the Bank Company Act, 1994 bearing Registration no C-87220/10.
- b) **Uttara Bank Securities Ltd** was incorporated as a Public Limited Company with the Registrar of Joint Stock Companies and Firms, Dhaka Bangladesh on June 13, 2013 under the Bank Company Act, 1994 bearing Registration No.109691/13.

*Financials are fully consolidated, inter-company transactions & balances are eliminated.*

- c) *Any restrictions, or major impediments, on transfer of funds or regulatory capital within the Bank.*

The rules and regulations of ‘Single Borrower Exposure Limit’ for the customers are equally applicable for the Bank in financing its own subsidiaries.



## 1.2. Quantitative Disclosures

### d) Surplus capital of insurance subsidiaries in the capital of the consolidated group.

Not Applicable.

## 2. Capital Structure

### 2.1. Qualitative Disclosure

#### a) Main features of all capital instruments, eligible for inclusion in CET 1, Additional Tier 1 or Tier 2.

For the purpose of calculating capital under capital adequacy framework, the capital of banks has been classified into two (02) tiers. Total regulatory capital consists of sum of the following categories:

1. Tier 1 Capital (*Going Concern Capital*)
  - a) Common Equity Tier 1
  - b) Additional Tier 1
2. Tier 2 Capital (*Gone Concern Capital*)

Conditions	Status
• CET 1 $\geq$ 4.5% of total RWA.	Complied.
• Tier 1 $\geq$ 6% of total RWA.	Complied.
• Minimum CRAR $\geq$ 10% of total RWA.	Complied.
• AT1 $\leq$ 1.5% of total RWA/ 33.33% of CET1, whichever is higher.	Complied.
• Tier 2 $\leq$ 4% of total RWA or 88.89% of CET1, whichever is higher.	Complied.

### 2.2. Quantitative Disclosures

#### a) Amount of Regulatory capital, with separate disclosure of: CET1 Capital, Additional Tier 1 Capital, Total Tier 1 Capital & Tier 2 Capital.

#### b) Regulatory Adjustments/ Deductions from Capital.

#### c) Total Eligible Capital.

Components of Capital	In Crore	
	Solo (Bank)	Consolidated
<b>A Tier-1 Capital (Going Concern Capital)</b>	<b>1,246.16</b>	<b>1,244.81</b>
<b>1. Common Equity Tier-1</b>	<b>1,246.16</b>	<b>1,244.81</b>
Fully Paid-up Capital	400.08	400.08
Statutory Reserve	433.08	433.08
General Reserve	235.56	235.56
Retained Earnings	174.97	173.62
Dividend Equalization Reserve	6.44	6.44
Minority Interest in Subsidiaries	-	-
Less: Intangible Assets	(3.98)	(3.98)
<b>2. Additional Tier-1 Capital</b>	<b>-</b>	<b>-</b>
<b>B Tier-2 Capital (Gone Concern Capital)</b>	<b>129.11</b>	<b>129.11</b>
General Provision	101.24	101.24
Revaluation Reserves	139.36	139.36
Minority Interest in Subsidiaries	-	-
Revaluation Reserves (Phase-in deductions)	(111.49)	(111.49)
<b>Total Regulatory Capital (A+B)</b>	<b>1,375.27</b>	<b>1,373.92</b>



### 3. Capital Adequacy

#### 3.1. Qualitative Disclosure

##### a) Bank's capital adequacy assessment approaches to support current & future activities.

Regulatory capital assessment is an integrated and comprehensive process. Consistent to its level of capital, Bank manages its exposure through sound risk management, careful selection of credit exposures and conservative business strategy. Credit policy and investment policy of the bank are designed in such a way that ensure the safety of all concerned stakeholders.

On behalf of the Board of Directors, Risk Management Committee (RMC) ensures the implementation of Supervisory Review Process, that states capital adequacy goals with respect to risk, taking account of the bank's strategic focus and business plan to ensure the integrity of the overall risk management process so that all material risks faced by the bank can be addressed in the capital assessment process.

UBL has adopted Standardized Approach for computation of capital charge for credit risk and market risk while Basic Indicator Approach for operational risk, in line with the RBCA guideline.

#### 3.2. Quantitative Disclosures

##### a) Capital Requirement for Credit Risk, Market Risk & Operational Risk.

##### b) Total capital, CET1 capital, Total Tier 1 capital and Tier 2 capital ratio:

- For the Consolidated Group; and
- For Stand Alone

##### c) Minimum Capital Requirement (MCR) & Capital Conservation Buffer.

##### d) Capital under Pillar 2 Requirement.

In Crore

Components of Capital		Solo (Bank)	Consolidated
<b>a) Capital Requirement</b>			
Capital Requirement for Credit Risk	Tk.	907.13	904.03
On Balance Sheet Requirement	Tk.	860.80	857.69
Off Balance Sheet Requirement	Tk.	46.33	46.34
Capital Requirement for Market Risk	Tk.	47.61	51.78
Capital Requirement for Operational Risk	Tk.	146.69	147.11
	<b>Tk.</b>	<b>1,101.43</b>	<b>1,102.92</b>
<b>b) Capital to Risk Weighted Assets Ratio (CRAR)</b>			
Total Capital to RWA Ratio	%	12.49%	12.46%
Common Equity Tier-1 to RWA	%	11.31%	11.29%
Tier-1 Capital to RWA	%	11.31%	11.29%
Tier-2 Capital to RWA	%	1.17%	1.17%
<b>c) Minimum Capital Requirement (MCR @ 10%)</b>			
Capital Conservation Buffer (@ 1.875%)	Tk.	206.55	206.78
<b>d) Capital under Pillar 2 Requirement</b>			
	Tk.	<b>Not Required</b>	<b>Not Required</b>



## 4. Credit Risk

### 4.1. Qualitative Disclosure

a) *The general qualitative disclosure with respect to credit risk, including:*

- *Definitions of Past Due and Impaired (for accounting purposes);*
- *Description of approaches followed for specific, general allowances & statistical methods;*
- *Discussion of the bank's Credit Risk Management policy.*

Credit risk is defined as the probability of the loss (due to the non-recovery of) emanating from the credit extended as a result of the non-fulfilment of contractual obligations arising from inability or unwillingness of the counterparty or for any other reason.

#### ➤ **Past due & Impaired Loans**

According to "Guidelines on Risk Based Capital Adequacy", "Past Due" means overdue for 60 days or more that include SMA, SS, DF & BL.

#### ➤ **Approaches for Specific & General Allowances/ Provision**

General and Specific Provisions on loans and advances are made quarterly by management review as per instructions contained in BRPD Circular. Provisions and interest suspense are separately shown under other liabilities as per 1st schedule of Bank Company Act 1991 (amendment up to 2013), instead of netting off with loans. Criteria for loan classification & provisioning is as below:

Type of Facility	Sub Standard (SS)		Doubtful (DF)		Bad & Loss (BL)	
	Overdue	%	Overdue	%	Overdue	%
Continuous Loan	≥ 3 Months but ≤ 6 Months	20%	≥ 6 Months but ≤ 9 Months	50%	≥ 9 Months	100%
Demand Loan						
Fixed Term Loan >10 lac			≥ 6 Months but ≤ 9 Months		≥ 9 Months but ≤ 12 Months	
Fixed Term Loan <10 lac	≥ 12 Months but ≤ 36 Months	5%	≥ 36 Months but ≤ 60 Months	5%	≥ 60 Months	100%
Short Term Agricultural & Micro Credit						

General provisions for unclassified loans & advances and contingent assets are measured as per BB prescribed provisioning rates as mentioned below:

Unclassified (including SMA)	General Provision
General Loans & Advances	1.00%
Small & Medium Enterprise	0.25%
Loans to BHs/ MBs/ SDs against Shares Etc.	2.00%
Housing Finance & Loans for Professionals	2.00%
Consumer Financing	5.00%
Short Term Agricultural & Micro Credit	2.50%
Off Balance Sheet Exposures	1.00%



➤ **Credit Risk Management Policy:**

Sound credit risk management presupposes the presence of a good system of credit analysis that will prop up the credit risks to be dealt with. Our endeavor in identifying, measuring, monitoring and controlling credit risk for each borrower and also at the portfolio level are working as the guiding principles of credit risk management.

Uttara Bank Limited always acknowledges effective Risk Management as the key to steady and stable growth for the Bank. The Bank's own lending policy has been introduced in the Bank in line with the directives received from the Bangladesh Bank and the Government.

The Branches are the business unit of the banking system. The loan application assessment process starts at branch level by the Relationship Managers, through zonal office and ends at Credit Approval Department of Head Office. Credit Marketing Department analyze the proposal from different perspectives in line with lending policy of the Bank, while Credit Approval Department analyze business worthiness of the proposal and forward towards Credit Committee.

#### 4.2. Quantitative Disclosures

a) *Total gross credit risk exposure broken down by major types of credit exposure.*

In Crore

Sn	Exposures Type	Solo (Bank)	Consolidated
1	Banks & NBFIs	210.75	210.75
2	Corporate	3,642.91	3,642.91
3	Retail	407.98	407.98
4	SME	5,720.46	5,720.46
5	Staff Loan	312.45	312.45
6	Consumer Finance	4.48	4.48
7	Residential Mortgage	573.06	573.06
8	Bills Purchased/ Disc/ Neg.	269.15	269.15
9	Past Due	723.46	723.46
		<b>11,878.97</b>	<b>11,878.97</b>

b) *Geographical distribution of credit exposure.*

In Crore

Sn	Division	Amount
1	Dhaka Division	6,998.58
2	Chittagong Division	1,993.67
3	Barisal Division	384.54
4	Khulna Division	721.39
5	Rajshahi Division	690.53
6	Rangpur Division	557.19
7	Sylhet Division	291.13
8	Mymensingh Division	241.95
		<b>11,878.97</b>



*c) Industry or Counterparty type distribution of credit exposure.*

		<b>In Crore</b>
<b>Sn</b>	<b>Sector</b>	<b>Amount</b>
1	ICT	8.55
2	Leather & Leather Products	19.11
3	Jute and Jute Products	37.84
4	Drugs & Pharmaceuticals	65.63
5	Plastic & Plastic Products	72.77
6	Agriculture (Crops)	119.13
7	Paper, Paper Products & Publishing	132.93
8	Construction- Commercial	133.87
9	Manufacturing of Chemical & Chemical Products	170.09
10	Food & Beverage	223.80
11	RMG	269.37
12	Agriculture (Non-Crops)	308.38
13	Manufacturing of Non-Metallic	346.15
14	Consumer Loan	390.12
15	Textile Others	469.62
16	Iron & Steels	470.69
17	Agro Based Industries	598.05
18	NGOs and MFIs	608.81
19	Construction- Apartment/ Housing	871.43
20	Trading- Retail	1,741.05
21	Others	1,824.15
23	Trading- Wholesale	2,997.44
		<b>11,878.97</b>

*d) Residual contractual maturity breakdown of the whole portfolio.*

		<b>In Crore</b>
<b>Sn</b>	<b>Maturity Bucket</b>	<b>Amount</b>
1	Repayable on demand up to 1 month	1,896.84
2	Over 1 month but not more than 3 months	2,102.11
3	Over 3 months but not more than 1 year	5,879.25
4	Over 1 year but not more than 5 years	1,088.83
5	Over 5 years	911.94
		<b>11,878.97</b>

*e) Sector wise exposure of Classified loans & Past due loans.*

		<b>In Crore</b>
<b>Sn</b>	<b>Sector</b>	<b>Amount</b>
1	Jute and Jute Products	0.67
2	Leather & Leather Products	0.70
3	Manufacturing of Chemical & Chemical Products	0.91
4	Plastic & Plastic Products	1.90
5	Food & Beverage	2.94
6	ICT	3.93
7	Paper, Paper Products & Publishing	4.79
8	Construction- Commercial	4.84

9	Drugs & Pharmaceuticals	6.24
10	Manufacturing of Non-Metallic	7.59
11	Consumer Loan	8.86
12	Iron & Steels	12.92
13	Agriculture (Crops)	13.75
14	RMG	19.80
15	Agro Based Industries	22.47
16	NGOs and MFIs	32.24
17	Agriculture (Non-Crops)	40.33
18	Textile Others	61.85
19	Construction- Apartment/ Housing	74.31
20	Trading- Retail	144.88
21	Trading- Wholesale	236.27
22	Others	49.70
		<b>751.89</b>

## 5. Equities: Disclosures for Banking Book Positions

### 5.1. Qualitative Disclosure

- a) *Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons*

Investment in equity securities by UBL is broadly categorized into two parts: Quoted securities (Ordinary shares, Mutual Fund) and Un-quoted securities.

- **Quoted Securities** are those placed into the trading book assets, are traded in the secondary market.
- **Un-Quoted Securities** are categorized as banking book equity exposure.

- b) *Important policies of Equity holdings in the banking book including the valuation methodologies & accounting techniques, key assumptions practices affecting valuation as well as significant changes in these practices.*

Investments in these equity securities have been initiated with a view to making capital gain by selling them in the future or hold for dividend income. Both quoted and un-quoted equity securities are valued at cost and requisite provisions are maintained to offset the price shock i.e. if prices fall below the cost price.

### 5.2. Quantitative Disclosures

- a) *Fair value & Market value of Investments; comparison to publicly quoted share values where the share price is materially different from fair value; for quoted securities.*

Fair Value Tk. 31.79 Crore  
Market Value Tk. 112.61 Crore

- b) *Gains (Losses) arising from sales & liquidations.*

- *Cumulative Realized Gains (Losses)*
- *Total Unrealized Gains (Losses)*
- *Total Latent Revaluation Gains (Losses)*
- *Any amounts of the above included in Tier 2 capital.*

Not Applicable.



- c) *Capital requirements broken down by appropriate equity groupings, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.*

Specific Market Risk Tk. 11.26 Crore  
 General Market Risk Tk. 11.26 Crore

## 6. Interest Rate Risk in the Banking Book (IRRBB)

### 6.1. Qualitative Disclosure

- a) *The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behaviour of non-maturity deposits, and frequency of IRRBB measurement.*

Interest rate risk in the banking book (IRRBB) is the current or potential risk to the interest rate sensitive assets and liabilities of a bank's balance sheet as well as the off-balance sheet items arising out of adverse or volatile movements in market interest rate. Volatile movements of market interest rate adversely affect the value of interest rate sensitive assets and liabilities that consequentially results in the loss of equity value.

IRRBB arises from differences between the timing of rate changes and the timing of cash flows (re-pricing risk); from changing rate relationships among yield curves that affect bank activities (basis risk); from changing rate relationships across the range of maturities (yield curve risk); and from interest rate related options embedded in bank products (option risk).

The process of interest rate risk management by the bank involves determination of the business objectives, expectation about future macro-economic variables & understanding the money markets and debt market in which it operates. Interest rate risk management also includes quantifying the appetite for market risk to which bank is comfortable. The Bank uses the following two (02) approach to manage interest rate risks inherent in the Balance sheet:

- Simple Sensitivity Analysis and
- Duration Gap Analysis

### 6.2. Quantitative Disclosures

- a) *The increase (decline) in earnings or economic value for upward and downward rate shocks according to management's method for measuring IRRBB, broken down by currency (as relevant).*

Particulars	Basis	Before Shock	After Shock		
			Minor (1%)	Moderate (2%)	Major (3%)
DGAP	Years	0.22			
Regulatory Capital	Crore Tk.	1,375.27	1,341.73	1,304.25	1,266.76
RWA	Crore Tk.	11,014.31	11,144.50	11,107.02	11,069.53
CAR	%	12.49%	12.04%	11.74%	11.44%

## 7. Market Risk

### 7.1. Qualitative Disclosure

#### a) *Views of BOD on trading/investment activities*

Market Risk, possibility of losing assets in balance sheet & off-balance sheet positions arising out of volatility in market variables i.e. interest rate, exchange rate and price.

- **Interest Rate risk** arises due to changes in yield curves, credit spreads and implied volatilities on interest rate options.
- **Equity Position Risk** arises due to changes in equity price, indices, baskets & implied volatilities on related options.
- **Foreign Exchange Risk** arises due to changes in exchange rates & implied volatilities on foreign exchange options.
- **Commodity Risk;** arises due to changes in exchange rates & implied volatilities on foreign exchange options.

All Market risk related policies/ guidelines are duly approved by the BOD. The BOD sets limit, review & update the compliance on regular basis targeting to mitigate market risk.

#### b) *Methods used to measure Market risk*

Bank applies maturity method in measuring interest rate risk in respect of securities in trading book. The capital charge for entire market risk exposure is computed under the standardized approach using the maturity method and in accordance with the guideline issued by Bangladesh Bank.

#### c) *Market Risk Management System*

To manage the interest rate risk, ALCO regularly monitors various ratios and parameters. Of the ratios, the key ratios that ALCO regularly monitors are Liquid asset to Total Assets, Volatile liability dependency ratio, and MTF Ratio, Snap Liquidity Ratio and Short term borrowing to Liquid assets ratio. ALCO also regularly monitors the interest rate sensitive gap and duration gap of total portfolio.

To manage foreign exchange risk of the bank, the Bank has adopted the limit by central bank to monitor foreign exchange open positions. Foreign exchange risk is computed on the sum of net short positions or net long positions, whichever is higher of the foreign currency positions held by the Bank.

#### d) *Policies and processes for mitigating Market Risk*

To mitigate Market Risk, Asset & Liability Management Department (ALMD) takes following measures:

- **Interest Rate Risk Management:** ALMD reviews the risks of changes in income of the Bank as a result of movements in market interest rates. In the usual course of business, the Bank tries to minimize the mismatch between the duration of interest sensitive assets and liabilities. Effective interest rate management is done through market analysis and Gap analysis.

- **Foreign Exchange Risk Management:** It is the risk that arises from potential fluctuations in the exchange rate, adverse exchange positioning or change in the market. ALMD mitigates this risk by supervising day to day trading activities and by setting limits.
- **Equity Risk Management:** Equity risk is defined as losses due to changes in market price of the equity held. To measure and identify the risk, market valuation of the share portfolio is done.

## 7.2. Quantitative Disclosures

### a) The capital requirements for:

*Interest rate risk; equity position risk; foreign exchange risk; and Commodity risk.*

	In Crore
Particulars	Capital Req.
Interest Rate Risk	2.49
Equity Position Risk	22.52
Forex Risk	22.60
Commodity Risk	-
Total Capital Charge	47.61

## 8. Operational Risk

### 8.1. Qualitative Disclosure

#### a) Views of BOD on system to reduce Operational Risk

*Performance gap of executives and staffs*

*Potential external events*

*Policies and processes for mitigating Operational Risk*

*Approach for calculating capital charge for Operational Risk*

Operational risk is the risk of loss arising from fraud, unauthorized activities, error, omission, inefficiency, systems failure or external events. It is inherent in every business organization and covers a wide spectrum of issues. We seek to minimize exposure to operational risk, subject to cost benefit trade-offs. The bank captures some pre identified risk events associated with all functional departments of the bank through standard reporting format.

All the policies/ guidelines including Internal Control and Compliances and Board audit are duly approved by BOD. Audit Committee of the Board directly oversees the activities of internal control and compliances aiming to check all types of lapses and irregularities inherent with operational activities of the Bank and thereby may create a notable downfall risk for the Bank.

Operational Risk includes legal risk, but excludes strategic and reputation risk. It arises from:

- Transaction Processing
- Operation Control
- Technology and Systems
- Risks of Physical and Logical Security
- Unique Risk arises due to Outsourcing

➤ **Performance Gap of Executives and Staffs**

The BOD of the Bank is always keen to provide a competitive, attractive and handsome remuneration package for its employees. Besides, the recruitment policies of the Bank always emphasize on sorting out fresh graduate from the reputed universities and nurture them until transformation to a ‘Human Capital’ of highest quality. Besides, the Bank’s name and fame as top tier. Bank of the country acts as moral boosting factor for the employees. An accommodating, welcoming, co-operative and congenial work atmosphere motivates its employees to act as a family towards achievement of goal. As such, there exists no performance gap in the bank.

➤ **Potential External Events**

We understand that business operates in an umbrella of inter connected socio-economic and political environment. Few externalities affect business performance directly such as macro-economic conditions, regulatory changes, change in demand, status of infrastructure whereas few factors affect operations of the business directly or indirectly such as force shut down due to political instability, threat of vandalism to the bank’s sophisticated physical outlets including IT equipment’s etc.

➤ **Operational Risk Mitigation Policies and Procedure**

Operational Risks results from inadequate or failed internal process, people and systems or from external events. Within the Bank, Operational Risk may arise from negligence and dishonesty of the employees, lack of management supervision, inadequate operational control, lack of physical security, poor technology, lack of automation, non- compliance of regulatory requirements, internal and external fraud etc. Operational Risk Management Framework has been designed to provide a sound and well-controlled operational environment and thereby mitigate the degree of operational risk.

➤ **Approach for Calculating Capital Charge for Operational Risk**

The bank applies ‘Basic Indicator Approach’ of Basel II as prescribed by BB in revised RBCA guidelines. Under this approach, banks have to calculate average annual gross income of last three years and multiply the result by 15% to determine required capital charge.

## 8.2. Quantitative Disclosures

### a) *The capital requirements for Operational Risk*

	Basis	Solo (Bank)	Consolidated
Capital Requirement for Operational Risk	Crore Tk.	146.69	147.11

## 9. Leverage Ratio

### 9.1. Qualitative Disclosure

#### a) *Views of BOD on system to reduce Liquidity Risk*

*Methods used to measure Liquidity Risk*

*Liquidity Risk Management System*

*Policies and processes for mitigating Liquidity Risk*



The BOD assumes the responsibility of ensuring the bank's adequate liquidity for both normal operations and unanticipated stress events. By approving the policy statement, the Board specifically:

- Approves policy limits, monitoring and reporting systems
- Sets up line management responsibilities.
- Puts systems in place to review actual performance relative to policies & controls.
- Hold management accountable to measure, monitor & control liquidity risk.
- Regular reviews liquidity reports to ensure liquidity risk is within policy limits.
- Reviews Contingency Funding Plans.

➤ **Methods used to Measure Liquidity Risk**

Banks provide maturity transformation. Taking deposits that are callable on demand or that on average has shorter maturity than the average maturity of the financing contracts they sell. While maturity transformation provides liquidity insurance to the depositors, which is valued by them, it exposes banks to liquidity risk themselves. Since banks specialize in maturity transformation they take pool deposits and take care to match their cash inflows and outflows in order to address the liquidity risk they face. Following are the ways to measure liquidity risk:

- Judging the timing of bank's cash in- and out-flows.
- Anticipating change in the cost of capital or availability of funding.
- Abnormal behaviour of financial markets under stress.
- Range of assumptions used in predicting cash flows.
- Breakdown in payments and settlement system.
- Macroeconomic imbalances.

➤ **Liquidity Risk Management System**

- Identify the primary sources of funding.
- Provide for alternative responses to business scenarios.
- Deal with temporary, short-term and long-term liquidity disruptions.
- Operate within liquidity risk tolerance levels.
- Consider and manage volatile liability dependence.
- Consider contingent exposures like undrawn credit lines.

➤ **Liquidity Risk Mitigation Policy**

Liquidity risk management process has been developed with the objective of optimizing the relationship between liquidity risk and other forms of risk such as interest rate risk, credit risk and capital risk, while providing maximum returns to stockholders. The process includes:

- Identify the primary sources of funding.
- Provide for alternative responses to business scenarios.
- Deal with temporary, short-term and long-term liquidity disruptions.
- Operate within liquidity risk tolerance levels.
- Incorporate periodic review of assumptions used in liquidity projections.
- Utilize cash flow projections.
- Maintain target levels of unpledged liquid asset reserves.
- Consider and manage volatile liability dependence.
- Address funding concentrations.
- Consider contingent exposures like undrawn credit lines.
- Provide management reporting of the type and frequency specified in the policy.





## 9.2. Quantitative Disclosures

### a) Liquidity Coverage Ratio(LCR)

*Net Stable Funding Ratio (NSFR)*

*Stock of High Quality Liquid Assets*

*Total Net Cash Outflows over the next 30 calendar days*

*Available Amount of Stable Funding*

*Required Amount of Stable Funding*

Sn	Particulars	Basis	Amount
1	Liquidity Coverage Ratio (LCR)	%	559.33%
2	Net Stable Funding Ratio (NSFR)	%	104.09%
3	Stock of High Quality Liquid Assets	Crore Tk.	3,483.16
4	Total Net Cash Outflows over the next 30 calendar days	Crore Tk.	622.74
5	Available Amount of Stable Funding	Crore Tk.	1,550.21
6	Required Amount of Stable Funding	Crore Tk.	1,489.24

## 10. Liquidity Ratio

### 10.1. Qualitative Disclosure

#### a) Views of BOD on system to reduce Excessive Leverage

*Policies and processes to manage excessive On and Off-Balance Sheet Leverage*  
*Approach for Calculating Exposure*

Leverage Ratio was introduced into the Basel III framework as a non-risk based backstop limit, to supplement risk-based capital requirements. In order to avoid building up excessive on and off-balance sheet leverage in the banking system, a simple, transparent, non-risk based leverage ratio has been introduced by the Bangladesh Bank. The leverage ratio is calibrated to act as a credible supplementary measure to the risk based capital requirements.

The BOD understands that increasing quality capital base as well as reducing bad assets is the ways to latch on to the dependency on the excessive leverage. Leverage being the staple feature of banking business cannot be minimized but careful management would certainly yield profit from this.

#### ➤ Excessive Leverage Management Policy

To manage excessive leverage, banks either have to reduce their asset base, increase their capital, or both. It can be achieved by selling assets, reducing outstanding credit on accounting books by calling back loans, issuing additional share capital & retaining earnings. In many cases a combination of all these is pursued.

#### ➤ Exposure Calculation

To measure the exposure consistent with financial accounts, following principles are followed:

- On balance sheet, non-derivative exposures are calculated as net of specific provisions and valuation adjustments.
- Physical or financial collateral, guarantee or CRM technique is not considered to reduce On-balance sheet exposure.
- Netting of loans and deposits is not considered.

*On-Balance Sheet Items* are included using accounting balance sheet.

*Off-Balance Sheet Items* are calculated by applying a uniform 100% Credit Conversion Factor (CCF) and for unconditionally cancellable commitments, 10% CCF is applied.

## 10.2. Quantitative Disclosures

### a) Leverage Ratio

*On Balance Sheet Exposure*

*Off Balance Sheet Exposure*

Sn	Particulars	Basis	Solo (Bank)	Consolidated
1	Leverage Ratio	%	6.24%	6.24%
2	On Balance Sheet Exposure	Crore Tk.	18,752.54	18,744.49
3	Off Balance Sheet Exposure	Crore Tk.	1,207.56	1,207.56
4	Total Exposure	Crore Tk.	19,956.12	19,948.07

## 11. Remuneration

### 11.1. Qualitative Disclosure

#### a) Information regarding bodies that oversee remuneration

The remuneration of the bank is governed by the “Pay Structure” of the bank which is approved by the Board from time to time. Human Resources Division is solely responsible for overseeing the pay structure followed by the HR policy Guidelines.

➤ **Composition**

Managing Director → Deputy Managing Director → Executive General Manager → General Manager → Assistant General Manager → Other Operational Officer.

➤ **Mandate**

HRD places the position of remuneration, the matters & recommendations associated to it before the Board of Directors for approval of its restructuring, rearrangement modification in line with the industry best practices as per requirement.

➤ **External Consultants**

Bank does not deploy any external consultant regarding remuneration & its process.

➤ **Scope of the Remuneration Policy**

The remuneration policy does not discriminate by regional basis and business lines. The bank does not have any foreign subsidiaries branches outside Bangladesh as on 31/12/2018.

➤ **Material Risk Takers**

Actually, the senior management, branch manager and employees engaged in different departments and division at Head Office (except the employees involved in internal control and compliance) are considered as main risk takers of UBL.

**b) Information relating to the design and structure of remuneration**

➤ **Key features and objectives of Remuneration Policy**

UBL is committed to maintain a performance based reward policy that recognizes the contribution of each of the employees and links to the market competitive pay. Main features and objectives are:

- Avoid decimation in the pay structure
- Retention of interest of the stakeholders
- To cope up with the industry practice
- To focus on sustainable growth &
- To bring employees satisfaction.

➤ **Remuneration Policy: Change in Last Year**

In the last financial year, bank does not bring any changes in the remuneration policy.

➤ **How Risk and Compliance Employees are remunerated independently**

The performance of each employee is evaluated annually as per predetermined set criteria and accordingly the result of the performance varies from one to another and this is considered only for promotion purposes.

**c) Description of the ways in which current and future risks are taken into account in the remuneration processes**

➤ **Key risks involve in Remuneration Measures**

The key risks that the bank takes into account when implementing remuneration measures are:

- Default risk that arises from providing loans.
- Reputation risk arising from not providing satisfactory customer services.
- Liquidity risk that arises from unavailability of payment obligations.
- Compliance risk arising due to comply the pay structure perfectly.

➤ **Nature and Type of the Key Measures**

Risk is difficult to measure in absolute figures. Risk can be minimized in various ways if the institutions try and take account of those risks seriously. The bank at first makes a budget of loans, deposits and profit and tries to achieve the target by taking measure of reducing NPL, sustaining growth rate of credit deposit ratio increasing asset quality, minimizing cost of fund and maximizing spread of income, increasing provision coverage ratio as well as doing compliance status accurately and satisfactory up to the regulatory bodies from time to time.

➤ **How they affect Remuneration**

Remuneration is the main and largest components of administrative cost of a bank. So, effective management of remunerating depends on the proper implementation of the above measures.

➤ **Key Measures: Change in last year?**

No material changes had been made during the year 2018 that could affect the remuneration.

**d) Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration**

➤ **Main Performance Metrics**

Business target is fixed up upon some key performance indicators (KPIs) which are set and approved by the Board and senior management of the bank. The management set appropriate tools, techniques, and business planning and strategic planning in line with set target. The most common KPI's are LD ratio, NPL ratio, cost of fund, yield of funds, CRAR, ROA, ROE, LCR, CRR, SLR etc.

➤ **How Remuneration amount is linked to Performance**

Remuneration of the employees of the bank is paid based on bank's service rule (set in HR policy). Sometimes (though rare in our bank, three (03) special increments may be granted to an individual based up on his best performances by desecrating power of CEO.

➤ **Measures taken for Weak Performance Metrics**

In fact, no adjustment was made in payment of remuneration for weak performance metrics.

**e) Description of the ways in which the bank seeks to adjust remuneration to take account of longer-term performance**

➤ **Variable Remuneration Policy**

As per our HR policy the Managing Director may allow at best three (03) special increment for best performers. But in the last financial year, the bank did not allow any such increments. The banks' remuneration is paid on cash basis. So no deferred remuneration was found in the last financial year.

➤ **Policy and Criteria for adjusting Deferred Remuneration**

Not applicable.

**f) Description of the different forms of variable remuneration that the bank utilises and the rationale for using these different forms**

➤ **Forms of Variable Remuneration**

Under our HR policy, the bank offers two forms of variable remuneration to the best performers in the banking business:

- Special Increments: The Managing Director may allow at best three special increment.
- Cash Rewards: A lump sum amount in the form of cash is given to the performers.

• **Factors for the Mix and Forms of Variable Remuneration**

In the last financial year, the bank paid no such variable remuneration. So there was no use of the different forms of variable remuneration.

## 11.2. Quantitative Disclosures

**a) Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member**

Not Applicable as there is no specific committee for remuneration.

b) *No of Employees and amount got different forms of remuneration & award during the financial year.*

➤ **Variable Remuneration**

Not applicable.

➤ **Incentive Bonus**

Particulars	Basis	2018
Incentive Bonus	Crore Tk.	24.00

➤ **Sign-on Awards**

There is no sign-on awards made in 2018.

➤ **Severance Payments**

No such payment was made during the fiscal year.

c) *Deferred Remuneration*

➤ **Outstanding**

Not applicable.

➤ **Paid Out**

Not applicable.

d) *Breakdown of amount of remuneration awards for the financial year to show*

- *Fixed and variable.*
- *Deferred and non-deferred.*
- *Different forms used (cash, shares and share linked instruments, other forms).*

Not applicable.

e) *Employees' exposure to implicit and explicit adjustments of deferred and retained remuneration*

Not applicable.



# List of The Branches

## Authorised to Handle Foreign Exchange

Name & Address of AD Branches	Cable Address
<b>1 Local Office</b> 50, Shahid Bir Uttam Asfaqus Samad Sarak (Former: 129-130 Motijheel C/A), Motijheel C/A, Dhaka-1000	(02)9552032,9568625 01991144486, 01991144487 01991144488, 01991144489 FAX: 880-2-9568627 E-mail: localoffice.manager@uttarabank-bd.com Swift: UTBLBDDH432
<b>2 Corporate Branch</b> 47, Shahid Bir Uttam Asfaqus Samad Sarak (Former: 90, Motijheel C/A), Motijheel C/A, Dhaka-1000	9568186, 9553079, 7113489, 9587307, 01991144496, 01991144497 FAX: 880-2-7168452 E-mail: corporate.manager@uttarabank-bd.com Swift:UTBLBDDH452
<b>Dhaka Central Zone</b>	
<b>3 Banga Bandhu Avenue Branch</b> 12, Banga Bandhu Avenue, Dhaka-1000	(02) 9554034,9569396 01991-144117 FAX: 880-2-9569396 E-mail: bbvenue.manager@uttarabank-bd.com Swift:UTBLBDDH449
<b>4 Dilkusha Branch</b> 42, Dilkusha C/A Dhaka-1000	(02) 9551718, 9551856 01991-144120 FAX:880-2-9568628 E-mail: dilkusha.manager@uttarabank-bd.com Swift:UTBLBDDH433
<b>5 Foreign Exchange Branch</b> 69, Dilkusha C/A Dhaka-1000	(02) 9551881, 9552375 01991-144124 FAX: 880-2-9552375 E-mail: foreignexch.manager@uttarabank-bd.com Swift:UTBLBDDH435
<b>6 Gulshan Branch</b> Metropolitan Shopping Plaza(1st Floor), Gulshan Circle-2, Dhaka-1212	(02) 9849667, 58814476 01991-144126 FAX: 880-2-58814476 E-mail: gulshan.manager@uttarabank-bd.com Swift:UTBLBDDH458
<b>7 Kawran Bazar Branch</b> Jamuna Bhaban(1st Floor), 2, Kawran Bazar Dhaka-1215	(02)8180054, 8180055 8180056, 01991-144130 FAX: 880-2-8117499 E-mail: kawranbazar.manager@uttarabank-bd.com Swift:UTBLBDDH455
<b>8 Nawabpur Branch</b> 150, Nawabpur Road Taj Electric Market (1st Floor) Dhaka-1000	(02) 9552302, 9555690 E-mail: nawabpur.manager@uttarabank-bd.com Swift:UTBLBDDH454
<b>9 Ramna Branch</b> 22/2, Comrade Monisingh Road Purana Paltan, Mukti Bhaban (1st Floor) Dhaka-1000	(02) 9565764, 01991-144138 FAX: 880-2-9551154 E-mail: ramna.manager@uttarabank-bd.com Swift:UTBLBDDH438

<b>10 Shantinagar Branch</b> Kulsum Tower 40-41, Siddeswari Circular Road. Shantinagar, Dhaka-1214	(02) 9333898, 01991-144139 FAX: 880-2-8319041 E-mail: shantinagar.manager@uttarabank-bd.com Swift:UTBLBDDH451
<b>Dhaka North Zone</b>	
<b>11 AERE EPZ Branch</b> DEPZ Ganakbari, Dhamsona, Ashulia, Dhaka-1344	(02) 7789561, 7789208 01991-144151 FAX: 880-2-7701208 E-mail: epz.manager@uttarabank-bd.com Swift:UTBLBDDH460
<b>12 Banijya Shakha</b> Garibb-E- Newaz Avenue House-34, Sector-13, Uttara, Dhaka-1230	(02) 8932614, 8932615 01991-144154 FAX: 880-2-9561046 E-mail: banijya.manager@uttarabank-bd.com Swift:UTBLBDDH453
<b>13 Darus Salam Road Branch</b> 2, Darus Salam Road (1st Floor), Mirpur-1, Dhaka-1216	(02) 9021865, 01991-144155 FAX: 880-2-9000474 E-mail: darussalam.manager@uttarabank-bd.com Swift:UTBLBDDH462
<b>14 Kalabagan Branch</b> 157, Lake Circus (Gr. Floor) Kalabagan, Dhaka-1205	(02) 8126136, 9117528 01991-144162 FAX: 880-2-9117528 E-mail: kalabagan.manager@uttarabank-bd.com Swift:UTBLBDDH461
<b>15 Pallabi Branch</b> Shimanta Plaza (1st Floor), 26/D Main Road-3, Section-11, Pallabi, Mirpur, Dhaka-1216	(02) 9033982, 9039222 01991144168 FAX: 880-2-8013982 E-mail: pallabi.manager@uttarabank-bd.com Swift:UTBLBDDH457
<b>16 Satmasjid Road Branch</b> Eastern Elite Centre (1st Floor) 741, Satmasjid Road, Dhanmondi R/A, Dhaka-1209	(02) 9113211, 01991144171 FAX: 880-2-9116420 E-mail: satmasjidroad.manager@uttarabank-bd.com Swift:UTBLBDDH463
<b>17 Uttara Branch</b> Singapore Plaza, (1st Floor) 17, Mymensingh Road, Sector -3, Uttara Model Town Dhaka-1230	(02) 58958039, 7913372 01991-144176 E-mail: uttara.manager@uttarabank-bd.com Swift:UTBLBDDH465
<b>Dhaka South Zone</b>	
<b>18 Chawk Bazar Branch</b> 5, Begum Bazar (1st Floor) Chawk Bazar, Dhaka-1100	(02) 7319173, 7312168 01991-144194 FAX:880-2-7139173 E-mail: chawkbzardhk.manager@uttarabank-bd.com Swift:UTBLBDDH434
<b>19 English Road Branch</b> 79,Shahid Syed Nazrul Islam Sarani (Former: 9/A, Malitola Lane), English Road, Dhaka-1100	(02) 9556388, 01991-144197 FAX:880-2-7114527 E-mail: englishrd.manager@uttarabank-bd.com Swift:UTBLBDDH464



<b>20 Islampur Branch</b> 95, Islampur Road, Mostofa Mansion (1st Floor), Islampur, Dhaka-1100	(02) 57390379, 57392546 01991-144200 FAX: 880-2-57392546 E-mail: islampur.manager@uttarabank-bd.com Swift: UTBLBDDH436
<b>21 Moulvibazar Branch</b> 66, Moulvi Bazar, Tajmahal Tower Complex (1st Floor) Dhaka-1100	(02) 57315839, 57317219 01991-144202 E-mail: moulovibazardhk.manager@uttarabank-bd.com Swift: UTBLBDDH448

#### Narayanganj Zone

<b>22 Narayanganj Branch</b> 150, B.B. Road, Narayanganj-1400	(02) 7633655, 7633653 E-mail: narayanganj.manager@uttarabank-bd.com Swift: UTBLBDDH437
--	--

#### Mymensingh Zone

<b>23 Haluaghat Branch</b> Uttar Bazar PO & P.S: Haluaghat Mymensingh-2260	(09026)56160, 01991-144249 E-mail: haluaghat.manager@uttarabank-bd.com Swift: UTBLBDDH470
<b>24 Mymensingh Branch</b> 41/A, Chotta Bazar (1st Floor) Bipin Sen Road, Kotwali Mymensingh-2200	(091) 67144, 52218 01991-144253 FAX: 880-91-67144 E-mail: mymensingh.manager@uttarabank-bd.com Swift: UTBLBDDH459

#### Chittagong Zone

<b>25 Agrabad Branch</b> 74, Agrabad C/A, Chittagong-4100	(031)715846, 715847, 725739 01991-144266 FAX: 880-31-724652 E-mail: agrabad.manager@uttarabank-bd.com Swift: UTBLBDDH439
<b>26 Khatungonj Branch</b> M.J. Trade Center (2nd Floor) 263/284 Khatungonj, Ward-35 Chittagong City Corp, Kotwali Chittagong-4000	(031) 611306, 638447 01991-144275 FAX: 880-31-638447 E-mail: khatungonj.manager@uttarabank-bd.com Swift: UTBLBDDH442
<b>27 Laldighi Branch</b> 120, Laldighi West Kotwali, Chittagong-4000	(031) 630729, 637276 01991-144276 FAX: 880-31-637276 E-mail: laldighictg.manager@uttarabank-bd.com Swift: UTBLBDDH450

#### Comilla Zone

<b>28 Comilla Branch</b> 115/1-2, Nazrul Avenue Ray Complex, Kandarpar Comilla-3500	(081) 76271, 76878 01991-144310 FAX: 880-02-7317219 E-mail: comilla.manager@uttarabank-bd.com Swift: UTBLBDDH441
--	--

#### Rajshahi Zone

<b>29 Natore Branch</b> Holding No : 98 Ward No:6 Kanaikhali, Natore-6400	(0771) 62669, 01991-144342 FAX: 880-771-66908 E-mail: natore.manager@uttarabank-bd.com Swift: UTBLBDDH467
<b>30 Pabna Branch</b> Sonapatty Pabna-6600	(0731) 66180, 01991-144344 FAX: 880-731-66089 E-mail: pabna.manager@uttarabank-bd.com Swift: UTBLBDDH466

<b>31 Shaheb Bazar Branch</b> House-75, Ward-12, Al-Hasib Plaza (1st Floor), Shaheb Bazar Ganak Para, Ghoramara, Boalia, Rajshahi-6000	(0721) 774906, 01991-144347 FAX: 880-721-772182 E-mail: shahebbzr.manager@uttarabank-bd.com Swift: UTBLBDDH445
--	---

#### Bogra Zone

<b>32 Bogra Branch</b> Habib Mansion, Kazi Nazrul Islam Road, Bogra	(051) 66228, 78439, 73439 FAX: 880-51-78081 E-mail: bogra.manager@uttarabank-bd.com Swift: UTBLBDDH447
<b>33 Naogaon Branch</b> Mafizuddin Market, Main Road, Noagaon-6500	(0741) 62184, 62540 01991-144363 FAX: 880-741-62540 E-mail: naogaon.manager@uttarabank-bd.com Swift: UTBLBDDH469
<b>34 Rangpur Branch</b> Dewanbari Road Lohapotti Rangpur-5400	(0521) 62132, 66209 01991-144367 FAX: 880-521-66209 E-mail: rangpur.manager@uttarabank-bd.com Swift: UTBLBDDH446

#### Khulna Zone

<b>35 Jessore Branch</b> Municipal Road (Chowrasta), Jessore-7400	(0421) 64081, 01991-144389 FAX: 880-421-68513 E-mail: jessore.manager@uttarabank-bd.com Swift: UTBLBDDH456
<b>36 Sir Iqbal Road Branch</b> 2/A, Sir Iqbal Road Khulna-9100	(041) 720427, 721090 01991-144401 FAX: 880-431-720417 E-mail: siriqbalrd.manager@uttarabank-bd.com Swift: UTBLBDDH443

#### Barisal Zone

<b>37 Barisal Branch</b> Aryya Laxmi Bhaban 99, Sadar Road, Barisal-8200	(0431) 64175, 64407 01991-144416 FAX: 880-431-63846 E-mail: barisal.manager@uttarabank-bd.com Swift: UTBLBDDH444
---	--

#### Sylhet Zone

<b>38 Sylhet Branch</b> Shahir Plaza (1st Floor) East Zindabazar, Sylhet-3100	(0821) 714484, 711998 01991-144472 FAX: 880-821-724209 E-mail: sylhet.manager@uttarabank-bd.com Swift: UTBLBDDH440
<b>39 Sunamganj Branch</b> Hotel Palace (1st Floor) Holding No.0717-00, Station Road (Mejor Ikbal Road) Sunamganj-3000	(0871) 61329, 61671 01991-144471 FAX: 880-871-61671 E-mail: sunamganj.manager@uttarabank-bd.com Swift: UTBLBDDH468



## List of our Correspondents with whom we have RMA arrangement as on 31 December 2018

AUSTRALIA		
1	AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	MELBOURNE
2	WESTPAC BANKING CORPORATION	SYDNEY
3	WESTPAC BANKING CORPORATION (FOR ALL NEW SOUTH WALES BRANCHES)	SYDNEY
4	COMMONWEALTH BANK OF AUSTRALIA LTD.	SYDNEY
5	JPMORGAN CHASE BANK N.A.	SYDNEY (HEAD OFFICE)
AUSTRIA		
6	ERSTE BANK DER OESTERREICHISCHEN SPARKASSEN AG	VIENNA
7	ERSTE GROUP BANK AG	VIENNA
8	RAIFFEISEN ZENTRALBANK OESTERREICH AG	VIENNA
9	RAIFFEISENLANDESBANK OBEROESTERREICH AKTIENGESELLSCHAFT	LINZ
10	UNICREDIT BANK	VIENNA
BAHARAIN		
11	ALUBAF ARAB INTERNATIONAL BANK B.S.C.(C)	MANAMA
12	ARAB INVESTMENT COMPANY, THE	MANAMA
13	UNITED BANK LIMITED	MANAMA
14	BMI BANK BSC (C)	MANAMA
15	ICICI BANK LTD	MANAMA
BANGLADESH		
16	AB BANK LTD.	DHAKA
17	AGRANI BANK LIMITED	DHAKA
18	BANGLADESH COMMERCE BANK LTD.	DHAKA
19	BANK ASIA LTD.	DHAKA
20	CITY BANK LTD. THE	DHAKA
21	EXPORT IMPORT BANK OF BANGLADESH LTD.	DHAKA
22	HABIB BANK LTD.	DHAKA
23	IFIC BANK LTD.	DHAKA
24	JAMUNA BANK LTD.	DHAKA
25	MUTUAL TRUST BANK LTD.	DHAKA
26	NATIONAL BANK LTD.	DHAKA
27	RUPALI BANK LTD	DHAKA
28	SHAHJALAL ISLAMI BANK LIMITED	DHAKA
29	SOCIAL ISLAMI BANK LTD	DHAKA
30	SOUTHEAST BANK LIMITED	DHAKA
31	WOORI BANK	DHAKA
32	AL-ARAFAH ISLAMI BANK LTD.	DHAKA
33	BANGLADESH BANK	DHAKA
34	BANGLADESH KRISHI BANK	DHAKA
35	BASIC BANK LTD.	DHAKA
36	BRAC BANK LTD.	DHAKA
37	COMMERCIAL BANK OF CEYLON LTD.	DHAKA
38	DHAKA BANK LTD.	DHAKA
39	DUTCH BANGLA BANK LTD.	DHAKA
40	EASTERN BANK LTD.	DHAKA
41	FIRST SECURITY BANK LTD.	DHAKA
42	ICB ISLAMIC BANK LTD.	DHAKA
43	ISLAMI BANK BANGLADESH LTD.	DHAKA
44	JANATA BANK LTD.	DHAKA
45	MERCANTILE BANK LTD.	DHAKA
46	NCC BANK LTD.	DHAKA
47	ONE BANK LTD.	DHAKA
48	PRIME BANK LTD.	DHAKA
49	PUBALI BANK LTD.	DHAKA
50	STANDARD BANK LTD.	DHAKA
51	STATE BANK OF INDIA	DHAKA
52	THE PREMIER BANK LTD.	DHAKA
53	UNITED COMMERCIAL BANK LTD.	DHAKA
54	STANDARD CHARTERED BANK	DHAKA
55	NATIONAL BANK OF PAKISTAN	DHAKA

56	BANK ALFALAH LTD.	DHAKA
57	SONALI BANK LIMITED	DHAKA
58	THE TRUST BANK LTD.	DHAKA
59	NRB COMMERCIAL BANK LIMITED	DHAKA
60	SOUTH BANGLA AGRICULTURE AND COMMERCE BANK LTD.	DHAKA
61	MEGHNA BANK LIMITED	DHAKA
62	MIDLAND BANK LIMITED	DHAKA
63	UNION BANK LIMITED	DHAKA
64	NRB BANK LTD.	DHAKA
65	MODHUMOTI BANK LIMITED	DHAKA
66	THE FARMERS BANK LIMITED	DHAKA
67	NRB GLOBAL BANK LIMITED	DHAKA
68	SHIMANTO BANK LIMITED	DHAKA
BELGIUM		
69	BELFIUS BANK SA/NV	BRUSSELS
70	CBC BANQUE S.A.	BELGIUM
71	COMMERZ BANK AG, BRUSSELS BRANCH	BRUSSELS
72	KBC BANK NV	BRUSSELS
73	UNION BANK OF INDIA	BRUSSELS
BHUTAN		
74	BANK OF BHUTAN	PHUNTSHOLING
75	BHUTAN NATIONAL BANK LTD.	THIMPHU
76	DRUK PNB BANK LIMITED	THIMPHU
BRAZIL		
77	BANCO DO ESTADO DO RIO GRANDE DO SUL S/A, PORTO ALEGRE BRAZIL.	PORTO ALEGRE
BULGARIA		
78	RAIFFEISENBANK (BULGARIA) EAD	SOFIA
79	FIRST INVESTMENT BANK AD	SOFIA
CANADA		
80	BANK OF MONTREAL, THE	TORANTO
81	HABIB CANADIAN BANK	MISSISSAUGA
82	ICICI BANK CANADA	TORANTO
83	SOCIETE GENERALE (CANADA)	MONTREAL
CHINA		
84	AGRICULTURAL BANK OF CHINA	BEIJING
85	AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	SHANGHAI
86	BANK OF CHINA	CHANGZHOU
87	BANK OF COMMUNICATION	NANJING
88	BANK OF NANJING (FORMERLY NANJING CITY COMMERCIAL)	NANJING
89	BANK OF NEW YORK	SHANGHAI
90	BANK OF TOKYO - MITSUBISHI LTD.	BEIJING
91	BANK OF TOKYO - MITSUBISHI UFJ (CHINA) LTD.	TIANJIN
92	CITIBANK (CHINA) CO. LTD.	SHANGHAI
93	COMMERZ BANK	SHANGHAI
94	CHINA GUANGFA BANK CO LTD	GUANGZHOU
95	HUA XIA BANK	BEIJING
96	INDUSTRIAL & COMMERCIAL BANK OF CHINA	BEIJING
97	JIANGYIN RURAL COMMERCIAL BANK	JIANGYIN
98	KBC BANK NV	SHANGHAI
99	BANK OF NINGBO	NINGBO
100	STANDARD CHARTERED BANK (CHINA) LIMITED	SHANGHAI
101	WACHOVIA BANK NA	SHANGHAI
102	XIAN CITY COMMERCIAL BANK	XIAN
103	YINZHOU BANK	NINGBO
104	ZHEJIANG TAILONG COMMERCIAL BANK	TAIZHOU
105	ANSHAN CITY COMMERCIAL BANK	ANSHAN
106	NANIXUN BANK	HUZHOU



107	RURAL COMMERCIAL BANK OF ZHANGJIAGANG	ZHANGJIAGANG
108	BANK OF DALIAN	DALIAN
109	BANK OF YINGKOU	YINGKOU
110	LAISHANG BANK CO. LTD. (F: LAIWU CITY COMMERCIAL BANK CO.LTD.)	LAIWU
111	BANK OF JILIN CO. LTD.	CHANGCHUN
112	ZHEJIANG SHAOXING COUNTY RURAL COOPERATIVE BANK	SHAOXING
113	NINGBO CIXI RURAL COOPERATIVE BANK	CIXI
114	BANK OF JIANGSU CO LTD	NANJING
115	BANK OF JINING CO.LTD	JINING
116	BANK OF WENZHOU (FORMERLY WENZHOU CITY COMMERCIAL BANK)	WENZHOU
117	PING AN BANK CO. LTD. (FORMERLY SHENZHEN DEVELOPMENT BANK CO. LTD.)	SHENZHEN
118	CHONGQING THREE GORGES BANK	CHONGQING
119	GUANGDONG NANHAI RURAL COMMERCIAL BANK COMPANY LTD.	NANHAI
120	JIANGSU ZIJIN RURAL COMMERCIAL BANK CO. LTD.	NANJING
121	CHONGQING RURAL COMMERCIAL BANK	CHONGQING
122	HARBIN BANK CO.,LTD	HARBIN
123	HUARONG XIANGJIANG BANK	CHANGSHA
124	JIANGSU WUJIANG RURAL COMMERCIAL BANK	WUJIANG
125	COMMERZBANK AG BEIJING BRANCH	BEIJING
126	ICICI BANK LTD	SHANGHAI
127	HANKOU BANK (FORMERLY WUHAN URBAN COMMERCIAL BANK)	WUHAN
128	JIANGSU HAIAN RURAL COMMERCIAL BANK	NANTONG
129	JIANGSU JIANGYAN RURAL COMMERCIAL BANK CO. LTD	JIANGSU
130	AXIS BANK LTD.	SHANGHAI
131	JIANGSU JINGJIANG RURAL COMMERCIAL BANK CO. LTD.	JIANGSU
132	BANK OF HUZHOU CO LTD	ZHEJIANG
133	CHANGSHU RURAL COMMERCIAL BANK CO LTD	CHANGSHU
134	ZHONGSHAN RURAL COMMERCIAL BANK CO LTD	GUANGDONG
135	FUJIAN FUZHOU RURAL COMMERCIAL BANK COMPANY LIMITED	FUJIAN
<b>CYPRUS</b>		
136	CO-OPERATIVE CENTRAL BANK LTD.	NICOSIA
137	ALPHA BANK CYPRUS LIMITED	NICOSIA (LEFKOSIA)
<b>CZECH REPUBLIC</b>		
138	CESKA SPORITELNA AS	PRAGUE
139	COMMERZBANK AG	PRAGUE
<b>DENMARK</b>		
140	DANSKE BANK A/S	COPENHAGEN
141	SYDBANK A/S	AABENRAA
142	SVENSKA HANDELBANKEN AB	DENMARK
<b>EGYPT</b>		
143	BANQUE DU CAIRE	CAIRO
144	MASHREQ BANK	CAIRO
145	BANK AUDI SAE	CAIRO
<b>FINLAND</b>		
146	POHJOLA PANKKI OYJ (POHJOLA BANK PLC)	HELSINKI
147	SVENSKA HANDELBANKEN AB	FINNLAND
<b>FRANCE</b>		
148	BANQUE POPULAIRE LORPAINNE CHAMPAGNE	METZ
149	CM - CIC BANQUES (CM-CIC CREDIT INDUSTRIEL ET COMMERCIAL- CIC)	PARIS
150	COMMERZ BANK	PARIS
151	FRANSABANK FRANSA S.A.	PARIS
152	KBC BANK N.V PARIS	PARIS
153	NATIXIS (EX NATEXIS BANQUES POPULAIRES)	PARIS
154	SOCIETE GENERALE	PARIS
155	CITIBANK INTERNATIONAL PLC	PARIS
156	BANQUE NEUFLIZE OBC	PARIS
157	CREDIT DU NORD	LILLE
<b>GERMANY</b>		
158	BANKHAUS NEELMEYER AG	BREMEN

159	BERENBERG,JOH.,GOSSLER UND CO.	HAMBURG
160	BHF BANK	FRANKFURT
161	COMMERZ BANK	BERLIN
162	COMMERZ BANK	DUESSELDORF
163	COMMERZ BANK	FRANKFURT
164	COMMERZ BANK	HAMBURG
165	DEUTSCHE BANK AG	FRANKFURT
166	DRESDNER BANK AG,	FRANKFURT
167	HAMBURGES SPARKASSE	HUMBURGERS
168	SPARKASSE HANNOVER	HANNOVER
169	SPARKASSE KREFELD	KREFELD
170	SPARKASSE MUELHEIM AN DER RUHR	MUELHEIM (RUHR)
171	UNICREDIT BANK AG (HYPO UND VERREINS BANK)	MUENCHEN
172	STANDARD CHARTERED BANK LTD.	FRANKFURT
173	HSH NORDBANK AG (MERGER OF HAMBURGISCHE LANDESBANK AND LANDESBANK SCHLESWIG-HOLS	HAMBURG
174	ICICI BANK UK PLC	FRANKFURT
175	RAIFFEISENLANDESBANK OBEROESTERREICH AKTIENGESELLSCHAFT ZWEIGNIEDERLASSUNG BAYER	PASSAU
176	SPARKASSE DUISBURG	DUISBURG
177	VOLKSBANK PADERBORN HOEXTER-DETMOLD EG	PADERBORN
178	JP MORGAN	FRUNKFRUT
179	SVENSKA HANDELBANKEN AB	GERMANY
180	SAARLB LANDESBANKEN SAAR	SAARLAND
<b>GREECE</b>		
181	ALPHA BANK AE	ATHENS
182	BAYERISCHE HYPO-UND VEREINSBANK AG.	ATHENS
<b>GUADELOUPE</b>		
183	BANQUE DES ANTILLES FRANCAISES	BAIE MAHAULT
<b>HONG KONG</b>		
184	AXIS BANK LTD.	HONG KONG
185	BANK OF AMERICA N.A. HONGKONG	HONGKONG
186	BANK OF NEW YORK	HONGKONG
187	BANK OF TOKYO - MITSHUBISHI LTD.	HONGKONG
188	BAYERISCHE HYPO-UND VEREINSBANK AG.	HONGKONG
189	COMMERZ BANK, AG.	HONGKONG
190	DEUTSCHE BANK AG	HONG KONG
191	HBZ FINANCE LTD.	HONGKONG
192	ICICI BANK LIMITED.	HONGKONG
193	INTESA SANPAOLO SPA HONG KONG	HONG KONG
194	J.P. MORGAN CHASE BANK NA	HONG KONG
195	MASHREQBANK PSC	HONGKONG
196	MIZHOU CORPORATE BANK, LTD.	HONGKONG
197	SEVENESKA HANDELS BANKEN	HONGKONG
198	STANDARD CHARTERED BANK (HONG KONG) LTD	HONG KONG
199	WELLS FARGO BANK N.A.	HONGKONG
200	ABN AMRO BANK N.V.	HONG KONG
201	DBS BANK (HONG KONG) LIMITED	HONG KONG
202	CITIBANK N.A.	HONG KONG
203	EBL FINANCE (HK) LIMITED	KOWLOON
204	AB FINANCE LTD.	HONG KONG
205	CHIYU BANKING CORP. LTD.	HONG KONG
206	PBL FINANCE (HONG KONG) LTD.	HONG KONG
<b>HUNGARY</b>		
207	BUDAPEST BANK RT.	BUDAPEST
208	MAGYAR EXPORT IMPORT BANK RT.	BUDAPEST
<b>INDIA</b>		
209	ANDHRA BANK	NEW DILHI
210	ARAB BANGLADESH BANK	MUMBAI
211	AXIS BANK LTD.	MUMBAI
212	BANK OF AMERICA N.A. MUMBAI	MUMBAI
213	BANK OF CEYLON	CHENNAI (MADRAS)
214	BANK OF INDIA	MUMBAI
215	BANK OF MAHARAstra	MUMBAI
216	CANARA BANK	MUMBAI



217	DEVELOPMENT CREDIT BANK	MUMBAI
218	FEDERAL BANK LIMITED	MUMBAI
219	ICICI BANK LIMITED.	HYDERABAD
220	INDIAN OVERSEAS BANK	MUMBAI
221	MASHREQ BANK,	MUMBAI
222	PUNJAB NATIONAL BANK	MUMBAI
223	SONALI BANK	KOLKATA
224	STANDARD CHARTERED BANK	MUMBAI
225	STATE BANK OF INDIA	MUMBAI
226	SYNDICATE BANK	MUMBAI
227	TAMILNAD MERCANTILE BANK LIMITED	CHENNAI (MADRAS)
228	UNION BANK OF INDIA	MUMBAI
229	UNITED BANK OF INDIA	MUMBAI
230	VIJAYA BANK	MUMBAI
231	CENTRAL BANK OF INDIA	MUMBAI
232	INDUSIND BANK LIMITED.	MUMBAI
233	HDFC BANK LTD.	MUMBAI
234	ALLAHABAD BANK	TREASURY DIVISION, MUBAI
235	UCO BANK	MUMBAI
236	KARNATAKA BANK LTD.	MUMBAI
237	MIZUHO BANK LIMITED	MUMBAI
238	THE SOUTH INDIAN BANK LTD	KOCHI
<b>INDONESIA</b>		
239	ANZ PANIN BANK, P.T.	JAKARTA
240	BANK CHINATRUST INDONESIA,PT	JAKARTA
241	BANK INTERNASIONAL INDONESIA	JAKARTA
242	BANK NEGARA INDONESIA-PT	JAKARTA
243	BANK OF TOKYO - MITSHUBISHI LTD.	JAKARTA
244	CITIBANK N.A.	JAKARTA
245	STANDARD CHARTERED BANK	JAKARTA
246	PT. BANK SBI INDONESIA,	JAKARTA
247	BANK MANDIRI (PERSERO) PT	JAKARTA
248	BANK BUKOPIN	JAKARTA
249	PT. BANK MAYAPADA INTERNATIONAL TBK	JAKARTA
250	BANK SINARMAS	JAKARTA
251	BANK RAKYAT INDONESIA	JAKARTA
<b>IRELAND</b>		
252	WELLS FARGO BANK INTERNATIONAL	DUBLIN
253	NATIONAL IRISH BANK (PART OF DANSKE BANK GROUP)	DUBLIN
<b>ITALY</b>		
254	BANCA DELLE MARCHE SPA	ANCONA
255	BANCA MONTE DEI PASCHI DI SIENA S.P.A	MILANO
256	BANCA NAZIONALE DEL LAVORO S.P.A.	ROMA
257	BANCA POPOLARE DELL'EMILIA ROMAGNA	MODENA
258	BANCO BPM SOCIETA'PER AZIONI ( BANCO BPM S.P.A)	VERONA
259	BANK OF TOKYO - MITSHUBISHI LTD.	MILANO
260	BIVERBANCA CASSA DI RISPARMIO DI BIELLA E VERCEL	ROMA
261	CASSA DI RISPARMIO DI CESENA S.P.A.	CESENA
262	CASSA DI RISPARMIO DI FIRENZE S.P.A.	FIRENZE
263	CASSA DI RISPARMIO DI PISTOIA E PESCIA S.P.A.	PISTOIA
264	COMMERZBANK AG	MILANO
265	CREDITO BANGAMASCO	ROMA
266	CREDITO VALTELLINESE	SONDRIO
267	ICCREA BANCA - ISTITUTO CENTRAL DEL CREDITO COOP	ROMA
268	INTESA SANPAOLO SPA	MILANO (HO)
269	UNICREDIT S.P.A.	MILANO
270	CASSA DI RISPARMIO IN BOLOGNA SPA-CARISBO S	BOLOGNA
271	BANCA UBAE SPA,	ROMA
272	CASSA DI RISPARMIO DEL FRIULI VENEZIA GIULIA SPA	SEDE DI UDINE
273	CASSA DI RISPARMIO DI BOLZANO S.P.A.	BOLZANO

274	UBI BANCA (UNIONE DI BANCHE ITALIANE) S.C.P.A.	BERGAMO
275	BANCA POPOLARE VALCONCA	MORCIANO DI ROMAGNA
276	CASSA DI RISPARMIO DI RAVENNA S.P.A.	RAVENNA
277	BANCA DI BOLOGNA CREDITO COOPERATIVO	BOLOGNA
278	BANCA POPOLARE DELL'ALTO ADIGE/ SUEDTIROLER VOLSSBANK BOLZANO	BOLZANO
<b>JAPAN</b>		
279	BANK OF NEW YORK	TOKYO
280	BANK OF TOKYO - MITSHUBISHI LTD.	TOKYO
281	CHIBA KOGYO BANK, LTD.	TOKYO
282	KOOKMIN BANK TOKYO BRANCH	TOKYO
283	OKAZAKI SHINKIN BANK, THE	OKAZAKI
284	RESONA BANK LTD.	TOKYO
285	SAITAMA RESONA BANK, LIMITED	TOKYO
286	STANDARD CHARTERED BANK	TOKYO
287	SUMITOMO MITSUI BANKING CORPORATION	TOKYO
288	WELLS FARGO BANK N.A	TOKYO
289	THE SENSHU IKEDA BANK, LTD.	OSAKA
290	MIZUHO BANK LIMITED	TOKYO
<b>JARDAN</b>		
291	ARAB BANK PLC	AMMAN
<b>KENYA</b>		
292	NATIONAL BANK OF KENYA LTD.	NAIROBI
293	PARAMOUNT UNIVERSAL BANK LTD.	NAIROBI
<b>KUWAIT</b>		
294	BURGAN BANK, KUWAIT	KUWAIT
295	COMMERCIAL BANK OF KUWAIT SAK,	KUWAIT
296	NATIONAL BANK OF KUWAIT	KUWAIT
<b>LITHUANIA</b>		
297	AB CITADELE BANKAS	VILNIUS
<b>LUXEMBOURG</b>		
298	HSBC REPUBLIC BANK (SUISSE) S.A.	LUXAMBURG
<b>MACEDONIA</b>		
299	STOPANSKA BANKA AD BITOLA	BITOLA
<b>MALAYSIA</b>		
300	CIMB BANK BERHAD	KUALALUMPUR
301	RHB BANK BERHAD	KUALA LUMPUR
302	STANDARD CHARTERED BANK MALAYSIA BERHAD	KUALA LUMPUR
<b>MAURITIUS</b>		
303	BANK ONE MAURITIUS	MAURITIUS
<b>MEXICO</b>		
304	BANK OF AMERICA	MEXICO
<b>MOLDOVA</b>		
305	JOINT-STOCK COMMERCIAL VICTORIABANK	CHISINAU
<b>NEPAL</b>		
306	HIMALAYAN BANK LTD.	KATHMANDU
307	NEPAL BANGLADESH BANK LIMITED.	KATHMANDU
308	NEPAL BANK LIMITED	KATHMANDU
309	NEPAL INDUSTRIAL AND COMMERCIAL BANK LTD.	KATHMANDU
310	STANDARD CHARTERED BANK NEPAL LIMITED	KATHMANDU
311	SUNRISE BANK LIMITED	KATHMANDU
<b>NETHER LAND</b>		
312	SVENSKA HANDELBANKEN AB	NETHER LAND
313	ABN AMRO BANK N.V.,	AMSTERDAM
314	ABN AMRO BANK N.V.,	ROTTERDUM
315	BANK OF AMERICA	AMSTERDAM
316	COMMERZBANK AG KANTOOR AMSTERDAM	AMSTERDAM
317	DEUTSCHE BANK NEDERLAND N.V.	AMSTERDAM
318	CREDIT EUROPE BANK N.V.	AMSTERDAM
319	ANZ NATIONAL BANK LTD. ( F: ANZ BANKING GROUP LTD.)	WELLINGTON
320	ASB BANK LTD.	AUCKLAND
321	BANK OF NEW ZEALAND	WELLINGTON
322	GENERAL EQUITY BUILDING SOCIETY	AUCKLAND
<b>NORWAY</b>		
323	DNB NOR BANK ASA	OSOLO





324	FOKUS BANK A/S	TRONDHEIM
325	SVENSKA HANDELBANKEN AB	NORWAY
<b>OMAN</b>		
326	BANKMUSCAT SAOG	MUSCAT
327	OMAN AND UAE EXCHANGE CENTRE CO LLC	RUWI
<b>PAKISTAN</b>		
328	BANK AL HABIB LTD.	KARACHI
329	HABIB METROPOLITAN BANK LIMITED.	KARACHI
330	STANDARD CHARTERED BANK (PAKISTAN) LIMITED	KARACHI
331	UNITED BANK LIMITED	KARACHI
332	NATIONAL BANK OF PAKISTAN	KARACHI
333	SUMMIT BANK LTD	KARACHI
334	MCB ISLAMI BANK LIMITED	KARACHI
<b>PAPUA NEW GUINEA</b>		
335	AUSTRALIA AND NEW ZEALAND BANKING GROUP (PNG) LTD.	PORT MORESBY
<b>PERU</b>		
336	BANCO INTERNACIONAL DEL PERU (INTER BANK)	LIMA
337	BANCO DE CREDITO DEL PERU LIMA PE	LIMA
<b>PHILIPPINES</b>		
338	BANK OF AMERICA	MANILA
<b>POLAND</b>		
339	BANK MILLENNIUM S.A.	WARSAWA
340	BANK POLSKA KASA OPIEKI SA-BANK PEKAO SA	WARSAWA
341	BANK PRZEMYSLOWO - HANDLOWY PBK SA	KRAKOW
342	FORTIS BANK POLSKA S.A.	WARSAWA
343	POWSZECHNA KASA OSZCZEDNOSCI BANK POLSKI SA	WARSAWA
344	RAIFFEISEN BANK POLSKA S.A.	WARSAWA
345	ALIOR BANK ACKYJNA	WARSAWA
346	MBANK S.A.	WARSAWA
<b>PORTUGAL</b>		
347	BANCO POPULAR PORTUGAL, S.A.	LISBON
<b>QATAR</b>		
348	MASHREQ BANK	DOHA
349	UNITED BANK LIMITED, DOHA	DOHA
350	QATAR NATIONAL BANK	DOHA
351	STANDARD CHARTERED BANK	DOHA
<b>REUNION</b>		
352	BANQUE DE LA REUNION	SAINT DENIS
353	BANQUE FRANCAISE COMMERCIAL DE L'OCEAN INDIEN	SAINT DENIS
<b>ROMANIA</b>		
354	BANCA ROMANA PENTRU RELANSARE ECONOMICA	BUCHAREST
355	ROMANIAN COMMERCIAL BANK	BUCHAREST
356	PIRAEUS BANK ROMANIA	BUCHAREST
<b>RUSSIA</b>		
357	UNICREDIT BANK AO	MOSCOW
358	JSB ROSEVRO BANK (JSC)	MOSCOW
<b>S. KOREA</b>		
359	DAEGU BANK LTD. THE	DAEGU
360	INDUSTRIAL BANK OF KOREA	SEOUL
361	KOOKMIN BANK KOREA	SEOUL
362	KOREA EXCHANGE BANK	SEOUL
363	PUSAN BANK	SEOUL
364	SHINHAN BANK	SEOUL
365	STANDARD CHARTERED FIRST BANK KOREA LTD	SEOUL
366	SUHYUP BANK (FORMERLY NATIONAL FED. OF FISHERIES)	SEOUL
367	WELLS FARGO BANK N.A	SEOUL
368	WOORI BANK	SEOUL
369	CITIBANK KOREA INC,	SEOUL
<b>SAUDI ARABIA</b>		
370	AL RAJHI BANK	RIYADH
371	ARAB NATIONAL BANK	RIYADH
372	BANK AL JAZIRA	RIYADH
373	SAUDI HOLLANDI BANK	RIYADH

374	SAUDI INVESTMENT BANK, THE	RIYADH
375	ALAMOUDI EXCHANGE COMPANY	JEDDAH
376	SAMBA FINANCIAL GROUP	RIYADH
377	NATIONAL BANK OF PAKISTAN	RIYADH
<b>SINGAPORE</b>		
378	AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	SINGAPORE
379	AXIS BANK LTD.	SINGAPORE
380	BANK OF AMERICA	SINGAPORE
381	BANK OF AMERICA N.A SINGAPORE	SINGAPORE
382	BANK OF TOKYO MITSUBISHI LTD.'	SINGAPORE
383	COMMERZ BANK, SINGAPORE.	SINGAPORE
384	DBS BANK LTD.	SINGAPORE
385	DEUTSCHE BANK AG	SINGAPORE
386	ICICI BANK LIMITED.	SINGAPORE
387	KBC BANK N.V	SINGAPORE
388	MIZHOU CORPORATE BANK, LTD.	SINGAPORE
389	STANDARD CHARTERED BANK	SINGAPORE
390	SUMITOMO MITSUI BANKING CORPORATION	SINGAPORE
391	CHINATRUST COMMERCIAL BANK	SINGAPORE BRANCH
392	ABN AMRO BANK N.V.	SINGAPORE BRANCH
393	BANK MANDIRI (PERSERO) TBK. PT	SINGAPORE
394	CITIBANK,N.A.	SINGAPORE
395	FIRST GULF BANK	SINGAPORE
396	WELLS FARGO BANK , NA	SINGAPORE
397	BANK OF INDIA	SINGAPORE
<b>SLOVAKIA</b>		
398	SLOVENSKA SPORITELNA AS	BRATISLAVA
399	UNICREDIT BANK SLOVAKIA A. S. (UNICREDITO ITALIANO GROUP)	BRATISLAVA
<b>SOUTH AFRICA</b>		
400	CITIBANK SOUTH AFRICA	JOHANNESBURG
401	FIRSTSTRAND BANK LTD.	JOHANNESBURG
402	STANDARD BANK OF SOUTH AFRICA LIMITED,THE	JOHANNESBURG
<b>SPAIN</b>		
403	BANCO DE SABADELL S.A.	SABADELL
404	BANCO POPULAR ESPANOL,	MADRID
405	CAJA LABORAL POPULAR,COOPDE CREDITO	MONDRAGON
406	COMMERZ BANK AG	MADRID
407	BANCO ESPANOL DE CREDITO	MADRID
408	BANCO SANTANDER S.A.	(ALL SPAIN BRANCHES) MADRID
409	BANKIA S.A.	VALENCIA
410	CAIXA BANK	BARCELONA
411	BANQUE MAROCAINE DU COMMERCE,	MADRID
<b>SRI LANKA</b>		
412	BANK OF CEYLON	COLOMBO
413	COMMERCIAL BANK OF CEYLON LTD.	COLOMBO
414	ICICI BANK LIMITED.	COLOMBO
415	SEYLAN BANK PLC	COLOMBO
416	STANDARD CHARTERED BANK	COLOMBO
417	AXIS BANK LTD.	COLOMBO
<b>SWEDEN</b>		
418	SWEDBANK AB (PUBL)	STOCKHOLM
419	SVENSKA HANDELBANKEN AB	SWEDEN
<b>SWITZERLAND</b>		
420	BANQUE DE COMMERCE ET DE PLACEMENTS SA	GENEVA
421	HABIB BANK AG ZURICH	ZURICH
422	ZUERCHER KANTONALBANK	ZURICH
423	ARAB BANK (SWITZERLAND) LTD.	ZURICH
424	UNITED BANK A.G., ZURICH	ZURICH
425	COMMERZBANK AG	ZURICH
426	LUZERNER KANTONAL BANK	LUCERNE
<b>TAIWAN</b>		
427	BANK OF AMERICA N.A.	TAIPEI
428	BANK OF NEW YORK	TAIPEI



429	JPMORGAN CHASE BANK	TAIPEI
430	STANDARD CHARTERED BANK (TAIWAN) LIMITED	TAIPEI
431	WELLS FARGO BANK N.A.	TAIPEI
432	AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED	TAIPEI
433	DBS BANK (TAIWAN) LTD	TAIPEI
434	TAIPEI FUBON COMMERCIAL BANK CO., LTD	TAIPEI
<b>TANZANIA</b>		
435	CITIBANK TANZANIA LTD.	D.SALAAM
436	CRDB BANK LTD.	D.SALAAM
<b>THAILAND</b>		
437	BANK OF AMERICA	BANGKOK
438	BANK OF AYUDHYA PUB. COM.	BANGKOK
439	BANK OF TOKYO - MITSUBISHI LTD.	BANGKOK
440	CITIBANK N.A.	BANGKOK
441	EXPORT IMPORT BANK OF THAILAND	BANGKOK
442	MIZHOU CORPORATE BANK, LTD.	BANGKOK
443	SIAM COMMERCIAL BANK PCL., THE	BANGKOK
444	STANDARD CHARTERED BANK (THAI) PCL	BANGKOK
445	SUMITOMO MITSUI BANKING CORPORATION	BANGKOK
446	CIMB THAI BANK PUBLIC COMPANY LIMITED (F: BANKTHAI PUBLIC COMPANY LTD)	BANGKOK
<b>TURKEY</b>		
447	AKBANK T.A.S	ISTANBUL
448	ANADOLUBANK A.S.	ISTANBUL
449	TURKIYE FINANS KATILIM BANKASI A.S.	ISTANBUL
450	TURKIYE HALK BANKASI A.S. (HEAD OFFICE)	ANKARA
451	AKTIF YATIRIM BANKASI A.S.	ISTANBUL
452	ICBC TURKEY BANK A.S.	ISTANBUL
<b>UK</b>		
453	HABIBSONS BANK LTD	UK
454	SVENSKA HANDELBANKEN AB	UK
<b>UKRAINE</b>		
455	PUBLIC JOINT STOCK COMPANY BANK CREDIT DNERP,KYIV,UKRAINE	DNIPROPETROVSK
<b>UNITED ARAB EMIRA</b>		
456	FIRST GULF BANK	ABU DHABI
<b>UNITED ARAB EMIRATES</b>		
457	ABUDHABI COMM. BANK	ABUDHABI
458	AXIS BANK LTD.	DUBAI
459	HABIB BANK AG, DUBAI.	ABUDHABI
460	MASHREQ BANK	ABUDHABI
461	NATIONAL BANK OF ABU DHABI	ABUDHABI
462	NATIONAL BANK OF FUJAIRAH	ABUDHABI
463	STANDARD CHARTERED BANK	DUBAI
464	U.A.E. EXCHANGE CENTRE	ABU DHABI
465	UNITED BANK LTD.	DUBAI
466	BANK OF BARODA	DUBAI
467	EMIRATES BANK INTERNATIONAL PJSC	DUBAI
468	UNIVERSAL EXCHANGE CENTER	DUBAI
469	AL ROSTAMANI INTERNATIONAL EXCHANGE	DUBAI
470	BANQUE DE COMMERCE ET DE PLACEMENTS SA-DIFC BRANCH	DUBAI
471	COMMERCIAL BANK OF DUBAI	DUBAI
472	AL FARDAN EXCHANGE	ABU DHABI
473	WOORI BANK	DUBAI
<b>UNITED KINGDOM</b>		
474	BANK OF IRELAND (UK) PLC	LONDON
475	CITI BANK, N.A	LONDON
476	HABIB BANK AG ZURICH	LONDON
477	ICICI BANK UK PLC	LONDON
478	JPMORGAN CHASE BANK	LONDON
479	KBC BANK N.V	LONDON
480	MASHREQ BANK PSC.	LONDON
481	NORTHERN BANK (PART OF DANSKE BANK GROUP)	BELFAST
482	STANDARD CHARTERED BANK	LONDON
483	WELLS FARGO BANK N.A.	LONDON
484	WELLS FARGO SECURITIES INTERNATIONAL LTD.	LONDON
485	SONALI BANK (UK) LTD.	LONDON

486	EURO EXIM BANK	LONDON
<b>UNITED STATES</b>		
487	BANK LEUMI USA	NEW YORK
488	BANK OF AMERICA	NEW YORK
489	BANK OF AMERICA N.A.	NEW YORK
490	BANK OF NEW YORK	NEW YORK
491	BANK OF TOKYO - MITSUBISHI LTD.	NEW YORK
492	BNP PARIBAS USA NEW YORK BRANCH	NEW YORK
493	BROWN BROTHERS HARRIMAN AND CO.	NEW YORK
494	CAPITAL ONE,N.A.	NEW YORK
495	CITI BANK, N.A	NEW YORK
496	CREDIT SUISSE FIRST BOSTON	NEW YORK
497	DEUTSCHE BANK TRUST COMPANY AMERICAS	NEW YORK
498	FIRST AMERICAN BANK	NEW YORK
499	HABIB AMERICAN BANK,	NEW YORK
500	INTERNATIONAL BANK FOR RECON. DEV.	NEW YORK
501	JPMORGAN CHASE BANK	NEW YORK
502	KEYBANK NATIONAL ASSOCIATION	CLEVELAND,OH
503	MASHREQ BANK PSC.	NEW YORK
504	NEW YORK COMMERCIAL BANK,	WEST BURY
505	RBS CITIZENS, NA	PROVIDENCE
506	REGIONS BANK	BIRMINGHAM,AL
507	SHINHAN BANK AMERICA	LOS ANGELES
508	STANDARD CHARTERED BANK	NEW YORK
509	SUMITOMO MITSUI BANKING CORPORATION	NEW YORK
510	TORONTO DOMINION BANK, THE	NEW YORK
511	U.S. BANK	MINNEAPOLIS,MN
512	UNION BANK OF NA	NEW YORK
513	WELLS FARGO BANK N.A	PHILADELPHIA
514	WELLS FARGO BANK N.A	NEW YORK
515	WELLS FARGO BANK N.A	LOS ANGELES BR.
516	WOORI AMERICA BANK, NEW YORK	NEW YORK
517	MIZUHO CORPORATE BANK LTD.	NEW YORK
518	WELLS FARGO ADVISORS, LLC	CHARLOTTE
519	WELLS FARGO BANK NA	MIAMI
520	WELLS FARGO BANK N.A.	SAN FRANCISCO, CA
521	WOORI BANK, LOS ANGELES	LOS ANGELES
522	ICICI BANK LTD.	NEW YORK
523	AMERICAN FIRST NATIONAL BANK	HOUSTON,TX
524	CITY NATIONAL BANK	LOS ANGELES
<b>USA</b>		
525	OCEAN BANK	MIAMI
<b>UZBEKISTAN</b>		
526	JOINT STOCK COMMERCIAL BANK "AGRO BANK"	TASHKENT
<b>VIETNAM</b>		
527	BANK OF TOKYO - MITSUBISHI LTD.	HANOI
528	JOINT STOCK COMMERCIAL BANK FOR FOREIGN TRADE OF VIETNAM	HANOI
529	STANDARD CHARTERED BANK	HANOI
530	BANK FOR INVESTMENT AND DEVELOPMENT OF VIETNAM	HANOI
531	ASIA COMMERCIAL BANK	HO CHI MINH CITY
532	TIEN PHONG COMMERCIAL JOINT STOCK BANK	HANOI
533	LIEN VIET POST JOINT STOCK COMMERCIAL BANK	HA NOI
<b>ZAMBIA</b>		
534	ZAMBIA NATIONAL COMMERCIAL	LUSAKA
<b>BRASIL</b>		
535	BANCO SANTANDER	BRASIL
<b>SERBIA</b>		
536	RAIFFEISEN BANK A.D.,BEOGARD RS SERBIA	BEOGARD



# উত্তরা ব্যাংক লিমিটেড

রেজিস্টার্ড ও হেড অফিস  
৪৭, শহীদ বীর উত্তম আশফাকুস সামাদ সড়ক  
মতিঝিল বাণিজ্যিক এলাকা, ঢাকা-১০০০

## ৩৬তম বার্ষিক সাধারণ সভা “প্রতিনিধি পত্র” (PROXY FORM)

আমি/আমরা..... ব্যাংকের সাধারণ শেয়ারহোল্ডার হিসাবে জনাব/জনাবা ..... কে অথবা তাঁর অনুপস্থিতিতে জনাব/জনাবা..... কে আগামী ১২ই জুন, ২০১৯ রোজ বুধবার, সকাল ১১:০০ টায় ইন্টারন্যাশনাল কনভেনশন সিটি, বসুন্ধরা, রাজদর্শন, হল-৩ এবং সেমিনার হলের নীচতলা (হল-৫), জোয়ারসাহারা, খিলক্ষেত, ঢাকা-১২২৯ এ অনুষ্ঠিতব্য ব্যাংকের ছত্রিশতম বার্ষিক সাধারণ সভায় এবং উহার মূলতবী ঘোষিত সভায় (যদি হয়) উপস্থিত হওয়া এবং ভোট দেয়ার জন্য প্রতিনিধি নিযুক্ত করলাম।  
আমার/আমাদের সামনে তিনি ..... তারিখে স্বাক্ষর প্রদান করেছেন।

২০.০০ (বিশ) টাকার  
রেভিনিউ স্ট্যাম্প

প্রতিনিধির স্বাক্ষর ..... শেয়ারহোল্ডারের স্বাক্ষর .....  
ইনডেক্স / বি ও নং ..... ইনডেক্স / বি ও নং .....

বিঃ দ্রঃ প্রতিনিধি পত্র যথাযথভাবে পূরণ ও স্বাক্ষর প্রদান করে ২০.০০ (বিশ) টাকার রেভিনিউ স্ট্যাম্প সহযোগে সভার কমপক্ষে ৪৮ ঘণ্টা আগে অর্থাৎ ১০ই জুন, ২০১৯ সকাল ১১.০০ টার মধ্যে ব্যাংকের রেজিস্টার্ড অফিসে অবশ্যই জমা দিতে হবে, অন্যথায় উহা বাতিল বলে গণ্য হবে।

# উত্তরা ব্যাংক লিমিটেড

রেজিস্টার্ড ও হেড অফিস  
৪৭, শহীদ বীর উত্তম আশফাকুস সামাদ সড়ক  
মতিঝিল বাণিজ্যিক এলাকা, ঢাকা-১০০০

## ৩৬তম বার্ষিক সাধারণ সভা “উপস্থিতি পত্র”

আমি এতদ্বারা ১২ই জুন, ২০১৯ রোজ বুধবার, সকাল ১১:০০ টায় ইন্টারন্যাশনাল কনভেনশন সিটি, বসুন্ধরা, রাজদর্শন, হল-৩ এবং সেমিনার হলের নীচতলা (হল-৫), জোয়ারসাহারা, খিলক্ষেত, ঢাকা-১২২৯ এ অনুষ্ঠিতব্য ব্যাংকের ছত্রিশতম বার্ষিক সাধারণ সভায় আমার উপস্থিতি লিপিবদ্ধ করলাম।

শেয়ারহোল্ডারের নাম .....  
ইনডেক্স / বি ও নং.....  
শেয়ারহোল্ডারের স্বাক্ষর ..... প্রতিনিধির স্বাক্ষর .....

বিঃ দ্রঃ সভাকক্ষে প্রবেশের পূর্বে উপস্থিতি পত্রখানা অভ্যর্থনা কাউন্টারে প্রদানের জন্য অনুরোধ করা যাচ্ছে।

