

Hoda Vasi Chowdhury & Co

Chartered Accountants

Independent Correspondent Firm to **Deloitte Touche Tohmatsu**

AUDITOR'S REPORT TO THE SHAREHOLDERS OF MUTUAL TRUST BANK LIMITED

We have audited the accompanying financial statements of Mutual Trust Bank Limited (MTBL), which comprises the balance sheet as at 31 December 2008 and the income statement, statement of changes in equity, liquidity statement and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), Bank Companies Act 1991, the rules and regulations issued by the Bangladesh Bank, the Companies Act 1994, the Securities and Exchanges Rules 1987 and other applicable laws and regulations. This responsibility includes: designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

1. There are Loans and Advances of BDT 804.30 million against M/S Nurun Nabi and its allied concerns of Khatunganj Branch. The said Loans and Advances have not been classified by the bank as there is a stay order from the Honorable High Court Division of Bangladesh Supreme Court. The Bank recovered BDT 200.00 million during the year 2008.
2. Income tax provision has been provided for without considering income tax on inadmissible provision for classified Loans and advances though required under Income Tax Ordinance 1984.

In our opinion, except for the effect of the aforesaid-paragraph 1 to 2, the Financial Statements prepared in accordance with International Financial Reporting Standards, give a true and fair view of the state of the bank's affairs as at 31 December 2008 and of the results of its operations and its cash flows for the period then ended and comply with the Bank Companies Act 1991, the rules and regulations issued by the Bangladesh Bank, the Companies Act 1994, the Securities and Exchanges Rules 1987 and other applicable laws and regulations.

Further to our opinion in the above paragraph, we state that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by MTBL so far as it appeared from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us;
- (iii) the MTBL's Balance Sheet and Profit and Loss Account together with the annexed notes 1 to 45 dealt with by the report are in agreement with the books of account and returns;
- (iv) the expenditure incurred was for the purpose of the MTBL's business;
- (v) the financial position of MTBL as on 31 December 2008 and the profit for the year then ended have been properly reflected in the financial statements and the financial statements have been prepared in accordance with the generally accepted accounting principles;
- (vi) the financial statements have been drawn up in conformity with the Bank Companies Act, 1991 and in accordance with the accounting rules and regulations issued by the Bangladesh Bank;
- (vii) the financial statements conform to the prescribed standards set in the accounting regulations issued by the Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- (viii) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (ix) subject to above notes, adequate provisions have been made for advances and other assets which are, in our opinion, doubtful of recovery;
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) the Bank has no overseas branches; and
- (xii) 80% of the risk- weighted assets have been reviewed.

Dhaka, March 24, 2009

Hodan Chowdhury CA
Chartered Accountants

Mutual Trust Bank Limited
Financial Highlights
As at December 31, 2008

Annexure - D
Figure in million Taka

SL#	Items	2008	2007
1	Paid up Capital	1,496.88	997.92
2	Total Capital	2,888.33	2,370.95
3	Surplus in Capital Fund	107.24	43.12
4	Total Assets	38,964.97	32,181.90
5	Total Deposits	33,820.41	24,776.92
6	Total Loans and Advances	28,529.35	22,683.23
7	Total Contingent Liabilities	11,467.71	10,916.14
8	Lending-Deposit ratio	84.36%	91.55%
9	Classified Loans as % of Total loans and advances	4.92%	2.39%
10	Profit after provision and tax	305.03	210.80
11	Total Classified loans during the year	1,402.85	541.64
12	Total provision maintained against classified loans	829.33	217.43
13	Surplus/(deficit) in provision against classified loans	0.09	0.30
14	Cost of Fund	10.18%	9.15%
15	Earning assets	33,944.60	27,929.33
16	Non-interest earning assets	5,020.37	4,252.57
17	Return on Investments (ROI)	8.11%	4.10%
18	Return on Assets (ROA)	0.78%	0.66%
19	Income from Investments	454.84	162.41
20	Earnings per Share (Figure in Taka)	21.07	14.80
21	Profit per Share (Figure in Taka)	21.07	14.80
22	Price-Earning ratio (Times)	15.18	40.30

Hoda Vasi Chowdhury & Co

Annexure - C

Name of Companies in which the Directors of the Bank have interest

SL #	Name of Directors of the Bank	Name of Companies in which the directors have interest
12.	Mr. Md. Wakiluddin Director	Proprietor - Baridhara Enterprise Director - Pioneer Insurance Co. Ltd.
13.	Mr. Saidur Rahman Ratan Director	Proprietor - Ratan Enterprise - Mamtaj Jewellers Director - Pioneer Insurance Co. Ltd.

Name of Companies in which the Directors of the Bank have interest

SL #	Name of Directors of the Bank	Name of Companies in which the directors have interest
03.	Mr. Syed Manzur Elahi Director	Chairman <ul style="list-style-type: none"> - Apex Tannery Ltd. - Apex Adelchi Footwear Ltd. - Apex Pharma Ltd. - Apex Enterprise Ltd. - Grey Advertising (BD) Ltd. - Pioneer Insurance Co. Ltd. - Adelchi footwear (Bangladesh) Ltd. Director <ul style="list-style-type: none"> - Advanced Chemical Industries Ltd. - International Publications Ltd. - Credit Rating Agency of Bangladesh Ltd.
04.	Mr. Hedayetullah Director	Director <ul style="list-style-type: none"> - Apex Tannery Ltd. - Hedayetullah Securities Ltd. - R & R Hides & Skin Agency
05.	Mr. Kh. Rashiduzzaman Director Representing East West Properties Development Ltd.	Managing Director <ul style="list-style-type: none"> - Baitul Food Products Ltd.
06.	Al-haj Syed Abul Hossain Director	Managing Director <ul style="list-style-type: none"> - SAHCO International Ltd. - SAHCO Development Ltd. Chairman <ul style="list-style-type: none"> - China-Fuzian-SAHCO Wooden Pencil Factory Ltd.
07.	Mr. M.A. Rouf Director	Proprietor <ul style="list-style-type: none"> - Balaka Bangladeshi Restaurant, UK - Diamond Properties (BD) Ltd. - Diamond Properties, UK - Dilse Restaurant Ltd. UK
08.	Mr. Md. Abdul Malek Director	Chairman <ul style="list-style-type: none"> - Sheltech Consultant (Pvt.) Ltd. - Jebel-E-Noor General Hospital Ltd.
09.	Mr. Rashed Ahmed Chowdhury Director Representing Associated Builders Corp. Ltd	Director <ul style="list-style-type: none"> - ABC Real Estate - ABC Builder Products Ltd. - Banga Garments Ltd. - Shamsuddin Tawels Ltd. - SAC Agency Ltd.
10.	Yasmeen Haque Director	None
11.	Mr. A.F.M. Mahfuzul Hasan Director	Proprietor <ul style="list-style-type: none"> - Joy Trading House Director <ul style="list-style-type: none"> - Mutual Packaging Industries Ltd. - Softech Computer & Networks Ltd. - Dinkum Travels & Tours Ltd.

Name of Companies in which the Directors of the Bank have interest

SL #	Name of Directors of the Bank	Name of Companies in which the directors have interest
01.	Mr Samson H. Chowdhury Chairman Representing ASTRAS Ltd.	Chairman <ul style="list-style-type: none"> - Square Pharmaceuticals Ltd. - Square Textiles Ltd. - Square Spinning Ltd. - Square Toiletries Ltd. - Square Knit Fabrics Ltd. - Square Fashions Ltd - Square Agro Dev. & Processing Ltd. - Square Holdings Ltd. - Square Informatix Ltd. - Square Hospitals Ltd. - Square Consumer Products Ltd. - Square Herbal & Nutraceuticals Ltd. - ASTRAS Ltd. - Health Products Ltd. - Pharma Packages (Pvt.) Ltd. - Barnali Printers Ltd. - Aegis Services Ltd. - New Dhaka Refractories (BD) Ltd. - Microserve Ltd. - Central Depository Bangladesh Ltd. - Sabazpur Tea Company Ltd. Director <ul style="list-style-type: none"> - Midas Financing Ltd.
02.	Dr Arif Dowla Vice Chairman Representing Advanced Chemical Industries Ltd.	Managing Director <ul style="list-style-type: none"> - Advanced Chemical Industries Ltd. - ACI Formulations Ltd. - ACI Salt Ltd. - Stochastic Logic Ltd. - ACI Foods Ltd. - ACI Pure Flour Ltd. - Apex Leather Crafts Ltd. Director <ul style="list-style-type: none"> - Pioneer Insurance Co. Ltd. - ACI Agrochemicals Ltd. - Consolidated Chemicals Ltd. - Tetley ACI (Bangladesh) Ltd. - ACI Godrej Agrovat (Pvt.) Ltd. - Premia-flex Plastics Ltd. - Intesa Communication Ltd. - ACI Logistics Ltd. - ACI Motors Ltd. - Creative Communication Ltd.

Mutual Trust Bank Limited
Fixed Assets Schedule
As at December 31, 2008

Annexure-B

Particulars	Cost				Depreciation					Written down value as on 31.12.2008
	Balance as on 01.01.2008	Addition during the year	Disposal during the year	Balance as on 31.12.2008	Rate	Balance as on 01.01.2008	Charged for the year	Adjustment made during the year	Balance as on 31.12.2008	
	Taka	Taka	Taka	Taka		Taka	Taka	Taka	Taka	Taka
Land	104,253,000	-	-	104,253,000	-	-	-	-	-	104,253,000
Immovable property	11,393,980	31,050,000	-	42,443,980	2.50%	1,118,831	483,001	-	1,601,832	40,842,148
Furniture & Fixtures	33,458,210	9,679,596	-	43,137,806	10%	9,623,114	3,299,050	-	12,922,164	30,215,642
Interior Decoration	78,756,643	13,702,646	-	92,459,289	10%	21,828,248	6,787,433	-	28,615,681	63,843,608
Office Equipments	147,090,931	56,837,062	-	203,927,993	20%	64,569,524	25,599,039	-	90,168,563	113,759,430
Motor Vehicles	45,832,920	117,567	8,495,000	37,455,487	20%	22,050,207	6,949,347	5,549,242	23,450,312	14,005,175
Books & Periodicals	342,078	29,711	-	371,789	10%	66,518	33,505	-	100,023	271,766
Total 2008	421,127,762	111,416,582	8,495,000	524,049,344		119,256,442	43,151,375	5,549,242	156,858,575	367,190,769
Total 2007	363,982,868	58,493,216	1,348,322	421,127,762		87,796,666	31,957,347	497,572	119,256,441	301,871,321

Mutual Trust Bank Limited
Investment by Merchant Banking in Shares of quoted companies
As at December 31, 2008

Annex- A

Sl#	Name of Company	No. of Shares Held	Face Value Per Share	Cost Holding	Average Cost	31-Dec-08	Total Market Value of share as at December 31, 2008	Provision required
1	Bank Asia Ltd.	3,300	100	945,769.27	286.60	383.25	1,264,725.00	318,955.73
2	Marcantile Bank Ltd.	10,690	100	3,475,869.94	325.15	348.25	3,722,792.50	246,922.56
3	EXIM Bank Ltd.	14,000	100	4,483,310.71	320.24	323.50	4,529,000.00	45,689.29
4	Standard Bank Ltd.	6,716	100	1,853,285.13	275.95	227.25	1,526,211.00	(327,074.13)
5	Southeast Bank Ltd.	3,175	100	1,193,820.43	376.01	318.00	1,009,650.00	(184,170.43)
6	Premier Bank Ltd.	12,950	100	3,883,561.89	299.89	253.25	3,279,587.50	(603,974.39)
7	Shahjalal Islami Bank Ltd.	3,750	100	1,152,263.67	307.27	311.25	1,167,187.50	14,923.83
8	Jamuna Bank Ltd.	5,375	100	1,582,556.96	294.43	266.75	1,433,781.25	(148,775.71)
9	Social Investment Bank Ltd.	2,521	100	955,432.72	378.99	214.75	541,384.75	(414,047.97)
10	Power Grid Company Ltd.	8,500	100	4,865,325.99	572.39	579.50	4,925,750.00	60,424.01
11	Jamuna Oil Co. Ltd.	10,800	10	3,047,043.79	282.13	143.30	1,547,640.00	(1,499,403.79)
12	Megna Petroleum	7,800	10	1,874,406.40	240.31	135.80	1,059,240.00	(815,166.40)
13	NCC Bank	500	100	170,510.00	341.02	365.75	182,875.00	12,365.00
14	BIFC	2,300	100	838,633.42	364.62	322.00	740,600.00	(98,030.42)
15	BD Finance	4,050	100	1,871,735.92	462.16	355.50	1,439,775.00	(431,960.92)
	Total			32,193,526.24			28,370,199.50	(3,823,323.74)

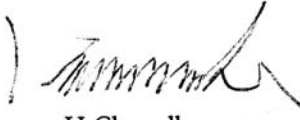
44.02 Related party transactions

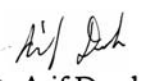
Name of party	Related with	Transactions nature	Outstanding amount in Taka	Remarks
Square Securities Management Ltd.	Mr. Samson H Chowdhury, Chairman	SOD	10,564	FDR
SNM Securities Ltd.	Mr Syed Manzur Elahi, Director	SOD	982,760	<u>Personal guarantee</u>
Apex Tannery Ltd.	Mr Syed Manzur Elahi, Director & Mr Hedayetullah, Director	Bank Guarantee	371,934	FDR
Ananda & Company	Mr. Saidur Rahman Ratan	C.C.(H)	3,854,880	Land mortgaged
Mr Md Abdur Rouf	Mr Md Abdur Rouf, Director	House building loan	5,018,648	Mortgage of Apartment

44.03 Significant contracts where bank is a party and wherein directors have interest

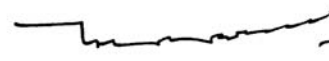
Nature of contract	Purpose	Name of Director and Related by	Remarks
Lease agreement with Square Pharmaceuticals Ltd.	Pabna Branch	Samson H Chowdhury, Chairman	Approved by Bangladesh Bank

45.00 Financial Highlights as of 31 December 2008 shown under Annexure- D


 Samson H Chowdhury
 Chairman


 Dr. Arif Dowla
 Vice Chairman


 Syed Manzur Elahi
 Director


 Kazi Md. Shafiqur Rahman
 Managing Director

	2008 Taka	2007 Taka
36.00 Received from other operating activities:		
Exchange	201,519,971	153,808,095
Postage charge recoveries	15,493,823	15,267,984
Talex, Telephone and Telegram charge recoveries	9,891	148,616
Handling charge	12,649,236	8,997,918
Service charge	57,786,993	29,675,928
SWIFT charge recoveries	15,240,915	13,113,336
DP income	2,861,007	1,592,419
Locker rent	684,675	532,500
VISA ATM	399,378	-
VISA POS	182,088	-
Miscellaneous income	29,106,794	17,104,721
	335,934,772	240,241,517
37.00 Payment for other operating activities:		
Rent, Tax, Insurance, Electricity etc.	87,840,969	55,774,763
Legal expenses	754,317	1,803,966
Postage, Stamps, Telegram & Telephone etc.	28,288,179	17,467,763
Audit fee	200,000	100,000
Printing, Stationery, Advertisement etc.	27,475,722	16,486,886
Directors Fee	596,000	620,000
Repair	4,721,578	4,873,150
Other expenditure	147,579,803	91,092,730
	297,456,568	188,219,258

38.00 Number of employees

The number of employees engaged for the whole year or part thereof who received a total remuneration of Taka 36,000 or above were 739.

39.00 No. of Branches

36 30

40.00 No. of meetings

Board meetings	15	11
Executive Committee meetings	5	6

41.00 Assets pledged as security for liabilities as on 31 December 2008 is NIL

42.00 No asset has been sold during the year 2008, except motor vehicles provided to the executive after receiving book value as per Bank's car facility scheme.

43.00 Auditors work hour

The external auditors of the bank, Hoda Vasi Chowdhury & Co., Chartered Accountants covered 80% of the bank's risk weighted assets and has spent around 4500 man-hours to complete the audit as per Bangladesh Standard on Auditing (BSA).

44.00 Related Party Disclosure

44.01 Name of Directors and their shareholdings as on December 31, 2008

Name	Designation	December 2008		
		No. of Shares held	Amount in Taka	Holding %
ASTRAS Limited represented by Mr. Samson H Chowdhury	Chairman	374,220	37,422,000	2.50%
Advanced Chemical Industries Ltd. represented by Dr. Arif Dowla	Vice Chairman	498,960	49,896,000	3.33%
Mr. Syed Manzur Elahi	Director	511,434	51,143,400	3.42%
Mr. Hedayetullah	Director	83,917	8,391,700	0.56%
East West Properties Development Ltd. represented by Mr. Kh. Rashiduzzaman	Director	498,960	49,896,000	3.33%
Al-haj Syed Abul Hossain	Director	498,960	49,896,000	3.33%
Mr. M. A. Rouf	Director	241,980	24,198,000	1.62%
Mr. Md. Abdul Malek	Director	172,574	17,257,400	1.15%
Associated Builders Corporation Ltd. represented by Mr. Rashed Ahmed Chowdhury	Director	748,440	74,844,000	5.00%
Mrs. Yasmeen Haque	Director	112,740	11,274,000	0.75%
Mr. A.F.M. Mahfuzul Hasan	Director	25,500	2,550,000	0.17%
Mr. Md. Wakiluddin	Director	224,850	22,485,000	1.50%
Mr. Saidur Rahman Ratan	Director	102,437	10,243,700	0.68%
		4,094,972	409,497,200	27.34%

Name of the companies in which the directors of the bank have interest are given in **Annexure - C**

	2008 Taka	2007 Taka
30.00 Printing, Stationery, Advertisement etc.		
Printing & Security Stationery	11,368,864	6,281,792
Computer Stationery	4,555,127	2,814,273
Petty & Table Stationery	3,490,043	2,103,328
Publicity & Advertisement	8,061,688	5,287,493
	27,475,722	16,486,886
31.00 Depreciation on & repairs to Bank's property		
Depreciation	43,151,375	31,957,347
Repair	4,721,578	4,873,150
	47,872,953	36,830,497
32.00 Other Expenditures		
Security & Auxiliary Service	18,502,227	15,252,081
Office Cleaning & maintenance	6,806,692	4,955,671
Car expenses	24,930,168	7,045,044
Entertainment	4,986,996	3,907,526
Newspaper & Periodicals	395,164	321,965
Clearing House Expenses	128,823	61,834
Traveling & Conveyance	8,672,256	5,623,993
Foreign Bank Charges	1,568,389	649,493
Training/ Seminar participation	1,479,546	734,292
Professional fees	1,299,870	895,332
AGM Expenses	2,882,250	1,240,075
Wasa & Gas	500,461	379,793
Subscription & Donation	4,487,172	7,280,810
SWIFT charge	4,325,677	3,966,843
VISA expenses	5,702,340	2,790,441
Rauter charge	994,852	1,253,861
CDBL Charges	3,869,279	1,437,184
Fees & Registration	5,696,038	3,978,527
Business Development	3,902,459	3,674,759
Promotional expenses	36,812,516	18,245,639
Liveries & Uniforms	-	32,930
Branch Opening Expenses	1,145,407	1,530,321
Contribution to MTB Foundation	1,000,000	2,500,000
MTB Employees death benefit expenses	-	1,000,000
Employees Welfare expenses	-	500,000
Honorarium	397,950	116,700
Cash Carrying Expenses	4,788,190	-
Right Issue Expenses	733,699	-
Miscellaneous Expenses	2,571,383	1,717,616
	148,579,803	91,092,730
33.00 Provision against loans and advances during the year		
Provision for Classified Loans & Advances	579,600,000	192,000,000
Provision for Unclassified Loans and Advances	-	121,300,000
Provision for Off Balance Sheet Items	53,132,000	55,000,000
Total amount of provision made during the year	632,732,000	368,300,000
34.00 Provision for Tax		
Provision for corporate tax in respect of the year 2008(Assessment year 2009-10) has been made as per rule.		
Provision for corporate tax in respect of the year 2007 (Assessment year 2008-09) has been made as per rule .		
Corporate tax assessments upto the year 2004 (upto assessment year 2005-06) has been completed and finalized. Corporate tax return for the year 2007 (Assessment year 2008-09), 2006 (Assessment year 2007-08) and 2005 (Assessment year 2006-07) has been filed to the DCT, I.T.U, Dhaka which are underway of final assessment.		
35.00 Earning Per Share (EPS):		
Net Profit after tax (Taka)	305,031,285	210,802,117
Average number of Ordinary shares for issuing rights issue and stock dividend (2007 adjusted for bonus shares & Rights Issue)	14,479,974	14,243,386 (Restated)
Earning Per Share (EPS)	21.07	14.80

	2008 Taka	2007 Taka
24.00 Commission, Exchange & Brokerage		
Commission (24.01)	260,965,328	212,152,776
Exchange	215,825,034	166,015,160
Brokerage	40,722,434	6,755,313
	517,512,796	384,923,249
24.01 Commission		
Letter of Guarantee	34,349,280	22,173,571
Letter of Credit	121,431,821	103,455,885
Acceptance of Bills	20,804,811	35,312,238
LC Advising	7,655,135	-
Export Bills	15,290,516	10,542,297
PO, DD & TT	8,007,899	6,753,919
Exchange houses	1,758,770	1,336,525
Foreign Remittance	1,950,627	1,117,579
On-line service	4,177,277	4,198,923
IBP/FBP/IDBP	433,447	1,182,654
FDBC/IFDBC	42,575,404	24,088,963
OBC	2,312,544	1,909,169
Sales and Purchase of Shares	162,563	-
Underwriting	53,847	-
Others	1,388	81,053
	260,965,328	212,152,776
25.00 Other operating Income		
Postage charge recoveries	15,493,823	15,267,984
Telex, TP & Telegram charge recoveries	9,891	148,616
Handling charges	12,649,236	8,997,918
VISA ATM	399,378	-
VISA POS	182,088	-
Service Charges	57,786,993	29,675,928
SWIFT Charge recoveries	15,240,915	13,113,336
DP Income	2,861,007	1,592,419
Locker Rent	684,675	532,500
Miscellaneous Earnings	29,106,794	17,104,721
	134,414,800	86,433,422
26.00 Salary & Allowances		
Basic Pay	121,438,013	82,585,787
Allowances	100,448,527	54,640,793
Bonus	51,999,308	42,443,237
Gratuity	5,000,000	5,000,000
Daily Wages	286,851	1,391,826
Leave Fare Assistance	13,223,079	8,333,793
Provident Fund	10,608,287	6,312,514
	303,004,065	200,707,950
27.00 Directors Fee		
Meeting fee	596,000	620,000
Other fee	-	-
	596,000	620,000
28.00 Rent, Tax, Insurance, Electricity etc.		
Rent	61,417,641	36,720,490
Rates & taxes	557,959	784,039
Insurance	14,662,249	10,869,150
Power and electricity	11,203,120	7,401,084
	87,840,969	55,774,763
29.00 Postage, Stamps & Telephone etc		
Postage/Courier Service	5,510,740	4,690,067
Fax & e-mail	824,520	1,145,649
On-line charges	16,945,879	6,696,763
Telephone	5,007,040	4,935,284
	28,288,179	17,467,763

Hoda Vasi Chowdhury & Co

	2008 Taka	2007 Taka
21.01 Interest on Loans and Advances		
Term Loans	645,495,889	421,278,717
General Loans	52,802,086	34,499,666
House Building Loans	99,495,429	80,418,778
Home loan refinance	868,435	3,889
PAD	256,613,558	164,906,285
LTR	935,227,707	794,475,820
Demand Loan	10,983,322	3,843,673
Lease rental income	32,230,847	31,126,779
Consumer Financing	52,341,403	6,905,833
EDF Loan	6,307	-
Small enterprise financing	28,503,151	2,929,219
Staff loan against P.Fund Loan	791,258	430,947
Cash Credit	582,709,221	451,551,061
Credit Card	453,744	-
MTB Digon	42,251	-
Microfinance	60,188	-
MTB Life Line	219,265	-
MTB Doctors Loan	11,501	-
Loan Against Rural Credit	445,313	-
Best invest Loan	3,783,001	5,025,460
Overdraft	404,605,892	344,141,900
IFDBC	971,176	4,351,821
IBP	491,657	247,743
IDBP	310,116,387	259,030,462
FDDBP	18,051,596	6,475,227
	3,437,320,583	2,611,643,280
21.02 Interest on Balance with other Banks and Financial Institutions		
Interest on Balance with other Banks in Bangladesh	57,253,471	168,671,470
Interest on Balance held with outside Bangladesh	19,830,000	25,000,000
	77,083,471	193,671,470
22.00 Interest paid on Deposits & Borrowings etc.		
Interest on Deposits and other accounts (22.01)	2,695,254,716	2,235,638,547
Interest on Borrowings from other Banks and Financial Institutions	97,329,506	56,718,984
	2,792,584,222	2,292,357,531
22.01 Interest on Deposits and other accounts		
Savings Deposits	116,407,776	80,514,331
Short Term Deposits	93,189,295	25,967,831
Fixed Deposits	2,247,620,332	1,965,389,628
Deposit-Products	238,037,313	163,766,757
	2,695,254,716	2,235,638,547
23.00 Income from Investments		
Interest on Treasury Bills	201,868,964	149,733,504
Interest on Treasury Bonds	244,372,452	-
Reverse REPO	525,412	4,056,731
Interest on Bonds	-	959,459
Gain on Investment in shares by Merchant Banking	1,427,334	4,021,867
Dividend on Investment in Shares	5,656,000	3,643,200
Other Investment	988,177	-
	454,838,339	162,414,761

Hoda Vasi Chowdhury & Co

	2008 Taka	2007 Taka
19.01 Letter of Guarantee		
i) Claims against the Bank not acknowledged as debts	-	-
ii) Money for which the bank is contingently liable in respect of guarantees given favoring :		
Directors	-	-
Government	2,709,954,890	2,773,814,573
Bank and other Financial Institutions	1,546,258	1,952,957
Others	465,016,684	497,374,090
	3,176,517,832	3,273,141,620
Less: Margin	1,552,277,376	1,090,661,601
	1,624,240,456	2,182,480,019
iii) Liability on account of bills re-discounted	-	-
iv) Liability on account of outstanding forward exchange contract	-	-
	1,624,240,456	2,182,480,019
19.02 Segregation of Commitment by Type		
Documentary Credit and Short Term Business Related Transaction	3,669,672,223	4,209,198,800
Forward Asset Purchase and Forward Deposit	-	-
Endorsed formal standby facilities, Credit facilities and other commitments:		
Less than one year	7,143,484,032	6,292,146,270
One year and above	-	-
Spot and Forward Foreign Exchange Rate Contract	-	-
Other Exchange Contract	-	-
Others	654,554,759	414,794,688
	11,467,711,014	10,916,139,758
20.00 Income Statement		
Income:		
Interest, discount and similar income	3,977,473,697	3,001,672,888
Dividend income	5,656,000	3,643,200
Fee, Commission and Brokerage	301,687,762	218,908,089
Gain less losses arising from dealing securities	-	-
Gain less losses arising from investment securities	1,427,334	4,021,867
Gain less losses arising from dealing in foreign currencies	215,825,034	166,015,160
Income from non banking assets	-	-
Other operating income	134,414,800	86,433,422
Profit less losses on interest rate changes	-	-
	4,636,484,627	3,480,694,626
Expenses		
Interest, Fee and Commission	2,792,584,222	2,292,357,531
Losses on Loans and advances	-	-
Administrative expenses	457,080,830	301,434,478
Other operating expenses	148,579,803	91,092,730
Depreciation on Banking Assets	43,151,375	31,957,347
	3,441,396,230	2,716,842,086
Operating profit	1,195,088,398	763,852,540
21.00 Interest Income		
Loans and Advances (21.01)	3,437,320,583	2,611,643,280
Money at call and short notice	4,664,639	32,404,495
Balance with other Banks and Financial institutions (21.02)	77,083,471	193,671,470
Bangladesh Bank Foreign currency clearing accounts	10,650,000	9,203,949
	3,529,718,692	2,846,923,194

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14.06 Distribution schedule of shareholders by holdings as on December 31, 2008

Holdings	December 31, 2008		
	No. of Shareholders	Value of shares in Taka	Total Holdings %
Less than 500 shares	9,115	900,579	6.02%
500 to 5,000 shares	904	1,122,986	7.50%
5,001 to 10,000 shares	54	373,488	2.50%
10,001 to 20,000 shares	32	447,070	2.99%
20,001 to 30,000 shares	20	478,093	3.19%
30,001 to 40,000 shares	5	171,526	1.15%
40,001 to 50,000 shares	6	274,102	1.83%
50,001 to 100,000 shares	23	1,594,211	10.65%
100,001 to 1,000,000 shares	31	8,450,575	56.45%
Over 1,000,000 shares	1	1,156,170	7.72%
	10,191	14,968,800	100%

15.00 Share Premium

The year 2003 from Pre-IPO placement arrangements and Initial Public Offerings(IPO) which has been used for issuing of stock dividend for the year 2007.

16.00 Statutory Reserve

Opening balance	590,235,286	511,124,778
Add: Transferred during the year (20% of pretax profit)	111,706,615	79,110,508
Closing Balance	701,941,901	590,235,286

17.00 General Reserve

Opening balance	105,679,443	39,894,467
Add: Transferred from Profit and Loss A/c	-	65,784,976
Less: Issued bonus share	17,788,389	-
Less: Dividend paid		
Closing Balance	87,891,054	105,679,443

18.00 Retained Earnings:

Opening balance	131,691,609	303,384,976
Less: Bonus share issued during the year	131,691,609	47,520,000
Less: Cash dividend paid during the year	-	190,080,000
Less: Transferred to General Reserve	-	65,784,976
Add: Profit made during the year	305,031,285	210,802,117
Less: Transferred to Statutory Reserve	111,706,615	79,110,508
Closing Balance	193,324,670	131,691,609

19.00 Contingent Liabilities & Commitments

Letter of Guarantee (19.01)	3,176,517,832	3,273,141,620
Letter of Credit :		
Letter of Credit (Cash)	2,846,126,123	2,706,579,300
Letter of Credit (Back to Back)	685,343,000	1,249,587,500
Letter of Credit (FDF)	-	2,391,000
Letter of Credit (Deferred)	30,401,100	181,787,500
Letter of Credit (Inland)	107,802,000	68,853,500
	3,669,672,223	4,209,198,800
Bills for collection :		
Inland	31,290,319	36,788,098
Foreign	4,960,533	5,730,267
FDDB	297,100,050	184,908,050
FDDB	321,203,857	187,368,273
	654,554,759	414,794,688
Other Contingent Liabilities :		
FDDB (Back to Back)	2,132,546,700	2,327,998,650
FDDB (Cash)	1,764,868,500	683,875,000
Accepted Bill (Inland)	-	7,131,000
Accepted Bill (Foreign)	69,551,000	-
	3,966,966,200	3,019,004,650
	11,467,711,014	10,916,139,758

14.03 The break up of issued, subscribed and paid-up capital is as follows:

	December 31, 2008		
	No. of shares	Value of shares in Taka	% of holding
Sponsors	6,521,732	652,173,200	43.57%
Financial Institutions	4,569,401	456,940,100	30.53%
General	3,877,667	387,766,700	25.90%
	14,968,800	1,496,880,000	100%

14.04 Capital adequacy requirements

There is a surplus of Taka 107.24 million in the capital fund of the Bank as on 31 December 2008 computed in accordance with BRPD Circular # 10 dated November, 2002 and BRPD Circular # 03 dated 09 May 2004 and subsequent changes. Details of such surplus capital fund are given below (figure in million Taka) :

	Taka in Million	Taka in Million
Total risk weighted assets	27,810.94	23,278.34
Required Capital : 10% of total risk weighted assets	2,781.09	2,327.83
Actual capital maintained		
Core Capital (Tier-I) :		
Paid up Capital	1,496.88	997.92
Share Premium	0.00	100.00
Statutory reserve	701.94	590.24
General reserve	87.89	105.68
Retained Earnings	193.32	131.69
	2,480.03	1,925.53
Supplementary Capital (Tier-II) :		
General Provision including off balance sheet items	406.74	386.00
Revaluation Gain on Investments in HTM Securities	1.53	59.39
Exchange equalization	0.03	0.03
	408.30	445.42
Total Capital(Tier-I+Tier-II)	2,888.33	2,370.95
Surplus	107.24	43.12
Capital Adequacy ratio	10.39%	10.19%

4.04.01 Capital Requirement

	2008		2007	
	Required	Held	Required	Held
Tier-I	5.00%	8.92%	4.50%	8.28%
Tier-II		1.47%		1.91%

14.05 Computation of risk- weighted assets

Particulars	2008		
	Balance as on 31.12.2008 (net) (figure in '000)	Risk weighted factor	Risk weighted balance as at 31.12.2008 (figure in '000')
Cash in hand & balance with banks(except banks abroad)	2,334,598	0%	-
Balance with Other Financial Institution-Private	51,556	20%	10,311
Money at call and short notice (Deposit money bank)	510,000	0%	-
Foreign currency balance held	4,379	0%	-
Balance with bank abroad	250,479	0%	-
Foreign currency clearing A/c balances with Bangladesh Bank	64,348	0%	-
Export and other foreign bills	545,486	50%	272,743
Import and Inland bills-Private sector	3,255,235	100%	3,255,235
Advances:			
Other Financial Institutions-Private	572,445	50%	286,223
Private sector	20,829,310	100%	20,829,310
Investments:			
Governments	5,423,649	0%	-
Other Financial Institutions-Private	100,000	50%	50,000
Other non financial Public enterprises	35,464	50%	17,732
Private sector	77,842	100%	77,842
Deposit money Bank	26,696	20%	5,339
Head office and Inter Branches Adjustments	31,342	0%	-
Contingent assets as per contra	5,268,442	50%	2,634,221
Fixed Assets	367,191	50%	183,596
Other	188,385	100%	188,385
	39,936,847		27,810,936

	2008 Taka	2007 Taka
13.01 Provision for Loans and Advances		
For Unclassified		
Opening balance	331,000,000	209,700,000
Add: Provision made during the year	-	121,300,000
Less: Provision transferred to Classified Loans and advances	32,390,000	-
Total provision for unclassified loans and advances	298,610,000	331,000,000
For Classified		
Opening balance	217,429,923	30,282,078
Add: Provision made during the year	579,600,000	192,000,000
Add: Provision transferred from Unclassified Loans and Advances	32,390,000	-
Less: Adjustment made during the year	89,151	-
Less: Interest waived during the year	-	4,852,155
Provision for classified loans and advances	829,330,772	217,429,923
	1,127,940,772	548,429,923

13.02 Interest suspense account represents interest on loans and advances against SMA, substandard and doubtful loans.

13.03 Short term liabilities to Banks abroad represents over withdrawn from foreign Bank account against bank balance for unreconciled entries.

13.04 Provision for Tax

Opening balance	861,884,994	674,620,756
Add: Provision made during the year	251,339,884	187,264,238
Less: Adjustment made during the year	-	-
Year 1999 (assessment year 2000-2001)	-	-
Year 2000 (assessment year 2001-2002)	-	-
Year 2001 (assessment year 2002-2003)	-	-
Year 2002 (assessment year 2003-2004)	-	-
Year 2003 (assessment year 2004-2005)	-	-
Year 2004 (assessment year 2005-2006)	-	-
	1,113,224,878	861,884,994

Assessments of Corporate tax of the bank for the year 1999 (assessment year 2000-2001) upto the year 2004 (assessment year 2005-2006) have been completed and finalized by the Tax Authority.

Income tax provision has been made on profit after provision for loans and advances.

13.05 Deferred Tax liability

Opening Balance	6,994,662	9,508,477
Addition during the year	2,161,906	(2,513,815)
Closing Balance	9,156,568	6,994,662

14.00 Capital

14.01 Authorised Capital:

38,000,000 ordinary shares of Tk.100 each	3,800,000,000	3,800,000,000
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14.02 Issued, subscribed and paid-up capital:

The issued, subscribed and paid-up capital of the Bank as on December 31, 2008 is Taka 1,496,880,000 divided into 14,968,800 Ordinary shares and 2007 is Taka 997,920,000 divided into 9,979,200 Ordinary shares of Tk 100 each as follows:

6,000,000 Ordinary shares (2007: 6,000,000 Ordinary shares) of Tk 100 each issued for cash.	600,000,000	600,000,000
6,474,000 Ordinary shares (2007: 6,474,000 Ordinary shares) of Tk 100 each issued as bonus shares	647,400,000	397,920,000
2,494,800 Ordinary shares of Tk 100 each issued as rights shares	249,480,000	-
	1,496,880,000	997,920,000

	2008 Taka	2007 Taka
Bills Payable :		
PO Issued	396,002,965	393,134,590
PS Issued	16,059,458	119,703,746
DI Payable	35,409,915	12,534,092
	447,472,338	525,372,428
Savings Deposits	2,943,076,237	2,147,296,683
Fixed Deposits :		
From Banks	1,339,997,500	489,997,500
From other than Banks	21,020,680,289	15,844,147,498
	22,360,677,789	16,334,144,998
Deposit-Products :		
Brick by Brick	1,147,307,656	852,123,825
Save Everyday Deposits	965,243	2,286,665
Festival Savings Plan	11,324,631	9,295,378
Children Education	9,028,069	9,592,720
Best invest Deposits	86,240,110	99,937,133
Unique Savings Plan	8,985,388	5,591,820
MTB Double Saver Plan	958,519,690	482,133,941
MTB Triple Saver Plan	77,989,740	22,997,152
MTB Millionaire Plan	130,151,897	53,266,546
MTB Education Plan	5,985,568	2,393,962
MTB Monthly Benefit Plan	212,787,691	297,113,840
	2,649,285,683	1,836,732,982
	33,820,407,506	24,776,924,968

12.02 Maturity grouping of Deposits and other accounts:

On Demand	5,867,432,516	3,954,508,262
Repayable within one month	5,269,605,339	3,342,101,480
More than one month but within six months	10,656,349,384	7,950,667,914
More than six months but within one year	8,791,066,030	6,974,578,464
More than one year but within five years	1,138,638,979	1,538,995,491
More than five year but within ten years	2,097,315,258	1,016,073,357
Unclaimed deposits for ten years or more	-	-
	33,820,407,506	24,776,924,968

13.00 Other Liabilities

Provision for loans and advances (13.01)	1,127,940,772	548,429,923
Provision for Off Balance Sheet Items	108,132,000	55,000,000
Provision for Other Assets	-	-
Provision against shares in quoted companies by merchant banking	3,823,324	-
Interest Suspense (13.02)	195,082,720	123,641,438
Exchange Equalization Fund	33,684	33,684
Short term liabilities to Banks abroad (13.03)	28,180,851	625,561,637
Export Development Fund	7,900,833	1,165,121
Provision for Tax (13.04)	1,113,224,878	861,884,994
Deferred Tax Liability (13.05)	9,156,568	6,994,662
Provision for Gratuity (2.11.b)	5,000,000	5,000,000
Provision for Audit Fees	200,000	100,000
Provision for Bonus	32,008,000	28,686,322
Contribution to Mutual Trust Foundation	1,000,000	2,500,000
Provision for MTB Employees Death Benefit Scheme	-	1,000,000
Contribution to MTB Employees Welfare Fund	-	500,000
Adjusting A/C Credit	1,150,032	176,299
Revaluation Gain on HFT Securities	28,638,257	-
	2,661,471,919	2,260,674,080

	2008 Taka	2007 Taka
10.02 Suspense account represents DD paid without advice, advance against expenses for advertisement, opening of new branch traveling expenses etc.		
10.03 Others		
Prepaid promotional expenses	-	3,611,500
Advance Income Tax (Note-10.03.01)	1,017,307,466	850,399,411
Adjusting A/c-Debit	45,553,232	9,381,371
Clearing House Adjustment	-	3,850
Payment Against Construction of Head Office	12,778,960	2,652,884
Total	1,075,639,658	866,049,016
10.03.01 Advance Income Tax		
Balance as on 1 January 2008	850,399,411	442,011,900
Add: Payment made during the year	166,908,055	408,387,511
	1,017,307,466	850,399,411
Less: Adjustment made during the year (Note-13.04)	-	-
Balance as on December 31, 2008	1,017,307,466	850,399,411
10.04 Classification of Other Assets		
Unclassified	1,246,586,472	1,178,300,763
Substandard	-	-
Doubtful	-	-
Bad/Loss	-	-
	1,246,586,472	1,178,300,763
11.00 Borrowings from other Banks, Financial Institutions & Agents:		
In Bangladesh	-	3,100,000,000
Outside Bangladesh	-	-
	-	3,100,000,000
In Bangladesh		
National Bank Ltd.	-	400,000,000
BASIC Bank Ltd.	-	200,000,000
Southest Bank Ltd.	-	200,000,000
Mercantile Bank Ltd.	-	300,000,000
Agrani Bank Ltd.	-	150,000,000
Janata Bank Ltd.	-	200,000,000
Eastern Bank Ltd	-	250,000,000
Dutch Bangla Bank	-	600,000,000
The City Bank Ltd.	-	300,000,000
Bank Al falah	-	100,000,000
Premier Bank Ltd	-	200,000,000
Rupali Bank Ltd.	-	200,000,000
	-	3,100,000,000
Security against borrowings from other banks, financial institutions and agents		
Secured	-	3,100,000,000
Unsecured	-	-
	-	3,100,000,000
12.00 Deposits and other accounts		
Inter Bank	1,339,998,791	491,833,000
Other Deposits	32,480,408,715	24,285,091,968
	33,820,407,506	24,776,924,968
12.01 Deposits and other accounts:		
Current Deposits & Other Accounts :		
Current Deposits	1,808,653,222	1,633,622,680
Short Term Deposits	2,058,602,409	588,583,491
Foreign Currency Deposits	99,825,321	44,518,807
Non-resident taka account	68,339,430	98,849,392
Sundry Deposits	1,384,475,077	1,567,803,507
	5,419,895,459	3,933,377,877

	2008 Taka	2007 Taka
8.08 Maturity grouping of Bills purchased and Discounted		
Payable within one month	1,300,029,015	1,236,640,969
More than one month but less than three months	1,101,951,173	1,185,424,592
More than three months but less than six months	593,887,044	418,430,417
More than or equal to six months	31,473,511	-
	3,027,340,743	2,840,495,978
8.09 Listing of assets pledged as security/collaterals		
Nature of Secured assets:		
Gold & Gold Ornaments	-	-
Shares & Securities	341,531,000	272,198,732
Merchandise	5,708,722,000	4,536,645,531
Machinery with other fixed assets and financial obligations	2,002,226,000	1,587,825,936
Real estate with financial obligations	11,607,933,000	9,229,124,837
Financial obligations only(Insurance policies, Savings certificates,Bank deposits etc)	1,780,294,000	1,415,433,405
Miscellaneous:		
i) Crops/stock of crops hypothecation	-	-
ii) Guarantee of individuals/ Institutions	3,224,460,000	2,579,763,482
iii) Others	3,864,179,619	3,062,235,734
Without any security	-	-
	28,529,345,619	22,683,227,657
9.00 Fixed Assets including premises,furniture & fixtures		
Land	104,253,000	104,253,000
Immovable Property	40,842,148	10,275,149
Furniture & fixtures	30,215,642	23,835,096
Interior decoration	63,843,608	56,928,395
Office equipments	113,759,430	82,521,407
Motor vehicles	14,005,175	23,782,714
Books & Periodicals	271,766	275,560
	367,190,769	301,871,321
Details are shown in Annexure-B		
10.00 Other Assets		
Classification of Other Assets		
A) Income generating Other Assets	-	-
B) Non-Income generating Other Assets :		
i) Investment in Shares of Subsidiary Companies	-	-
ii) Stationary, Stamps, printing materials in stock etc.	7,393,354	3,588,893
iii) Advance rent and advertisement	90,429,032	44,877,443
iv) Interest accrued on Investment but not collected, commission and brokerage receivable on Shares and Debentures and other income receivable	-	-
v) Security deposit	2,157,635	2,020,555
vi) Preliminary, formation and organization expenses, renovation/development expenses and prepaid expenses	-	-
vii) Branch Adjustment (Note-10.01)	31,341,849	229,320,405
viii) Suspense Account (Note-10.02)	39,624,944	32,444,451
ix) Silver	-	-
x) Others(Note-10.03)	1,075,639,658	866,049,016
	1,246,586,472	1,178,300,763

10.01 Branch Adjustment (net)

Entries	No. of entries outstanding as on 31-12-2008	Amount in Taka	Amount in Taka
Debit entries	409	98,748,849	268,330,530
Credit entries	159	67,407,000	39,010,125
	568	31,341,849	229,320,405

Period wise details of Unreconciled Inter Branch Transaction are as follows :

Period of Unreconciliation	Debit Entry		Credit Entry	
	No. of Entry	Amount(Tk.)	No. of Entry	Amount(Tk.)
Less than 3 months	366	88,827,849	154	67,299,000
3 months to Less than 6 months	43	9,921,000	5	108,000
6 months to Less than 9 months	-	-	-	-
9 months to Less than 12 months	-	-	-	-
12 months and more	-	-	-	-
Total	409	98,748,849	159	67,407,000

All the above outstanding entries have subsequently been responded and properly reconciled.

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	2008 Taka	2007 Taka
8.04 Classification of Loans and Advances:		
Unclassified (UC):		
Standard	26,935,355,619	21,669,395,657
Special Mention Account (SMA)	191,143,000	472,189,000
Sub total	27,126,498,619	22,141,584,657
Classified:		
Substandard	249,453,000	251,245,000
Doubtful	141,697,000	75,274,000
Bad & Loss	1,011,697,000	215,124,000
Sub total	1,402,847,000	541,643,000
Total	28,529,345,619	22,683,227,657

8.05 Particulars of required provision for loans and advances

Particulars	Base for Provision	Rate	Required Provision	Taka in thousand Provision maintained
Unclassified (UC):				
Standard	26,935,356	1% ^o , 2% ^o & 5% ^o	290,783	290,783
Special Mention Account(SMA)	156,506	0% ^o & 5% ^o	7,825	7,825
Sub total			298,608	298,608
Classified:				
Substandard	199,960	5% ^o & 20% ^o	39,992	39,992
Doubtful	119,931	5% ^o & 50% ^o	59,966	59,966
Bad loan	729,280	100% ^o	729,280	729,375
Sub total			829,238	829,333
Total			1,127,846	1,127,941

8.06 Geographical Location wise Loans and Advances

Dhaka	20,328,576,468	15,358,345,307
Chittagong	7,780,248,838	7,174,814,542
Rajshahi	128,154,462	62,733,655
Sylhet	292,365,851	87,334,153
Khulna	-	-
Barishal	-	-
	28,529,345,619	22,683,227,657

8.07 Particulars of Loans and Advances:

I) Debts considered good in respect of which the bank company is fully secured.	26,232,074,243	21,961,093,911
II) Debts considered good for which the bank holds no other security than the debtor's personal security.	14,192,305	-
III) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors.	880,232,071	180,490,746
IV) Debts considered doubtful or bad, not provided for.	-	-
V) Debts due by directors or officers of the bank or any of them either severally or jointly with any other person.	77,869,635	33,698,801
VI) Debts due by companies or firms in which the Directors of the bank are interested as partners or managing agents or in case of private companies, as members.	4,848,204	27,824,572
VII) Maximum total amount of advances, including temporary advances, made at any time during the year to Directors or Managers or Officers of the bank or any of them either severally or jointly with any other person.	82,627,627	41,145,369
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 partners or managing agents or in case of private companies, as member.	8,137,772	34,186,918
IX) Due from banking companies;	-	-
X) Amount of classified loan on which interest has not been charged :		
a. i) Decrease/ increase in provision,	569,844,000	155,378,000
ii) amount of loan written off	-	-
iii) amount realised against loan previously written off;	-	-
b. Amount of provision kept against loan classified as 'bad/loss'	729,280,000	159,436,000
c. Interest creditable to the interest Suspense A/c;	106,228,185	22,588,020
XI) Cumulative amount of loans written off	-	-
XII) Amount of loans written off during the year	-	-
XIII) The amount of written off loan for which law suit has been filed	-	-

Hoda Vasi Chowdhury & Co

	2008 Taka	2007 Taka
8.01 Gross Lease Rental Receivable:		
Gross lease rental receivable within 1 year	100,294,819	145,934,480
Gross lease rental receivable within 5 years	194,675,731	147,716,435
Gross lease rental receivable after 5 years	-	-
	294,970,550	293,650,915
Less: Unearned Lease Rental	37,723,219	42,581,422
	257,247,331	251,069,493
8.02 Maturity grouping of Loans and Advances		
On Demand	5,578,869,007	4,934,180,297
Not more than three months	6,550,034,843	4,673,587,191
More than three months but less than one year	7,734,281,382	9,245,814,119
More than one year but less than five years	7,759,465,629	3,068,796,637
More than five years	906,694,758	760,849,413
	28,529,345,619	22,683,227,657
8.03 Concentration of Loans and Advances:		
a) Loans and Advances to Institutions in which the Directors of the Bank have interest	4,848,204	29,867,976
b) Advances to Managing Director & other Senior Executives	68,057,289	31,655,397
Advances to Industries-		
Food	620,255,000	166,730,000
RMG & Textile	791,812,000	3,073,475,000
Jute, cotton and wearing apparels	3,796,578,000	103,249,000
Leather and Leather products	21,544,000	18,357,000
Paper, paper products & printing	896,411,000	625,289,000
Wood and wood products	19,704,000	238,000
Pharmaceuticals	63,812,000	64,147,000
Plastic & Rubber	194,353,000	300,543,000
Petroleum & Edible Oil	264,241,000	92,097,000
Chemical & Chemical Products	230,433,000	715,883,000
Glass & Glass products	132,832,000	64,316,000
Assembling Industries	313,721,000	399,171,000
Metal & Metal products	989,977,000	634,155,000
Non-metallic mineral products	5,291,000	29,439,000
Electricity & Gas Industry	324,039,000	175,510,000
Service Industries	331,025,000	147,720,000
Small Scale & Cottage Industries	27,833,000	309,422,000
Others	1,549,874,000	546,470,000
	10,573,735,000	7,466,211,000

No. of borrowers to whom credit facilities of more than 10% of the capital of the bank have been given is 23. Outstanding credit facilities of these borrowers as on December 31, 2008 is Taka 1040.84 Crore.

Name of the clients	Outstanding (Taka in Core)		Total (Taka in Core)	Classification Status
	Funded	Non - Funded		
Jamuna Denims Ltd	36.77	2.22	38.99	UC
Appollo Ispat Complex Ltd.	34.39	0.36	34.75	UC
Tanveer Dal Mill & Flour Mills Ltd.	31.01	93.25	124.26	UC
City Seed Crushing Ind. Ltd.	34.68	15.07	49.75	UC
MSA Spinning Mills Ltd.	31.71	32.75	64.46	UC
The Asia Pacific Refineries Ltd.	18.74	77.01	95.75	UC
Ama Syntex Ltd.	25.47	6.69	32.16	UC
RK Spinning Mills Ltd.	25.13	6.16	31.29	UC
Chittagonj Denim Mills Ltd.	22.23	10.11	32.34	UC
Shah Fateullah Textile Mills Ltd.	29.60	0.16	29.76	UC
Deko Designs & its Associates	28.80	0.89	29.69	UC
Nasir Glass Industries Ltd.	27.34	2.49	29.83	UC
Abdul Monem Ltd.	30.06	0.00	30.06	UC
Bulk Trade International	-	33.67	33.67	UC
Setu Pesticide	-	30.24	30.24	UC
AK Corporation Ltd.	25.84	27.46	53.30	UC
PHP Corporation Ltd.	20.00	37.93	57.93	UC
T.K. Chemical Complex Ltd.	31.20	9.13	40.33	UC
M.M. Steel Galvanizing Plant Ltd.	43.82	1.81	45.63	UC
Western Marine Services Ltd.	27.58	1.73	29.31	UC
Akter Enterprise	62.00	0.00	62.00	UC
Kollol Enterprise	34.08	0.00	34.08	UC
Tursa Trading Ltd.	31.26	0.00	31.26	UC
Total	651.71	389.13	1040.84	

	2008 Taka	2007 Taka
Other Investments:		
Shares in quoted companies by Merchant Banking	32,193,526	12,751,280
Shares in unquoted companies (at face value) :		
Industrial & Infrastructure Dev. Finance Co. Ltd.	22,770,000	18,216,000
Central Depository (BD) Ltd.	10,000,000	10,000,000
Everest Power Generation Company Ltd.	60,000,000	-
	92,770,000	28,216,000
Bonds (at face value) :		
7 Years Agrani Bank Industrial Development Bond	7,000,000	7,000,000
1 Year - 5 years IPDC Zero Coupon Bond	355,000	3,981,000
Less: Unearned Interest on IPDC Zero Coupon Bonds	157,818	271,958
	197,182	3,709,042
IDLIC Zero Coupon Bonds	100,000,000	-
Share of Dhaka Stock Exchange Ltd	8,000,000	8,000,000
Sub Total	240,160,708	59,676,322
Total	5,606,491,938	3,956,528,943

Valuation of investments in Shares of quoted companies are shown in Annexure-A.

7.01 Grouping of Investments:

Held To Maturity (HTM)	3,375,213,933	2,493,942,249
Held For Trading (HFT)	1,978,982,949	1,409,910,372
Other investments	252,295,056	52,676,322
	5,606,491,938	3,956,528,943

7.02 Maturity grouping of Investments as follows:

On Demand	1,426,000	1,151,800
Less than three months	1,065,524,989	941,169,655
More than three months but less than one year	447,633,316	1,612,362,291
More than one year but less than five years	1,356,529,789	1,061,509,206
More than five years	2,735,377,844	340,335,991
	5,606,491,938	3,956,528,943

8.00 Loans and Advances

Loans, Cash Credit, Overdrafts:

In Bangladesh:

Loans:

Term Loan	6,072,422,042	3,660,648,929
General Loans	565,967,315	262,132,992
Demand Loan	144,630,577	54,063,824
House Building Loan	734,781,874	603,583,759
PAD	751,977,756	1,602,292,013
Trust Receipts	7,610,924,541	6,465,685,849
Product	25,538,636	36,713,281
Lease Finance (8.01)	257,247,331	251,069,493
Staff loan against P.Fund	8,687,717	7,470,054
Consumer Financing	604,212,367	121,257,251
Export Development Fund	7,900,833	1,165,121
Home Loan Refinance	22,671,099	504,139
Car Loan (Employee)	49,992,509	21,340,750
Small Enterprise Financing	276,019,705	59,233,495
Staff House Building Loan	47,946,977	-
Loan Against Rural Credit	25,452,153	-
Credit Card	14,192,306	-
	17,220,565,738	13,147,160,950

Cash Credit	4,656,655,032	3,749,196,127
Secured Overdraft	3,624,784,106	2,946,374,602
	25,502,004,876	19,842,731,679
Outside Bangladesh	-	-
	25,502,004,876	19,842,731,679

Bills Purchased and Discounted (excluding Treasury bills) :

Payable in Bangladesh	2,505,900,852	2,088,290,649
Payable outside Bangladesh	521,439,891	752,205,329
	3,027,340,743	2,840,495,978
Total Loans and Advances	28,529,345,619	22,683,227,657

	2008 Taka	2007 Taka
5.01 Maturity grouping of Balance with other Banks and Financial Institutions		
On Demand	260,743,591	404,523,725
Less than three months	442,309,354	1,013,229,176
More than three months but less than one year	-	414,603,867
More than one year but less than five years	-	-
More than five years	-	-
	703,052,945	1,832,356,768

5.02 Currency wise position and Exchange rate applied for conversion of Balance with other banks in foreign currency into Local currency as on December 31, 2008 are as follows :

Name of the Bank	Currency	Amount in Foreign Currency	Exchange Rate	Amount in Taka
City Bank NA	US\$	584,133.03	68.99	40,299,337.74
Mashreq bank, NY	US\$	575,739.12	68.99	39,720,241.89
Amex NY	US\$	108,241.44	68.99	7,467,576.95
Habib American Bank	US\$	29,283.71	68.99	2,020,283.15
HSBC, New York	US\$	40,443.28	68.99	2,790,181.89
Mashreqbank, London	US\$	821,858.00	68.99	56,699,983.42
JP Morgan New York	US\$	115,266.02	68.99	7,952,202.72
National Bank, Jeddha	US\$	49,729.57	68.99	3,430,843.03
ICICI, HK	US\$	26,758.67	68.99	1,846,080.64
Standard Chartered Bank, Singapore	SGD	2,520.65	46.90	118,218.49
Mashreq London	GBP	20,608.80	102.50	2,112,402.00
Standard Chartered Bank, London	GBP	4,335.47	102.50	444,385.68
AMEX, Germany	EUR	360.49	95.50	34,426.80
Mashreqbank, London	EUR	7,815.58	95.50	746,387.89
Hypo Vercins Bank	EUR	6,637.90	95.50	633,919.45
SCB London	EUR	2,469.78	95.50	235,863.99
AMEX, Kolkata	ACU	30,537.47	68.99	2,106,780.06
SCB Kolkata	ACU	114,067.49	68.99	7,869,516.14
AB Bank Mumbai	ACU	110,166.54	68.99	7,600,389.59
SCB Pakistan	ACU	49,222.03	68.99	3,395,827.85
City Bank NA, Mumbai	ACU	150,661.63	68.99	10,394,145.85
ICICI Mumbai	ACU	131,376.72	68.99	9,063,679.91
Masreqe Mumbai	ACU	113,037.88	68.99	7,798,483.34
Rupali, Pakistan	ACU	0.15	68.99	10.35
HSBC, Mumbai	ACU	46,234.14	68.99	3,189,693.32
Nepal Bangladesh Bank	ACU	60.00	68.99	4,139.40
Amex Tokyo	JPY	3,400.00	0.76	2,567.00
UBAI Tokyo	JPY	643,650.00	0.76	485,955.75
				218,463,524

6.00 Money at Call and Short Notice:

BRAC Bank Ltd	100,000,000	-
Mercantile Bank Ltd.	150,000,000	-
Bank Asia Ltd.	170,000,000	-
NCC Bank Ltd.	70,000,000	-
Dhaka Bank Ltd.	20,000,000	-
	510,000,000	

7.00 Investments :

Government Securities:

Treasury Bills (at present value) :

28 days Treasury Bills	-	-
91 days Treasury Bills	596,263,823	-
182 days Treasury Bills	435,265,780	98,970,274
364 days Treasury Bills	319,468,004	1,060,508,989
2 Years Treasury Bills	-	998,128,506
5 Years Treasury Bills	-	395,924,176
	1,350,997,607	2,553,531,945

Treasury Bonds

5 Years Treasury Bonds	1356529789	622,161,304
10 Years Treasury Bonds	2,207,377,834	720,007,572
15 Years Treasury Bonds	450,000,000	-
	4,013,907,623	1,342,168,876

Prize Bonds (at face value)

	1,426,000	1,151,800
Sub Total	5,366,331,230	3,896,852,621

		2008	2007
		Taka	Taka
5.00 Balance with other Banks & Financial Institutions:			
In Bangladesh :	Currency		
In FDR accounts-			
Mercantile Bank Ltd.	Taka	-	203,325,000
Brac Bank Ltd.	Taka	-	313,276,043
National Bank of Pakistan	Taka	-	203,058,333
ABBL	Taka	359,664,444	-
Bank Al Falah	Taka	-	102,075,000
IDLC	Taka	-	103,165,550
Lanka Bangla Finance Co Ltd.	Taka	-	56,314,000
IIDFC	Taka	51,555,556	414,603,867
In STD accounts-			
Dutch Bangla Bank Ltd.	Taka	14,664,009	5,373,654
BASIC Bank Ltd.	Taka	477,299	4,936,999
Sonali Bank	Taka	15,131,592	31,578,677
State bank of India	Taka	100,000	-
Agrani Bank	Taka	416,058	475,085
Janata Bank	Taka	300,396	295,739
In CD account-			
Standard Chartered Bank	Taka	1,746,317	1,114,013
Arab Bangladesh Bank Ltd.	Taka	200,000	200,000
Agrani Bank	Taka	8,318,500	29,032
Sub total		452,574,171	1,439,820,992
Outside Bangladesh in current account :	Currency		
City Bank NA	US\$	40,299,338	-
Mashreqbank, New York	US\$	39,720,242	97,460,291
AMEX, New York	US\$	7,467,577	29,524,570
Habib American Bank	US\$	2,020,283	25,577,232
HSBC, New York	US\$	2,790,182	66,804,016
Mashreqbank, London	US\$	56,699,983	67,350,449
JP Morgan New York	US\$	7,952,203	8,515,810
ICIC, HK	US\$	1,846,080	-
National Commercial Bank, Jeddha	US\$	3,430,843	9,150,268
Standard Chartered Bank, Singapore	SGD	118,219	358,834
Mashreqbank, London	GBP	2,112,402	2,782,487
Standard Chartered Bank, London	GBP	444,386	10,892,125
AMEX, Tokyo	JPY	2,567	-
UBAF Tokyo	JPY	485,956	-
Mashreqbank, London	EUR	746,388	-
AMEX, Germany	EUR	34,427	2,804,962
Standard Chartered Bank, London	EUR	235,864	8,985,798
Hypo Vereins Bank	EUR	633,919	2,709,000
Commerz Bank	EUR	-	2,910,933
AMEX, Kolkata	ACU	2,106,780	2,071,933
Standard Chartered Bank, Kolkata	ACU	7,869,516	4,591,697
Standard Chartered Bank, Pakistan	ACU	3,395,828	6,024,294
Citibank NA, Mumbai	ACU	10,394,146	5,979,897
Rupali, Pakistan	ACU	10	10
Mashreqbank, Mumbai	ACU	7,798,483	5,913,016
AB Bank Mumbai	ACU	7,600,389	-
ICIC, Mumbai	ACU	9,063,680	-
HSBC, Mumbai	ACU	3,189,693	50,939
Nepal Bangladesh Bank	ACU	4,139	61,965
		218,463,524	360,520,526
Outside Bangladesh in Term Deposit		32,015,250	32,015,250
Sub total		250,478,774	392,535,776
Total		703,052,945	1,832,356,768

	2008 Taka	2007 Taka
3.00 Cash in hand:		
Local Currency	274,347,155	277,030,446
Foreign Currency	4,378,660	5,737,744
	278,725,815	282,768,190

4.00 Balance with Bangladesh Bank and its agent Bank:

With Bangladesh Bank

Local Currency	1,573,823,897	1,295,015,256
Foreign Currency	64,347,657	628,177,398
With Sonali Bank (as agent of Bangladesh Bank-Local currency)	85,409,011	23,649,924
	1,723,580,565	1,946,842,578

Bangladesh Bank adjustments account represents outstanding transactions(Net) originated but yet to be responded at the balance sheet date. However, the status of unresponded entries of 31.12.2008 are given below:

Period of Unreconciliation	Number of unresponded entry		Unresponded entries(Amount Taka)	
	Dr.	Cr.	Dr.	Cr.
Less than 3 months	1	1	740,003	74,000
3 months to Less than 6 months	-	-	-	-
6 months to Less than 12 months	-	-	-	-
12 months and more	-	-	-	-
Total	1	1	740,003	74,000

Subsequently above unadjusted entries are adjusted.

4.01 CRR (Cash Reserve Requirement) & SLR (Statutory Liquidity Ratio)

Cash Reserve Requirement and Statutory Liquidity Ratio have been calculated and maintained in accordance with section 33 of Bank Companies Act,1991 and BRPD circular no.11 and 12 , dated August 25,2005.

The Cash Reserve Requirement on the Bank's time and demand liabilities at the rate of 5% has been calculated and maintained with Bangladesh Bank in current account and 18% Statutory Liquidity Ratio, including CRR, on the same liabilities has also been maintained in the form of treasury bills, bonds, FC with Bangladesh Bank, Both the reserve maintained by the Bank are in excess of the statutory requirements.

4.02 CRR (Cash Reserve Requirement) & SLR (Statutory Liquidity Ratio)

CRR :		%		
Required	Amount (Taka in crore)	5%	157.73	114.02
Maintained	Amount (Taka in crore)	5.10%	161.02	134.58
SLR (including CRR) :				
Required	Amount (Taka in crore)	18%	567.84	410.46
Maintained	Amount (Taka in crore)	23.14%	729.91	551.39

4.03 Components of SLR (Taka in Crore):

Cash in hand	27.87	28.28
Balance with Bangladesh Bank (as per bank statement)	157.45	134.58
Balance with Sonali Bank	8.34	2.36
HTM Securities	337.52	244.42
HFT Securities	197.89	140.93
Other eligible security	0.84	0.82
	729.91	551.39

Audit committee reviewed various audit / inspection reports at regular intervals. Upon scrutiny of the audit objections and compliance, the committee advised the management to remain within the policy guidelines and directives of the regulatory authorities.

As per circular the committee is placing their report regularly to the board meeting of the Bank mentioning their activities & recommendations of the internal control system, compliance of rules and regulations and establishment of good governance within the organization.

2.14 Earning per Share

Earning per share has been calculated in accordance with BAS 33: Earning per Share (EPS), which has been shown on the face of profit and loss account. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

2.15 General

Figures have been rounded off to the nearest taka. Previous year's figures have been rearranged, where necessary, to conform to current year's presentation.

No Asset has been set off against any Liability except MTB General A/C.

on-site for emergency uses. The Bank is already in the process of establishing Disaster Recovery site at a remote place at Kashimpur , Gazipur with in next few months.

2.11 Retirement Benefit

(a) Provident Fund

The Bank has a contributory provident fund for its eligible employees. The fund is administered by a Board of Trustees and funded by contributions from the employees as well as from the bank equally. The fund is recognized by the National Board of Revenue, Government of Bangladesh. The contributions are invested in compliance with the Provident Fund Trust Rule.

(b) Gratuity

The bank has a gratuity scheme, which covers all of its permanent employees. The gratuity would be payable equivalent to 02 month's last drawn basic salary for each completed year of service to the employees who have been in the service of the Bank for minimum period of 8 years without break. The company made provision for gratuity during the year on lump sum basis.

2.12 Post Balance Sheet events

No material events after the Balance Sheet date came to our notice, which could affect the values, reported in the financial statements.

2.13 Audit committee

In compliance to Bangladesh Bank's circular, the Board of Directors has formed an Audit Committee comprising of the following 3 (Three) Directors of the Board.

SL. NO.	Name of the Director	Status With the Bank	Status with the committee	Educational Qualification
01.	Mr. Syed Manzur Elahi	Director	Chairman	MA in Economics From DU
02.	Mr. Rashed Ahmed Chowdhury	Director	Member	Post Graduate in Business Management from Kingston University, England
03.	Mr. Md. Abdul Malek	Director	Member	B.SC Engineering From BUET

During the year 7 (seven) meetings of the audit committee were held.

(e) Asset Liability Management

Asset Liability Management is the most important aspect for the Financial Institutions to manage Balance Sheet Risk, especially for managing of liquidity risk and interest rate risk. Failure to identify the risks associated with business and failure to take timely measures in giving a sense of direction threatens the very existence of the institutions. It is therefore, imperative for the banks to form “Asset Liability Management Committee (ALCO)” with the senior management as its members to control and better manage its Balance Sheet Risk.

Asset Liability Management is the act of planning, acquiring and directing the flow of funds through an organization. The ultimate objective of this process is to generate adequate earnings and to steadily build organizations equity over time, while taking reasonable and measured business risks.

In compliance with the requirement of Bangladesh Bank’s Asset Liability Management guidelines, MTBL has formed “Asset Liability Management Committee” (ALCO) with the senior executives. The Committee calls for a meeting once every month to set and review strategies on ALM.

MTBL ALM desk performs Money Market activities, managing liquidity and interest rate risk of the bank, understanding of the market dynamics i.e. competition, potential target markets etc , update the balance sheet movement and also comply the statutory obligations as well as the risk elements involved with the business.

(f) Information and Communication Technology (ICT) Risk Management

Business entities today exist in a highly competitive world. They are constantly innovating to meet their business objectives providing essential and unique services to their customers. Technology advances have enabled them to achieve their varied strategies. And yet, the threats of disaster, on account of business interruption, are not extinct – in fact, they have also evolved along with the technology. Keeping that in mind Mutual Trust Bank has taken up its Business Continuity Planning as the most significant challenge working out a way to prevent, if possible, and manage the consequences of a disaster, limiting it to the extent that a business can afford. Besides BCP the bank is also focusing on combating security threats as well. In keeping with our centralized management model, each branch within the bank has its own ICT systems. Actions taken include the updating of software and analyzing new software, enhancing ICT related controls, training of staff in system knowledge and sharing of best practices between branch users. In 2008 the Bank focused essentially on using stronger access controls, firewalls, Intrusion Detection Systems (IDS), Routers, encryption and other controls. Redundant communication channel has been established with data center to ensure automated switchover of a communication channel in the event of single failure. MTB Data Center has been reorganized installing state of the art modern hardware, network and security equipments to minimize the risk of different threats as well as to meet the regulatory compliances .Most of the branches have already been brought under VPN based network using Routers and Firewalls. Networks governed by a strong Network Security Policy enabled the bank to minimize the network security risks. Clustering of central servers has been implemented to ensure automated take over by second server in the cluster in the case of any failure. MTB has enough Business Continuity Plan (BCP) with enough resources which has been kept

As a tool of Internal Control, the Audit and inspection teams undertake periodic and special audit and inspection on the branches and departments/divisions of Head Office in order to sort out the weaknesses and defects in the control process and report to the management for taking corrective measures to protect the interest of the bank.

The Compliance & Monitoring Units of this division ensure timely and proper compliances of all regulatory instructions and internal policies and procedures in the day-to-day operation of the bank by way of using various control tools. They assess the operational risk and take appropriate measures to mitigate the same for smooth operation of the bank. ICC Division reports serious non-compliances detected by internal and external auditors with up-to-date compliance position thereto, large financial risk exposures, control weaknesses etc. to the Audit Committee of the Board for review and taking appropriate measures.

The ICC division also ensures the clear definition of organizational structure, appropriate assignment, accountability and delegation of authorities to functional management to create control and compliance culture within organization with the active guidance and supervision of senior management and Board of Directors. The overall Internal Control and Compliance position of the bank was at satisfactory level.

(d) Money Laundering Prevention

Money Laundering risk of Financial Institutions lies with the involvement in any single transaction or series of transactions that assists a criminal in keeping, concealing or disposing of proceeds derived from illegal activities. So it is a major threat to the banks and non-bank financial institutions. In place of the Money Laundering Prevention Act, 2002, the government re-enacted Money Laundering Prevention Ordinance, 2008 (ordinance 12 of 2008) on 13.04.08. The government enacted Anti Terrorism Ordinance, 2008 on 09.06.2008 in order to combat terrorism and financing of terrorism. These two Ordinances entrust some duties and responsibilities with financial institutions. Bangladesh Bank, the regulatory authority, has issued 20 (twenty) circulars so far which include, among others, KYC procedure, STR, CTR, Money Laundering Prevention Ordinance, 2008, Anti Terrorism Ordinance, 2008 and their implementation process.

Mutual Trust Bank in line with the said ordinances, circulars and guidelines of Bangladesh Bank, has developed two separate guidelines on policies and procedures on prevention of Money Laundering and on Combating Financing of Terrorism. As per the provisions of these two ordinances the employees of the bank have to carry out some duties and responsibilities under the supervision of Bangladesh Bank. In order to ensure the compliance of all the instructions given on different occasions by Bangladesh Bank, Central Compliance Unit (CCU) has been established and Chief Anti-Money Laundering Compliance Officer (CAMLCO) and Branch Anti-Money Laundering Compliance Officers (BAMLCO) have been designated.

As per guidelines of Bangladesh Bank uniform Account Opening Form of the bank has been redesigned and the new forms have been in use from January 01, 2009. Several workshops on Money Laundering Prevention were arranged in 2008 to make the officials of all levels aware of Money Laundering and conversant with rules and regulations to safeguard them as well the bank from money laundering risk. As per the instruction of Bangladesh Bank, Mutual Trust Bank (MTB) conducted a day long training program in November as lead bank on Money Laundering Prevention participated by the commercial banks operating in Madaripur.

Division takes care of having all the risk elements-Financial, business, Management, Security & Relationship been considered at the initiation.

MTB takes lending decision and handles its credit in full compliance with the directives of Bangladesh Bank and the regulatory norms in order to maintain optimum quality of assets.

(b) Foreign Exchange Risk Management

Foreign Exchange Risk is a measure by the variance of the domestic currency value of an asset, liability or operating income that is attributable to unanticipated change in the exchange rates. Simply put it, is the risk that relates to gains/losses that arise due to fluctuations in the exchange rates.

All financial activities involve a certain degree of risk and particularly, the financial institutions of the modern era are engaged in various complex financial activities requiring them to put proper attention to every detail.

In view of the significance of the market risk and in order to aggregate all such risks at a single department and to bring expertise in such functions, the concept of treasury has evolved. Today's financial institutions engage in activities from import, export and remittance to complex derivatives involving basic foreign exchange and money market to complex structured products. All these require high degree of expertise that is difficult to achieve in the transaction originating departments and as such the expertise is housed in a separate department i.e. **Treasury**

Mutual Trust bank Limited has already segregated Treasury functions in three separate wings i.e. Front office, Back office and Mid office

In compliance with the requirement of Bangladesh Bank's Foreign Exchange Risk Management guidelines, Treasury department is performing the foreign exchange dealing in an appropriate manner and managing risk management of the organization's overall balance sheet as well as the capital of the bank.

(c) Internal Control and Compliance Risk Management

Internal control is the process, effected 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. It plays an important role in preventing and detecting fraud and protecting the organization's resources.

Compliance is the process or department, which ensures that personnel are aware of and take steps to abide by relevant laws and regulations in discharging their duties and responsibilities for achieving the corporate goal.

Mutual Trust Bank has restructured Internal Control and Compliance Division headed by a senior level executive in light of Core Risk guidelines of Bangladesh Bank. The Division is comprised of three departments; Audit and Inspection Department, ICC Compliance Unit and ICC Monitoring Unit. Bank has developed an Internal Control and Compliance Policy duly approved by the Board of Directors.

- a) Payable in Bangladesh and
- b) Payable outside Bangladesh.
- ii) The bills purchased and discounted have been analyzed as per the maturity grouping.
- vii) There is a liability of Tk 804.30 million against M/s Akhter Enterprise (Mr. Nurun Nabi) and its allied concerns, which has not been classified, as there is a stay order from the Honorable High Court. However, an amount of Tk. 200.00 million has been recovered in the year 2008. The liability is also covered by adequate collateral security.

2.9 Foreign Currency Transaction

- i) Assets and liabilities denominated in foreign currency are translated into Taka at the closing rates at the balance sheet date.
- ii) Foreign currency transactions are converted into equivalent taka currency at the ruling exchange rates on the date of such transactions. Gains and losses from transactions are dealt with through exchange account.

2.10 Risk Management

Managing risks has always been a prime issue for the bank. Apart from the management, the Board of Directors of Mutual Trust Bank Ltd also lay emphasis on effective risk management strategy and control system. The management intimates the compliance issues of Bangladesh Bank to the Board. The Board accords approval to the policy guidelines developed in line with the instructions and guidelines of Bangladesh Bank. The risk management of the bank covers all areas of risk issues. The major areas are Credit Risk, Foreign Exchange Risk, Internal Control and Compliance Risk, Money Laundering Risk, Asset Liability Management Risk and Information Technology Risk and these are handled skillfully by the bank. The concerned divisions/departments are headed by senior executives with vast knowledge. To this effect, the bank took the following steps under the guidelines of Bangladesh Bank:

(a) Credit Risk Management

Risk is inherent in all aspects of commercial operations as such the same needs to be managed properly-by adoption of a robust process which enables bank to proactively manage loan portfolios in order to minimize losses and earn an acceptable level of return for the shareholders.

Bangladesh Bank has also underscored the need of appropriately managing credit risks in lending operations by segregating Risk Management Functions and Marketing Functions.

Our bank has already segregated CRM Functions from Relationship/Marketing Functions, by creating two separate divisions- Corporate Banking Division and Credit Risk Management Division.

In compliance with the requirement of Bangladesh Bank's risk management guidelines, Corporate Banking Division performs the marketing/relationship functions including initiation of Credit approaches, critical credit evaluation in context to all the risk elements, while Credit Risk Management

Lease rental income is allocated to accounting periods so as to reflect a constant periodic rate of return on the bank's net investment outstanding in respect of the leases.

2.8 Loans and Advances

- i) Loans and advances have been stated at gross value as per Bank Companies Act, 1991.
- ii) Interest is calculated in a daily product basis but charged quarterly.
- iii) Interests on good loans and advances have been accounted for as income on accrual basis.
- iv) Provision for loans and advances and Off Balance Sheet items are made on the basis of information furnished by the branches and instructions contained in Bangladesh Bank. BCD Circular No. 12 dated 4 September 1995, BRPD Circular No.16 dated 6 December 1998, BRPD Circular No.9 dated 14 May 2001, BRPD Circular No.20 dated 20 December 2005, BRPD circular No. 5 dated 05 June 2006 , BRPD Circular no. 10 dated 18 September 2007 and BRPD circular No. 5 dated 29 April 2008 at the following rates:

Classification Criteria	Rates of provision
General Provision on unclassified loans and advances	1%
Small and Medium Enterprise financing for good loan	1%
Special Mention Account	5%
Provision on substandard loans and advances	20%
Provision on doubtful loans and advances	50%
Provision on bad/ loss loans and advances	100%
Off Balance Sheet Items	1.00%

- v) Security against loans:
 - i) Project loan:

Land and building are taken as security in the form of mortgage and plant & machinery are taken in the form of hypothecation.
 - ii) Working Capital: Goods are taken as security in the form of hypothecation along with land and building mortgage.
- vi) Bills purchased and discounted
 - i) Bills purchased and discounted have not included Government Treasury bills and have been classified into two sub-heads viz.,

2.4 Provision for taxes

a. Current tax

Provision for Income Tax has been made @ 45% as prescribed in the Finance Ordinance, 2008 of accounting profit made by the bank after considering some of the taxable add backs of income and disallowance of expenditures.

b. Deferred tax

The company has adopted deferred tax in compliance with the provision of Bangladesh Accounting Standard (BAS-12) "Income Tax".

2.5 Investments

Investment in Treasury bill and Treasury bond has been shown at present value. Revaluation surplus on investments in HTM securities are shown in equity. All other Investments except Shares have been shown at face value. Investment in Share of Dhaka Stock Exchange Ltd. has been shown at cost. Investment in shares of IIDFC and CDBL has been shown at face value.

2.6 Fixed Assets & Depreciation

- i) Fixed assets have been shown at written down value.
- ii) Depreciation is charged at the following rates on reducing balance method on all fixed assets other than motor vehicles, which are depreciated on straight line basis:

<u>Name of Assets</u>	<u>Rate of Depreciation</u>
Immovable Property	2.50%
Furniture	10%
Interior Decoration	10%
Office Equipments	20%
Motor Vehicles	20%
Books & Periodicals	10%

Assets purchased during the year are depreciated from the date of acquisition.

2.7 Leasing

Leases are classified as finance lease whenever the "Terms of the Lease" transfer substantially all the risks and rewards of ownership to the lessee as per BAS-17: Lease. Amount due from lessees under finance leases are recorded as receivables at the amount of the Bank's net investments in the leases.

Mutual Trust Bank Limited
Notes to the Financial Statements
For the year ended December 31, 2008

1.0 Legal status and nature of the bank

Mutual Trust Bank Limited was incorporated in Bangladesh in the year 1999 as a banking Company under the Companies Act, 1994. All types of commercial banking services are provided by the bank within the stipulations laid down by the Bank Companies Act, 1991 and directive as received from Bangladesh Bank from time to time. The bank started its commercial business from October 24, 1999. The shares of the bank are listed with the Dhaka and Chittagong Stock Exchange, as a publicly quoted company for its shares. The bank has 36 branches and 5 (Five) SME service centers, with no overseas branch as on December 31, 2008.

1.1 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.

2.0 Significant accounting policies and basis of preparation of financial statements

2.1 Basis of accounting

The financial statements of the Bank are made up to December 31, 2008 and are prepared under the historical cost convention, on a going concern basis and in accordance with the "first schedule (Sec- 38) of the Bank Companies Act, 1991 as amended by the Bangladesh Bank vide BRPD circular No. 14 dated 25 June, 2003 and other Bangladesh Bank Circulars, International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Financial Reporting Standards (BFRS) and other laws and rules applicable in Bangladesh. All inter-branch account balances and transactions among the head office and the branch have been taken into accounts.

2.2 Consolidation

A separate set of records for consolidating the statement of Affairs and Income and Expenditure Statements of the Branches are maintained at Head Office of the Bank from which these financial statements have been prepared.

2.3 Revenue Recognition

The accounting policies adopted for the recognition of revenue are as follows:

- i. Interest is calculated on daily product on unclassified loans and advances.
- ii. Dividend income is recognized at the time when it is realized.
- iii. Commission and discounts on bills discounted and purchased are recognized at the time of realization.

Mutual Trust Bank Limited
Value Added Statement
For the year ended 31 December 2008

	Notes	2008 Taka	2007 Taka
Income from banking services (A)			
Interest Income	21.00	3,529,718,692	2,846,923,194
Investment Income	23.00	454,838,339	162,414,761
Commission, Exchange and Brokerage	24.00	517,512,796	384,923,249
Other Operating Income	25.00	134,414,800	86,433,422
		4,636,484,627	3,480,694,626
Cost of services & supplies (B)			
Interest Paid on Deposits and Borrowings etc.	22.00	2,792,584,222	2,292,357,531
Rent, Taxes, Insurances, Electricity etc.	28.00	87,840,969	55,774,763
Legal Expenses		754,317	1,803,966
Postage, Stamps, Telephone etc.	29.00	28,288,179	17,467,763
Auditors' Fee		200,000	100,000
Stationery, Printings, Advertisements etc.	30.00	27,475,722	16,486,886
Directors' Fees	27.00	596,000	620,000
Repair of Bank's Assets	31.00	4,721,578	4,873,150
Other Expenses	32.00	148,579,803	91,092,730
		3,091,040,790	2,480,576,789
Value added by the banking services C = (A-B)		1,545,443,837	1,000,117,837
Non banking income		-	-
Loan loss and provisions (D)			
Provision for Loans & Advances	33.00	632,732,000	368,300,000
Provisions for Investment others		3,823,323	-
		-	-
		636,555,323	368,300,000
Value added E = (C-D)		908,888,514	631,817,837
Distribution of value addition			
Employees-as Salary and Allowances including MD's salary	26.00	307,204,065	204,307,950
Provided to capital - as Dividend		-	-
Government - as Taxation including deferred tax	34.00	253,501,790	184,750,423
Expansion & Growth :			
Statutory Reserve		111,706,615	79,110,508
Retained Earnings		193,324,670	131,691,609
Depreciation	31.00	43,151,375	31,957,347
		908,888,514	631,817,837

Mutual Trust Bank Limited

**Liquidity Statement
As at December 31,2008**

Particulars	Less than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Above 5 years	Total
	Taka	Taka	Taka	Taka	Taka	Taka
ASSETS :						
Cash	2,002,306,380	-	-	-	-	2,002,306,380
Balance with other Banks and financial Institutions	260,743,591	442,309,354	-	-	-	703,052,945
Money at Call & Short notice	510,000,000	-	-	-	-	510,000,000
Investments	706,312,761	360,638,228	447,633,316	1,356,529,789	2,735,377,844	5,606,491,938
Loans and advances	5,578,869,007	6,550,034,843	7,734,281,382	7,759,465,629	906,694,756	28,529,345,617
Premises and fixed assets	3,600,000	7,200,000	32,400,000	172,800,000	151,190,769	367,190,769
Other assets	-	116,811,761	34,478,430	1,093,138,646	2,157,637	1,246,586,474
Non-banking assets	-	-	-	-	-	-
Total assets	9,061,831,739	7,476,994,186	8,248,793,128	10,381,934,064	3,795,421,006	38,964,974,123
LIABILITIES :						
Borrowings from other banks, financial institutions & agents	-	-	-	-	-	-
Deposits and other accounts	11,137,037,855	5,901,055,554	13,546,359,860	1,138,638,979	2,097,315,258	33,820,407,506
Provision & other liabilities	34,780,851	69,297,122	500,286,637	1,948,941,625	108,165,684	2,661,471,919
Total Liabilities	11,171,818,706	5,970,352,676	14,046,646,497	3,087,580,604	2,205,480,942	36,481,879,425
Net Liquidity	(2,109,986,967)	1,506,641,510	(5,797,853,369)	7,294,353,460	1,589,940,064	2,483,094,698

The annexed notes form an integral part of these accounts

Samson H Chowdhury
Chairman

Dr. Arif Dowla
Vice Chairman

Syed Mahzun Elahi
Director

Kazi Md. Shafiqur Rahman
Managing Director

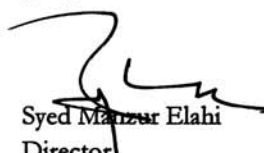
Mutual Trust Bank Limited
Statement of Changes in Equity
For the year ended December 31, 2008

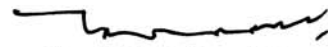
Ref.	Particulars	Paid up Capital	Share Premium	Statutory Reserve	General Reserve	Revaluation Surplus on Investments	Profit & Loss Account	Total
		Taka	Taka	Taka	Taka	Taka	Taka	Taka
	Balance as on 01 January 2008	997,920,000	100,000,000	590,235,286	105,679,445	118,770,834	131,691,609	2,044,297,174
LAS 1.106 (d)	Bonus share issued during the year	249,480,000	(100,000,000)	-	(17,788,391)	-	(131,691,609)	-
LAS 1.106 (d)	Rights share issued during the year	249,480,000						249,480,000
LAS 1.107	Cash dividend paid during the year	-	-	-	-	-	-	-
LAS 1.106 (d)	Transferred to General Reserve	-	-	-	-	-	-	-
LAS 1.106 (d)	Revaluation gain transferred during the year	-	-	-	-	(115,713,761)	-	(115,713,761)
LAS 1.106 (a)	Net profit for the year after tax	-	-	-	-	-	305,031,285	305,031,285
LAS 1.108	Appropriations made during the year	-	-	111,706,615	-	-	(111,706,615)	-
	Balance as on 31 December 2008	1,496,880,000	-	701,941,901	87,891,054	3,057,073	193,324,670	2,483,094,698

The annexed notes form an integral part of these accounts


Samson H Chowdhury
Chairman

Dr. Arif Dowla
Vice Chairman


Syed Manzoor Elahi
Director


Kazi Md. Shafiqur Rahman
Managing Director

Mutual Trust Bank Limited
Cash Flows Statement
For the year ended December 31, 2008

<i>Ref.</i>		Notes	2008 Taka	2007 Taka
<i>LAS 7.10, LAS 7.13</i>	A) Cash flow from operating activities:			
<i>LAS 7.14 (a)</i>	Interest received		3,963,669,570	2,952,835,054
<i>LAS 7.14 (c)</i>	Interest paid on deposits & borrowings etc.		(2,559,087,241)	(2,318,851,240)
<i>LAS 7.31, LAS 7.33</i>	Dividend income		1,102,000	1,987,200
<i>LAS 7.14 (b)</i>	Fees & commission income		301,687,762	218,908,089
<i>LAS 7.14 (d)</i>	Cash paid to employees as salaries and allowances		(272,204,065)	(204,307,950)
<i>LAS 7.14 (f)</i>	Advance income tax paid		(166,908,055)	(408,387,511)
<i>LAS 7.14 (b)</i>	Cash received from other operational income	36.00	335,934,772	240,241,517
<i>LAS 7.19(b)</i>	Cash paid for other operational expenses	37.00	(297,456,568)	(188,219,258)
	Cash flow from operating activities before changes in net current assets		1,306,738,174	294,205,901
	Changes in net current assets :			
<i>LAS 7.19(b)</i>	Investment in treasury bond		(2,671,738,747)	(1,313,514,398)
<i>LAS 7.19(b)</i>	Loans & Advances		(5,830,886,502)	(4,038,847,325)
<i>LAS 7.19(b)</i>	Other Assets	10.00	98,622,346	(51,702,432)
<i>LAS 7.19(b)</i>	Customers' Deposits		7,959,985,557	2,149,375,188
<i>LAS 7.19(b)</i>	Bank Deposits		850,000,000	389,997,500
<i>LAS 7.19(b)</i>	Borrowings from other banks, financial institutions & agents	11.00	(3,100,000,000)	3,100,000,000
<i>LAS 7.19(b)</i>	Other liabilities	13.00	(640,973,033)	(17,326,004)
			(3,334,990,379)	217,982,529
	Net Cash flow from operating activities		(2,028,252,205)	512,188,430
<i>LAS 7.10, LAS 7.16</i>	B) Cash flow from investing activities:			
<i>LAS 7.16 (c)</i>	Investments in Shares & bonds		(175,930,386)	6,003,452
<i>LAS 7.16 (a)</i>	Purchase of Premises & Fixed assets (net)		(108,470,823)	(57,642,466)
	Net cash flow from investing activities		(284,401,209)	(51,639,014)
<i>LAS 7.10, LAS 7.17</i>	C) Cash flow from financing activities:			
<i>LAS 7.17 (a)</i>	Receipts from issue of rights shares		249,480,000	-
<i>LAS 7.31, LAS 7.34</i>	Dividend paid		-	(190,080,000)
	Net cash flow from financing activities		249,480,000	(190,080,000)
	D) Net increase in cash and cash equivalents		(2,063,173,414)	270,469,416
<i>LAS 7.28</i>	E) Effect of changes of Exchange rates on cash and cash equivalents		14,305,065	12,207,065
	F) Opening cash and cash equivalents		6,616,651,281	6,333,974,800
	Closing cash and cash equivalents (D+E+F)		4,567,782,932	6,616,651,281
<i>LAS 7.45</i>	The above closing cash and cash equivalents include:			
	Cash in hand		278,725,815	282,768,190
	Balance with Bangladesh Bank and its agent bank		1,723,580,565	1,946,842,578
	Balance with other Banks & Financial Institutions		703,052,945	1,832,356,768
	Money at Call and Short Notice		510,000,000	-
	Treasury Bill		1,350,997,607	2,553,531,945
	Prize bonds		1,426,000	1,151,800
			4,567,782,932	6,616,651,281

The annexed notes form an integral part of these accounts



Samson H Chowdhury
Chairman

Dr. Arif Dowla
Vice Chairman



Syed Manzoor Elahi
Director



Kazi Md. Shafiqur Rahman
Managing Director

Mutual Trust Bank Limited
Profit and Loss Account
For the year ended December 31, 2008

		2008	2007
		Taka	Taka
<u>Appropriations:</u>			
<i>LAS 1.83 (a) (ii)</i>	Bonus Share Issued during the year	131,691,609	47,520,000
<i>LAS 1.83 (a) (ii)</i>	Cash dividend paid during the year	-	190,080,000
<i>LAS 1.83 (a) (ii)</i>	Transferred to General Reserve	-	65,784,976
<i>LAS 1.83 (a) (i)</i>	Transferred to Statutory Reserve	111,706,615	79,110,508
		243,398,224	382,495,484
		193,324,670	131,691,609
<i>LAS 1.83 (a) (ii)</i>	Retained Surplus, Carried Forward		
<i>LAS 33.66</i>	Earnings Per Share	35.00	21.07
		21.07	14.80

The annexed notes form an integral part of these accounts



Samson H Chowdhury
Chairman

Dr. Arif Dowla
Vice Chairman



Syed Manzur Elahi
Director



Kazi Md. Shafiqur Rahman
Managing Director

Signed as per annexed report on even date

Dated: Dhaka March 24, 2009


Chartered Accountants

Mutual Trust Bank Limited
Profit and Loss Account
For the year ended December 31, 2008

Ref.	Particulars	Notes	2008 Taka	2007 Taka
<i>LAS 1.82 (a)</i>	Interest Income	21.00	3,529,718,692	2,846,923,194
<i>LAS 1.82 (b)</i>	Less: Interest Paid on Deposits & Borrowings etc.	22.00	2,792,584,222	2,292,357,531
	Net Interest Income		737,134,470	554,565,663
<i>LAS 1.82 (a)</i>	Income from Investments	23.00	454,838,339	162,414,761
<i>LAS 1.82 (a)</i>	Commission, Exchange & Brokerage	24.00	517,512,796	384,923,249
<i>LAS 1.85</i>	Other operating Income	25.00	134,414,800	86,433,422
			1,106,765,935	633,771,432
	Total Operating Income		1,843,900,405	1,188,337,095
	Less: Operating Expenditure:			
<i>LAS 1.102</i>	Salary & Allowances	26.00	303,004,065	200,707,950
<i>LAS 1.102</i>	Managing Director's Remuneration		4,200,000	3,600,000
<i>LAS 1.102</i>	Directors' fees	27.00	596,000	620,000
<i>LAS 1.102</i>	Rent, Tax, Insurance, Electricity etc.	28.00	87,840,969	55,774,763
<i>LAS 1.102</i>	Legal Expenses		754,317	1,803,966
<i>LAS 1.102</i>	Postage, Stamps & Telephone	29.00	28,288,179	17,467,763
<i>LAS 1.102</i>	Audit Fee		200,000	100,000
<i>LAS 1.102</i>	Printing, Stationery, Advertisement etc.	30.00	27,475,722	16,486,886
<i>LAS 1.85</i>	Depreciation on & Repairs to Bank's Property	31.00	47,872,953	36,830,497
	Other Expenditures	32.00	148,579,803	91,092,730
	Total Operating Expenditure		648,812,007	424,484,555
	Profit Before Provision		1,195,088,398	763,852,540
<i>LAS 1.97</i>	Less: Provision against Loans & Advances including Off Balance Sheet Items	33.00	632,732,000	368,300,000
<i>LAS 1.97</i>	Less.Provision against Merchant Banking Investment in Shares		3,823,323	-
<i>LAS 1.97</i>	Less.Provision against Other Assets		-	-
			636,555,323	368,300,000
	Profit Before Tax		558,533,075	395,552,540
	Less: Provision for Tax	34.00	253,501,790	184,750,423
<i>LAS 1.82 (d),12.77</i>	Current Tax		251,339,884	187,264,238
<i>LAS 12.81 (g)</i>	Deferred Tax		2,161,906	(2,513,815)
<i>LAS 1.82 (f)</i>	Net Profit After Tax		305,031,285	210,802,117
	Retained Surplus Brought Forward		131,691,609	303,384,976
			436,722,894	514,187,093

Mutual Trust Bank Limited

Balance Sheet

As at December 31, 2008

LAS 1.55,
LAS 37.28,
37.86

Off-Balance Sheet Items

Contingent Liabilities:

19.00

Letter of Guarantee
Irrevocable Letter of Credit
Bills for Collection
Other Contingent Liabilities

**2008
Taka**

**2007
Taka**

3,176,517,832	3,273,141,620
3,669,672,223	4,209,198,800
654,554,759	414,794,688
3,966,966,200	3,019,004,650
11,467,711,014	10,916,139,758

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

Claim against the bank not acknowledged as debt

Litigation pending against Bank

-	-
-	-
-	-
-	-
-	-
-	-
-	-

Other Memorandum Items

Value of Travellers' Cheque on hand

Value of Bangladesh Sanchoy Patra on hand

-	-
-	-
-	-

Total Off Balance Sheet Items including Contingent Liabilities

11,467,711,014

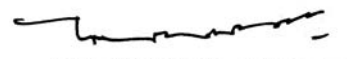
10,916,139,758

The annexed notes form an integral part of these accounts


Samson H Chowdhury
Chairman

Dr. Arif Dowla
Vice Chairman


Syed Manzur Elahi
Director


Kazi Md. Shafiqur Rahman
Managing Director

Dated: Dhaka March 24, 2009

Signed as per annexed report on even date


Chartered Accountants

Mutual Trust Bank Limited

Balance Sheet

As at December 31, 2008

Ref.	Property and Assets	Notes	2008 Taka	2007 Taka
<i>LAS 1.54 (i), LAS 7.7</i>	Cash:		2,002,306,380	2,229,610,768
	In hand (Including Foreign Currency)	3.00	278,725,815	282,768,190
	With Bangladesh Bank and its agent Bank (including Foreign Currency)	4.00	1,723,580,565	1,946,842,578
<i>LAS 1.54 (i)</i>	Balance with other Banks & Financial Institutions :	5.00	703,052,945	1,832,356,768
	In Bangladesh		452,574,171	1,439,820,992
	Outside Bangladesh		250,478,774	392,535,776
<i>LAS 1.54 (i)</i>	Money at Call and Short Notice	6.00	510,000,000	-
<i>LAS 39.9, LAS 1.54 (d), IFRS 7.8 (b)</i>	Investments:	7.00	5,606,491,938	3,956,528,943
	Government		5,366,331,230	3,896,852,621
	Others		240,160,708	59,676,322
<i>LAS 39.9, IFRS 7.8 (c)</i>	Loans and Advances:	8.00	28,529,345,619	22,683,227,657
	Loans, Cash Credit, Overdrafts etc.		25,502,004,876	19,842,731,679
	Bills Purchased and Discounted		3,027,340,743	2,840,495,978
<i>LAS 1.54 (a)</i>	Fixed Assets including premises, furniture & fixtures	9.00	367,190,769	301,871,321
<i>LAS 1.55, LAS 1.57 (a)</i>	Other Assets	10.00	1,246,586,472	1,178,300,763
<i>LAS 1.55, LAS 1.57 (a)</i>	Non-banking assets		-	-
	Total Property and Assets		38,964,974,123	32,181,896,220
<u>Liabilities and Capital</u>				
<i>LAS 1.54 (m)</i>	Borrowings from other Banks, Financial Institutions & agents	11.00	-	3,100,000,000
<i>LAS 1.54 (m)</i>	Deposits and other accounts:	12.00	33,820,407,506	24,776,924,968
	Current Deposits & Other Accounts		5,419,895,459	3,933,377,877
	Bills Payable		447,472,338	525,372,428
	Savings Deposits		2,943,076,237	2,147,296,683
	Fixed Deposits		22,360,677,789	16,334,144,998
	Deposit-Products		2,649,285,683	1,836,732,982
<i>LAS 1.55, 1.57 (a)</i>	Other Liabilities	13.00	2,661,471,919	2,260,674,080
	Total Liabilities		36,481,879,425	30,137,599,048
	Capital/Shareholders' Equity:			
<i>LAS 1.54 (r), LAS 1.78 (e)</i>	Paid up Capital	14.00	1,496,880,000	997,920,000
<i>LAS 1.78(e)</i>	Share Premium	15.00	-	100,000,000
<i>LAS 1.54 (r), LAS 1.78(e)</i>	Statutory Reserve	16.00	701,941,901	590,235,286
<i>LAS 1.54 (r), LAS 1.78(e)</i>	Revaluation Gain on Investments in HTM Securities		3,057,073	118,770,834
<i>LAS 1.54 (r), LAS 1.78 (e)</i>	General Reserve	17.00	87,891,054	105,679,443
<i>LAS 1.54 (r), LAS 1.78 (e)</i>	Retained Earnings	18.00	193,324,670	131,691,609
	Total Shareholders' Equity		2,483,094,698	2,044,297,172
	Total Liabilities and Shareholders' Equity		38,964,974,123	32,181,896,220