

ANNUAL REPORT 2023



Bangladesh Development Bank PLC.

বাংলাদেশ ডেভেলপমেন্ট ব্যাংক পিএলসি.
BANGLADESH DEVELOPMENT BANK PLC.

(A STATE OWNED COMMERCIAL BANK)



বাংলাদেশ ডেভেলপমেন্ট ব্যাংক পিএলসি. এর সেবাসমূহ

সঞ্চয় স্কীমসমূহ

- মাসিক ডিপোজিট স্কীম (MDS)
- মাসিক আয় স্কীম (MIS)
- বিডিবিএল ত্রৈমাসিক আয় স্কীম (BTIS)
- বিডিবিএল লাখপতি ডিপোজিট স্কীম (BLDS)
- বিডিবিএল ডাবল বেনিফিট স্কীম (BDDBS)
- বিডিবিএল সুপার সেভিংস স্কীম (BSSS)
- বিডিবিএল ওয়েজ আর্নর্স ডিপোজিট স্কীম (BWEDS)
- বিডিবিএল পল্লী সঞ্চয় স্কীম (BPSS)
- হজ্ব আমানত স্কীম (HAS)
- বিডিবিএল শিক্ষা সঞ্চয় স্কীম (SSS)
- চিকিৎসা সঞ্চয় স্কীম (CSS)

বৈদেশিক বাণিজ্য

- আমদানী
- রপ্তানী

ঋণসমূহ

- মেয়াদী ঋণ
- এসএমই ঋণ
- নারী উদ্যোক্তা ঋণ
- কৃষি ও পল্লী ঋণ
- চলতি মূলধন ঋণ
- ক্যাশ ক্রেডিট
- ব্যক্তিগত ঋণ
- স্টুডেন্ট ঋণ
- সকল ধরনের গৃহ নির্মাণ ঋণ
- ওভার ড্রাফট ঋণ
- ই-জিপি ঋণ
- এনজিও লিংকেজ ঋণ
- অন্যান্য

ব্যাংকের বিদ্যমান সুবিধাসমূহ

- সুইফট (SWIFT)
- বিইএফটিএন (BEFTN)
- আরটিজিএস (RTGS)
- এনপিএসবি (NPSB)
- ব্যাচ (BACH)
- ই-জিপি (e-GP)
- সঞ্চয়পত্র
- ট্রেজারী চালান (এ-চালান)
- গ্যাস, বিদ্যুৎ বিল
- ইন্টারনেট ব্যাংকিং
- ডেবিট কার্ড
- মোবাইল এ্যাপস
- রেমিট্যান্স

ব্যাংক থেকে ঋণ গ্রহণ করুন,
দেশের উন্নয়নে হাল ধরুন

About Bangladesh Development Bank PLC.

What We are

Bangladesh Development Bank PLC. was established on November 16, 2009 with merger of former Bangladesh Shilpa Bank (BSB) and Bangladesh Shilpa Rin Sangstha (BSRS), two State-Owned Development Financing Institutions (DFIs).

Since then, the Bank has been contributing significantly to the economic growth of the country in conformity with the Government's aim of achieving the target of attaining upper middle income status by 2031 & also aiming to achieve higher income status by 2041.

The Board and Management of the Bank have put their consistent and continued efforts, applied policy guidelines and maintained good governance to move forward with its vision and mission. The Bank has achieved increased growth in almost all its Key Performance Indicators (KPI). As a result, the Bank has been able to reach take-off stage which is shown with the Bank's three-dimensional logo color: Blue, Green and Sky Blue along with a flying bird that symbolizes upward moving of the Bank.

Corporate Profile

(1)	Name	: Bangladesh Development Bank PLC. (Established through amalgamation of former BSB & BSRS)
(2)	Registered Office	: 8 RAJUK Avenue, Dhaka-1000
(3)	Legal Status	: Public Limited Company
(4)	Date of Incorporation	: November 16, 2009
(5)	Extent of Shareholding	: 100% share owned by the Government of Bangladesh.
(6)	Authorized Capital	: Tk.1000.00 crore
(7)	Paid - Up Capital	: Tk. 600.00 crore
(8)	Face Value Per Share	: Tk. 100.00
(9)	Accounting Period	: January – December
(10)	Date of Business Commencement Certificate	: November 16, 2009
(11)	Banking License Issued by Bangladesh Bank	: November 19, 2009
(12)	Date of Vendors' Agreements Signed	: December 31, 2009 between the Government of the People's Republic of Bangladesh and the Bank
(13)	Start of Journey	: January 03, 2010
(14)	Line of Business	: All Types of Banking Businesses including Capital Market Operations.
(15)	Domestic Network	
	• Number of Divisions in Head Office	: 11
	• Number of Departments in Head Office	: 31
	• Number of Zonal Office	: 6
	• Number of Branch Office	: 50
	• Number of Urban Branch	: 33
	• Number of Rural Branch	: 17
	• Number of AD Branch	: 5
	• Number of Human Resource	: 651
(16)	Subsidiary Companies	: (1) BDBL Securities Limited, 12 Karwan Bazar, Dhaka. (2) BDBL Investment Services Limited, 8 RAJUK Avenue, Dhaka.
(17)	Corporate Tax Rate	: 40 %
(18)	Auditors	: UHY Syful Shamsul Alam & Co. and Basu Banerjee Nath & Co
(19)	Income Tax Adviser	: K.M. HASAN & CO Chartered Accountants
(20)	Credit Rating Agency	: Credit Rating Agency of Bangladesh (CRAB)
(21)	Website	: www.bdbl.com.bd
(22)	SWIFT Code	: BDDBBDDH



Letter of Transmittal



To
All Shareholders
Registrar of Joint Stock Companies & Firms
Bangladesh Bank
Bangladesh Securities and Exchange Commission

Sub : Annual Report for the year ended on December 31, 2023.

Dear Sir(s),

We are pleased to present a copy of the Annual Report-2023 of Bangladesh Development Bank PLC. together with Auditor's Report, Directors' Report and Audited Financial Statements. The report includes consolidated and separate Balance Sheet, Profit and Loss Account, Statement of Cash Flows, Statement of Changes in Equity, Liquidity Statement for the year ended on 31 December 2023 with the notes thereto. Statements are prepared on Bangladesh Development Bank PLC., its Subsidiaries – BDBL Securities Limited (BSL) and BDBL Investment Services Limited (BISL) for your kind information and record.

Yours Sincerely,



Md. Habibur Rahman Gazi
Managing Director & CEO

Contents

MANAGEMENT

Corporate Organogram	13
Board of Directors	15
Directors Profile	16
Board's Committees	19
Management Team	20
Chairman's Foreword	29
From the Desk of the Managing Director & CEO	32
Management Discussion and Analysis	37

FINANCIAL REPORT

Five Years Performance of the Bank: At a Glance	48
Shareholding Structure	55
Report on Corporate Governance	58
Report on Human Resources	91
Directors' Report 2023	96
Report on Credit Rating	123
Report of the Audit Committee	124
Report of the Risk Management Committee	127
Report on Risk Management	129
Market Disclosures for December 2022 Under Pillar-III of Basel III	140
Report on Sustainable Banking	156
Report on Green Banking	161
Report on Financial Inclusion	165
Report on Automation	167
Corporate Social Responsibility	176
Directors' Responsibility for Financial Reporting & Internal Control	177

ABOUT

Notice of the 14th Annual General Meeting	05
List of Acronyms	06
Vision, Mission, Core Values and Strategic Priorities	07
Ethical Principles	11
Statement of Forward Looking Approach	12

STAKEHOLDERS

Stakeholders' Information	47
---------------------------	----

AUDITED REPORTS

Auditors' Report and Audited Financial Statements -2023	179
Auditors' Report and Audited Financial Statement of BDBL Securities Ltd.	252
Auditors' Report and Audited Financial Statement of BDBL Investment Services Ltd.	285

ANNEXURES

Photo Gallery – Showing Bank's Activities	315
Organizational Network	332

Notice of the 14th Annual General Meeting

বোর্ড ডিভিশন

নং-০৫.১.৩/৭৪৬ - ৭৫৬

আষাঢ় ২৪, ১৪৩১
জুলাই ০৮, ২০২৪

বাংলাদেশ ডেভেলপমেন্ট ব্যাংক পিএলসি-এর
সম্মানিত শেয়ারহোল্ডার এবং পর্ষদের চেয়ারম্যান
ও পরিচালকগণের প্রতি।

বিষয়: বাংলাদেশ ডেভেলপমেন্ট ব্যাংক পিএলসি-এর শেয়ারহোল্ডারদের ১৪তম বার্ষিক সাধারণ সভা।

মহোদয়,

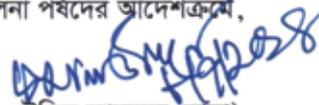
আপনার সদয় অবগতির জন্য জানানো যাচ্ছে যে, বাংলাদেশ ডেভেলপমেন্ট ব্যাংক পিএলসি-এর শেয়ারহোল্ডারদের ১৪তম বার্ষিক সাধারণ সভা আগামী ২২ জুলাই, ২০২৪/ ৭ শ্রাবণ, ১৪৩১ তারিখ, সোমবার বেলা ১২:০০ ঘটিকায় ব্যাংকের প্রধান কার্যালয় (লেভেল ৩), ৮, রাজউক এভিনিউ, ঢাকায় অনুষ্ঠিত হবে।

০২। সভার আলোচ্যসূচী নিম্নরূপ:

- (০১) ১১ জুলাই, ২০২৩ তারিখে অনুষ্ঠিত বাংলাদেশ ডেভেলপমেন্ট ব্যাংক পিএলসি-এর শেয়ারহোল্ডারদের ১৩তম বার্ষিক সাধারণ সভার কার্যবিবরণী অবহিতকরণ;
- (০২) ব্যাংকের ২০২৩ সালের ডাইরেক্টরস রিপোর্ট উপস্থাপন ও অনুমোদন;
- (০৩) ব্যাংকের ২০২৩ সালের অডিটরস রিপোর্টসহ নিরীক্ষিত বার্ষিক হিসাব উপস্থাপন, গ্রহণ ও অনুমোদন;
- (০৪) পরবর্তী সাধারণ সভা পর্যন্ত নিরীক্ষক নিয়োগ ও নিরীক্ষকদের ফি নির্ধারণ;
- (০৫) বাংলাদেশ ডেভেলপমেন্ট ব্যাংক পিএলসি-এর আর্টিকেলস অব এসোসিয়েশনের ১০৯(২), ১১০(১) ও ১১০(২) ধারা অনুযায়ী পরিচালকদের অবসর গ্রহণ ও পুনঃনিয়োগ; এবং
- (০৬) সভাপতি মহোদয়ের অনুমতিক্রমে অন্যান্য বিষয় (যদি থাকে)।

০৩। উক্ত সভায় অংশগ্রহণের জন্য আপনাকে বিনীত অনুরোধ করছি।

পরিচালনা পর্ষদের আদেশক্রমে,


(কামাল উদ্দিন আহমেদ মোল্লা)

কোম্পানী সচিব

ফোন-০২২২৩৩৫০৫২৭

মোবাইল-০১৭১৫০৫০০৭৭

List of Acronyms

AD	Authorized Dealer	ICAAP	Internal Capital Adequacy Assessment Process
ADB	Asian Development Bank	ICAB	Institute of Chartered Accountants of Bangladesh
ADP	Annual Development Program	ICMAB	of Con & Management Accountants of Bangladesh
ADR	Advance Deposit Ratio	ICT	Information & Communication Technology
AGM	Annual General Meeting	IMF	International Monetary Fund
ALCO	Asset Liability Committee	IT	Information Technology
ALM	Asset Liability Management	KPIs	Key Performance Indicators
AML	Anti-Money Laundering	KYC	Know Your Customer
ATM	Automated Teller Machine	LAN	Local Area Network
BACH	Bangladesh Automated Clearing House	LCR	Liquidity Coverage Ratio
BACPS	Bangladesh Automated Cheque Processing System	LIM	Loan Against Imported Merchandise
BAS	Bangladesh Accounting Standards	LRM	Liquidity Risk Management
BB	Bangladesh Bank	LTR	Loan Against Trust Receipt
BBTA	Bangladesh Bank Training Academy	MANCOM	Management Committee
BDBL	Bangladesh Development Bank Limited	MCO	Maximum Cumulative Outflow
BEFTN	Bangladesh Electronic Fund Transfer Network	MCR	Minimum Capital Requirement
BFRS	Bangladesh Financial Reporting Standards	MDG	Millennium Development Goals
BIBM	Bangladesh Institute of Bank Management	MICR	Magnetic Ink Character Recognition
BISL	BDBL Investment Services Limited	MTF	Medium Term Funding
BO	Beneficiary Own	MVA	Market Value Added
BRPD	Banking Regulatory and Policy Department	NAV	Net Asset Value
BSB	Bangladesh Shilpa Bank	NBFI	Non-Banking Financial Institution
BSEC	Bangladesh Securities and Exchange Commission	NFAs	No Frill Accounts
BSL	BDBL Securities Limited	NFI	Net Factor Income
BSRS	Bangladeshi Shilpa Rin Sangstha	NII	Net Interest Income
CAMELS	Capital Adequacy, Asset Quality, Management, Earnings, Liquidity and Sensitivity to Market Risk	NPA	Non-Performing Assets
		NPL	Non-Performing Loan
CBS	Core Banking System	NSC	National Savings Certificate
CDR	Credit Deposit Ratio	NSFR	Net Stable Funding Ratio
CEO	Chief Executive Officer	OBS	Off-Balance Sheet
CFO	Chief Financial Officer	PAD	Payment Against Document
CFS	Consolidated Financial Statement	PCB	Private Commercial Bank
CIB	Credit Information Bureau	POL	Petroleum, Oil & Lubricants
CRAR	Capital to Risk Weighted Ratio	POS	Point of Sales
CRM	Credit Risk Management	PPP	Public Private Partnership
CRR	Cash Reserve Requirement	PRSP	Poverty Reduction Strategy Paper
CSR	Corporate Social Responsibility	RBCA	Risk Based Capital Adequacy
CSE	Chattogram Stock Exchange	RE	Retained Earnings
CTR	Cash Transaction Report	RMC	Risk Management Committee
DOS	Department of Offsite Supervision	RMD	Risk Management Department
DSE	Dhaka Stock Exchange	ROA	Return on Asset
EEF	Equity Entrepreneurship Fund	ROE	Return on Equity
EFT	Electronic Fund Transfer	ROI	Return on Investment
EPS	Earnings Per Share	RWA	Risk Weighted Assets
ERM	Environmental Risk Management	SAFA	South Asian Federation of Accountants
ERP	Enterprise Resources Planning	SCB	State-Owned Commercial Bank
ERQ	Exporter's Retention Quota	SLR	Statutory Liquidity Ratio
ERR	Environment Risk Rating	SMA	Special Mention Account
ETPs	Effluent Treatment Plants	SME	Small and Medium Enterprises
EVA	Economic Value Added	SOE	State Owned Enterprise
FBP	Foreign Bill Purchased	SREP	Supervisory Review Evaluation Process
FDI	Foreign Direct Investment	SRP	Supervisory Review Process
FY	Financial Year (July-June)	STR	Suspicious Transaction Report
GAAP	Generally Accepted Accounting Principles	STRM	Short Term Road Map
GDP	Gross Domestic Product	SWIFT	Society for Worldwide Interbank Financial Telecommunication
GNI	Gross National Income		
GOB	Government of Bangladesh	SWOT	Strength, Weakness, Opportunity & Threat
HR	Human Resources	TOR	Terms of Reference
HRMD	Human Resources Management Department	TP	Transaction Profile
IAS	International Accounting Standard	UC	Unclassified
IBP	Inland Bill Purchased	VAT	Value Added Tax

Vision, Mission, Core Values and Strategic Priorities

Vision

To emerge as the country's prime Financial Institution by supporting private sector industrial and other projects of great significance to the country's economic development. Also be active participant in commercial banking by introducing new lines of products and providing excellent services to the customers.



Mission

- To be competitive with other Banks and Financial Institutions in rendering services;
- To contribute to the country's socio-economic development by identifying new and profitable areas for investment;
- To mobilize deposit for productive investment;
- To expand branch network in commercially and geographically important places;
- To employ quality human resources and enhance their capability through motivation and right-type of training at home and abroad;
- To delegate maximum authority ensuring proper accountability;
- To maintain continuous improvement and up gradation in business policies and procedures;
- To adopt and adapt to new technology;
- To maximize profit by strong, efficient and prudent financial performance; and
- To introduce new product lines according to market needs.



Core Values



Professionalism

We are committed to provide the best of our attention and ability for discharging our task, roles and responsibilities and continually upgrading our skill and knowledge base keeping abreast with ongoing local and global developments for attaining excellence in banking businesses.



Transparency & Accountability

We are committed to remain transparent and accountable to our stakeholders in discharging our responsibilities.



Customer Focus

We maintain strong customer focus and build relationships based on integrity, trust, commitment, timely solution and mutual benefit to accelerate the growth.



Corporate Social Responsibility

We promote protection of the environment for our people and are law-abiding in all that we do.



Strategic Priorities



Strategic Imperatives	Strategy
<p>ECO FRIENDLY INVEST</p>	<p>Invest in Eco-friendly industries that help mitigate environmental degradation by lending more for renewable energy, and effluent treatment plants and other projects that employ energy efficient low-emission technologies including agro-based industries, small power projects, ICT, transport and infrastructure projects.</p>
<p>SELECT GEOGRAPHICAL LOCATION</p>	<p>Select and invest in industrial projects where locational advantages like local availability of raw materials, good infrastructural facilities (road communication, transport facilities, etc.) and utilities (power, gas, water, etc.) shall be available.</p>
<p>POTENTIAL CUSTOMER</p>	<p>Identify prospective and potential entrepreneurs and investors / clients and motivate, guide and help them select profitable industrial venture for investment.</p>
<p>PUBLICATION</p>	<p>Regularly publish financial disclosures.</p>
<p>SWOT ANALYSIS</p>	<p>Undertake from time-to-time SWOT (Strengths, Weaknesses, Opportunity and Threats) analysis for reviewing bank and its market position.</p>

BUSINESS CHALLENGES

- Intense competition in the domestic market
- Global economic slowdown
- Strict capital requirement under Basel – III
- Sharp fall in the interest rates on deposit
- Increasing Business Risk

OUR PROSPECTS

- Diversification of asset portfolios through introducing new lines of products
- Expansion of branch network
- Progressive automation

OUR STRENGTHS

- Good Corporate Governance & Practices
- Sound and strong capital & asset base
- Deep focus on quality control
- A dedicated line of human resource
- Culture of internal control and compliance

OUR CONFIDENCE

- Well-defined strategy and targets
- A spirit of care, concern and consciousness

Ethical Principles

Bank is a financial intermediary that receives deposits and channels those deposits into lending activities, either directly by loaning or indirectly through capital markets. This enables it to link customers with capital deficits to those with capital surpluses, facilitating the movement of funds in the economy.

Banks perform 4 (Four) functions:

1. Intermediation

Banks serve as intermediaries between savers and investors. They mobilize savings from the members of the public in the form of deposits and make these savings available to those who are willing and able to make investment in the real sectors of the economy or to engage in trade which serves as the conduit for distribution of the produced goods and services to consumers and users of these goods and services.

2. Maturity Transformation

The banks accept deposits, a large part of which have to be returned immediately on demand or at short notice. But they use these deposits for giving loans and advances for investment which have longer gestation periods.

3. Credit Allocation

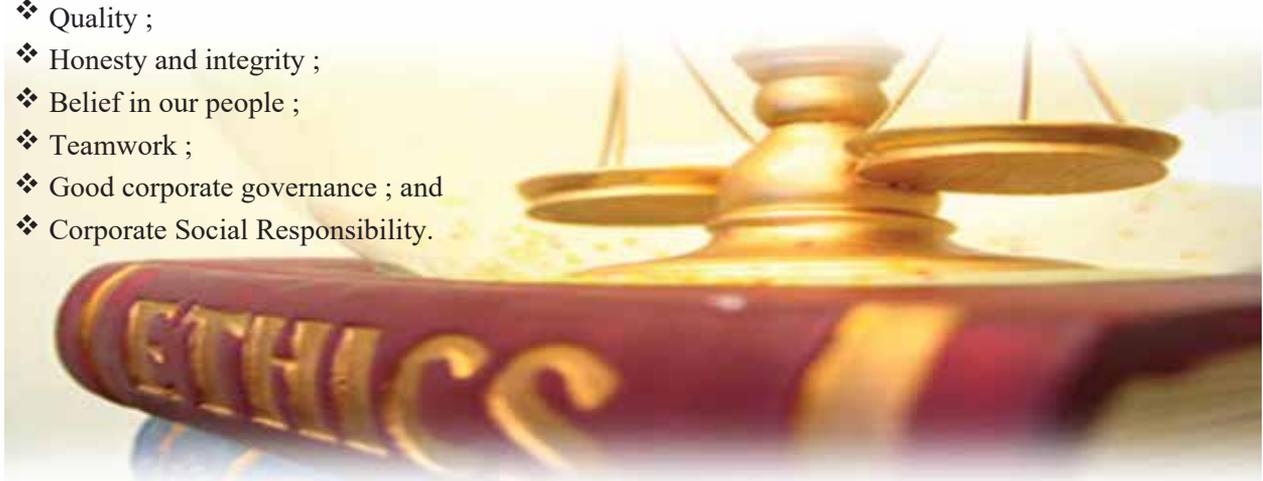
In granting loans & advances, banks determine allocation of credit by sectors, regions and groups of populations.

4. Facilitating Payments Flows

Between exporters and importers as well as between buyers and sellers of goods and services that is produced and consumed domestically. It is obvious that a modern and increasingly globalized economy could not operate if there were no banks to provide these services.

Bangladesh Development Bank PLC. protects and upholds ethics, integrity and trust in every area of its customer services, management and business activities. The basic characteristics of employees' code of ethics and business conduct are as follows:

- ❖ Customer focus and fairness ;
- ❖ Quality ;
- ❖ Honesty and integrity ;
- ❖ Belief in our people ;
- ❖ Teamwork ;
- ❖ Good corporate governance ; and
- ❖ Corporate Social Responsibility.



Statement of Forward Looking Approach

Annual Report contains basically management's views and advance thinking based on Bangladesh Development Bank PLC.'s business, future plans, economy and financial condition, circumstances including its implications and sustainability. Forward looking statements involve some inherent risks and uncertainties, which are really difficult to predict. Therefore, future forecast, actual results and trend of business stated in forward looking statements may change significantly due to the following factors:

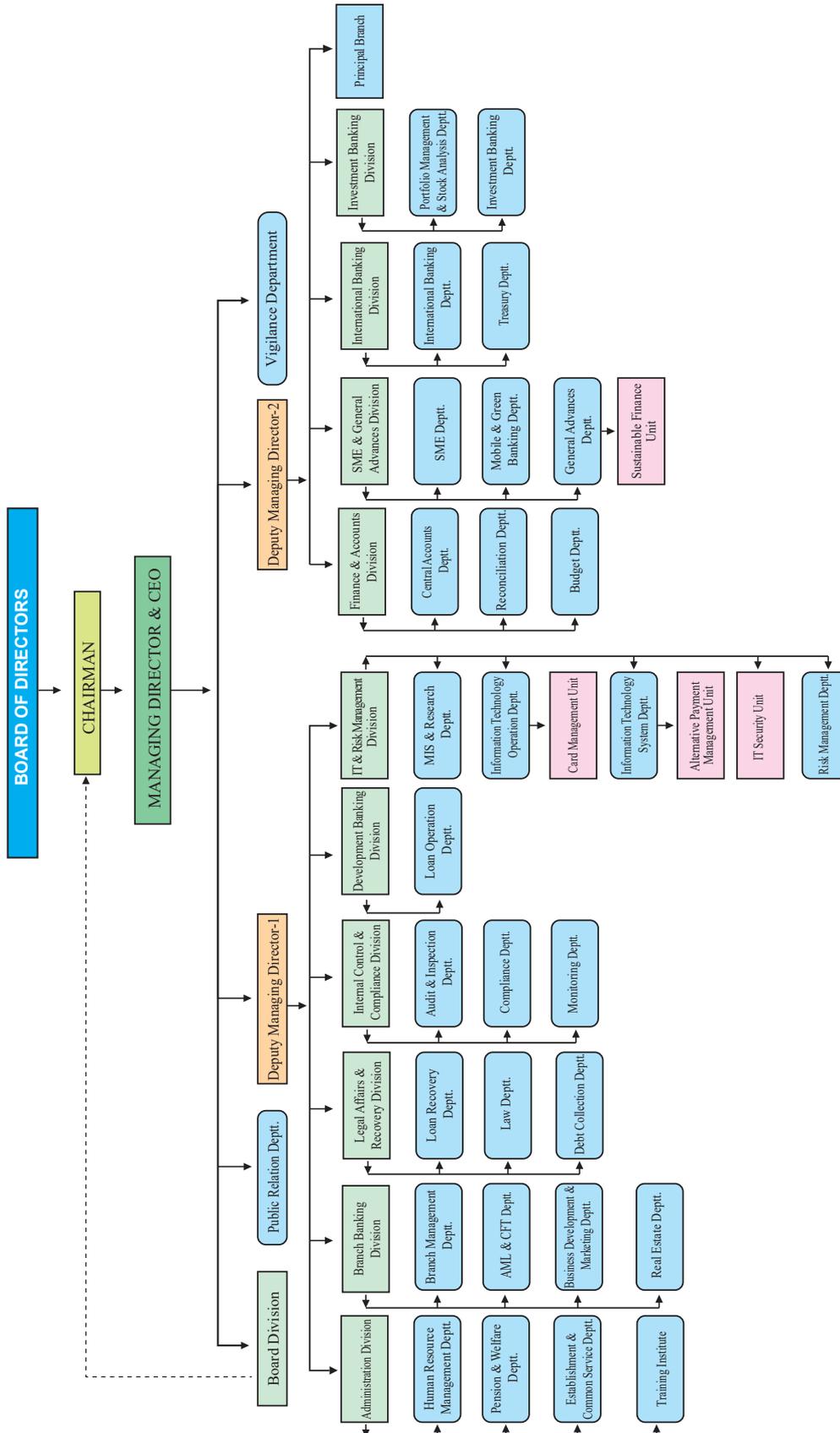
- Volatility in money market
- Instability in capital market
- Changes in regulatory guidelines
- Increase in CRR of the bank
- Volatility of interest rate
- Changes in corporate tax structure
- Changes in accounting standards
- Changes in legislation and regulation of VAT on banking services
- Changes in monetary and fiscal policies
- Changes in economic and financial conditions
- Changes in socio-economic condition arises from natural calamity and political disturbance
- Adverse impact of inflationary pressure
- Increases of business competitors
- Volatility in Foreign Exchange Market and fluctuation of exchange rate
- Increase of provision requirements causing reduction to ROA and ROE.

Besides the above factors, internal factors may also affect businesses resulting from inadequate or failure of internal processes & control, people and systems.



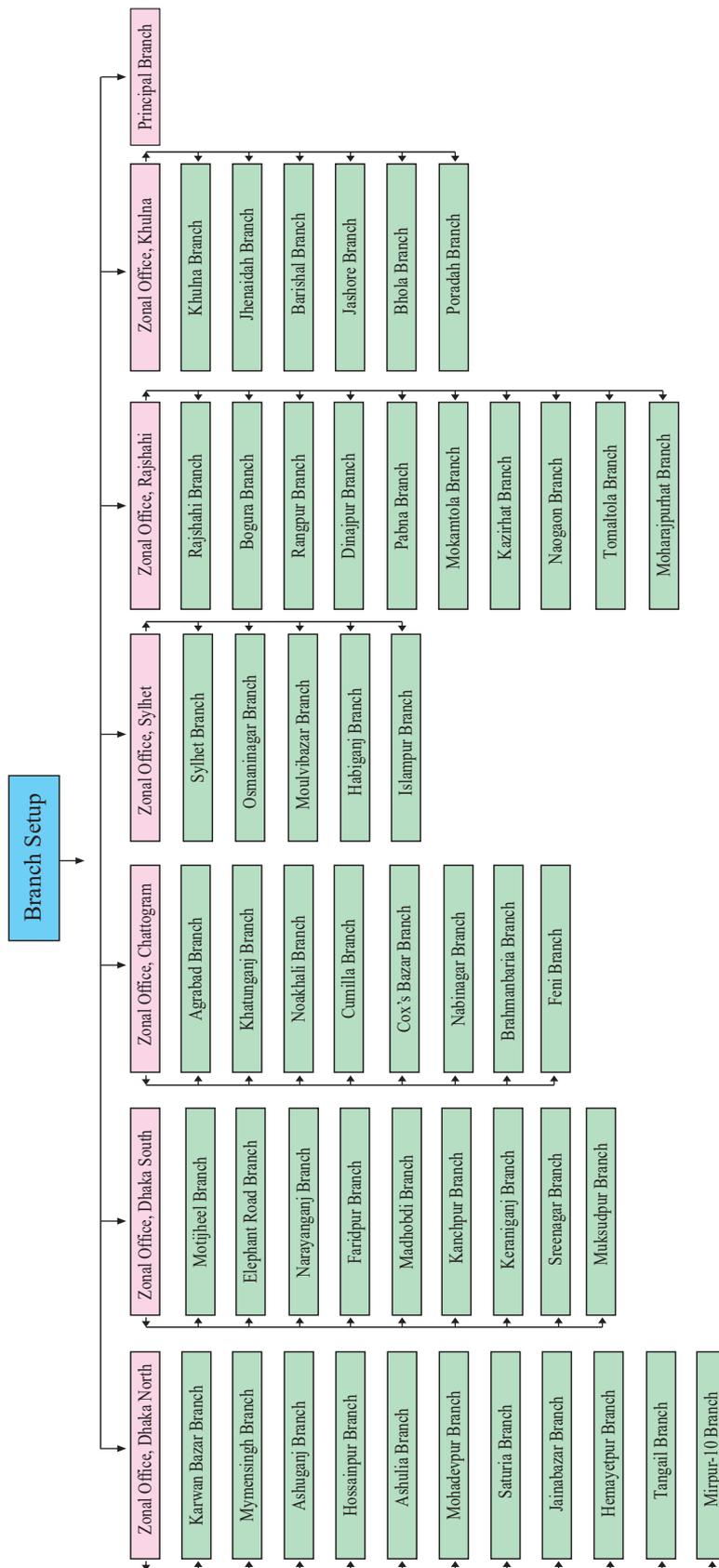
Corporate Organogram

BANGLADESH DEVELOPMENT BANK PLC.



Corporate Organogram

BANGLADESH DEVELOPMENT BANK PLC.



Board of Directors

Name	Position
Shamima Nargis	Chairman
Md. Ekhlasur Rahman	Director
Md. Abu Hanif Khan	Director
Subhash Chandra Sarker	Director
Quazi Shairul Hassan	Director
Md. Azizur Rahman	Director
K. M. Tariqul Islam	Director
Md. Habibur Rahman Gazi	Managing Director & CEO

Directors' Profile

01. SHAMIMA NARGIS, Chairman

Current Responsibility

- **Chairman**, Board of Directors, Bangladesh Development Bank PLC.

Past Responsibilities

- **Member (Senior Secretary)**, Physical Infrastructure Division (PID), Planning Commission, Government of the People's Republic of Bangladesh.
- **Member (Secretary)**, Industry and Energy Division, Planning Commission Government of the People's Republic of Bangladesh.
- **Additional Secretary**, Economic Relations Division (ERD), Government of the People's Republic of Bangladesh.

Education

- B.A (Honours) in English Literature, Dhaka University.
- M. A in English Literature, Dhaka University.
- Hubert H. Humphrey Fellowship, University of Minnesota, USA.



02. MD. EKHLASUR RAHMAN, Director

Current Responsibilities

- **Director**, Board of Directors, Bangladesh Development Bank PLC.
- **Managing Director & CEO**, National Human Resource Development Fund (NHRDF).

Past Responsibility

- **Additional Secretary**, Finance Division, Ministry of Finance, Government of the People's Republic of Bangladesh.

Education

- B.S.S. (Honours), M.S.S. in International Relations, University of Dhaka.
- Post Graduate Diploma in International Relations and Development, Institute of Social Studies (ISS), The Hague, The Netherlands.
- MBA, Maastricht School of Management (MSM), The Netherlands.



03. MD. ABU HANIF KHAN, Director

Current Responsibility

- **Director**, Board of Directors, Bangladesh Development Bank PLC.

Past Responsibilities

- **Deputy Managing Director**, Rupali Bank Limited.
- **Deputy Managing Director**, Rajshahi Krishi Unnayan Bank.
- **General Manager**, Karmasangsthan Bank.
- **General Manager**, Rajshahi Krishi Unnayan Bank.
- **Deputy General Manager**, Bangladesh Krishi Bank.

Education

- B. Sc. (Honours), M. Sc. in Economics.



Directors' Profile

04. SUBHASH CHANDRA SARKER, Director

Current Responsibility

- **Director**, Board of Directors, Bangladesh Development Bank PLC.

Past Responsibilities

- **Additional Secretary**, Ministry of Textiles and Jute, Government of the People's Republic of Bangladesh.
- **Additional Secretary**, Health Services Division, Ministry of Health and Family Welfare, Government of the People's Republic of Bangladesh.
- **Deputy Secretary, Joint Secretary & Additional Secretary**, Ministry of Health and Family Welfare, Government of the People's Republic of Bangladesh.

Education

- B.S.S (Honours), M.S.S (Social Science).
- M. Sc (Econ), University of Wales Swansea, UK.



5. QUAZI SHAIRUL HASSAN, Director

Current Responsibility

- **Director**, Board of Directors, Bangladesh Development Bank PLC.

Past Responsibilities

- **Managing Director**, Saudi-Bangladesh Industrial and Agricultural Investment Company Limited (SABINCO).
- **Senior Executive Vice President (SEVP)**, Head of Retail Banking, SME and Remittance, ONE Bank Limited (OBL).
- **Senior Vice President (SVP)**, Head of Consumer Banking, Eastern Bank Limited (EBL).
- **Manager**, Bangladesh (TRS Business) American Express Bank Limited, Dhaka, Bangladesh.

Education

- MBA (Marketing), Institute of Business Administration (IBA), University of Dhaka.
- Post Graduate Diploma in Industrial Management (PGDIM), BMDC, Dhaka.



6. MD. AZIZUR RAHMAN, Director

Current Responsibilities

- **Director, Board of Directors**, Bangladesh Development Bank PLC.
- **Secretary**, Medical Education and Family Welfare Division, Ministry of Health and Family Welfare, Government of the People's Republic of Bangladesh.

Past Responsibilities

- **Director General-II (Additional Secretary)**, Prime Minister's Office, Dhaka.
- **Director General-III**, Prime Minister's Office, Dhaka.
- **Director**, Prime Minister's Office, Dhaka.
- **Counsellor**, Bangladesh Embassy, Bangkok, Thailand.
- **Director**, Prime Minister's Office, Dhaka.
- **Deputy Secretary**, Ministry of Public Administration, Dhaka.

Education

- B.B.S (Honours), M.B.S (Management).



Directors' Profile

7. K. M. Tariqul Islam, Director

Current Responsibility

- **Director**, Board of Directors, Bangladesh Development Bank PLC.

Past Responsibilities

- **Director General (Grade-1)**, NGO Affairs Bureau, Prime Minister's Office, Dhaka.
- **Director (Ex officio)**, Karmasangsthan Bank.
- **Chairman**, Bangladesh Land Port Authority.
- **Divisional Commissioner**, Rangpur.
- **Director (Ex officio)**, Rajshahi Krishi Unnayan Bank.
- **Deputy Commissioner**, Bandarban.



8. MD. HABIBUR RAHMAN GAZI, Managing Director & CEO

Current Responsibility

- **Managing Director & CEO**, Bangladesh Development Bank PLC.

Past Responsibilities

- **Deputy Managing Director**, Agrani Bank Limited (ABL).
- **General Manager**, Janata Bank Limited (JBL).
- **Deputy General Manager**, Janata Bank Limited (JBL).

Education

Master of Science (M. Sc.) in Geography, University of Dhaka.
Post Graduate Diploma in Personnel Management, Bangladesh Institute of Management (BIM).

Certifications

- Diplomaed Associate of the Institute of Bankers, Bangladesh (DAIBB)



Board's Committees

Executive Committee

1.	Shamima Nargis, Chairman	Chairman of the Committee
2.	Md. Azizur Rahman, Director	Member
3.	K. M. Tariqul Islam, Director	Member
4.	Md. Habibur Rahman Gazi Managing Director & CEO	Member

Audit Committee

1.	Md. Ekhlaur Rahman, Director	Chairman of the Committee
2.	Md. Abu Hanif Khan, Director	Member
3.	Subhash Chandra Sarker, Director	Member
4.	Quazi Shairul Hassan, Director	Member

Risk Management Committee

1.	Shamima Nargis, Chairman	Chairman of the Committee
2.	Md. Abu Hanif Khan, Director	Member
3.	Quazi Shairul Hassan, Director	Member
4.	Md. Azizur Rahman, Director	Member
5.	K. M. Tariqul Islam, Director	Member

Management Team

Managing Director & CEO



Md. Habibur Rahman Gazi
Managing Director & CEO

Deputy Managing Directors



Shachindra Nath Samadder
Deputy Managing Director-1



Paritosh Sarker
Deputy Managing Director-2

Head of Divisions



Md. Abdul Mannan Shaikh
General Manager
Administration Division
&
Investment Banking Division



Susmita Mandal
General Manager
Legal Affairs & Recovery Division



Md. Ekhtiar Uddin
General Manager
Principal Branch, Dhaka



A.K.M Shamsul Islam
General Manager
Branch Banking Division,
Development Banking Division,
Finance and Accounts Division &
SME & General Advance Division



Kabir Ahmed
General Manager
IT & Risk Management Division,
Internal Control and Compliance Div. &
International Banking Division



Kamal Uddin Ahmed Mollah
Deputy General Manager
& Company Secretary
Board Division

Head of Departments



Md. Jasim Uddin Khan
Deputy General Manager (PR)
Public Relation Department



Saifuddin Ahmad
Deputy General Manager
Information Technology Operation Department



Abdullah Al Bashed
Deputy General Manager
Establishment & Common Service Department



S M Wahiduzzaman
Deputy General Manager
Loan Recovery Department



Md. Shamsus Saberin
Deputy General Manager
Loan Operation Department



Mussammat Ummeey Honey
Deputy General Manager
Reconciliation Department



Mohammad Anisur Rahman
Deputy General Manager
Law Department
&
Vigilance Department (Add.)



Ranjan Kumar Roy
Deputy General Manager
General Advances Dept.
&
Budget Department (Add.)



Md. Masum Syeed
Deputy General Manager & CEO
BDBL Securities Ltd.



Md. Golam Hasnayan Khan
Deputy General Manager
Compliance Department &
Monitoring Department (Add)



A.K.M. Sharif Hossain
Deputy General Manager & CEO
BDBL Investment Services Ltd.



A.B.M. Mobinul Islam
Deputy General Manager
Treasury Department



Md. Asaduzzaman
Deputy General Manager
Real Estate Department



Mohd. Momtaz Uddin
Deputy General Manager
Investment Banking Department



Mohammad Ayub Ali
Deputy General Manager
Business Development and Marketing Department



Md. Imamur Rashid
Deputy General Manager
Debt Collection Department



Mohammad Mobasher Hossen
Deputy General Manager
Human Resource Management
Department



Fatema Khanam
Deputy General Manager
Branch Management Department



Shamima Begum
Deputy General Manager
Audit & Inspection Department



Md. Asaduzzaman
Deputy General Manager
AML & CFT Department



Md. Faidur Rahman
Deputy General Manager
Central Accounts Department



Afsana Ferdousi
Deputy General Manager
MIS & Research Department



Mohammad Mannan Hossain
Deputy General Manager
SME Department &
International Banking Department (Add.)



Md. Rokonzaman
Deputy General Manager
Information Technology System Department &
Head of Card Management Unit



Syeda Saleha Begum
Deputy General Manager
Training Institute

Head of Zonal Offices



Md. Rakeeb Hossain
Deputy General Manager
Zonal Office, Dhaka South



Md. Mahbub Morshed Khan
Deputy General Manager
Zonal Office, Khulna



Shaikh Sharafat Islam
Deputy General Manager
Zonal Office, Dhaka North



Liton Chandra Mazumder
Deputy General Manager
Zonal Office, Sylhet



Delower Hossain
Deputy General Manager
Zonal Office, Chattogram



Shankar Kumar Bhoumik
Deputy General Manager
Zonal Office, Rajshahi

Head of Branches



Md. Ekhtiar Uddin
General Manager
Principal Branch, Dhaka



Md. Iqbal Hossain
Deputy General Manager
Motijheel Branch, Dhaka



Tanveer Ahmed Siddquee
Deputy General Manager
Ashuganj Branch, Brahmanbaria



Mohammad Moniruzzaman
Deputy General Manager
Mymensingh Branch, Mymensingh



Mohammad Manir Husain
Deputy General Manager
Agrabad Branch, Chattogram



Biplob Chandra Ghosh
Assistant General Manager
Karwanbazar Branch, Dhaka



Md. Imam Hossain
Assistant General Manager
Rajshahi Branch, Rajshahi



Argun Biswas
Assistant General Manager
Jhenaidah Branch, Jhenaidah



Shamol Naha
Assistant General Manager
Moulvibazar Branch, Moulvibazar



Md. Abdul Monnaf
Assistant General Manager
Rangpur Branch, Rangpur



Md. Rajib Hossain
Assistant General Manager
Jashore Branch, Jashore



Harashit Kumar Mondal
Assistant General Manager
Khulna Branch, Khulna



Najmul Huda
Assistant General Manager
Narayanganj Branch, Narayanganj



Mafizur Rahman
Assistant General Manager
Hemayetpur Branch, Dhaka



S. M. Gias Uddin
Assistant General Manager
Pabna Branch, Pabna



Md. Shagadur Rahman
Assistant General Manager
Bogura Branch, Bogura



Mohammad Mushiur Rahman
Assistant General Manager
Mirpur-10 Branch, Dhaka



Ripon Kumar Kundu
Assistant General Manager
Kazirhat Branch, Nilphamari



Md. Rafiqul Islam Rakib
Assistant General Manager
Elephant Road Branch, Dhaka



Nasir Ahmed
Assistant General Manager
Ashulia Branch, Dhaka



Saibal Barua
Assistant General Manager
Khatunganj Branch, Chattogram



Md. Washim Ahmed
Assistant General Manager
Madhabdi Branch, Narshingdi



F. M. H. Ahmed Bakhtiar
Assistant General Manager
Tomaltola Branch, Natore



Md. Suman Sheikh
Assistant General Manager
Shreenagar Branch, Munshiganj



Md. Hasibuzzaman
Assistant General Manager
Hossainpur Branch, Kishoreganj



Md. Akter Hossain
Assistant General Manager
Kanchpur Branch, Narayanganj



Zohirul Islam Bhuiya
Senior Principal Officer
Osmaninagar Branch, Sylhet



Md. Abdur Razzak
Assistant General Manager
Mokamtola Branch, Bogura



Raihan Sadiq
Assistant General Manager
Mohadebpur Branch, Manikganj



Shariful Islam
Assistant General Manager
Islampur Branch, Sylhet



Md. Zillur Rahman
Senior Principal Officer
Nogaon Branch, Nogaon



Muhammad Rokibuzzaman
Senior Principal Officer
Faridpur Branch, Faridpur



Amzad Mahmud
Senior Principal Officer
Cox's Bazar Branch, Cox's Bazar



G.M. Zellur Rahman
Senior Principal Officer
Muksudpur Branch, Gopalganj



Partha Sarathi Das
Senior Principal Officer
Cumilla Branch, Cumilla



Sunirmal Chanda
Senior Principal Officer
Tangail Branch, Tangail.



Md. Bazlur Rashid
Senior Principal Officer
Saturia Branch, Manikganj



Jony Kanu
Senior Principal Officer
Keraniganj Branch, Dhaka



Ashish Kumar Paul
Senior Principal Officer
Moharajpurhut Branch, Chapai Nawabganj



Khondoker Mostafizur Rahaman
Senior Principal Officer
Barisal Branch, Barisal



Md. Ashraf-Ul-Alam
Senior Principal Officer
Sylhet Branch, Sylhet



Alamgir
Senior Principal Officer
Poradaha Branch, Kustia



Kalon Miah
Senior Principal Officer
Nabinagar Branch, Brahmanbaria



Mohd. Nurul Alam
Senior Principal Officer
Noakhali Branch, Noakhali



Md. Azizur Rahman
Senior Principal Officer
Habiganj Branch, Habiganj



Md. Hasan Mahmud
Senior Principal Officer
Bhola Branch, Bhola



Md. Arifuzzaman
Senior Principal Officer
Dinajpur Branch, Dinajpur



Mohammad Jahidul Islam
Senior Principal Officer
Jainabazar Branch, Gazipur



Sayeed Uddin Ahmed
Senior Principal Officer
Brahmanbaria Branch, Brahmanbaria



Mohammed Fakrul Islam
Senior Principal Officer
Feni Branch, Feni

Chairman's Foreword



Shamima Nargis
Chairman
Bangladesh Development Bank PLC.

“As a Financial Intermediary, we emphasize maintaining a balance between sustainable banking and profit growth.”

Chairman's Foreword

It is my great pleasure to inaugurate and attend the 14th Annual General Meeting of Bangladesh Development Bank PLC. On behalf of the Board of Directors, I would like to express my sincere thanks and gratitude to all concerned for their active support and cooperation over the years.

Though the Bank has crossed only 14 years since its amalgamation, it has had the rich historical experience of supporting industrial growth and development in Bangladesh through supply of technical and financial resources. The erstwhile Bangladesh Shilpa Bank (BSB) and Bangladesh Shilpa Rin Sanghtha (BSRS) were created in 1972 by the government of the Father of the Nation Bangabondhu Sheikh Mujibur Rahman to lay the foundation for a happy and prosperous Bangladesh. These two banks were pioneers in furthering industrialization efforts in independent Bangladesh. A large section of the established industrial conglomerates in Bangladesh received technical and financial support from both BSB and BSRS that paved the path for future growth. I would like to recognize the efforts and contributions of former employees and Board of Directors of these two institutions.

Though the Bank has not grown till now in size and heft like some of the NCBs in Bangladesh, but it has continued to contribute to national growth in its own modest ways. The capital base of the Bank is quite deep and it does not have any provision shortfalls. It is also making some modest profits for the last few years in a steady manner. But a large amount of non-performing loans (NPLs) has been a challenge for the Bank since its inception, though a significant part of NPLs has been inherited from the then BSB and BSRS at the time of amalgamation. The huge burden of NPLs stands as a barrier and threat for income generation and creates stumbling block to its profitability. However, the Bank management has taken a number of pro-active steps to recover the classified loans so that the Non-Performing Loans decline to an acceptable level within the shortest possible time. The top management and also the Board remain fully engaged with the overall efforts to bring down the NPLs of the Bank to 25% or less in the shortest possible time. The Bank has been able to reduce its NPLs in the last few years in a progressive manner.

Like the previous years, the Bank has posted profit. The Bank took a strategy of quality growth by following regulatory and policy prescription compliance in all spheres of operations.

As a continued policy, the Bank remained focused in all key areas covering capital adequacy, maintenance of required provision, sound management, good earnings and strong liquidity. As a result, the operating profit stood at BDT. 25.55 crore for the year 2023.

In 2023, the Bank's deposit balance grew by about 4.77%, reaching BDT 3053.56 crore compared to BDT 2914.50 crore in 2022. Loans and advances posted an increase by about 7.15% to BDT. 2657.11 crore in 2023 over BDT. 2479.66 crore in 2022.

The Bank operates under the supervision and strategic direction provided by its management and Board of Directors. Throughout the year, the Board remained vigilant in ensuring compliance with regulations and was actively involved in formulating and updating policies to enhance the bank's performance and service delivery, thereby boosting its competitiveness.

Recognizing human resources as vital assets, the Bank places significant emphasis on their development. It invests in recruiting, training, and retaining skilled personnel equipped with the necessary attitudes and talents to meet current and future demands. Employees benefit from on-the-job training, as well as participation in various banking-focused workshops and seminars organized by the bank's Training Institute.

The Bank's IT Division has made substantial strides in advancing technology-driven initiatives, developing in-house software to enhance operational efficiency and customer satisfaction. As part of its inclusive banking strategy, the bank aims to deliver a comprehensive range of technology-driven banking services to customers and entrepreneurs efficiently and affordably.

Looking ahead to 2024, the bank is well-prepared to confront challenges and expects sustainable growth with improved asset quality to maximize profitability. It will focus on expanding business from its diverse customer base, including small, medium, and large clients, while continuing to leverage opportunities in Retail Banking, Remittance, Foreign Trade Financing, and other sectors. The bank remains committed to upholding good corporate governance, sound risk management practices, and sustainable principles to navigate internal and external shocks effectively.

I would like to express my gratitude to the Government of the People's Republic of Bangladesh, Bangladesh Bank, Bangladesh Securities & Exchange Commission, Office of the Registrar of Joint Stock Companies and Firms, and stock exchanges for their steadfast support. Appreciation is also expressed to clients, patrons, well-wishers, employees, statutory auditors, and fellow Board members for their valuable contributions to the bank's continued growth and success.

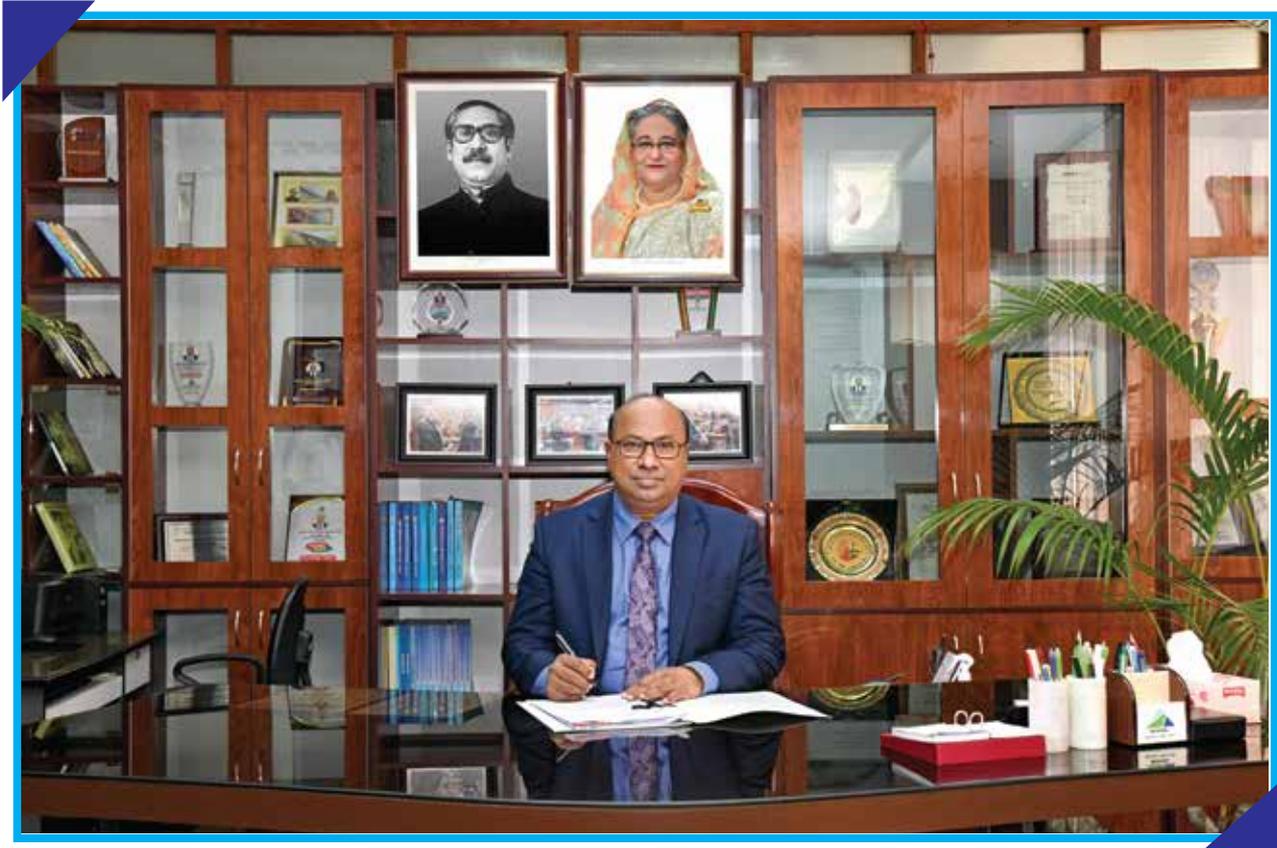
I am thankful to our statutory auditors, UHY Syful Shamsul Alam & Co. and Basu Banerjee Nath & Co. Additionally, I appreciate the valuable support and thoughtful, guidance from my fellow colleagues in the Board of Directors which has greatly contributed to the steady growth of the bank's activities.

I look forward to more positive outlook in coming years.



(Shamima Nargis)
Chairman

From the Desk of Managing Director & CEO



Md. Habibur Rahman Gazi
Managing Director & CEO
Bangladesh Development Bank PLC.

Bangladesh Development Bank PLC. has been making strides toward achieving its goals with clearly defined targets and business strategies guided by an expert and experienced Board of Directors.

From the Desk of Managing Director & CEO

It is with profound honor and unwavering enthusiasm that I'm addressing you at the 14th Annual General Meeting of Bangladesh Development Bank PLC. It is my distinct privilege to present an overview of our esteemed institution's performance during the year 2023. In the face of a challenging economic environment, the Bank has demonstrated remarkable resilience and achieved significant growth.

Macroeconomic Scenario

The global economy in 2023 faced a convergence of challenges, including inflation, rising interest rates, tighter monetary policies, trade uncertainties, and geopolitical tensions, resulting in moderate growth. Technological advancements, particularly in Artificial Intelligence, also emerged as a significant trend.

Bangladesh's economy was not shielded from these global headwinds. The country grappled with dwindling foreign currency reserves, exchange rate volatility, slow revenue mobilization, high non-performing loans, and a notable increase in inflation, averaging 9.5% for the year. Despite these challenges, Bangladesh achieved a commendable GDP growth rate of 6.03%.

Several pivotal events significantly influenced our business strategies:

Shift in Monetary Policy: Bangladesh Bank transitioned from a fixed lending rate cap to the SMART (Six-Month Moving Average Rate of Treasury Bill) system to address inflation. This adjustment resulted in higher loan costs, affecting domestic credit growth. However, it also boosted interest earnings from loans and advances.

Foreign Exchange Challenges: By December 2023, Bangladesh's foreign exchange reserves had decreased to \$21.87 billion. Since mid-2022, the country has imposed its strictest import restrictions in decades, particularly by controlling letters of credit (LCs) for imports, impacting domestic investment. The shortage of US dollars for official imports widened the gap between official and unofficial exchange rates. Additionally, the country's financial account has consistently shown a deficit over the past year due to increased foreign loan payments, further depleting reserves.

Positive Growth in Exports: Bangladesh's export growth continued on a positive trajectory, increasing by 8.07% during the July-March period of Fiscal Year 2022-23 compared to the previous year.

Performance Review of the Bank

The year 2023 was all about numerous small wins and successes at Bangladesh Development Bank PLC that totaled into a sound financial performance for the full year. The past year has been a testament to our unwavering commitment to our clients, whose trust in our capabilities has only deepened. In 2023, despite the formidable global and domestic economic challenges that prevailed, the Bank demonstrated remarkable resilience and achieved commendable progress, characterized by robust operating performance, disciplined cost management, and substantial revenue growth.

In 2023, significant growth in total assets volume is evidenced, which saw an increase of 4.16%, rising from BDT. 6,096.86 crore in 2022 to BDT. 6,350.43 crore in 2023. Deposits increased to BDT. 3,053.56 crore, exhibiting a growth of 4.77% compared to BDT. 2,914.50 crore in the previous year. Conversely, loans and advances experienced a modest growth of 7.15%, reaching BDT. 2657.11 crore in 2023.

The bank's imports witnessed an increase of 30.74%, increasing to BDT. 282.35 crore in 2023 from BDT. 215.96 crore in 2022. Similarly, exports registered a substantial increase of 7%, reaching BDT. 424.00 crore compared to BDT. 396.24 crore in the preceding year. Inward remittances displayed a huge growth rate of 258.70%, plummeting to BDT. 1.65 crore in 2023 from the previous year's BDT. 0.46 crore.

Due to the successful implementation of SMART rate, an impressive 15.04% increase in interest income is observed in 2023, which rose to BDT. 225.67 crore. However, the inflationary pressures that prevailed during the year led to a corresponding rise in interest expenses, amounting to BDT. 181.60 crore, an increase from BDT. 157.25 crore in the previous year, consequently increasing liability costs.

The quantity and percentage of NPL have steadily decreased over the past three years. In 2023, the recovery from classified and written-off loans reached its highest point in the last five years, attributed to improved recovery efforts. The Statutory Liquidity Ratio (SLR) was not maintained until 2022, but has been adhered to since 2023. Under the MoU signed with Bangladesh Bank, BDT. 239.45 crore has been maintained as SLR, exceeding the required SLR of BDT. 198.83 crore.

Despite a significant downturn in capital gains, dividend income, and foreign exchange gains due to the stock market downturn, imposition of floor-price technique and dollar crisis in foreign trade, the bank achieved an operating profit of BDT. 25.55 crore in the past year. Net Profit after Provision and Tax stood at BDT. 10.20 crore. Cost to Income Ratio decreased to 96.93% in 2023 which was 96.97% in 2022. Earnings Per Share (EPS) was increased to BDT. 1.70 in 2023 which was BDT. 1.6906 in the previous year.

Subsidiary Companies' Performance Review

The year 2023 witnessed significant volatility in the stock market, characterized by a drastic decline in average turnover and foreign investment. Throughout the year, the market exhibited a range-bound trend, with the broad index of the Dhaka Stock Exchange (DSEX) demonstrating sideways movement, fluctuating between 6,178 points and 6,367 points, ultimately closing at 6,246 points by year-end, reflecting a modest increase of 39.70 points or 6%.

BDBL Securities Ltd. (BSL) achieved an operating profit of BDT. 3.87 crore in 2023. On the other hand, BDBL Investment Services Ltd. (BISL) reported an operating profit of BDT. 5.98 crore. Net profits of the subsidiaries are BDT. 2.09 crore and BDT. 0.67 crore consequently. By maintaining robust financial health and demonstrating resilience in a volatile market, the subsidiaries continue to contribute positively to the overall performance of the bank.

Strengthening Capital Base

We have consistently prioritized the fortification of our capital base as a cornerstone of our risk management strategy. This unwavering commitment has enabled us to maintain a robust capital position. In 2023, we maintained a strong Capital to Risk-Weighted Assets Ratio (CRAR) of 22.56%, well above the minimum requirement of 12.5% as stipulated by the Basel III framework.

Sustained Credit Rating

In recognition of our institution's financial strength, prudent risk management practices, and overall operational excellence, the Bank has been accorded superior credit ratings that serve as a testament to our unwavering credibility. The Bank maintained a strong reputation for creditworthiness in 2023, our long-term credit rating stood at 'AAA', while our short-term rating was 'ST-1', reflecting our robust creditworthiness and ability to meet our obligations, both in the short and long term.

Business Outlook for 2024

It's a new dawn for the bank in 2024, suffused with new thoughts and strategy, and a relentless quest for the best. As we navigate the evolving landscape of the financial industry, my vision for our bank is clear: to redefine the standards of banking excellence, drive sustainable growth, and create lasting value for all our stakeholders.

In the year 2024, the economic landscape is anticipated to present significant challenges attributable to several factors. The upsurge in interest rates, coupled with escalating inflationary pressures is expected to exert considerable strain on the economic environment. Additionally, there is anticipated pressure on the foreign exchange market, further exacerbating the complexity of the situation. Consequently, it is plausible that the economy may witness subdued growth or diminished demand.

This subdued economic performance can be attributed to various ongoing challenges, including disruptions within the supply chain, volatility in power supply, geopolitical tensions on both the global and local fronts, and adverse conditions prevailing within the broader global economic context.

As a forward-thinking financial institution, we are committed to ongoing investment in digital banking infrastructure, with the primary objectives of enhancing customer experience, optimizing operational efficiency, and streamlining our business operations. Anticipating a tepid growth trajectory in net interest income primarily attributed to the escalating trend of interest expenses, which poses challenges to overall profitability across all business segments, our strategic focus will center on augmenting non-interest income while prioritizing stringent cost management practices. In the light of this, strategic backdrop, the bank will actively pursue the following strategic priorities to realize its overarching objectives:

- ❖ **Optimizing Deposit Mix:**
 - Mobilize low-cost deposits to improve cost efficiency.
 - Refine deposit mix to reduce overall deposit costs.
- ❖ **Expanding Lending and Supporting Growth:**
 - Prioritize expansion of retail and CMSME lending portfolios to enhance yield on advances and contribute to the economic development.
 - Restructure and relaunch CMSME and Retail banking models for better performance.
- ❖ **Strengthening Customer Relationships:**
 - Focus on nurturing existing relationships with good customers.
 - Onboard new customers with strong creditworthiness.
- ❖ **Enhancing Asset Quality:**
 - Reduce NPL according to Short Term Road Map (STRM).
 - Implement regular loan monitoring to prevent delinquencies (overdue and SMA).
 - Implement effective recovery efforts for rescheduled, stay-order, and written-off loans.
- ❖ **Boosting Remittances:**
 - Implement initiatives to increase remittance inflows from overseas.
- ❖ **Centralizing Operations for Efficiency:**
 - Centralize liability operations, trade transactions, and credit administration.
 - Improve compliance, efficiency, and optimize human resource utilization.
- ❖ **Automating Processes:**
 - Automate loan monitoring, documentation management, and credit administration.
 - Streamline workflows with improved Management Information System.

- ❖ Elevating Customer Service:
 - Leverage technology to enhance customer experience.
 - Invest in workforce development to improve skills and capacity.
- ❖ Controlling Operating Costs:
 - Implement stringent cost management practices.

Closing with Gratitude

In closing, I want to express my sincere appreciation to all those who have contributed to our success. The exceptional leadership and insightful guidance of our esteemed Board of Directors have fostered a culture of thoughtful decision-making for which we are deeply grateful. I extend my heartfelt thanks to each member for their wisdom and active involvement.

Our colleagues are the backbone of our organization, and their unwavering commitment and diligent efforts deserve our deepest recognition. Their dedication plays a pivotal role in achieving our collective goals. We are also incredibly fortunate to have earned the continued trust and confidence of our valued customers. Their loyalty is a testament to the quality of service we strive to provide.

Finally, I extend my sincere gratitude to the Government of the People's Republic of Bangladesh, Bangladesh Bank, Bangladesh Securities & Exchange Commission, Office of the Registrar of Joint Stock Companies & Firms, DSE and CSE for their continued support and cooperation. Their support is a powerful motivator as we pursue our strategic vision.



Md. Habibur Rahman Gazi
Managing Director & CEO

Management Discussion and Analysis



BUSINESS ENVIRONMENT

Despite several challenges in the external sector, Bangladesh's economy showed robust real GDP growth in 2023. This growth was supported by fiscal and monetary policy measures aimed at boosting investment and creating employment opportunities. According to Bangladesh Bureau of Statistics (BBS), the real GDP growth rate for FY 2022-23 is approximately 6.03%, down from 7.10% in FY 2021-22.

BANKING SECTOR OF BANGLADESH

The performance of banking sector during this time was influenced by some factors like the impact of COVID-19 pandemic and The Russia-Ukraine war, very high NPL rate in public sector banks, slower demand for credit, inflationary pressure, commodity price shock etc. Depending on the ownership structure the banking system of Bangladesh fall into four categories: State-Owned Commercial Banks (SCBs), Specialized Banks (SBs), Private Commercial Banks (PCBs) and Foreign Commercial Banks (FCBs). The number of banks was 61 in as on June, 2023. These banks had a total number of 11088 branches with a total Deposits of BDT. 16981.2 billion.

LENDING AND DEPOSIT RATES

The weighted average interest rate on bank advances increased to 7.31% in FY 2022-23 from 7.09% in FY 2021-22 and deposits increased to 4.38% in FY 2022-23 from 3.97% in FY 2021-22. As the increase in interest rate on deposits was higher than the increase in interest rate on advances, the interest rate spread dropped to 2.93% in June 2023 from 3.12% in June 2022.

CAPITAL ADEQUACY REQUIREMENT

The Basel Committee on Banking Supervision (BCBS) introduced Basel-III capital regulations as global standards to enhance the banking sector's ability to withstand financial and economic shocks, thereby reducing the risk of spillover from the financial sector to the real economy. Basel-III primarily focuses on capital buffers, including the capital conservation buffer and countercyclical buffer, aimed at protecting banks during periods of excessive credit growth.

In accordance with the Basel framework, Bangladesh Bank issued phased transitional arrangements for the implementation of Basel-III regulations starting from 2015, with full implementation scheduled by January 1, 2015. Bangladesh Development Bank PLC has implemented Basel-III regulations under these arrangements.

EMERGENCE OF BANGLADESH DEVELOPMENT BANK PLC.

With the decision of the Government, Bangladesh Development Bank PLC. was incorporated on 16 November, 2009 as a Public Company Limited by shares under the Companies Act, 1994 by merger of former Bangladesh Shilpa Bank (BSB) and Bangladesh Shilpa Rin Sangstha (BSRS), two Development Financial Institutions (DFIs) in the public sector. Bangladesh Shilpa Bank (BSB) was established in October 31, 1972 for accelerating the industrial pace of the country through providing loan and equity to the industrial projects as per Bangladesh Shilpa Bank Order, 1972 (President's Order No. 129 of 1972). With the same objective, Bangladesh Shilpa Rin Sangstha (BSRS) was also established in October 31, 1972 as per Bangladesh Shilpa Rin Sangstha Order, 1972 (President's Order No. 128 of 1972).

In order to carry on business of the Bank, Bangladesh Bank issued banking license on November 19, 2009. Two Vendors' Agreements were signed between the Government of the People's Republic of Bangladesh and the Bank on December 31, 2009 to acquire and take-over all of their (BSB & BSRS) assets, benefits, rights, powers, authorities, privileges, liabilities, borrowings and obligations and to carry on with the same business.

As a Public Limited Company, the Bank formally embarked its journey on January 03, 2010. It extends financial assistance for setting up industries and provides all kinds of commercial banking services to its customers through its branch network in Bangladesh.

The Bank also established two subsidiary companies namely, BDBL Securities Limited and BDBL Investment Services Limited. These act as stock dealer and stock broker and operate Brokerage Houses one at 12, Karwan Bazar, Dhaka and the other at 8 RAJUK Avenue, Motijheel, Dhaka to provide services to the Investors.

PRODUCTS AND SERVICES OF THE BANK

The Bank is always committed to serve the clients with the best values and innovative products and services to enrich its portfolio.

SAVINGS DEPOSIT OF THE BANK

- ❖ Current Deposit
- ❖ Savings Deposit
- ❖ Short Term Deposit
- ❖ Fixed Deposit
- ❖ 10 Tk. A/C
- ❖ Special Savings Schemes:
 - (i) Monthly Income Scheme (MIS)
 - (ii) Monthly Deposit Scheme (MDS)
 - (iii) BDBL Wage Earner's Deposit Scheme (BWEDS)
 - (iv) BDBL Troimasik Income Scheme (BTIS)
 - (v) BDBL Lacpoti Deposit Scheme (BLDS)
 - (vi) BDBL Palli Sanchay Scheme (BPSS)
 - (vii) Hajj Amanat Scheme (HAS)
 - (viii) BDBL Double Benefit Scheme (BDBS)
 - (ix) BDBL Super Savings Scheme (BSSS)
 - (x) BDBL Shikkha Sanchay Scheme (SSS)
 - (xi) BDBL Students Saving Account
 - (xii) Chikitsha Sanchay Scheme (CSS)
 - (xiii) Green Savings Deposit Scheme

LOAN PRODUCTS OF THE BANK

❖ Development Financing:

- Industrial loan with emphasis in syndicated arrangement (Power & Energy, Telecommunication, Fiber Optic Cable, etc.).
- Public - Private Partnership (PPP) project (Port Development, Transport & Communication like Road, Water & Air Ways etc.).
- Agro-based ventures depending on indigenous raw materials (Jute Twine/Yarn and other industries).
- Green Banking (Environment & Eco- Friendly industries like automatic brick kiln, renewable energy, effluent treatment plant, etc.).
- Pay Order Limit under e-GP Loan Products
- House Building Loan (Residential/commercial) & Flat Buy Loan.

❖ CMSME Loan:

- Purpose: To Encourage Cottage, Micro, Small & Medium Entrepreneur.
- Time Period : 1-5 Year (With highest 06 Month Grace Period).
- Interest Rate : 13% per annum.

❖ CMSME Special Packages:

- Refinance Scheme Amounting BDT. 25000 crore in CMSMEs Sector;
- Start-up Fund Refinance Facility Amounting BDT. 500.00 crore by Bangladesh Bank;
- Refinance Scheme for setting up Agro-Based Product Processing Industries in Rural Areas;
- Small Enterprise Refinance Scheme for women entrepreneurs in the CMSME sector; and
- Refinance Scheme for New Entrepreneurs in Cottage, Micro and Small Enterprise Sector;

❖ Agriculture & Rural Credit:

- Purpose : To Encourage Marginal/ Landless Farmers.
- Time Period : 1-5 Year.
- Interest Rate : 12% per annum.

❖ Agriculture & Rural Credit Special Packages:

- Refinance Scheme of 5000 Crore taka for agriculture sector to ensure Food Security of the Country;
- Special Agricultural Credit (Pulse, Oil Seed, Spices, Maize) at 4% concessional Interest Rate;
- “Ghore Phera” 500.00 (Five Hundred) Crore Refinance Scheme.

❖ 10/50/100 Account Holders Refinance Scheme:

- Refinance Scheme for Taka 10/50/100 Account Holders Marginal/ Landless Farmers, Low Income Professionals, School Banking Account Holders and Micro Businessmen under Financial Inclusion Program.

❖ Short Term Loans :

- ❖ Cash Credit (Hypothecation)
- ❖ Working Capital (Hypothecation)
- ❖ Over Draft (OD)
- ❖ Retail Banking :
 - (i) Consumers' Credit
 - (ii) Personal Loan

FOREIGN TRADE FINANCING & FOREIGN EXCHANGE BUSINESS:

❖ Export Finance:

- Export Cash Credit (ECC)
- Packing Credit (PC)
- Back to Back L/C
- Advising of Export L/C
- Export bill collection
- Letter of Credit Confirmation
- Advance against Bills for Collection

❖ Import Finance:

- Purchase of local & foreign documentary bills
- Local L/C
- Import L/C (foreign) – Cash, Sight & Deferred
- Post Import Financing (LIM, LTR, etc.)
- Payment Against Documents (PAD)
- Foreign currency buy & sale.
- Issuance counter guarantee
- Remittance Service through Xpress Money Service Ltd.

OTHER BANKING SERVICES :

- ❖ Demand Draft Issue
- ❖ Payment Order Issue
- ❖ Selling of Prize Bond
- ❖ Selling of Savings Certificates, etc.

REVIEW OF THE BANK BUSINESS PERFORMANCE

In the banking sector, Bangladesh Development Bank PLC stands out as one of the leading state-owned commercial banks, known for its strong asset quality, profitability, product diversification, capital adequacy, and service portfolio. Despite ongoing challenges in the banking industry, the bank has adopted a strategic approach focused on cost rationalization, delivering excellent services, and fostering innovation. These efforts have resulted in positive growth across many performance indicators.

The bank's prime achievements in key areas during 2023 were:

- 🏗️ Net Profit after Provision and Tax was BDT. 10.20 crore.
- 🏗️ The Capital Adequacy Ratio (CRAR) was maintained at 22.56% (Core Capital 22.25% + Supplementary Capital 0.31%), which is 80.48% higher than the required rate of 12.50%.
- 🏗️ Earnings Per Share (EPS) was BDT 1.70, up from BDT 1.69 in 2022.
- 🏗️ The rate of classified loans was 37.39%.
- 🏗️ The online banking network was extended to all branches.
- 🏗️ Corporate governance and sustainable banking activities were ensured.

ACHIEVEMENTS IN 2023

- a) **Net Profit:** The Net Profit after Provision and Tax rose to Tk. 10.20 crore in 2023, up from Tk. 10.13 crore in 2022. This increase in net profit bolstered the bank's Tier-I capital and overall capital adequacy ratio, enhancing its capital base and expanding business opportunities.
- b) **Loan & Advances:** The Bank periodically reviewed its Credit Policy to ensure prompt and efficient service to clients. Loans and advances increased by 7.15%, reaching BDT 2657.11 crore in 2023, up from BDT 2479.66 crore in 2022. Additionally, the Bank disbursed BDT 1501.94 crore in loans and advances against a target of BDT 1608.43 crore, achieving 93.38% of the annual target.
- c) **Deposit Volume and Growth:** In the midst of challenging scenario in the money market, the bank's deposit mobilization rose to BDT 3053.56 crore in 2023, up from BDT 2914.50 crore in 2022.
- d) **Growth of Interest Income:** Despite the tough economic situation, the Bank's interest income reached BDT 225.67 crore in 2023, marking a 15.04% increase compared to the previous year.
- e) **Classified Loan Recovery:** The management has been consistently proactive and concerned about the recovery and reduction of classified loans (CL) since its inception. To address the broad spectrum of default loans, the bank designed various action plans and made significant efforts to implement them, aiming to reduce classified loans and increase cash recovery. In 2023, the Bank set a recovery target of BDT 91.59 crore from classified loans. Against this target, BDT 173.90 crore was recovered, achieving 189.87% of the target.
- f) **Recovery from Written-off Loans:** Compared to 2022, the recovery from written-off loans increased by BDT. 26.51 crore in 2023, resulting in a reduced balance of BDT. 1326.96 crore. This reduction was achieved through strengthened recovery efforts, including legal measures taken on a case-to-case basis.
- g) **Strengthening Capital Base:** By sustaining profit growth, the Bank consistently generates internal capital to support business expansion. Consequently, the bank's capital adequacy ratio (CRAR) under Basel III on a consolidated basis remained robust at 22.66%, well above the minimum statutory requirement of 12.50%.
- h) **Maintenance of SLR:** In 2023, the bank maintained the Statutory Liquidity Ratio (SLR) for the first time in its history, holding BDT 239.45 crore compared to the required BDT 198.83 crore.
- i) **Policy Formulation & Review:** In 2023, five core risk manuals were updated. Additionally, various policies and guidelines were formulated including the Cluster-Based Financing Policy, e-Account Policy, Mobile App & Internet Banking Usage & Security Policy, Internet Bandwidth Management Policy, and Debit Card Management Policy.

BUSINESS ACTIVITIES OF THE BANK

CMSME Banking

For enhancing domestic investment to meet rising demand for employment generation, women's empowerment and regional development, the role of CMSME is indispensable. In line with the Government and Bangladesh Bank's policy guidelines, promoting a dynamic CMSME sector is a priority for the bank to reduce poverty and stimulate economic growth.

For achieving these objectives as well as for financial inclusion of unbanked people, the CMSME department of the bank was entrusted with the following tasks:-

- To emphasize loan financing activities for priority sectors of CMSMEs in line with the policy guidelines of the Government and Bangladesh Bank.
- To guide, monitor and supervise CMSME related activities.
- To follow up and monitor timely implementation of projects under CMSME.
- To ensure regular recovery of CMSME loan so that loans do not turn into classified loan.

The bank took several steps for enhancing and accelerating CMSME loan portfolio, some of which were:

- Fixation of delegation of power categorically for sanctioning of CMSME loan by the Zonal, Branch Head and officers concerned in Head Office;
- Fixation of target for General and Women Entrepreneurs;
- For the convenience of selecting CMSME Projects, a list based on area, sectors and clusters was prepared and sent to all branches;
- Nomination of one Focal Officer in each branch as well as in CMSME department at Head Office;
- Set up of CMSME cell, a help desk / Women Entrepreneur Dedicated Desk at all branch offices to advise and assist CMSME entrepreneurs particularly, women entrepreneurs for advisory services including all related assistance;
- Set up of Women Entrepreneur Development Unit at all branch and zonal offices as per instruction of Bangladesh Bank;
- Compilation of NGO-Linkage Wholesale Credit Policy;
- Preparation of CMSME Manual relating to rules, regulations and other related up-to-date information;
- Creation of Database & Market Segmentation Reporting as per Software given by Bangladesh Bank;
- Creation of database of Women Entrepreneurs Reporting as per software given by Bangladesh Bank;
- Arrangement of Area-Based meeting with the entrepreneurs on a regular basis;
- Preparation of a comprehensive report on Flower Cultivation for financial inclusion of flowers cultivators according to instruction of Bangladesh Bank;
- Arrangement of different training programs by the Bank on CMSME related issues for enhancing knowledge and awareness of the employees on SME financing; and
- Participation in different CMSME fairs and seminars.

Treasury Function

Treasury operation concerned on funding operation and foreign exchange dealings. Treasury of the Bank provides diversified products and services and has three desks concentrated on funding operation, maintaining liquidity & managing market risk and foreign exchange dealings.

(a) Money Market Desk

The money market desk regularly participates in the inter-bank market of the country and exercises all types of existing money market products like call money, term placement, repo & reverse repo with the Bangladesh Bank and inter-bank mostly on overnight basis.

(b) Foreign Exchange Desk

One of the parts of treasury is Foreign Exchange Dealing. The Bank is a very young member of Foreign Exchange Dealing market in the country. The bank has started to set up a dealing room for Foreign Exchange Dealing purpose. Meanwhile, the bank has prepared a guideline for managing Foreign Exchange risk. Hope it would be functional very shortly. At present the Bank is purchasing and selling Foreign Exchange on need basis to fulfill the commitments of its customers, e.g. settlement of L/C liabilities and purchasing inland and foreign bills of our customers. Hence risk arising from Foreign Exchange is minimum.

(c) Asset Liability Management Desk

Treasury is the driving force of the Asset Liability Committee (ALCO). It executes the strategies of the ALCO for effective management and monitoring of various balance sheet gaps and risk limits set by the regulator. It takes various decisions regarding interest rate structure of deposits, loan pricing, credit-deposit ratio, contingency funding plan, stress testing, Liquidity Coverage Ratio (LCR), transfer pricing mechanism for internal funding and investments in Government securities including corporate bonds by evaluating the market trend and scenario.

(d) Regulatory Compliance

Treasury complies with regulatory requirement to maintain CRR and SLR. The department also maintains exchange position (overbought/oversold position) of the bank in line with Bangladesh Bank approved open position limit set for the Bank.

Information and Communication Technology

The bank consistently upgrades its technology, leveraging advancements to enrich its IT infrastructure and customer service capabilities. These technological developments have significantly enhanced customer satisfaction and stakeholder trust. The IT division boasts a dedicated professional workforce focused on both support and new application development. Throughout the year, the bank has invested efficiently in developing its IT backbone, aiming for a strong return on investment. Additionally, plans are underway to establish a Disaster Recovery Site Software Technology Park in Jessore, with an initial investment of 25 crore taka, of which 1% seed money has already been paid.

Bangladesh Automated Cheque Processing System (BACPS) and Bangladesh Electronic Funds Transfer Network (BEFTN)

Bangladesh Bank's initiative to automate the country's payment system has been successfully implemented in the bank since its inception through the Bangladesh Automated Clearing House (BACH). The bank utilizes two key components of BACH: the Bangladesh Automated Cheque Processing System (BACPS) and the Bangladesh Electronic Fund Transfer Network (BEFTN). Currently, 50 branches are operational with BACPS. Both BACH and BEFTN software are integrated with the CBS, supported by installed hardware, MICR cheque scanners, and network connectivity across all branches. Account holders can enjoy 24/7 banking transactions using a Debit Card, including intra-bank and inter-bank money transfers, Mobile Financial Services (MFS) such as Bkash and Nagad, mobile top-up services, and utility bill payments

Inauguration of New Branches

The opening of a new branch entails a series of steps. Key areas include conducting a comprehensive feasibility study of the business by the Business Development & Marketing Department, obtaining permission from Bangladesh Bank, selecting a site or premises that meet the bank's specific requirements, assessing the structural feasibility of the premises, leasing suitable space, and designing both the interior and exterior with the assistance of divisional engineers or architectural firms. Additionally, it involves procuring all necessary electro-mechanical and electronic equipment, as well as furniture and fixtures.

Capital Management

The bank's capital management strategy aims to maintain a sufficient capital base to support projected business growth and meet regulatory requirements. This strategy involves annually planning business growth relative to capital needs. The Bank also considers the impact of shareholder returns on equity levels, striving to maintain a prudent balance between Tier-I and Tier-II capital. As of 2023, the bank's total capital fund amounted to BDT. 1102.33 crore, with Tier-I capital at BDT. 1087.02 crore. The total capital fund represents 22.56% of total Risk Weighted Assets.

Human Resources

Like other resources, human resource is one of the important resources of the bank to carry on its activities. Human Resource Management Department entrusted with the task of managing its workforces in an effective and efficient manner. The department encompasses recruitment, assessment, overseeing, transfer posting and ensuring compliance with employment and service rules creating business values to strategic management with all the policy support from the Board and the management. The Administration Division is giving more importance on employees to equip them as human capital.

Knowledge and skill development is a continuous process, which is enriched by proper training. In order to enhance operational skill and efficiency of the officers, the bank established a Training Institute of its own. The Bank sent a large number of officers to participate in different training programs, workshops and seminars arranged by BIBM and Bangladesh Bank Training Academy (BBTA) including other institutions. Besides, in house need-based training courses were also arranged with resource persons drawn from inside as well as from outside to keep the officers abreast of the latest development in the banking and financial sector. In 2023, training has been provided to 1,697 employees across 143 courses.

Monitoring Performance through Key Performance

The bank tracks the performance against a number of bench marks known as Key Performance Indicators (KPIs) the KPIs fall under two categories-Financial and Non-financial. The KPIs are used to track performance against the planned targets, comparison of previous years' results and industry bench mark.

Financial Key Performance Indicators

There are some key performance indicators those are:

- Deposit performance is assessed in terms of cost of deposit, mix of deposit;
- Credit functioning is mentioned in terms of yield on advance and impairment charges;
- Credit –Deposit Ratio is observed and measured regularly;
- Asset-liability mix is monitored to expected profitability efficiency as well as to achieve diversification;
- Off-balance sheet exposure i.e. letter of credit, guarantee etc. are monitored as these are important source of fee based income;
- NPL ratio gives the idea of the asset quality of the bank and helps in managing asset portfolio;
- Net Profit before Tax measures the operating efficiency of the management and is important for determining the productivity of the employees;
- Return on Average Equity measures the return on the average capital invested in the business;
- The Earnings per Share ratio shows the level of earnings generated per ordinary shares.

Non-Financial Key Performance Indicators

- The most important indicator is customer satisfaction. It is the key to the development of business;
- The expansion of branch and increase of customers in branches indicates customer satisfaction.

Green Banking

Green banking, also known as ethical or sustainable banking, integrates social and environmental factors into its operations to protect the environment and conserve natural resources. It emphasizes online and electronic transactions to minimize paper usage. Bangladesh Development bank PLC., as a financial intermediary committed to environmental stewardship, plays a significant role in mitigating environmental hazards through its green banking initiatives. The bank allocated a substantial fund in 2023 for green banking activities as part of its annual budget. In 2023, green banking loans accounted for 2.5% of the total disbursed loans. A total of BDT. 19.6 crore was distributed in this sector.

Future outlook

The global financial meltdown had widespread economic repercussions worldwide, challenging the effectiveness of policy tools in managing systemic crises. This compelled policymakers and financial sector supervisors to reconsider their strategies. The Russia-Ukraine war has imposed significant human costs globally, including in Bangladesh, and protective measures have severely impacted economic activities. The pandemic has also had profound effects on the Bangladeshi economy.

Bangladesh Development Bank PLC is well-prepared to tackle the challenges of 2024 and remains committed to fostering innovation and seizing opportunities for growth and value creation. Against the backdrop of achieving short and long-term goals, the bank will prioritize the following areas of focus:

-  Continuously introduce new deposit products and enhance the deposit mix, along with innovating loan products and banking services.
-  Foster relationships with customers and clients through innovative and tailored solutions and services.
-  Enhance customer satisfaction by prioritizing safety, and adapting to the evolving needs and aspirations of customers.
-  Maintain high asset quality and ensure timely recovery of dues.
-  Implement a flexible strategy to absorb shocks and adapt to new market realities and challenges, both internal and external.
-  Expand the branch network in both rural and urban areas to broaden outreach and accessibility.
-  Promote sustainable banking practices through initiatives in green banking, corporate social responsibility, and financial inclusion.
-  Invest in continuous development of people and technology to enhance productivity and customer satisfaction.

Stakeholders' Information

Financial Highlights

(BDT. in crore)

Particulars	2023	2022	Change (%)
Deposit	3,053.56	2,914.50	4.77
Loans & Advances	2,657.11	2,479.66	7.16
Operating Profit	25.55	50.03	(48.93)
Profit after Tax	10.20	10.13	0.69
Earnings Per Share (EPS) in Tk.	1.70	1.69	0.59
Capital Adequacy Ratio (CRAR) in %	22.56	23.13	(2.46)
Number of Branches	50	50	0.00
Number of Employees	651	659	(1.21)
Import	282.35	215.96	30.74
Export	424.00	396.24	7.01

Stakeholders of Bangladesh Development Bank PLC.

The primary motto of Bangladesh Development Bank PLC. is sustainable banking, which aims to create long-term resilient and sustainable economic, social, and environmental values through a green, responsible, and inclusive strategy, utilizing resources transparently and efficiently. Sustainability reporting enables the bank to effectively communicate and engage with its stakeholders. Our key stakeholders include investors, customers, employees, suppliers, communities, and the environment as a whole. Therefore, we prioritize understanding stakeholders' financial needs and objectives when designing products or services. Simultaneously, we ensure that these offerings generate positive outcomes for society and the environment. We strive to be a responsible business partner by prioritizing ethical conduct, integrity, and protecting their interests.

Stakeholders' Inclusiveness and Engagement

Government and other Regulators: Ministry of Finance, Bangladesh Bank, National Board of Revenue, BSEC, ICAB, ICMAB, Comptroller of Auditor General of Bangladesh, External Auditors, All Business Chambers

Customers: Retail Customers, Rural Credit Customers, SME and Corporate Client, Remittance Customers, Importers & Exporters

Shareholders: Government of the People's Republic of Bangladesh

Employees: Permanent Staffs, Contractual Staff, Management Trainees & Interns, Outsourced Staffs

Suppliers and Service Providers: Correspondent Banks, Foreign Remittance Agent, Land lord of Leased Premises, Suppliers of Fixed Assets, Maintenance and Security Service Provider

Community: Professionals and Self- Employers, Civil Society, Students, Different Communities.

Five Years Performance of the Bank: At a Glance



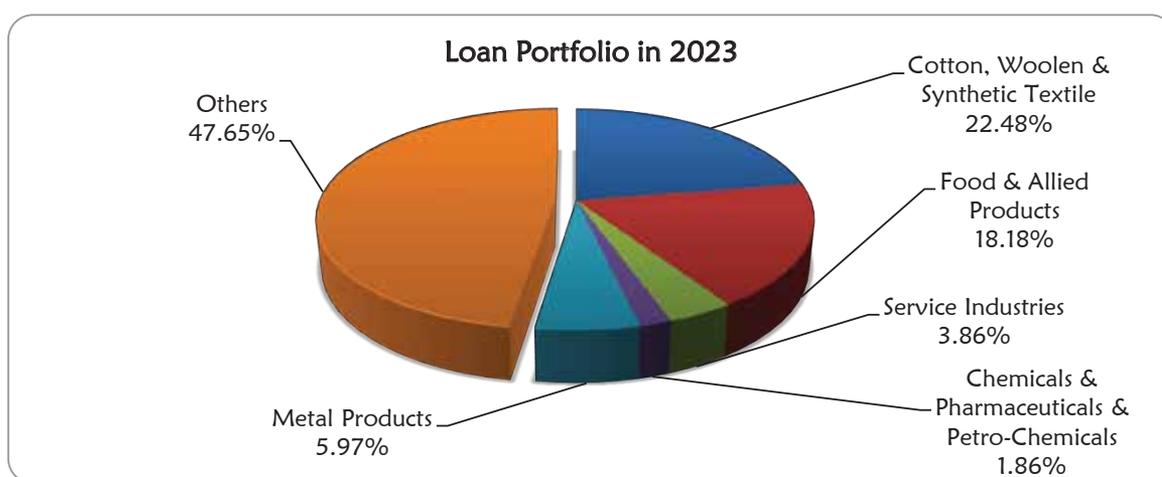
(Tk. in crore)

SL.	Particulars	2023	2022	2021	2020	2019
1	Authorized Capital	1000	1000	1000	1000	1000
2	Paid up Capital	600	600	600	400	400
3	Statutory Reserve	276.60	271.49	266.49	261.46	259.24
4	Retained Earnings	61.09	58.10	46.06	44.77	42.54
5	Other Reserve	973.98	981.01	986.91	1196.04	1205.36
6	Total Equity	1911.67	1910.60	1899.46	1902.30	1907.2
7	Capital Required (As per Basel III)	622.13	607.53	630.40	577.56	563.35
8	Capital Maintained or Eligible Capital (As per Basel III)	1102.33	1124.06	1178.87	1057.30	999.55
9	Core Capital (Tier- I)	1087.02	1101.81	1113.57	1044.60	987.98
10	Supplementary Capital (Tier- II)	15.31	22.25	65.30	12.67	11.57
11	Capital Surplus (As per Basel III)	480.20	516.53	548.47	479.71	436.2
12	Total Risk Weighted Assets (Basel III)	4885.31	4860.25	5043.19	4620.5	4506.8
13	Capital Adequacy Ratio (Basel III)	22.56%	23.13%	23.38%	22.88%	22.18%
14	Deposits (including Bills Payable)	3053.56	2914.50	2900.51	2421.89	2764.58
15	Investments	1137.18	869.84	839.72	840.45	972.06
16	Loans & Advances	2657.11	2479.66	2413.43	2128.97	1998.39
17	Fixed Assets	751.34	765.74	779.78	775.48	781.54
18	Total Assets	6350.43	6096.86	6115.66	5530.2	5839.6
19	Advances to Deposit Ratio (ADR)	83.62%	84.46%	82.66%	87.91%	72.29%
20	Classified Loans & Advances (CL)	993.41	1025.90	742.62	596.26	766.25
21	% of Classified Loans & Advances	37.39%	41.37%	30.77%	28.01%	38.34%
22	Required Provision	356.73	387.80	406.14	389.75	389.64
23	Provision Maintained	384.48	388.63	406.16	389.75	389.75
24	Surplus of Loan Provision	27.75	0.83	0.02	0.00	0.11
25	Amount of Written of Loan	1326.96	1520.42	1538.09	1544.78	1757.36

SL.	Particulars	2023	2022	2021	2020	2019
26	Interest Income	225.67	196.17	175.46	192.83	234.84
27	Interest Paid on Deposit & Borrowings	181.60	157.25	159.29	158.83	168.9
28	Net Interest Income	44.07	38.92	16.17	34.01	65.93
29	Income from Investment & Capital Market Operation	28.09	74.66	101.68	51.4	30.75
30	Non-Funded & Other Operating Income	78.95	63.17	44.60	44.64	51.68
31	Total Operating Income	151.10	176.75	162.45	130.05	148.36
32	Administrative & Operating Expenditure	125.55	126.72	121.37	118.99	104.85
33	Net Profit before Tax	25.55	50.03	25.17	11.06	18.46
34	Provision for Income Tax	15.35	14.80	18.79	6.57	11.90
35	Net Profit after tax	10.20	10.13	6.38	4.49	6.56
37	Import	282.35	215.96	195.96	157.33	117.64
38	Export	424.00	396.24	347.53	209.28	167.89
39	Dividend Paid to the Govt.	-	-	200.00 (Stock Dividend)	-	-
40	Net Assets Value Per Share (Taka)	318.61	318.43	316.58	475.57	476.8
41	Earnings Per Share (Taka)	1.70	1.69	1.06	1.12	1.64
42	Operating Income to Assets	2.38%	2.90%	2.66%	2.35%	2.54%
43	Cost of Fund	7.90%	7.45%	7.78%	8.13%	7.85%
44	Cost to Income Ratio	96.93%	96.97%	98.02%	96.17%	86.28%
45	Return On Assets (ROA)	0.16%	0.17%	0.10%	0.08%	0.11%
46	Return On Investment (ROI)	2.47%	8.58%	12.11%	6.12%	3.16%
47	Return On Equity (ROE)	0.53%	0.53%	0.34%	0.24%	0.34%
48	Number of Shareholders	100% Govt. owned	100% Govt. owned	100% Govt. owned	100% Govt. owned	100% Govt. owned
49	Number of Zonal Offices	6	6	6	6	4
50	Number of Branch Offices	50	50	49	47	46
51	Number of Employees (Regular)	651	659	697	748	753

Sector-Wise Loan Portfolio Position As on 31 December, 2023

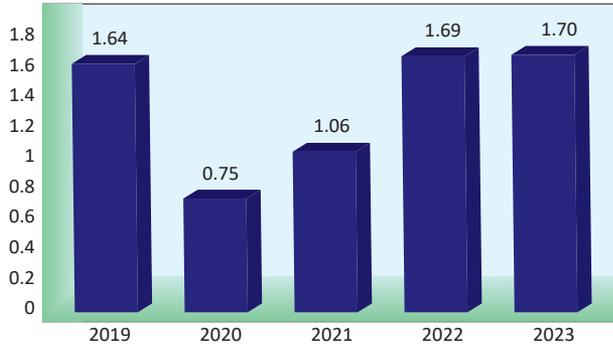
SL. No.	Particulars	No. of Projects	Outstanding			
			Not Due	Overdue	Total	% of Total
01.	Food & Allied Products	1619	147.36	335.77	483.13	18.18
02.	Jute & Allied Fibre Products	7	2.06	17.59	19.65	0.74
03.	Cotton, Woolen & Synthetic Textile	980	389.83	207.47	597.30	22.48
04.	Paper, Paper Products & Printing	60	1.89	10.66	12.55	0.47
05.	Tannery & Its Products	43	2.10	2.82	4.92	0.19
06.	Non-metallic Mineral Products	68	10.55	20.31	30.86	1.16
07.	Forest, Wood Products & Saw Mills	176	11.59	15.13	26.72	1.01
08.	Rubber & Rubber Products	14	0.80	1.88	2.68	0.10
09.	Metal Products	86	131.13	27.56	158.69	5.97
10.	Electrical Machinery & Goods	55	10.54	10.50	21.04	0.79
11.	Machinery & Spare Parts	57	4.44	2.67	7.11	0.27
12.	Water Transport	23	0.39	3.02	3.41	0.13
13.	Road Transport	12	0.95	5.66	6.61	0.25
14.	Chemicals & Pharmaceuticals	66	21.97	12.52	34.49	1.30
15.	Petro-Chemicals	21	13.32	1.49	14.81	0.56
16.	Service Industries	881	63.16	39.43	102.59	3.86
17.	Miscellaneous	10560	795.85	334.70	1130.55	42.55
Total:		14730	1607.92	1049.19	2657.11	100.00



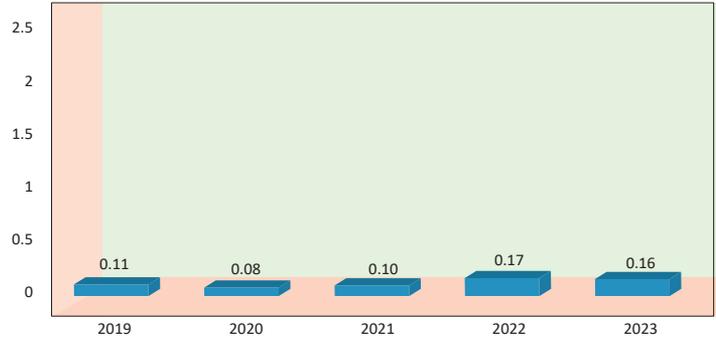


GRAPHICAL PRESENTATION OF KEY PERFORMANCE INDICATORS

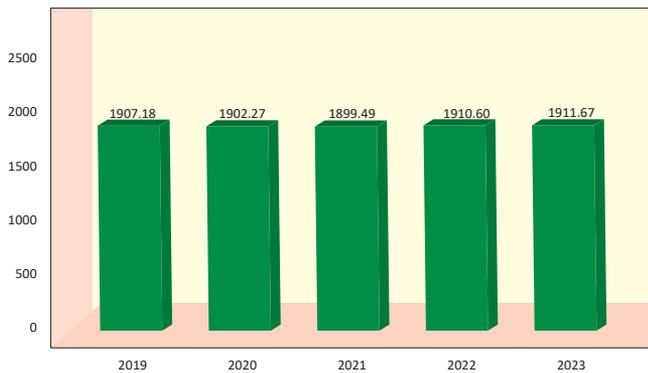
Earnings Per Share (in Taka)



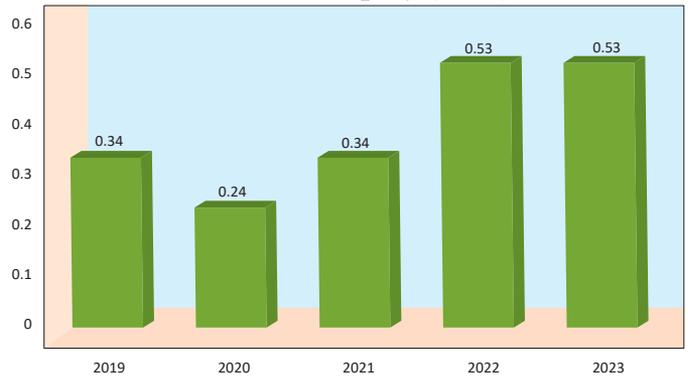
Return on Assets (In%)



Shareholders Equity (Tk. In Crore)

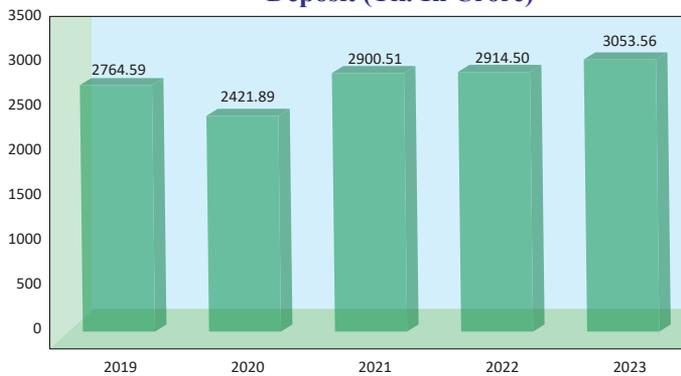


Return on Equity (In %)

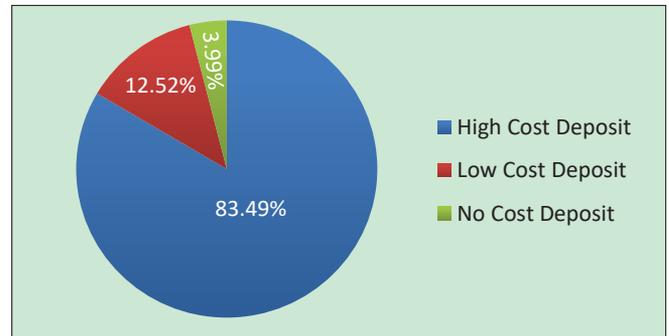


GRAPHICAL PRESENTATION OF OPERATIONAL AND FINANCIAL PERFORMANCE

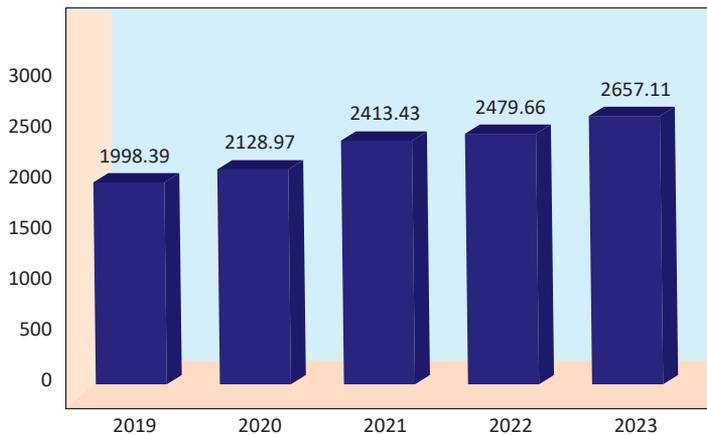
Deposit (Tk. In Crore)



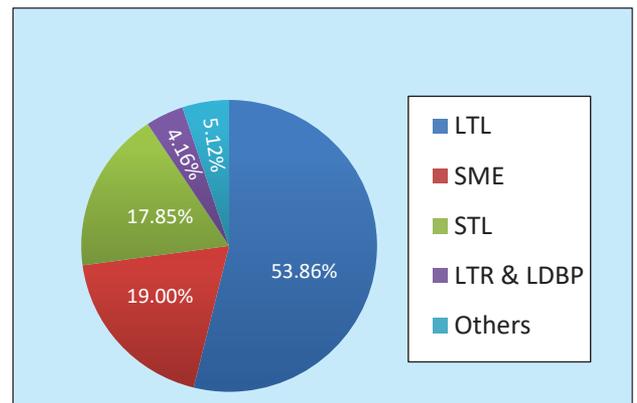
Deposit Mix in 2023 (In%)



Loans and Advances (Tk. In crore)



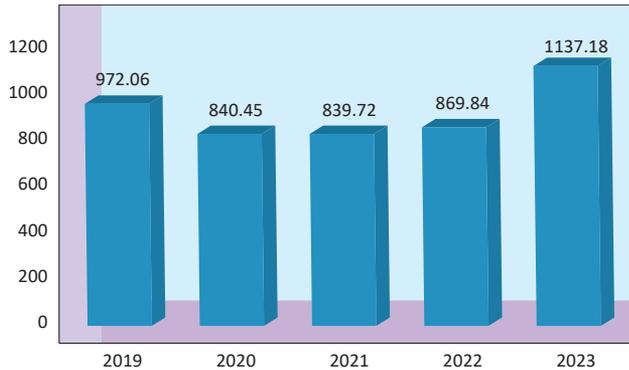
Loans and Advances Mix in 2023 (In%)



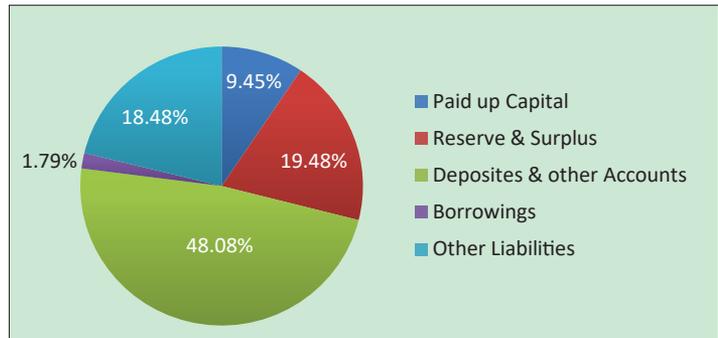


GRAPHICAL PRESENTATION OF OPERATIONAL AND FINANCIAL PERFORMANCE

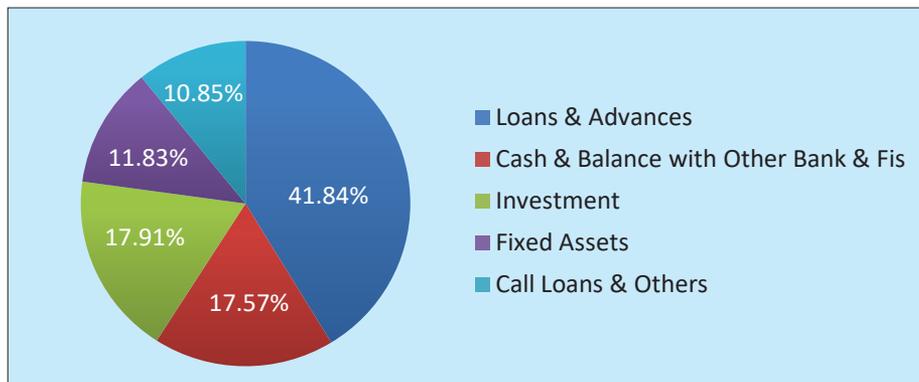
Investment (Tk. In crore)



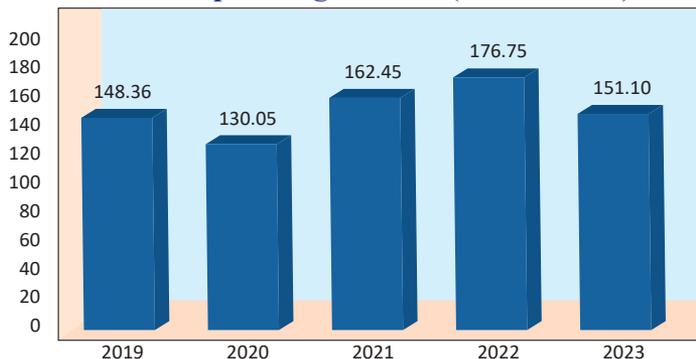
Sources of Fund in 2023 (in %)



Application of Fund in 2023 (in %)



Total Operating Income (Tk. in crore)

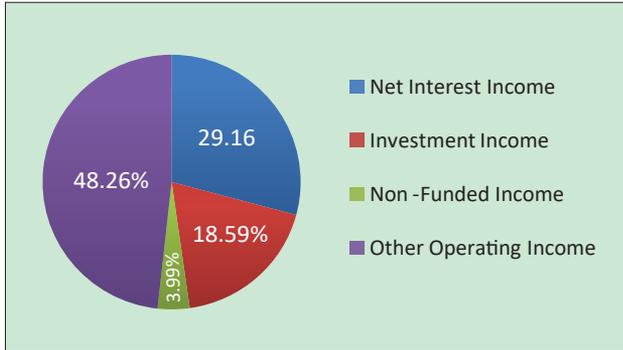


Total Operating Expenditure (Tk.in crore)

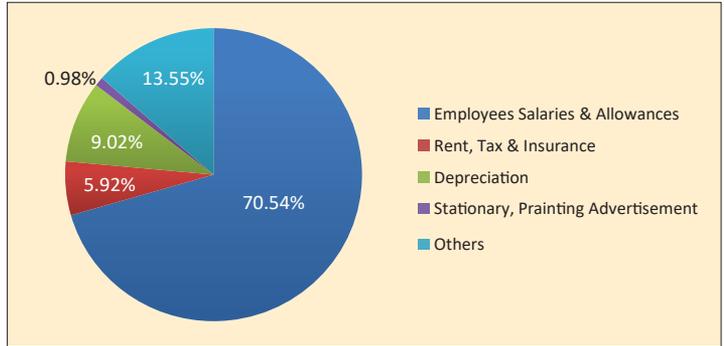


GRAPHICAL PRESENTATION OF OPERATIONAL AND FINANCIAL PERFORMANCE

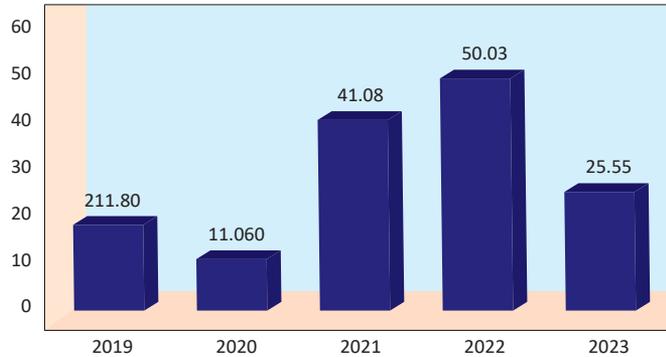
Composition of Operating Income in 2023 (In%)



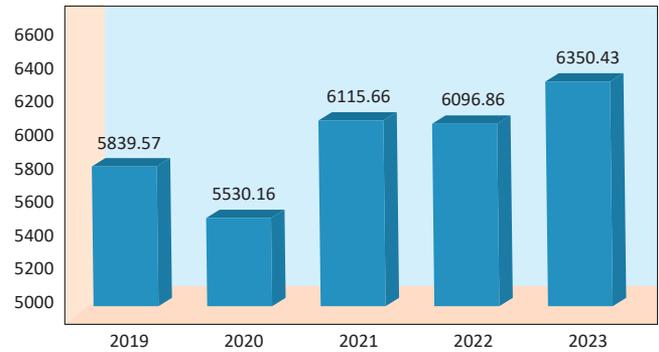
Composition of Operating Expenditure in 2023 (In %)



Trend of Operating Profit (Tk. In crore)



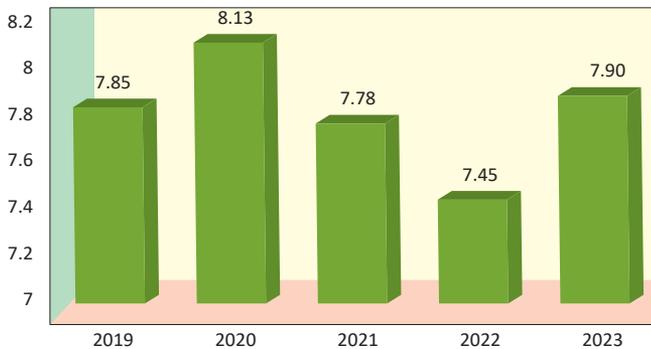
Total Assets (Tk. In crore)



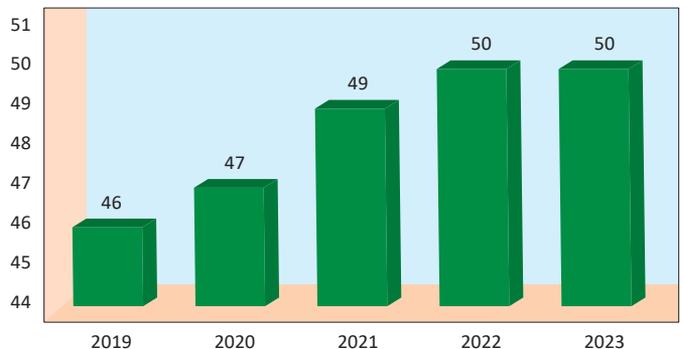
Capital to Risk Weighted Asset Ratio (CRAR In %)



Cost of Fund (In %)



Branch Network



Shareholding Structure



As on 31 December, 2023

Shareholders of Bangladesh Development Bank PLC.		No. of Shares	Amount (Taka)
The Government of the People's Republic of Bangladesh represented by : Secretary, Finance Division, Ministry of Finance, Government of the People's Republic of Bangladesh.		5,99,99,993	5,99,99,99,300.00
Directors Nominated by the Govt.			
1.	Shamima Nargis Chairman	1 (One)	100.00
2.	Mr. Md. Ekhlaur Rahman Director	1 (One)	100.00
3.	Mr. Md. Abu Hanif Khan Director	1 (One)	100.00
4.	Mr. Subhash Chandra Sarker Director	1 (One)	100.00
5.	Mr. Quazi Shairul Hassan Director	1 (One)	100.00
6.	Mr. Md. Azizur Rahman Director	1 (One)	100.00
7.	Mr. K. M. Tariqul Islam Director	1 (One)	100.00
Total :		6,00,00,000	6,000,000,000.00

VALUE ADDED STATEMENT

Value addition refers to the wealth created by the bank through its various banking operations. The Value Added Statement demonstrates the total wealth created, how it was distributed to fulfill obligations, reward those responsible for its creation, and the portion retained for the bank's ongoing operations and expansion. The Value Added Statement of Bangladesh Development Bank PLC illustrates how value is created and distributed among different stakeholders of the bank.

Economic Value Added Statement

Economic Value Added (EVA) is a performance tool developed to measure the true economic profit generated by a company. Often referred to as 'economic profit,' EVA provides a gauge of a bank's economic success (or failure) over a specific period. This metric is particularly useful for shareholders seeking to assess the bank's ability to create value for investors, and it allows for quick comparisons with peers to evaluate the bank's operational efficiency.

Market Value Added Statement

Market Value Added (MVA) represents the difference between the current total market value of a company and the capital contributed by investors. As a wealth metric, it measures the level of value accumulated by the bank over time. The formula to calculate Market Value Added is:

$$\text{Market Value Added} = \text{Market Value} - \text{Capital Invested}$$

Since Bangladesh Development Bank PLC is not listed on the stock market, it is not possible to calculate MVA using conventional methods. The liquidity policy of the Bank has consistently aimed to maintain a positive mismatch between interest-earning assets and interest-bearing liabilities in the 1-30 days category.

PAYMENT OF DIVIDEND

The Dividend Policy of the Bank aims to provide a notable amount of dividend to shareholders while retaining sufficient profits to bolster funds, sustain positive growth, and meet capital requirements. This prudent dividend policy has enabled the Bank to maintain shareholders' funds at a satisfactory level. The Bank paid dividends to the government until 2017.

ECONOMIC IMPACT REPORT

Production, distribution, and consumption of goods and services are integral elements of an economic system. Analyzing the economic impact helps determine how a company contributes value to society. Economic impacts can be broadly classified into two areas: (i) Direct and (ii) Indirect. Direct impacts are the immediate economic effects of a company's financial transactions, while indirect impacts result from a company's operations or production of goods and services.

A bank's direct contributions to the national economy include creating employment opportunities, collecting taxes on behalf of the government, and fostering a savings culture within the community. Indirectly, the bank improves socio-economic and environmental performance through its lending activities.

Bangladesh Development Bank PLC creates value by providing financial services aligned with its mission: "To contribute to the economic development of the country." The Bank is committed to adding sustainable value to all stakeholders through fair and ethical practices.

MAINTAINING CAPITAL ADEQUACY

To align with international best practices and enhance the risk sensitivity of the Bank's capital, Bangladesh Bank issued Basel-III guidelines for all scheduled banks on 'Risk-Based Capital Adequacy (RBCA)', fully implemented from 2015.

As of December 31, 2023, Bangladesh Development Bank PLC's Capital Adequacy Ratio (Basel-III) stood at 22.56%, exceeding the regulatory requirement of 12.5% of total Risk-Weighted Assets, indicating a strong capital base for the Bank.

Below is a comparative summary of Risk-Weighted Assets, Minimum Capital Requirement (MCR), Capital Adequacy Ratio (CRAR), and capital surplus of the Bank for the years 2022 and 2023:

(Tk. in crore)

Particulars	2023	2022
Total Risk Weighted Assets	4885.31	4860.25
Core Capital (Tier I)	1087.02	1101.81
Supplementary Capital (Tier II)	15.31	22.25
Total Capital	1102.33	1124.06
Required Capital	500.00	486.02
Required Capital with Conservation Buffer	622.13	607.53
Tier I Capital Adequacy Ratio	22.25%	22.67 %
Tier II Capital Adequacy Ratio	0.31%	0.46 %
Capital To Risk Weighted Assets Ratio (CRAR)	22.56%	23.13 %
Capital Surplus	480.20	516.53

Report on Corporate Governance



Corporate governance is the system of rules, practices, and processes by which a company is directed and controlled. It defines how companies are governed and for what purpose, clarifying who holds power and accountability, and who makes decisions. Essentially, it serves as a toolkit that enables management and the board to address the challenges of running a company more effectively. Corporate governance ensures that businesses have appropriate decision-making processes and controls in place to balance the interests of all stakeholders, including shareholders, employees, suppliers, customers, and the community.

At the corporate level, governance involves setting and pursuing a company's objectives within the context of the social, regulatory, and market environment. It focuses on practices and procedures that ensure a company achieves its goals while maintaining stakeholders' trust.

Good corporate governance provides the framework to improve the quality of decisions made by those who manage businesses. High-quality, ethical decision-making builds sustainable businesses and enables them to create long-term value more effectively.

LEGAL AND REGULATORY COMPLIANCE

Bangladesh Development Bank PLC. conducts its activities in compliance with the legal and regulatory requirements of Bangladesh Bank and the Bangladesh Securities and Exchange Commission (BSEC). The Bank operates within the legal framework of the Companies Act, 1994, and, as a banking company, adheres to the provisions of the Bank Company Act, 1991 (amended in 2023), the Income Tax Ordinance, 1984, the Negotiable Instruments Act, 1881, the Anti-Money Laundering Act, 2008, and other relevant laws, regulations, and reporting requirements.

CORPORATE GOVERNANCE STRUCTURE OF THE BANK

Structure of the Board

According to Clause 95 of the Articles of Association of the bank, the number of directors shall be no less than seven and no more than thirteen, excluding the Managing Director. Currently, the Board of Directors comprises eight members, including the Managing Director. The Board is accountable to the owners/stockholders for the overall direction and control of the bank. Its major responsibilities include approving all policies and strategies. The Board reviews the policies and manuals of various business segments to establish effective risk management in credit and other key operational areas. The bank's management operates within the policies and guidelines approved by the Board. The Board plays a crucial role in formulating policies and strategies for the smooth operation of the bank. Board meetings are held regularly, with 19 meetings conducted during 2023.

Board Committees and Their Responsibilities

To ensure good corporate governance in bank management, Bangladesh Bank issued a circular (BRPD Circular No. 06, dated February 04, 2010) instructing the formation of three committees or sub-committees of the Board.

In alignment with these guidelines, Bangladesh Development Bank PLC has established three committees comprising board members: the Audit Committee, the Executive Committee, and the Risk Management Committee. These committees are tasked with overseeing and directing the bank's operations, performance, and strategic direction to ensure proper accountability and transparency through due diligence.

Audit Committee (AC)

As per Bangladesh Bank's BRPD Circular No. 11, dated October 27, 2013, the Audit Committee (AC) of the bank provides independent oversight of the company's financial reporting, non-financial corporate disclosures, internal control systems, and compliance with governing laws, rules, and regulations. Essentially, the Audit Committee acts as a watchdog on behalf of the Board. Currently, the Audit Committee comprises the following Directors:

1.	Mr. Md. Ekhlasur Rahman, Director	Chairman of the Committee
2.	Mr. Md. Abu Hanif Khan, Director	Member
3.	Mr. Subhash Chandra Sarker, Director	Member
4.	Mr. Quazi Shairul Hassan, Director	Member

In 2023, eight meetings of the Audit Committee were held. During these meetings, detailed discussions and review sessions were conducted with the Head of Internal Audit, the Head of Internal Control and Compliance, and the External Auditors. They addressed findings, observations, and suggestions for corrective measures in related areas and other bank affairs that required improvement. These discussions and decisions were communicated to and informed the Board of Directors. The Audit Committee instructed management to implement these suggestions and monitored their progress regularly.

Executive Committee (EC)

In compliance with BRPD Circular No. 11, dated October 27, 2013, the Board of Directors of the bank reconstituted the Executive Committee (EC), which now comprises the following Board members:

1.	Shamima Nargis, Chairman	Chairman of the Committee
2.	Mr. Md Azizur Rahman, Director	Member
3.	Mr. K. M. Tariqul Islam, Director	Member
4.	Mr. Md. Habibur Rahman Gazi, Managing Director & CEO	Member

This Executive Committee (EC) is entrusted with the following broader responsibilities and functions:

- Reports regarding the bank's own investment portfolio (securities);
- Approval of capital and non-recurring expenditure up to double the authorized limit;
- Approval of term loan and working capital loan proposals, up to double the managing director's authorized limit, for any commercial enterprise that is in the bank's best interest;
- Reviewing the recovery status of defaulted loans and providing guidance;
- Approval of the issuance of power of attorney, foreign tours for the general manager, applications for higher studies, and disciplinary actions against officers/staff;
- Approval of special decisions for business development, such as issuing bank guarantees and performance bank guarantees;
- Approval of emergency decisions as per instructions from Bangladesh Bank and the Ministry of Finance;
- Introduction of FINTECH initiatives in line with the bank's innovative activities and development;
- Execution of additional budget expenditure for urgent needs, with notification to the Board later;
- Incurring additional financial expenditure up to double the adaptive capacity of branch offices, including rent increases and office renovations; and
- Miscellaneous tasks.

In 2023, the Executive Committee (EC) held one meeting.

Risk Management Committee (RMC)

The Risk Management Committee (RMC) of the Board reviews the identification of various risks including credit risk, foreign exchange risk, internal control and compliance risk, money laundering risk, information technology risk, operational risk, interest rate risk, liquidity risk, green banking policy, and other related activities. The bank has established a RMC comprising the following Directors:

1.	Shamima Nargis, Chairman	Chairman of the Committee
2.	Mr. Md. Abu Hanif Khan, Director	Member
3.	Mr. Quazi Shairul Hassan, Director	Member
4.	Mr. Md Azizur Rahman, Director	Member
5.	Mr. K. M. Tariqul Islam, Director	Member

The RMC is entrusted with the following responsibilities and functions:

- Identification and implementation of strategies to control risks;
- Preparation of the organizational framework for risk management;
- Review and resolution of the Risk Management Policy;
- Preservation and reporting of information/documents related to risk management;
- Follow-up on the implementation of the Risk Management Policy in its entirety; and
- Miscellaneous tasks

In 2023, the Risk Management Committee (RMC) held two meetings.

COMMITTEES FORMED BY THE BOARD

Asset Liability Committee (ALCO)

The Asset Liability Committee (ALCO) was formed by the Board of Directors during its 8th meeting held on March 10, 2010. The ALCO of the bank is constituted with the following officials, with the Managing Director serving as the President of the Committee:

1.	Managing Director & CEO	President
2.	Deputy Managing Director-1	Member
3.	Deputy Managing Director-2	Member
4.	General Manager, Finance & Accounts Division	Member
5.	General Manager, Legal Affairs & Recovery Division	Member
6.	General Manager, Branch Banking Division	Member
7.	General Manager, Development Banking Division	Member
8.	General Manager, SME & General Advance Division	Member
9.	General Manager, International Banking Division	Member
10.	Department Head, Risk Management Department	Member
11.	Department Head, Treasury Department	Member-Secretary



The key roles and responsibilities of ALCO are as follows:

- Reviewing actions taken in previous ALCO meetings;
- Directing general policies on risk exposures;
- Setting targets for deposits and advances;
- Establishing interest rate mismatch/gap limits;
- Analyzing the liquidity position;
- Establishing a monitoring system for exposure, control, and limit management;
- Evaluating market risk and outlook; and
- Miscellaneous tasks.

Meetings of the Asset Liability Management Committee are held monthly to review the overall position of the balance sheet and assess target achievements.

Supervisory Review Process (SRP) Team

The SRP Team was formed by the Board of Directors at its 243rd meeting held on December 26, 2019. The members of the team are as follows:

1.	Managing Director & CEO	Chairman
2.	Deputy Managing Director-1	Member
3.	Deputy Managing Director-2	Member
4.	Chief Risk Officer (CRO)	Member
5.	Chief Financial Officer (CFO)	Member
6.	General Manager, Internal Control and Compliance Division	Member
7.	Department Head, MIS & Research Department	Member
8.	Department Head, Risk Management Department	Member-Secretary

The SRP Team assists in the following areas:

- Valid capital analysis: Establishing the correlation between risk management and required capital;
- Comprehensive risk analysis: Identifying and assessing relevant risks and their management;
- Adequate oversight and governance: Ensuring proper oversight by the board of directors and top management;
- Monitoring and reporting: Establishing a structure for regular reporting on the bank's risk profile and capital position, including stress test findings;
- Internal audit mechanisms: Conducting independent reviews under the internal control system framework (internal governance); and
- Preparation of process documents: Developing the internal Capital Adequacy Assessment Process (ICAAP) Report for the bank.

Executive Risk Management Committee (ERMC)

An Executive Risk Management Committee (ERMC) was formed with the following officials of the bank to closely observe risk levels, monitor compliance with risk management guidelines by the divisions, departments, and branches, and conduct regular stress testing. This committee is responsible for taking necessary steps to check and control risks related to banking activities:

01.	General Manager, IT and Risk Management Division	President
02.	General Manager, SME and General Advance Division	Member
03.	General Manager, Internal Control and Compliance Division	Member
04.	Department Head, Business Development and Marketing Department	Member
05.	Department Head, Central Accounts Department	Member
06.	Department Head, Branch Management Department	Member
07.	Department Head, Loan Recovery Department	Member
08.	Department Head, Risk Management Department	Member-Secretary
09.	Department Head, IT System Department	Member
10.	Department Head, International Banking Department	Member

The Executive Risk Management Committee will proactively prepare to address any financial stress and promptly inform the Chief Executive Officer (CEO).

Sustainable Finance Unit (SFU)

With the aim of effectively implementing green banking activities, the bank has established a Sustainable Finance Unit. The members of the unit are as follows:

1.	Department Head, General Advances Department	Unit Head
2.	Assistant General Manager, Sustainable Finance Unit	Focal Point Officer
3.	Senior most SPO/PO/SO of Sustainable Finance Unit	Fallback Person

Sustainable Finance Committee (SFC)

The Bank has formed a Sustainable Finance Committee to review, evaluate, and approve banking activities effectively and efficiently. The committee members are as follows:

1.	Deputy Managing Director-1	President
2.	General Manager, SME & General Advances Division	Member
3.	General Manager, International Banking Division	Member
4.	General Manager, Internal Control and Compliance Division	Member
5.	Department Head, Human Resource Management Department	Member
6.	Department Head, Branch Management Department	Member
7.	Department Head, Loan Recovery Department	Member
8.	Department Head, Central Accounts Department	Member
9.	Department Head, General Advances Department	Member
10.	Department Head, IT System Department	Member
11.	Department Head, Compliance Department	Member
12.	Department Head, Risk Management Department	Member
13.	Department Head, Business Development & Marketing Department	Member
14.	Department Head, Establishment & Common Services Department	Member
15.	Assistant General Manager, Sustainable Finance Unit	Member-Secretary

The Sustainable Finance Committee (SFC) and Sustainable Finance Unit (SFU) are involved in conducting green banking and sustainable development activities.

Appreciation Letter Recommend Committee

The bank has formed an Appreciation Letter Recommendation Committee to review, evaluate, and recommend appreciation letters for accomplished officials. The members of the committee are as follows:

1.	Deputy Managing Director-1	President
2.	Deputy Managing Director-2	Member
3.	General Managers, All Divisions	Member
4.	Deputy General Manager, Human Resource Management Department	Member-Secretary

The key roles and responsibilities of the Appreciation Letter Recommendation Committee are as follows:

- To evaluate and review the accomplishments and significant contributions of officials in identified areas.
- To submit clear recommendations to the bank's Managing Director and CEO based on the evaluation, in accordance with the Promotion Policy-2020.

COMMITTEES FORMED BY MANAGEMENT

In an effective corporate governance structure, committees are formed by the Managing Director & CEO to handle daily operational activities. The Managing Director & CEO of the bank, leading the management team in conducting daily operations in the best interest of shareholders. Apart from conventional departmental segregation, Bangladesh Development Bank PLC has designated committees with specific objectives. The composition of these committees is as follows:

Naitikata Committee

The Government of Bangladesh formulated its National Integrity Strategy (NIS) as a comprehensive strategy for good governance aimed at preventing corruption and enhancing national integrity across all spheres of life. In line with this strategy, the Naitikata Committee of the Bank has been formed with the following members:

1.	Managing Director & CEO	President
2.	Deputy Managing Director (Senior most)	Member
3.	General Manager (Senior most)	Member
4.	General Manager (Administration)	Member and Focal Point
5.	Department Head (HRMD)	Member-Secretary

The key roles and responsibilities of the Naitikata Committee are as follows:

- Identifying successes and obstacles in promoting integrity within banks.
- Formulating, implementing, and monitoring time-bound action plans to address identified barriers.
- Assigning responsibilities for implementing the action plan.
- Reporting on the progress of reform implementation to higher authorities.
- Miscellaneous tasks.

Special Task Force

1.	Managing Director & CEO	President
2.	Deputy Managing Director-1	Member
3.	Deputy Managing Director-2	Member
4.	General Manager, IT & Risk Management Division	Member
5.	General Manager, Legal Affairs and Recovery Division	Member
6.	General Manager, Branch Banking Division	Member
7.	Deputy General Manager, Loan Recovery Department	Member
8.	Deputy General Manager, Law Department	Member
9.	Department Head, Debt Collection Department	Member
10.	Branch Manager, Principal Branch	Member
11.	Branch Manager, Motijheel Branch	Member
12.	AGM-2, Loan Recovery Department	Member
13.	AGM-1, Loan Recovery Department	Member-Secretary

The key role and responsibilities of Special Task Force are as follows:

- Collection, progress and review of top 20 defaulted loans of banks;
- Recovery, progress and review of defaulted loans other than top-20 defaulters;
- Realization, progress and review from deferred projects;
- Convening and taking decisions of STF meeting every month.

Recovery Squad

1.	Managing Director & CEO	President
2.	Deputy Managing Director	Vice President
3.	General Manager, Legal Affairs and Recovery Division	Member
4.	Deputy General Manager, Law Department	Member
5.	Deputy General Manager, Debt Collection Department	Member
6.	Related Branch Manager	Member
7.	Deputy General Manager, Loan Recovery Department	Member-Secretary

The key roles and responsibilities of the Recovery Squad are as follows:

- Collect dues through negotiation while adhering to bank rules and safeguarding the bank's interests by discussing with the entrepreneurs of projects under litigation.
- Arrange the sale of properties for which possession/ownership has been transferred to the bank under Section 33(5) and 33(6) of the Finance Court Act 2003 to find potential buyers.
- Identify and attach other private properties of project promoters for projects that have not settled the loan account even after selling the project property.
- Handle miscellaneous tasks as needed.

Management Committee (MANCOM)

To enhance dynamism within the bank and support the Managing Director & CEO in managing daily operational activities in the best interest of stakeholders, a Management Committee (MANCOM) was formed. The committee is composed of the following officials, with the Deputy Managing Director-1 serving as the President:

1.	Deputy Managing Director-1	President
2.	Deputy Managing Director-2	Member
3.	General Managers of All Divisions	Member
6.	Department Head, Compliance Department	Member -Secretary

MANCOM assists the Managing Director & CEO in the following areas:

- Setting or reviewing the vision, mission, and strategies of the bank to ensure effective management.
- Analyzing the business and financial performance of the bank.
- Reviewing and discussing policies and procedures, making necessary amendments or extensions before presenting them to the Board if needed.
- Conducting market analysis and assessing internal service quality.
- Reviewing control and compliance measures.
- Managing and developing human resources.
- Exploring ways to strengthen and vitalize support functions such as Operations, HRD, ITD, and CRM.
- Handling miscellaneous tasks as required.

The MANCOM meetings are held monthly to review and address relevant issues in a timely manner.

Central Compliance Committee (CCC)

Money laundering poses a significant risk to the financial sector globally and to society as a whole. The Bank is firmly committed to participating in international efforts to combat money laundering, fraud, and other financial crimes, including the financing of terrorists and terrorist operations. Accordingly, the bank has prepared a Money Laundering & Terrorist Financing Risk Management Manual, which includes written policies and procedures, and has formed a Central Compliance Committee (CCC) with the following officials:

1.	Deputy Managing Director, Administration Division	Head of CCC & CAMLCO
2.	General Manager, Branch Banking Division	Member
3.	Department Head, Human Resource Management	Member
4.	Department Head, General Advances Department	Member
5.	Department Head, Risk Management Department	Member
6.	Department Head, International Banking Department	Member
7.	Department Head, AML & CFT Department	Member-Secretary of CCC and Deputy CAMLCO
8.	Department Head, IT System Department	Member

The key roles and responsibilities of the CCC are as follows:

- Ensure compliance with the Money Laundering & Terrorist Financing Risk Management Manual and guidelines provided by the Central Bank to prevent fraud, forgery, and the financing of terrorist activities.
- Circulate updates to the Money Laundering & Terrorist Financing Risk Management Manual and guidelines as needed to prevent fraud and forgery.
- Appoint BAMLCO for branch-level money laundering prevention.
- Handle miscellaneous tasks as required.

Fund Management Committee (FMCO)

The Fund Management Committee (FMCO) of the bank was constituted with the following officials:

1.	Deputy Managing Director-1	President
2.	Deputy Managing Director-2	Member
3.	General Manager, Legal Affairs & Recovery Division	Member
4.	General Manager, Finance & Accounts Division	Member
5.	General Manager, International Banking Division	Member
6.	General Manager, Development Banking Division	Member
7.	Deputy General Manager, Central Accounts Department	Member
8.	Deputy General Manager, Treasury Department	Member-Secretary

The key roles and responsibilities of the FMCO are as follows:

- Inquire and identify sources of funds.
- Collect funds, including summons.
- Manage the expenditure of funds and ensure the proper utilization of surplus funds and term deposits of the bank.
- Analyze the liquidity position.
- Evaluate market risk and outlook.
- Handle miscellaneous tasks as required.

Credit Committee (CC)

To enhance the dynamism in the Bank's activities and assist the Managing Director & CEO in performing credit-related activities efficiently and effectively, a Credit Committee (CC) was formed at the Head Office, Zonal, and Branch Offices as follows:

Head Office Credit Committee:

1.	Deputy Managing Director-1	President
2.	Deputy Managing Director-2	Member
3.	General Manager, SME & General Advances Division	Member
4.	General Manager, Development Banking Division	Member
5.	General Manager, Branch Banking Division	Member
6.	General Manager, Legal Affairs and Recovery Division	Member
7.	General Manager, Finance & Accounts Division	Member
8.	General Manager, International Banking Division	Member
9.	General Manager, IT & Risk Management Division	Member
10.	Head of Loan Operation Department	Member-Secretary

Zonal Offices Credit Committee

1.	Head of Zonal Office	President
2.	Branch Manager under Zonal Office	Member
3.	Second Senior Officer of Zonal Office	Member
4.	Concerned Officer of Loans & Advances in Zonal Office	Member-Secretary

Branch Credit Committee

1.	Head of Branch	President
2.	Second Senior Officer of Branch	Member
3.	Concerned Officer of Loans & Advances in Branch	Member-Secretary

Credit proposals that merit consideration, in the opinion of the Credit Committee, are presented to the Managing Director & CEO of the bank for approval. Credit proposals that exceed the delegated business power of the Managing Director & CEO are submitted to the Executive Committee or Board of Directors for consideration and approval. The Committee holds regular meetings to approve and review loan proposals.

The key roles and responsibilities of the Credit Committee are as follows:

- Manage and assess various aspects of loan proposals, including project management, collateral, financial, technical, commercial, legal, and overall evaluation.
- Ensure proper verification and examination of loan proposals in accordance with fixed fund probabilities, bank manuals, various circulars, government acts and notifications, and Bangladesh Bank policies.
- Provide clear opinions and recommendations regarding loan sanction and renewal.
- Handle miscellaneous tasks as required.

Annual Performance Agreement (APA) Committee

The Annual Performance Agreement (APA) Committee has been formed with the following officials as per the guidelines of the Financial Institution Division of the Ministry of Finance:

1.	Deputy Managing Director	Leader APA Team
2.	General Manager, IT & Risk Management Division.	Member
3.	Department Head, Central Accounts Department	Member
4.	Department Head, SME Department	Member
5.	Department Head, Budget Department	Member
6.	Department Head, MIS & Research Department	Member
7.	Mr. Md. Ariful Haque, Senior Principal Officer, MIS & Research Department	Member-Secretary

The key roles and responsibilities of the Annual Performance Agreement (APA) Committee are as follows:

- Review the desired achievements against the targets by holding quarterly meetings.
- Review and report on the progress and achievements of each quarter to the Ministry in a timely manner.
- Handle miscellaneous tasks as required.

Share Buy - Sale Committee (SBSC)

A committee named the Share Buy-Sale Committee (SBSC) was formed to handle the buying and selling of shares and debentures on behalf of the Bank, based on the recommendations and instructions of the Committee. The members of the Committee were as follows:

1.	Deputy Managing Director (Investment Banking Division)	President
2.	General Manager (Senior Most)	Member
3.	General Manager of Finance and Accounts Division	Member
4.	General Manager of Investment Banking Division	Member
5.	Chief Executive Officer of BDBL Securities Limited (BSL)	Member
6.	Chief Executive Officer of BDBL Investment Services Limited (BISL)	Member
7.	Mr. Md. Golam Hasnayin Khan, Deputy General Manager, Compliance Department	Member
8.	Deputy General Manager/Department Head (Investment Banking Department)	Member
9.	Assistant General Manager/ Senior Most 2 nd Officer of Investment Banking Department	Member-Secretary

The key roles and responsibilities of the Share Buy and Sale Committee (SBSC) are as follows:

- Provide recommendations for buying and selling shares/securities of the bank in primary and secondary markets.
- Provide investment recommendations for private placements, bonds, sukuk, etc.
- Conduct share buying and selling activities in accordance with the recommendations of the committee.

Budget Committee (BC)

The Budget Committee (BC) of the bank was constituted with the following officials:

1.	Deputy Managing Director-1	President
2.	Deputy Managing Director-2	Member
3.	All General Managers of All Divisions/Consultant	Member
4.	General Manager, Principal Branch	Member
5.	Head of Budget Department	Member-Secretary

Credit Risk Management Committee

Based on the guidelines provided by Bangladesh Bank for mitigating core risks, a Credit Risk Management Committee (CRMC) has been formed to set, inspect, and control the credit risk levels. The committee includes the following officials:

1.	General Manager, SME & General Advances Division	President
2.	Department Head, SME Department	Member
3.	Department Head, General Advances Department	Member
4.	Department Head, Risk Management Department	Member
5.	Department Head, Loan Operation Department	Member
6.	Concerned SPO/PO, Loan Operation Department	Member-Secretary

The key roles and responsibilities of the CRMC are as follows:

- Independently determine, monitor, and control the credit risk level.
- Provide close supervision to Sub-Divisions, Departments, and Desks responsible for implementing credit risk guidelines, ensuring proper compliance, and informing the Risk Management Committee (RMC) as necessary.
- Maintain readiness to address all types of credit-related risks.
- Periodically amend, enhance, or modify the Credit Risk manual prepared by the relevant department.
- Handle miscellaneous tasks as required.

Internal Control & Compliance Risk Management Committee (ICCRM)

An Internal Control & Compliance Risk Management Committee (ICCRM) has been formed with the following officials:

1.	General Manager, Internal Control & Compliance Division	President
2.	Department Head, Human Resource Management Department	Member
3.	Department Head, Branch Management Department	Member
4.	Department Head, Audit & Inspection Department	Member
5.	Department Head, Compliance Department	Member
6.	Department Head, Risk Management Department	Member
7.	Concerned SPO/PO of Compliance Department	Member-Secretary

The key roles and responsibilities of the ICCRM are as follows:

- Independently determine, monitor, and control the Internal Control and Compliance (ICC) risk level.
- Provide close supervision to Sub-Divisions, Departments, and Desks responsible for implementing Internal Control and Compliance Risk Management Manual, ensuring proper compliance, and informing the RMC as necessary.
- Maintain readiness to address all types of risks related to Internal Control and Compliance.
- Periodically amend, enhance, or modify the Internal Control and Compliance Risk Management Manual prepared by the concerned department.
- Handle miscellaneous tasks as required.

Foreign Exchange Risk Management Committee (FERMC)

According to Bangladesh Bank guidelines for mitigating risks in foreign exchange business, a risk manual has been prepared to strategically manage these risks. In addition, a Foreign Exchange Risk Management Committee (FERMC) has been established with the following officials:

1.	General Manager, International Banking Division	President
2.	Department Head, Risk Management Department	Member
3.	Department Head, International Banking Department	Member
4.	Department Head, Treasury Department	Member
5.	Concerned SPO/PO of International Banking Department	Member-Secretary

The key roles and responsibilities of the Foreign Exchange Risk Management Committee (FERMC) are as follows:

- Independently monitor and strictly control the Foreign Exchange Risk level of the Bank.
- Regularly inform the Risk Management Committee (RMC) regarding compliance with guidelines related to Foreign Exchange Risk.
- Maintain readiness to address all types of risks associated with Foreign Exchange.
- Periodically amend, enhance, or modify the Foreign Exchange Risk manual and checklist prepared by the concerned department.
- Handle miscellaneous tasks as required.

ICT Security Risk Management Committee

Bangladesh Bank's guidelines for mitigating risks related to information and communication technology (ICT) have led to the preparation of an ICT Security Risk Management manual for strategic risk management. Moreover, an ICT Security Risk Management Committee has been established, comprising the following officials:

1.	General Manager, IT & Risk Management Division	President
2.	Department Head, Compliance Department	Member
3.	Department Head, IT Operation Department	Member
4.	Department Head, Risk Management Department	Member
5.	Department Head, IT System Department	Member
6.	Concerned SPO/PO, IT System Department	Member-Secretary

The key roles and responsibilities of the ICT Security Risk Management Committee (ISRMC) are as follows:

- Independently determine, monitor, and control ICT risk levels.
- Take proactive measures against risks related to Core Banking Solutions (CBS).
- Prepare and inform the ERMC about ICT risks.
- Regularly inform the RMC about adherence to ICT risk guidelines.
- Handle miscellaneous tasks as required.

Environmental Risk Management and Green Banking Committee

In line with Bangladesh Bank's guidelines for managing various risks, an Environmental Risk Management and Green Banking Committee has been established with the following officials:

1.	General Manager, SME & General Advance Division	Chairman
2.	Department Head, General Advances Department	Member
3.	Department Head, SME Department	Member
4.	Department Head, Risk Management Department	Member
5.	Department Head, Loan Operation Department	Member
6.	Assistant General Manager, Sustainable Finance Unit	Member
7.	Concerned SPO/PO of Sustainable Finance Unit	Member-Secretary

The key roles and responsibilities of the Committee are as follows:

- Provide guidance to the bank on determining, monitoring, and controlling environmental and green banking-related risks.
- Develop an Environmental and Green Banking Risk Manual and Checklist that integrates environmental risks with proposed green business practices.
- Supervise Sub-Divisions, Departments, and Desks responsible for implementing Environmental Risk Management and Green Banking guidelines to ensure proper compliance.
- Maintain readiness to address all types of risks associated with Environmental Risk Management and Green Banking.
- Periodically amend, enhance, or modify the Environmental Risk Management and Green Banking manual and checklist prepared by the relevant department.
- Handle miscellaneous tasks as required.

Central Customer Service & Complaint Management Cell

To ensure discipline and foster a supportive environment in banking activities, a Customer Service and Complaint Management Cell has been established. This cell comprises efficient and experienced officials tasked with reviewing complaints against officers and staff of the bank. The Managing Director & CEO oversees the operations of the Complaint Cell, which includes the following officials:

1.	Deputy General Manager / Department Head of Compliance Department.	Head of Cell
2.	Assistant General Manager/Senior Principal Officer of Compliance Department	Member
3.	Principal Officer / Senior Officer of Compliance Department.	Member-Secretary

The key roles and responsibilities of the Customer Service and Complaint Management Cell are as follows:

- Establishing fundamental institutional approaches and ethical standards regarding customer service within the bank.
- Formulating and updating necessary policies to ensure proper customer service and general management in branches.
- Formulating and updating a clear code of conduct for bank officers and employees.
- Formulating and updating service standards and customer charters.
- Handling miscellaneous tasks as required.

Evaluation Team

An Evaluation Team has been formed under the Internal Control and Compliance Division to assess loan proposals amounting to BDT 5.00 crore and above. The team comprises the following officials:

1.	Mr. Md. Anisur Rahman, Deputy General Manager, Law Department	Team Leader
2.	Mr. Md. Ikram Hossain, Assistant General Manager, Audit & inspection Department	Member
3.	Mr. Koushik Prosad Ghosh, Senior Principal Officer, Compliance Department	Member
4.	Mr. Md. Ariful Haque, Senior Principal Officer, MIS & Research Department	Member-Secretary
5.	Engr. Gautam Barua Robin, Senior Principal Officer, General Advances Department	Member
6.	Mr. Md. Abdullah-Al-Mannan, Officer, Risk Management Department	Member

The key roles and responsibilities of the Evaluation Team are as follows:

- Verify compliance with the existing loan policies of the bank when evaluating loan proposals.
- Verify the identity of the borrower.
- Verify the updated Credit Information Bureau (CIB) report.
- Verify supporting documents related to the loan proposal.

IT Security Unit

An IT Security Unit has been formed to oversee the Cyber Security Operation Centre, manage IT risks, and conduct audits. It collaborates with the bank's Computer Incidents Response Team, Bangladesh Bank, and the Ministry. The unit formulates and ensures the execution of relevant operational policies, designs IT security architecture, and monitors the bank's IT security. Additionally, it oversees compliance with IT policies and conducts periodic risk assessments of ICT assets.

1.	Mr. Md Moniruzzaman Monir, AGM, IT System Department	Head
2.	Mr. Md. Tasfin Adnan, Principal Officer, IT Operation Department	Member (Permanent)
3.	Mr. Monirul Islam, Principal Officer, IT Operation Department	Member
4.	Mr. Md. Shaharear Hassan Lalin, Principal Officer, IT Operation Department	Member (Permanent)
5.	Ms. Fariha Binta Rahman, Principal Officer, IT Operation Department	Member
6.	Mr. Ripon Mondol, Senior Officer (IT), IT System Department	Member

The key roles and responsibilities of the IT Security Unit are as follows:

- Work to form a Cyber Security Governance Committee (CSGC) to oversee the overall IT security of the bank.
- Regularly report to the CSGC.
- Cooperate with the bank's Computer Incidents Response Team, Bangladesh Bank, and the Ministry.
- Maintain liaison with the Bangladesh Computer Emergency Response Team.
- Formulate and ensure the execution of relevant IT operational policies and plans.
- Monitor compliance with and execution of all IT-related policies of the bank.
- Design IT security architecture and ensure 24/7 IT security and cyber security of the entire bank.
- Handle miscellaneous tasks as required.

Card Management Unit

A Card Management Unit has been established to initiate the Debit Card Service of the bank. The members of the Unit are as follows:

1.	Mr. Raju Ahmend, SPO, IT System Department	Head (Part Time)
2.	Ms. Fariha Binta Rahman, PO, IT Operation Department	Member (Permanent)
3.	Mr. Tanvir Ahmed Shawan, SO (IT), IT Operation Department	Member (Permanent)
4.	Mr. Md. Mostafizur Rahman, SO (IT), IT System Department	Member (Permanent)

The key roles and responsibilities of the Unit are as follows:

- Maintain regular contact with the vendor organization ITCL and provide overall support and assistance for implementing the Debit Card service for the bank.
- Monitor the Debit Card service regularly to ensure uninterrupted and successful service delivery.
- Collect customer application forms from branches, coordinate with the vendor companies for issuing card PINs, and ensure delivery of PINs to customers through branches.
- Adhere to instructions from the Financial Institutions Department, Bangladesh Bank, Board of Directors, and Bank Management Authority on a regular basis.
- Manage card stock and inventory effectively.
- Handle the collection of expired cards and re-issue new cards as necessary.
- Manage the collection and deduction of card annual fees.

Alternative Payment Management Unit

An Alternative Payment Management Unit has been established to ensure the monitoring and maintenance of Mobile App, Merchant Payment, and Internet banking services with the assistance of vendors, ensuring uninterrupted services. The members of the Unit are as follows:

1.	Mr. Md. Nurul Islam, SPO, IT System Department	Head (Part Time)
2.	Mr. Md. Humayun Kabir, PO, IT System Department	Member (Part Time)
3.	Mr. Ripon Mondol, Senior Officer (IT), IT System Department	Member (Part Time)
4.	Mr. Md. Nazrul Islam, SO (IT), IT System Department	Member (Part Time)
5.	Mr. Md. Asifur Rahman, SO (IT), IT System Department	Member (Permanent)

The key roles and responsibilities of the Unit are as follows:

- Troubleshoot customer issues and provide assistance promptly.
- Formulate policies related to mobile apps and internet banking, update them regularly, and notify customers accordingly.
- Introduce new services related to mobile apps and internet banking as needed.
- Manage settlement and reconciliation of transactions related to mobile apps and internet banking.
- Maintain Play Store and App Store accounts to upload updated versions of mobile apps.
- Notify customers about updates, news, and information through SMS and app notifications.
- Collect commissions for Mobile Financial Services (MFS) transactions.
- Maintain constant communication with Digital Help Desk Officers at each bank branch to address any issues related to the bank's digital services.

CHIEF RISK OFFICER (CRO)

According to DOS Circular No. 04, dated October 8, 2018, the Bank appointed the Head of the Risk Management Division as the Chief Risk Officer (CRO). The CRO is responsible for assessing and mitigating significant threats to the bank's capital and earnings. Key responsibilities include:

- Enhancing transparency, synergy, and prudence in the bank's risk management structure;
- Leading an independent risk management department with sufficient authority and seniority;
- Having direct access to the board of directors and reporting to the board or its Risk Management Committee;
- Being supervised by the Risk Management Committee (RMC) without any reporting relationships with business verticals or business targets;
- Providing key risk issues to RMC meetings and informing the CEO;
- Accessing necessary information to perform duties, with full support from the board and CEO/MD.

CHIEF FINANCIAL OFFICER (CFO)

Being appointed by the Board, the Chief Financial Officer (CFO) oversees all aspects of financial strategy and reporting. He establishes policies, analyzes performance, ensures regulatory compliance, and leads a team of finance professionals. The CFO also supervises the generation of reports on financial condition, financial position, financial planning, strategic planning for financial operations, and financial projections.

DELEGATION OF POWER

The Board has delegated appropriate financial and business powers to the Management to expedite the approval of credit proposals and other financial matters. Additionally, the Board has delegated authority to the Executive Committee (EC) of the Board to approve proposals within certain limits.

AUDIT BY CENTRAL BANK

Bangladesh Bank, as the central bank, conducts comprehensive inspections of the Bank. The central bank also exchanges views with the Bank's external auditors regarding the audit processes. The inspection reports are reviewed by the Audit Committee and the Board of the Bank. The Bank prioritizes these inspection reports, and corrective measures are promptly taken to address any identified lapses.

AUDIT BY THE EXTERNAL AUDITORS

External auditors play a crucial role in auditing, covering approximately 80 percent of the risk-weighted assets. They engage in discussions with the Management and Audit Committee of the Board on various issues, including internal control and compliance. Suggestions from the auditors are carefully considered and implemented by the Management. Audit reports are also thoroughly discussed in the board meetings.

AUDIT AND INSPECTION

To mitigate operational risks, the Bank conducts regular audits and inspections of its business affairs. These audits are based on manuals, instructions, rules, and procedures provided by Bangladesh Bank and other regulatory authorities. The audit process also verifies the implementation status of various instructions issued by the Board of Directors, Executive Committee, and Audit Committee of the Board.

INTERNAL CONTROL AND COMPLIANCE

The Internal Control and Compliance Division of the Bank conducted onsite inspections of various branches during 2023 to assess the status of internal control and compliance with anti-money laundering measures. These inspections include self-monitoring mechanisms and actions taken to rectify identified errors and deficiencies.

BB Guidelines for Corporate Governance : Our Compliance Status

To ensure good governance i.e. corporate governance in bank management, Bangladesh Bank (BB) issued three circulars in 2013 covering three broad areas as follows:

1. BRPD Circular No. 11 dated 27 October, 2013 : Formation and Responsibilities of Board of Directors (BOD).
2. BRPD Circular Letter No. 18 dated 27 October, 2013 : Appointment and Responsibilities of Chief Executive Officer (CEO).
3. BRPD Circular Letter No. 19 dated 27 October, 2013 : Contractual Appointment of Advisor and Consultant.

The summary of the BB guidelines and the bank's compliance thereto are presented below :

1. Formation and Responsibilities of Board Of Directors (BOD).

Sl. No.	Particulars	Compliance Status
1.	Formation of BOD: Prior approval from BB to be taken before appointment of new Directors, as well as dismissal, termination or removal of any Director from the post. Qualification and competency of Directors, maximum number of Directors of the Board, appointment of Independent Directors, appointment of maximum 02 (two) members from a family as Director.	Complied
1.1	Appointment of New Directors: Every bank company, other than specialized banks, at the time of taking prior approval from BB while appointing Directors should furnish the following information along with the application:	N/A
	a. Personal information of the nominated person	-
	b. Declaration of nominated person	-
	c. Declaration for confidentiality by the nominated person	-
	d. In case of Independent Director, the approval letter from BSEC	-
	e. CIB report of the nominated person	-
	f. Updated list of Directors	-
1.2	Vacancy of office of a Director	
(a)	The office of a Director shall be vacated as per the provision of section 108 (1) of Companies Act, 1994. Besides, provision of section 17 of Bank Company Act, 1991, providing false declaration at the time of appointment or observing shortfall of qualification as a Director.	N/A
(b)	In the office of a Director is vacated as per section 17 of Bank Company Act, 1991, she/he will not be eligible to become Director of that bank company or any other bank company or Financial Institutions within one year from the date of repayment of the total dues to the bank. The dues can be adjusted with the shares held by the Director in that bank company and he cannot transfer his shares of that bank company until he repays his all the liabilities of that bank company or Financial Institutions.	N/A

Sl. No.	Particulars	Compliance Status
(c)	BB can remove Directors or Chairman of a bank company other than the State-owned banks for doing any activity that is detrimental to the interest of the banks depositors or against the public interest under Section 46 and can also dissolve the Board of a bank company under Section 47 of Bank Company Act, 1991 (Amended in 2013).	No Such Incident
1.3	Removal of Directors from office: With the prior approval of Bangladesh Bank, any Director of a bank company other than Specialized banks can be removed from his office for the reasons specified in its Articles of Association. The reason and grounds of the dismissal/removal and the copy of such decision taken by BOD and a list of Directors shall be submitted to Bangladesh Bank. Such removal shall be effective from the date of BB's approval.	N/A
1.4	Appointment of Alternate Director: An alternate Director can be appointed to act for a Director during his absence for a continuous period of not less than three months from Bangladesh by fulfilling the following instructions:	All Board Members are nominated by the Government. They are treated as independent director.
(a)	Bank has to collect and properly maintain the documentary evidences relating to departure and arrival of the original Director while traveling abroad. If there is any exception, the CEO should immediately inform it to BB.	N/A
(b)	The copy of the decision of the BOD regarding appointment of alternate Director, with original Director's probable returning date from abroad should be sent to BB within 7 days of taking the decision and the Director's arrival date must be intimated to BB immediately after his/her return.	N/A
(c)	Any loan defaulter or any person who is not eligible to become a Director as per any relevant guiding rules and regulations will not be appointed as an alternate Director.	N/A
(d)	As an alternate Director is appointed temporarily; therefore, he/she will not be included in any kind of committee constituted by the BOD.	N/A
(e)	The alternate Director or his/her affiliated organization will not get any kind of loan facilities from the bank. In case of previous loan, enhancement of limit or extension of time period or any kind of exemption or interest waiver will not be allowed. Moreover, all restrictions applicable to Directors according to rules and regulations will also be applicable to the alternate Director.	N/A
2.	Director from Depositors: As per Bank Company Act, 1991 (amended in 2013) appointment of Directors from depositors is no longer required. But, in compliance with the provision of section 15 (9) of Bank Company Act, 1991 (amended in 2013), bank company may consider the tenure of existing Directors from depositors or may appoint them as the Independent Director of the company.	N/A
3.	Information regarding Directors: Banks are advised to take the following steps regarding Directors information:	
(a)	Every bank should keep an updated list of bank Directors.	Complied
(b)	Banks should send a Directors' list to other banks or Financial Institutions immediately after the appointment or release of Directors.	Complied
(c)	Banks should display a list of Directors on the website and update it on a regular basis.	Complied
4.	Responsibilities of the Board of Directors (BOD)	
4.1	Responsibilities and Authorities of the BOD:	

Sl. No.	Particulars	Compliance Status
(a)	Work planning and strategic management (i) The BOD shall determine the objectives and goals and to this end shall chalk out strategies and work plans on annual basis. It shall analyze/monitor at the quarterly rests the development of implementation of work plans.	Complied
	(ii) The BOD shall have its analytical review presented in the Annual Report as regard to success/failure in achieving the business and other targets as set out in its annual work plan and shall apprise the shareholders of its opinions/recommendations on future plans and strategies. It shall set the Key Performance Indicators (KPIs) for the CEO and executives immediate two tiers below the CEO and have it evaluated at times.	Complied
(b)	Loan and Risk Management:	
	(i) The policies, procedures, strategies, etc. in respect of appraisal of loan/investment proposal, sanction, disbursement, recovery, re-scheduling and write-off thereof shall be made with the BOD's approval under the purview of the existing laws, rules and regulations. The BOD shall specifically distribute the power of sanction of loan/investment and such distribution should desirably be made among the CEO and his subordinate executives as much as possible. No Director, however, shall interfere, directly or indirectly, into the process of loan approval.	Complied
	(ii) The Board shall frame policies for Risk Management and get them complied with and shall monitor the compliance at quarterly rests and review the concerned report of the risk management team and shall compile in the minutes of the board meeting. The BOD shall monitor the compliance of the guidelines of BB regarding key risk management.	Complied
(c)	Internal Control management: The Board shall be vigilant on the internal control system of the bank in order to attain and maintain satisfactory health or grade of its loan/investment portfolio. The Board will establish such an internal control system so that the internal audit process can be conducted independently from the management. It shall review at quarterly rests the reports submitted by its audit committee regarding the compliance of recommendations made in internal and external audit reports and the BB inspection reports.	Complied
(d)	Human Resources (HR) Management and Development: (i) Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, human resources development etc. and service rules shall be framed and approved by the BOD. The Chairman or the Directors shall in no way involve themselves and interfere into or influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the set service rules. No member of the BOD shall included in the selection committees for recruitment and promotion to different levels. Recruitment, promotion, transfer and punishment of the executives immediate two tiers below the CEO shall, however, rest upon the BOD. Such recruitment and promotion shall have to be carried out complying with the service rules i.e. policies for recruitment and promotion.	Complied BDBL Board approves HR Policy from time -to-time and related works done accordingly

Sl. No.	Particulars	Compliance Status
	(i) The BOD shall place special attention to the development of skills set of bank's staff in different fields of its business activities including prudent appraisal of loan/investment proposals, and to the adoption of modern electronic and information technologies, and the introduction of effective Management Information System (MIS). The BOD shall get these programs incorporated in its annual work plan.	Complied
	(ii) The BOD will compose Code of Ethics for every tier of employees and they will follow it properly. The BOD will promote healthy code of conducts for developing a compliance culture.	Complied
(e)	Financial Management : (i) The annual budget and the statutory financial statements will be prepared with the approval of the BOD. It will at quarterly rests review/monitor the positions in respect of bank's income, expenditure, liquidity, non-performing assets, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures.	Complied
	(ii) The BOD will frame the policies and procedures for bank's purchase and procurement activities and shall accordingly approve the distribution of power for making such expenditures. The maximum possible delegation of such power shall rest on the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business shall, however, be taken with the approval of BOD.	Complied
	(iii) The BOD will review whether the Asset-Liability Committee (ALCO) has been formed and it is working according to BB guidelines.	Complied
(f)	Appointment of Chief Executive Officer (CEO): In order to strengthen the financial base of the bank and obtain confidence of the depositors, one of the major responsibilities of the BOD is to appoint an honest, efficient, experienced and suitable CEO or Managing Director. The BOD will appoint a competent CEO for the bank with the approval of BB.	Complied
(g)	Other Responsibilities of the BOD: In accordance to BB Guidelines issued from time to time.	Always Complied
4.2	Meetings of the Board of Directors: Board of Directors may meet once or more than once in a month upon necessity and shall meet at least once in every three months. Excessive meetings are discouraged.	Complied
4.3	Responsibilities of the Chairman of the BOD:	
(a)	As the Chairman of the BOD or Chairman of any committee formed by the BOD or any Director does not personally possess the jurisdiction to apply policy making or executive authority, he/she shall not participate in or interfere into the administrative or operational and routine affairs of the bank.	Complied
(b)	The Chairman may conduct on-site inspection of any bank branch or financing activities under the purview of the oversight responsibilities of the BOD. He may call for any information relating to bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the BOD or the Executive Committee and if deemed necessary, with the approval of the BOD, he shall effect necessary action thereon in accordance with the set rules through the CEO. However, any complaint against the CEO shall have to be apprised to BB through the BOD along with the statement of the CEO.	Complied

Sl. No.	Particulars	Compliance Status
(c)	The Chairman may be offered an office room, a personal secretary/assistant, a peon/MLSS, a telephone at the office, a mobile phone usable inside the country and a vehicle in the business interest of the bank subject to the approval of the BOD.	Complied
5.	Formation of Supportive Committees of the Board: The BOD of every bank company can form only three supporting committees of the BOD i.e. Executive Committee (EC), Audit Committee (AC) and Risk Management Committee (RMC).	Complied
5.1	<p>Executive Committee (EC): EC is to be formed for taking decision on urgent and day-to-day or routine activities between the intervals of two BOD meetings. The EC will perform according to the terms of reference set by the BOD.</p> <p>The EC will be formed with maximum of 07 (seven) members for a period of 03(three) years. The Chairman of the BOD can also be the member of the EC. The company secretary of the bank shall act as the secretary of the EC. EC members, besides being honest and sincere, should have reasonable knowledge on banking business, its operations and risk management and be capable of making valuable and effective contributions in the functioning of the committee. The committee shall discharge responsibilities and take decision on the matters as instructed by the BOD except discharging of those responsibilities and taking decisions that are specifically assigned to the full BOD by the Bank Company Act, 1991(Amended in 2013) or other related laws and regulations. The decisions taken by the committee shall be ratified in the next BOD meeting. Upon necessity the committee can call meeting at any time. The committee may invite CEO, Chief Risk Officer or any Executive to attend the committee meeting.</p>	Complied
5.2	Audit Committee (AC): The AC should have maximum five members and two of them shall be Independent Directors. It should be constituted of such members who are not members of the EC of the BOD. The members of the committee may be nominated for three years and the company secretary of the bank shall act as the secretary of the committee.	Complied
5.3	<p>Risk Management Committee (RMC): The RMC is to be formed to mitigate impending risks which could be arisen during implementation of BOD approved policies, procedures and strategies. This committee is entrusted to examine and review whether management is properly working on identifying and mitigation of credit risk, foreign exchange risk, internal control and compliance risk, money laundering risk, information and communication technology risk, operation risk, interest rate risk and liquidity risk and keeping adequate capital and provision against the risks identified.</p> <p>The RMC is to be formed with maximum five members who will be appointed for 03 (three) years. Each member should be capable of making valuable and effective contributions in the functioning of the committee. The company secretary of the bank shall act as the secretary of the committee. RMC shall review the risk management policy and guidelines of the bank at least once in a year, make necessary modifications as per requirement and submit the same to the BOD for approval. Besides, lending limits and other limits should be reviewed at least once in a year and should be amended, if necessary.</p>	Complied
6.	Training of the Directors: The Directors of the Board will acquire appropriate knowledge of the banking laws and other relevant laws, rules and regulations to effectively discharge the responsibilities as a Director of the bank.	Complied
7.	Intimation of the Circular to the Board and related persons by CEO: The CEO will inform about this Circular to the Directors and other related persons.	Complied

2. Appointment and Responsibilities of Chief Executive Officer

Sl. No.	Particulars	Compliance Status
A.	Rules and regulations for appointment of the CEO	
1.	<p>Moral Integrity: In case of appointment to the post of CEO, satisfaction in respect of the concerned person should be ensured to the effects that:</p> <ul style="list-style-type: none"> a) He has not been convicted by any Criminal Court of Law. b) He has not been punished for violating any rules, regulations or procedures/norms set by any regulatory authority. c) He has not associated with any such company/organization; registration or license of which has been cancelled. 	Complied
2.	<p>Experience and Suitability:</p> <ul style="list-style-type: none"> a) For appointment as a CEO, the concerned person must have experience in banking profession for at least 15 (fifteen) years as an active officer and at least 02 (two) years experience in a post immediate below the CEO of a bank. b) He must have a Master's degree at minimum from any recognized university. Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person. c) In respect of service, the concerned person should have excellent track record of performance. d) Satisfaction should be ensured that the concerned person was not dismissed from service when he was Chairman/Director/Official of any company. e) Any Director of any bank or Financial Institution or any person who has business interest in the concerned bank will not be eligible for appointment to the post of the CEO. 	Complied
3.	<p>Transparency and Financial Integrity: Before making appointment as a CEO, satisfaction should be ensured to the effects that:</p> <ul style="list-style-type: none"> a) The concerned person was not involved in any illegal activity while performing duties in his own or banking profession. b) He has not deferred payment to creditors or has not compromised with his creditors to be relieved from debts or he is not a loan defaulter. c) He is not a tax defaulter. d) He has never been adjudicated a bankrupt by the Court. 	Complied
4.	<p>Age Limit: No person crossing the age of 65 years shall hold the post of CEO of a bank.</p>	Complied
5.	<p>Tenure: The tenure of the CEO shall not be more than 03 (three) years, which is renewable. If the candidate has less than 3 years left to attain 65 years, he/she can be appointed for that shorter period.</p>	Complied
6.	<p>Guidelines in fixing the salary and allowances: Banks are required to follow the guidelines stated below while determining the salary and allowances of the CEO and submitting such proposal to BB:</p> <ul style="list-style-type: none"> a) In fixing the salary and allowances of the CEO, financial condition, scope of operation, business-volume and earning capacity of the bank; qualifications, achievement of the candidate in the past, age and experience and the remuneration paid to the persons occupying same position in the peer banks shall have to be taken into consideration. 	Complied

Sl. No.	Particulars	Compliance Status
	<p>b) Total salary shall be comprised of direct salary covering “Basic Salary” and “House Rent” and allowances as “Others”. The allowances (e.g. provident fund, utility bill, leave-fare assistance) in “Others” head should be specified in amount/ceiling. Besides, other facilities (e.g. car, fuel, driver etc.), as far as possible, shall have to be converted in the monetary value and thus determining monthly total salary, it shall have to be mentioned in the proposal submitted to BB. In the proposal, basic Salary, House Rent, Festival Allowance, other allowances and other facilities shall have to be specified in Taka amount.</p> <p>c) Without improving the bank’s major financial indicator like-CAMELS, annual salary increment will not be payable.</p> <p>d) Terms of salary-allowances and other facilities as specified in the terms and conditions of appointment cannot be changed during the tenure. In case of renewal, proposal may be made for re-fixation of the salary considering the work performance of the current CEO.</p> <p>e) The CEO so appointed shall not get any other direct or indirect facilities (e.g. dividend, commission, club expense, etc.) other than the salary-allowances and other facilities as enumerated in clause (b) above.</p> <p>f) The bank shall not pay any income tax for the CEO, i.e. the CEO so appointed shall have to pay it.</p>	Complied
7.	<p>Incentive Bonus: The CEO will get incentive bonus subject to paying incentive bonus to all executives/officers/workers of the bank and the said bonus amount will not exceed BDT1,000,000 in a year.</p>	Complied
8.	<p>Honorarium for attending the Board Meeting: Being a salaried Executive, CEO will not get any honorarium for attending the Board meeting or Board formed committee meeting.</p>	Complied
9.	<p>Evaluation Report: For reappointment of the CEO, the Chairman of the bank shall have to submit a Board approved evaluation report to BB.</p>	Complied
10.	<p>Prior Approval from Bangladesh Bank: Prior Approval from Bangladesh Bank is mandatory before appointing CEO as per section 15(4) & (5) of Bank Company Act, 1991 (amended up to 2013). For processing such approval, along with the proposal signed by the Chairman of the BOD, the selected person’s complete resume, offer letter, (mentioning the direct & indirect remuneration and facilities) and copy of Board’s approval must be submitted to BB. The selected person must also submit declarations as per Annexure A & Annexure B to BB.</p>	Complied
11.	<p>Decision of Bangladesh Bank is final: The decision of BB for appointment of the CEO will be treated as final and the CEO such appointed cannot be terminated, released or removed from his/her office without prior approval from BB.</p>	Complied
B.	<p>Responsibilities and Authorities of the CEO: The CEO of the bank, whatever name called, shall discharge the responsibilities and exercise the authorities as follows:</p>	

Sl. No.	Particulars	Compliance Status
	a. In terms of the financial, business and administrative authorities vested upon him by the BOD, the CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management.	Complied
	b. The CEO shall ensure compliance of the Bank Company Act, 1991 and other relevant laws and regulations in discharging of routine functions of the bank.	Complied
	c. The CEO shall include clearly any violation from Bank Company Act, 1991 (amended in 2013) and/or other relevant laws and regulations in the “Memo” presented to the meeting of the BOD or any other committee(s) engaged by the BOD.	Complied
	d. The CEO shall report to Bangladesh Bank of issues in violation of the Bank Company Act, 1991 (amended in 2013) or of other laws/regulations.	Complied
	e. The recruitment and promotion of all staffs of the bank except those in the two tiers below him/her shall rest on the CEO. He/she shall act in such cases in accordance with the approved service rules on the basis of the human resources policy and approved delegation of employees as approved by the BOD.	Complied
	f. The authority relating to transfer of and disciplinary measures against the staff, except those at two tiers below the CEO, shall rest on him/her which he/she shall apply in accordance with the approved service rules. Besides, under the purview of the human resources policy as approved by the BOD, he/she shall nominate officers for training etc.	Complied

3. Contractual appointment of Advisor and Consultant

Sl. No.	Particulars	Compliance Status
A.	Rules and regulations for appointment of an Advisor	
1.	<p>Experience and Suitability: For appointment as Advisor, the concerned person will have to fulfill the following requirements with regard to experience and qualifications:</p> <ul style="list-style-type: none"> a. Experience in banking or administration for at least 15 (fifteen) years or have a long experience in social activities. b. Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person. c. Satisfaction should be ensured that the concerned person was not dismissed from his service when he was Chairman/Director/Executive of any company. d. The person who is working in any bank or Financial Institution or who has business interest in that bank will not be eligible for appointment to the post of Advisor. e. Satisfaction should be ensured that the concerned person is not a loan defaulter or tax defaulter and has never been adjudicated a bankrupt by the Court. 	N/A
2.	<p>Responsibilities of the Advisor: The roles and responsibilities of the Advisor should be defined specifically. The Advisor can advise the Board of Directors or CEO only on those matters specified in the appointment letter. The routine and general activities of the bank will not be included in his terms of reference. He will not be entitled to exercise any power or involved himself in the decision making process of financial, administrative, operations or other activities of the bank.</p>	N/A

Sl. No.	Particulars	Compliance Status
3.	Prior approval from Bangladesh Bank: Prior approval from BB is mandatory before appointing an Advisor. For such appointment, the justifications of the post of Advisor, responsibilities or terms of reference, complete resume of the concerned person, terms of appointment (mentioning remuneration and facilities) and copy of BOD's approval shall be submitted to BB. The nominated person has to make a declaration as per Annexure A. This declaration shall also be submitted to BB.	N/A
4.	Remuneration and other facilities of Advisor: The post of Advisor is not a fixed and substantive post in the bank's organization structure. Advisor will not be entitled to salaries and allowances as regular employee except gross amount of remuneration, transport and telephone facilities. Remunerations inconsistent with the terms of reference of the Advisor will not be considered as acceptable to BB.	N/A
5.	Tenure of Advisor: The tenure of the Advisor shall be maximum 01 (one) year, which is renewable. An evaluation report (by the Chairman that is approved by the BOD) of previous tenure should be submitted to BB with the re-appointment proposal.	N/A
6.	Appointment of Ex-executive: For ensuring good governance, any former Director, CEO or any other Executive of the bank will not be eligible to become an Advisor in the same bank immediately after their retirement or resignation. However, after one year from such retirement or resignation, he/she will be eligible for appointment as Advisor.	N/A
B.	Rules and Regulations for Appointment of a Consultant	
1.	Terms of reference of Consultant: Consultant can be appointed for specialized tasks like tax, law and legal procedures, engineering and technical works, information technology, etc. Consultants' appointment should be avoided as much as possible for those works that could be done by regular employees of the bank.	Complied
2.	Responsibilities of a Consultant: The responsibilities or terms of reference of a Consultant should be specified. He/she should not be involved in any activities beyond his/her terms of references and he/she cannot exercise any kind of power in bank operation or cannot participate in the decision making process.	Complied
3.	Appointment of a Consultant: A Consultant can be appointed with the approval of BOD. After such appointment the bank shall send the Consultant's complete resume, terms of reference and details of remuneration to BB immediately.	Complied
4.	Tenure of a Consultant: The tenure of a Consultant should be consistent with the terms of reference, but would not exceed 02 (two) years. Generally the consultant will not be eligible for re-appointment. But to complete the unfinished tasks, his contract may be extended for maximum period of 01 (one) year with the approval of BB. The Chairman of the bank upon approval of the BOD shall have to submit the extension proposal to BB with the evaluation report of his previous tenure.	Complied
5.	Remuneration/honorarium of a Consultant: The Consultant's remuneration should be in the form of monthly or single lump-sum payment, and he is not entitled to any other facilities.	Complied
6.	Appointment of Ex-executive: For ensuring good governance, any former Director, CEO or any other Executive of the bank will not be eligible for appointment as a Consultant in the same bank immediately after their retirement or resignation. However, after one year from such retirement or resignation, he/she will be eligible for appointment as a Consultant.	Complied

Compliance Status of Bangladesh Securities and Exchange Commission Guidelines for Corporate Governance.

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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.0	Board of Directors			
1.1	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		Stated in Annual Report
1.2	Independent Director			
1.2 (a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	N/A		
1.2 (b)	Independent director" means a director:			
1.2 (b) (i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	N/A		
1.2 (b) (ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	N/A		
1.2 (b) (iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	N/A		
1.2 (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	N/A		
1.2 (b) (v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	N/A		
1.2 (b) (vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	N/A		
1.2 (b) (vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	N/A		
1.2 (b) (viii)	who is not independent director in more than 5 (five) listed companies;	N/A		
1.2 (b) (ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	N/A		
1.2 (b) (x)	who has not been convicted for a criminal offence involving moral turpitude;	N/A		
1.2 (c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	N/A		Approved the Government Order
1.2 (d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	N/A		-
1.2 (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the, ()(Companies Act, 1994). Explanation: For the purpose of counting tenure or term of independent director, any partial term of tenure shall be deemed to be a full tenure.	N/A		-
1.3	Qualification of Independent Director:			
1.3 (a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	N/A		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.3 (b) (i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	N/A		
1.3 (b) (ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or Explanation: Top level executive includes Managing Director (MD) or Chief Executive Officer (CEO), Additional or Deputy Managing Director (AMD or DMD), Chief Operating Officer (COO), Chief Financial Officer (CFO), Company Secretary (CS), Head of Internal Audit and Compliance (HIAC), Head of Administration and Human Resources or equivalent positions and same level or ranked or salaried officials of the company.	N/A		
1.3 (b) (iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	N/A		
1.3 (b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	N/A		
1.3 (b) (v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	N/A		
1.3 (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	N/A		
1.3 (d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	N/A		
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.			
1.4 (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		-
1.4 (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;			Chairman of the Board nominated by Govt.
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1.4 (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
1.5	Directors' Report to Shareholders			
1.5 (i)	An industry outlook and possible future developments in the industry;	✓		Stated in Annual Report
1.5 (ii)	The segment-wise or product-wise performance;			
1.5 (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		
1.5 (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓		No such gain or loss
1.5 (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	N/A		-
1.5 (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	N/A		
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc;	N/A		
1.5 (ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.5 (x)	A statement of remuneration paid to the directors including independent directors;	N/A		
1.5 (xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1.5 (xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
1.5 (xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1.5 (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1.5 (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1.5 (xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	N/A		
1.5 (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	N/A		
1.5 (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		
1.5 (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1.5 (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	N/A		
1.5 (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	N/A		
1.5 (xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1.5 (xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		
1.5 (xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1.5 (xxiii)(c)	Executives (top five salaried employees of the company other than stated in 1.5 (xxi) b);	✓		
1.5 (xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details); Explanation: For the purpose of this clause, the expression "executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance.	N/A		
1.5 (xxiv)	In case of appointment/re-appointment of a Director the Company shall disclose the following information to the Shareholders:			
1.5 (xxiv) (a)	A brief resume of the Director;	✓		
1.5 (xxiv) (b)	Nature of his/her expertise in specific functional areas;	✓		
1.5 (xxiv) (c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board.	✓		
1.5 (xxv) (a)	Accounting policies and estimation for preparation of financial statements;	✓		
1.5 (xxv) (b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1.5 (xxv) (c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1.5 (xxv) (d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1.5 (xxv) (e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1.5 (xxv) (f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1.5 (xxv) (g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		

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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3(3) (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee: For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee; and	✓		-
4(ii)	Nomination and Remuneration Committee.	✓		
5	Audit Committee:			
5.(1)	Responsibility to the Board of Directors:			
5.(1) (a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓		
5.(1) (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;			
5.(1) (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing;	✓		
5.(2)	Constitution of the Audit Committee:			
5.(2) (a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5.(2) (b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;			
5.(2) (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience; Explanation: The term "financially literate" means the ability to read and understand the financial statements like statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows statement and a person will be considered to have accounting or related financial management expertise if he or she possesses professional qualification or Accounting or Finance graduate with at least 10 (ten) years of corporate management or professional experiences.	✓		
5.(2) (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓		
5.(2) (e)	The company secretary shall act as the secretary of the Committee;	✓		
5.(2) (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	N/A		
5.(3)	Chairperson of the Audit Committee:			
5.(3) (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		-
5.(3) (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			
5.(3) (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM); Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		
5.(4)	Meeting of the Audit Committee			
5.(4) (a)	The Audit Committee shall conduct at least its four meetings in a financial year, Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓		
5.(4) (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5.(5)	Role of Audit Committee (The Audit Committee shall):			
5.(5) (a)	Oversee the financial reporting process;	✓		
5.(5) (b)	Monitor choice of accounting policies and principles;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5.(5) (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5.(5) (d)	Oversee hiring and performance of external auditors;	✓		
5.(5) (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5.(5) (f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5.(5) (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5.(5) (h)	Review the adequacy of internal audit function;	✓		
5.(5) (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;			
5.(5) (j)	Review statement of all related party transactions submitted by the management;	✓		
5.(5) (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;			
5.(5) (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5.(5) (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.	N/A		
5.(6) (a)	Reporting to the Board of Directors			
5.(6) (a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5.(6) (ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
5.(6) (ii) (a)	Report on conflicts of interests;	✓		
5.(6) (ii) (b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	✓		
5.(6) (ii) (c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	✓		
5.(6) (ii) (d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	✓		
5.(6) (b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			
5 (7)	Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.			
6	Nomination and Remuneration Committee (NRC):			
6 (1)	Responsibility to the Board of Directors:			
6 (1) (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	N/A		
6 (1) (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	N/A		
6 (1) (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	N/A		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6 (2)	Constitution of the NRC:			
6 (2) (a)	The Committee shall comprise of at least three members including an independent director;	N/A		
6 (2) (b)	All members of the Committee shall be non-executive directors;	N/A		
6 (2) (c)	Members of the Committee shall be nominated and appointed by the Board;	N/A		
6 (2) (d)	The Board shall have authority to remove and appoint any member of the Committee;	N/A		
6 (2) (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	N/A		
6 (2) (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	N/A		
6 (2) (g)	The company secretary shall act as the secretary of the Committee;	N/A		
6 (2) (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	N/A		
6 (2) (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	N/A		
6 (3)	Chairperson of the NRC			
6 (3) (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	N/A		
6 (3) (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	N/A		
6 (3) (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	N/A		
6 (4)	Meeting of the NRC:			
6 (4) (a)	The NRC shall conduct at least one meeting in a financial year;	N/A		
6 (4) (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	N/A		
6 (4) (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	N/A		
6 (4) (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	N/A		
6 (5)	Role of the NRC:			
6 (5) (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	N/A		
6 (5) (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6 (5) (b) (i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6 (5) (b) (i) (a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	N/A		
6 (5) (b) (i) (b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	N/A		
6 (5) (b) (i) (c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	N/A		
6 (5) (b) (ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	N/A		
6 (5) (b) (iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	N/A		
6 (5) (b) (iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	N/A		
6 (5) (b) (v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6 (5) (b) (vi)	Developing, recommending and reviewing annually the company's human resources and training policies;			
7	External or Statutory Auditors:			
7 (1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-	✓		
7 (1) (i)	Appraisal or valuation services or fairness opinions;	✓		
7 (1) (ii)	Financial information systems design and implementation;	✓		
7 (1) (iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7 (1) (iv)	Broker-dealer services;	✓		
7 (1) (v)	Actuarial services;	✓		
7 (1) (vi)	Internal audit services or special audit services;	✓		
7 (1) (vii)	Any service that the Audit Committee determines;	✓		
7 (1) (viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7 (1) (ix)	Any other service that creates conflict of interest.	✓		
7 (2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		
7 (3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.			
8	Maintaining a website by the Company:			
8 (1)	The company shall have an official website linked with the website of the stock exchange.			
8 (2)	The company shall keep the website functional from the date of listing.	✓		
8 (3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).			
9	Reporting and Compliance of Corporate Governance:			
9 (1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. Explanation: "Chartered Accountant" means Chartered Accountant as defined in the Bangladesh Chartered Accountants Order, 1973 (President's Order No. 2 of 1973); "Cost and Management Accountant" means Cost and Management Accountant as defined in the Cost and Management Accountants Ordinance, 1977 (Ordinance No. LIII of 1977); "Chartered Secretary" means Chartered Secretary as defined in the, () (Chartered Secretaries Act, 2010).			
9 (2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.			
9 (3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.			