

## **Bangladesh Development Bank Limited**

Head Office: 8, Rajuk Avenue, Dhaka-1000.

**Auditors' Report and Audited Consolidated Financial Statements  
For the year ended 31 December 2015**

### **Submitted By**

**Howladar Yunus & Co.**  
Chartered Accountants  
House-14, Road-16A, Gulshan-1  
Dhaka-1212, Bangladesh  
T- 8802 9883863  
E- [hyc@howladaryunus.com](mailto:hyc@howladaryunus.com)

**MABS & J Partners**  
Chartered Accountants  
Corporate Address  
33, Banani C/A, Road -17  
SMC Tower (7<sup>th</sup> Floor)  
Dhaka-1213, Bangladesh  
T- 8802 9821057-58  
E- [info@mabsj.com](mailto:info@mabsj.com)

Howladar Yunus & Co.  
Chartered Accountants  
House14, Road-16A, Gulshan-1  
Dhaka-1212, Bangladesh  
T-88029883863  
[E-hyc@howladaryunus.com](mailto:E-hyc@howladaryunus.com)

MABS & J Partners  
Chartered Accountants  
33, Banani C/A, Road-17  
SMC Tower, 7<sup>th</sup> Floor  
Dhaka-1213, Bangladesh  
T-88029821057  
[E-info@mabsj.com](mailto:E-info@mabsj.com)

**INDEPENDENT AUDITORS' REPORT**  
**To the Shareholders of Bangladesh Development Bank Limited**

**Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Bangladesh Development Bank Limited and its subsidiaries ("the Group") as well as the separate financial statements of Bangladesh Development Bank Limited ("the Bank"), which comprise the consolidated balance sheet and separate balance sheet as at December 31, 2015 and the consolidated and separate profit and loss account, consolidated and separate statement of changes in equity and consolidated and separate cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements and Internal Controls**

Management of Bangladesh Development Bank Limited is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards as explained in note 2.0 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bank Companies Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

**Auditor's Responsibility**

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

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

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

**Basis for Qualified Opinion:**

**1. Non compliance of BRPD Circular No. 14 dated 25 June 2003**

As per BRPD Circular No. 14 dated 25 June 2003, amount recovered from written-off loan has to be shown as an adjustment of loan loss provision instead of showing as an item of current year's income directly. But it has been observed that current year's recovery from write off loans amounting Taka 11,500,000 has been shown as other income instead of adding with loan loss provision.

**2. BDBL's title on assets of BSB and BSRS**

As per Vendors Agreement dated 31 December, 2009 all assets and liabilities of Bangladesh Shilpa Bank (BSB) and Bangladesh Shilpa Rin Sangstha (BSRS) were to be transferred in the name of Bangladesh Development Bank Limited (BDBL) within the quickest possible time. But such transfer of legal ownership has not yet been made. Moreover, BDBL has been continuing investment in financial instruments (Shares and Debentures) in the name of BSB and BSRS. It is also observed that BDBL has been submitting income tax return for its employees' pension and gratuity fund to NBR in the name of BSB & BSRS employee's pension and gratuity fund.

**3. BDBL's membership with Stock Exchanges**

BDBL has two memberships with Stock Exchanges under BSB portion (one with Dhaka Stock Exchange Ltd and another with Chittagong Stock Exchange Ltd) and one membership under BSRS portion (With Dhaka Stock Exchange Ltd) for carrying out share business. As per BRPD circular # 12 dated: October 14, 2009, Banks are required to open separate subsidiary company to carry out share business within January 2010. BDBL has formed separate subsidiary company for carrying out share business under BSRS membership. But it was observed that BDBL is carrying out share business under BSB membership without creating separate subsidiary company.

**4. Preparation of consolidated cash flow statement**

BDBL did not provide detailed workings of the items of Consolidated Cash Flow Statement. As a result, we cannot satisfy ourselves that the Consolidated Cash Flow Statement is free from material misstatements.

**5. Income Tax**

It appears from records available with BDBL that there remain some pending adjustments for current tax provisions up to 31<sup>st</sup> December 2015 as follows:

Details	Amount (in Taka)
Current tax provision up to 31.12.2015	2,183,591,487
Further provision required to be made	94,598,344
Total current tax provision to appear in the financial statements 2015	2,278,189,831

Computation of further provision required

Details	BSB (in Taka)	BSRS (in Taka)	Total (in Taka)
Tax claim with no dispute up to assessment year 2010-2011	556,593,541	515,096,280	1,071,689,821
(less): Provisions made up to assessment year 2010-2011			977,091,487
Further provision required to be made			<b>94,598,334</b>

Advance tax adjustment required:

Details	BSB (in Taka)	BSRS (in Taka)	Total (in Taka)
Advance Tax including TDS up to assessment year 2010-2011	682,150,210	511,575,329	1,193,725,539
(less) Tax claim with no dispute up to assessment year 2010-2011	556,593,541	515,096,280	1,071,689,821
Excess tax paid or Tax refundable up to assessment year 2010-2011	<b>125,556,669</b>	<b>(35,20,951)</b>	<b>122,035,718</b>

The records of BDBL and that are available with Tax Department are required to be collated and arrived at a final figure for such adjustments of current tax provisions and advance tax adjustment.

**Opinion**

In our opinion, except for the matters described in the basis for qualified opinion paragraphs, the consolidated financial statements of the group and separate financial statements of the Bank give a true and fair view of the consolidated balance sheet of the group and separate balance sheet of the Bank as at December 31, 2015 and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards as explained in note 2.0.

**Report on Other Legal and Regulatory Requirements**

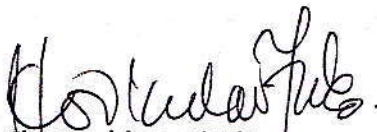
In accordance with the Companies Act 1994, the Bank Companies Act 1991 and the rules and regulations issued by Bangladesh Bank, we also report the following:

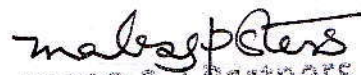
- (a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Control:
  - i) internal audit, internal control and risk management arrangements of the Bank as disclosed in note 2.20 of the financial statements appeared to be materially adequate;
  - ii) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities other than matters disclosed in these financial statements

**Howladar Yunus & Co.**  
**Chartered Accountants**

**MABS & J Partners**  
**Chartered Accountants**

- (c) financial statements of subsidiary companies of the bank namely BDBL Securities Limited and BDBL Investment Services Limited have been audited by ACNABIN, Chartered Accountants and have properly reflected in the consolidated financial statements.
- (d) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books;
- (e) the consolidated balance sheet and consolidated profit and loss account of the group and the separate balance sheet and separate profit and loss account of the bank dealt with by the report are in agreement with the books of account;
- (f) the expenditure incurred was for the purposes of the bank's business;
- (g) the consolidated financial statements of the group and the separate financial statements of the bank have been drawn up in conformity with prevailing rules, regulations and Bangladesh Financial Reporting Standards as explained in note 2.0 as well as with related guidance, circulars issued by Bangladesh Bank and decision taken in tripartite meeting amongst inspection team of Bangladesh Bank, external auditors and management of BDBL held on March 28, 2016;
- (h) adequate provisions have been made for advances, investments, other assets and off-balance sheet items which are, in our opinion, doubtful of recovery;
- (i) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (j) other than the information as mentioned in point no. 4 (above) the basis for qualified opinion, the information and explanation required by us have been received and found satisfactory; and
- (k) we have reviewed over 80% of the risk weighted assets of the Bank and we have spent around 6,250 person hours for the audit of the books and accounts of the Bank.

  
**Chartered Accountants**  
Dated: Dhaka, 28 April 2016

  
**MABS & J Partners**  
**Chartered Accountants**  
Dated: Dhaka, 28 April 2016

**Bangladesh Development Bank Limited & its Subsidiary**

Consolidated Balance Sheet  
As at 31 December 2015

	Notes	Amount in Taka	
		2015	2014
<b><u>PROPERTY AND ASSETS</u></b>			
<b>Cash</b>	3(a)	1,888,032,264	1,567,843,711
Cash in hand (including foreign currencies)		67,038,158	63,190,372
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		1,820,994,106	1,504,653,339
<b>Balance with other banks and financial institutions</b>	4(a)	7,970,507,349	8,487,197,875
In Bangladesh		7,895,692,615	8,395,804,059
Outside Bangladesh		74,814,734	91,393,816
<b>Money at Call and Short Notice</b>	5	-	550,078,073
<b>Investments</b>	6(a)	11,535,470,019	11,605,277,245
Government		4,174,300	3,562,500
Others		11,531,295,719	11,601,714,745
<b>Loans and Advances</b>	7(a)	17,964,535,490	16,412,730,473
Loans, cash credit and overdrafts, etc.		17,681,872,556	16,098,169,296
Bills purchased and discounted		282,662,934	314,561,177
<b>Fixed Assets including premises, furniture and fixtures</b>	8(a)	8,338,131,683	8,466,260,618
<b>Other Assets</b>	9(a)	3,681,888,440	3,045,540,980
<b>Total Assets</b>		<b>51,378,565,245</b>	<b>50,134,928,975</b>
<b><u>LIABILITIES AND CAPITAL</u></b>			
<b>Liabilities</b>			
<b>Borrowing from other Banks, Financial institutions and Agents</b>	10	404,372,248	673,930,049
<b>Deposits &amp; Other Accounts</b>	11(a)	23,162,311,267	23,116,244,769
Current and other Accounts		5,971,750,722	7,136,960,303
Bills Payable		123,764,864	122,654,342
Saving Bank Deposits		695,916,616	592,817,610
Fixed Deposits		16,370,879,065	15,263,812,514
Other Deposits		-	-
<b>Other Liabilities</b>	12(a)	9,761,884,575	8,772,802,412
<b>Total Liabilities</b>		<b>33,328,568,091</b>	<b>32,562,977,229</b>
<b>Capital/Shareholders' Equity</b>			
Paid-up Capital	13	4,000,000,000	4,000,000,000
Quasi Equity	14	134,744,560	134,744,560
Statutory Reserve	15	2,074,221,336	1,947,721,336
General Reserve	16.1	3,597,755,114	3,144,338,374
Revaluation Reserve	16.2(a)	6,904,700,553	7,012,807,417
Other Reserve	16.3(a)	967,907,514	967,907,514
Retained Earnings	16(a.i)	370,668,077	364,432,545
<b>Total Shareholders' Equity</b>		<b>18,049,997,154</b>	<b>17,571,951,746</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>51,378,565,245</b>	<b>50,134,928,975</b>





**Bangladesh Development Bank Limited & its Subsidiary**  
**Consolidated Profit and Loss Account**  
**For the year ended 31 December 2015**

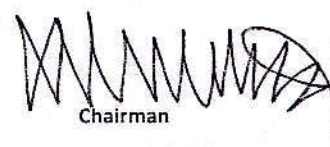
	Notes	Amount in Taka	
		2015	2014
Interest Income	18(a)	2,245,377,576	2,411,143,947
Interest paid on deposit, borrowing etc.	19(a)	(1,917,514,242)	(2,104,902,837)
<b>Net Interest Income</b>		<b>327,863,334</b>	<b>306,241,110</b>
Investment income	20(a)	1,642,381,663	2,116,861,276
Commission, exchange and brokerage	21(a)	43,849,396	54,331,790
Other operating income	22(a)	267,192,446	274,278,773
		<b>1,953,423,506</b>	<b>2,445,471,839</b>
<b>Total operating income</b>		<b>2,281,286,840</b>	<b>2,751,712,949</b>
<b>Operating expenses</b>			
Salaries and allowances	23(a)	636,094,327	773,020,859
Rent, Taxes, Insurance, Electricity etc.	24(a)	59,622,572	59,377,920
Legal expenses	25(a)	5,297,499	5,555,617
Postage, Stamp, Telecommunication etc.	26(a)	9,521,135	9,005,919
Stationery, printing, advertisement etc.	27(a)	44,720,026	25,245,861
Managing Director/Chief Executive's remuneration		3,560,000	3,560,000
Director Fees	28(a)	2,469,350	2,232,256
Auditors' fees	28(b)	991,500	777,500
Depreciation and repair of Bank's assets	29(a)	70,485,416	169,871,419
Other expenditure	30(a)	162,977,590	161,154,071
<b>Total operating expenses</b>		<b>995,739,414</b>	<b>1,209,801,422</b>
<b>Profit/ (loss) before provision</b>		<b>1,285,547,426</b>	<b>1,541,911,527</b>
Provision for loans and advances	31(a)	577,800,000	50,000,000
Provision for diminution in value of investment		24,697,371	17,680,853
Other provision		-	-
<b>Total provision</b>		<b>602,497,371</b>	<b>67,680,853</b>
<b>Total profit/(loss) before taxes</b>		<b>683,050,055</b>	<b>1,474,230,674</b>
<b>Provision for taxation for the period</b>			
Current tax	12(a.i)	163,833,128	300,831,777
Deferred tax	12(a.ii)	(29,958,263)	29,768,900
		<b>133,874,865</b>	<b>330,600,677</b>
<b>Net Profit after Taxation</b>		<b>549,175,190</b>	<b>1,143,629,997</b>
<b>Appropriations:</b>			
Statutory Reserve		126,500,000	289,850,000
General Reserve		280,000,000	739,338,374
Dividend to Government		100,000,000	100,000,000
		<b>506,500,000</b>	<b>1,129,188,374</b>
<b>Retained Surplus</b>	16(a)	<b>42,675,190</b>	<b>14,441,623</b>
<b>Earning Per Share (EPS)</b>	33(a)	<b>13.73</b>	<b>28.59</b>

The annexed notes form an integral part of the Consolidated Financial Statements.

  
Director

  
Director

  
Managing Director

  
Chairman

This is the Consolidated Profit and Loss Account referred to in our separate report of even date.

Dated-Dhaka  
April 28, 2016

  
Howladar Yunus & Co.  
Chartered Accountants

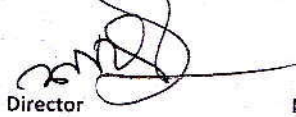
  
MABS & J Partners  
Chartered Accountants

**Bangladesh Development Bank Limited & its Subsidiary**  
**Consolidated Cash Flow Statement**  
**For the period ended 31 December 2015**

	Notes	Amount in Taka	
		2015	2014
<b>A. Cash Flows from Operating Activities</b>			
Interest received		2,245,377,576	2,411,143,947
Interest paid		(1,917,514,242)	(2,104,902,837)
Dividend received		904,964,349	731,449,046
Fees and commission received		43,849,396	54,331,790
Recovery of Loans previously written-off		11,500,000	33,774,372
Cash paid to employees		(639,654,327)	(729,780,631)
Income tax paid		(406,785,796)	(294,361,020)
Receipt from other operating activities		992,416,827	1,634,996,939
Payment for Other Operating Activities		(316,329,302)	(326,927,710)
<b>(i) Operating profit before changes in operating Assets and</b>		<b>917,824,481</b>	<b>1,409,723,896</b>
<b>Increase/(Decrease) in operating assets &amp; liabilities</b>			
(Increase)/Decrease in loans & advances		(1,381,229,440)	(1,095,427,648)
(Increase)/Decrease in other assets		(266,050,467)	(83,661,661)
Increase/(Decrease) in deposits from customers & others		21,590,677	3,361,240,648
Increase/(Decrease) in liabilities & provisions		304,669,838	(832,453,380)
<b>(ii) Cash flows from operating assets and liabilities</b>		<b>(1,321,019,392)</b>	<b>1,349,697,959</b>
<b>Net cash used in operating activities (A)=(i-ii)</b>		<b>(403,194,911)</b>	<b>2,759,421,855</b>
<b>B. Cash flows from investing activities</b>			
Sale/Purchase of securities		69,807,226	(4,133,647,024)
Disposal/Acquisition of fixed assets		(44,327,492)	(49,704,203)
<b>Net Cash used in investing activities (B)</b>		<b>25,479,734</b>	<b>(4,183,351,227)</b>
<b>C. Cash flows from financing activities</b>			
Decrease in long term borrowing		(269,557,801)	(299,489,264)
Dividend to the Government		(100,000,000)	(100,000,000)
<b>Net cash used in financing activities (C)</b>		<b>(369,557,801)</b>	<b>(399,489,264)</b>
<b>D. Net decrease in cash (A+B+C)</b>		<b>(747,272,978)</b>	<b>(1,823,418,636)</b>
<b>E. Effects of changes in exchange rate</b>		<b>692,933</b>	<b>6,247,816</b>
<b>F. Opening Cash &amp; cash equivalent</b>		<b>10,605,119,658</b>	<b>12,422,290,478</b>
<b>G. Cash and cash equivalents at end of year (D+E+F) (*)</b>	32(a)	<b>9,858,539,613</b>	<b>10,605,119,658</b>
<b>(*) Cash and cash equivalents :</b>			
Cash in hand		67,038,158	63,190,372
Balance with Bangladesh Bank and Sonali Bank		1,820,994,106	1,504,653,339
Cash with other banks		7,970,507,349	8,487,197,875
Money at call and short notice		-	550,078,073
		<b>9,858,539,613</b>	<b>10,605,119,658</b>

The annexed notes form an integral part of the Consolidated Financial Statements.

  
Director

  
Director

  
Managing Director

  
Chairman

Dated-Dhaka  
April 28, 2016

  
Howladar Yunus & Co.  
Chartered Accountants

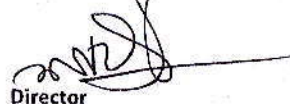
  
MABS & J Partners  
Chartered Accountants

**Bangladesh Development Bank Limited & its Subsidiary**  
**Consolidated Statement of Changes in Equity**  
**For the year ended 31 December 2015**

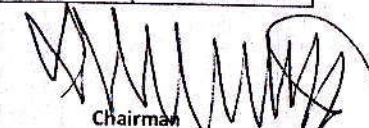
(Amount in Taka)

Particulars	Paid-up Capital	Statutory Reserve	Quasi Equity	General Reserve	Revaluation Reserve	Other Reserves	Retained Earnings	Profit/ (Loss)	Total
Balance at 01 January 2015	4,000,000,000	1,947,721,336	134,744,560	3,144,338,374	7,103,200,123	967,907,514	364,477,097	-	17,662,389,003
Change in accounting policy	-	-	-	173,416,741	(90,392,706)	-	(36,484,210)	-	46,539,824
Share Issued (BDBL Securities)	-	-	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-	-	-
Surplus/Deficit on Revaluation of Properties	-	-	-	-	-	-	-	-	-
Surplus/Deficit on Revaluation of Investments	-	-	-	-	-	-	-	-	-
Adjustment for sold assets	-	-	-	-	-	-	-	-	-
Dep. during the year	-	-	-	-	(123,531,685)	-	-	-	(123,531,685)
Adjustment for deferred tax	-	-	-	-	15,424,822	-	-	-	15,424,822
Difference arises in currency transaction	-	-	-	-	-	-	-	-	-
Net gain and losses not recognized in the Profit and Loss Account	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	-	549,175,190	549,175,190
Appropriations made during the year	-	126,500,000	-	280,000,000	-	-	42,675,190	(449,175,190)	-
Dividend to Govt.	-	-	-	-	-	-	-	(100,000,000)	(100,000,000)
Balance at 31 December 2015	4,000,000,000	2,074,221,336	134,744,560	3,597,755,115	6,904,700,553	967,907,514	370,668,077	-	18,049,997,154
Balance at 31 December 2014	4,000,000,000	1,947,721,336	134,744,560	3,144,338,374	7,103,200,123	967,907,514	364,477,097	-	17,662,389,003


  
Director

  
Director

  
Managing Director

  
Chairman

Dated-Dhaka:  
April 28, 2016

  
Howladar Yunus & Co.  
Chartered Accountants

  
MABS & J Partners  
Chartered Accountants

**Bangladesh Development Bank Limited**

Balance Sheet  
As at 31 December 2015

PROPERTY AND ASSETS	Notes	Amount in Taka	
		2015	2014
<b>Cash</b>	3	1,888,008,390	1,567,830,633
Cash in hand (including foreign currencies)		67,014,284	63,177,294
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		1,820,994,106	1,504,653,339
<b>Balance with other banks and financial institutions</b>	4	7,933,748,124	8,419,620,049
In Bangladesh		7,858,933,390	8,328,226,233
Outside Bangladesh		74,814,734	91,393,816
<b>Money at Call and Short Notice</b>	5	-	550,078,073
<b>Investments</b>	6	11,414,025,393	11,670,347,203
Government		4,174,300	3,562,500
Others		11,409,851,093	11,666,784,703
<b>Loans and Advances</b>	7	18,137,510,230	16,501,046,016
Loans, cash credit and overdrafts, etc.		17,854,847,297	16,186,484,839
Bill purchased and discounted		282,662,934	314,561,177
<b>Fixed Assets including premises, furniture and fixtures</b>	8	8,322,881,780	8,456,676,497
<b>Other Assets</b>	9	3,760,265,018	3,094,339,423
<b>Total Assets</b>		<b>51,456,438,936</b>	<b>50,259,937,894</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowing from other Banks, Financial institutions and Agents</b>	10	404,372,248	673,930,049
<b>Deposits &amp; Other Accounts</b>	11	23,371,664,867	23,350,074,190
Current and other Accounts		5,993,300,084	7,164,838,350
Bills Payable		123,764,864	122,654,342
Saving Bank Deposits		695,916,616	592,817,610
Fixed Deposits		16,558,683,303	15,469,763,888
Other Deposits		-	-
<b>Other Liabilities</b>	12	9,696,453,110	8,698,157,183
<b>Total Liabilities</b>		<b>33,472,490,226</b>	<b>32,722,161,421</b>
<b>Capital/Shareholders' Equity</b>			
Paid-up Capital	13	4,000,000,000	4,000,000,000
Quasi Equity	14	134,744,560	134,744,560
Statutory Reserve	15	2,074,221,336	1,947,721,336
General Reserve	16.1	3,597,755,114	3,144,338,374
Revaluation Reserve	16.2	6,904,700,553	7,012,807,417
Other Reserve	16.3	965,907,514	965,907,514
Retained Earnings	16.4	306,619,633	332,257,272
<b>Total Shareholders' Equity</b>		<b>17,983,948,710</b>	<b>17,537,776,473</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>51,456,438,936</b>	<b>50,259,937,894</b>



**OFF-BALANCE SHEET ITEMS**

**Contingent Liabilities**

Acceptance & Endorsements  
Acceptance for FC Guarantee  
Letters of Credit  
Irrevocable letter of credits  
Bills for collection  
Other contingent liabilities  
**Total**

Notes	Amount in Taka	
	2015	2014

16.5

-	-
437,788,157	100,873,742
712,394,024	773,524,153
-	-
-	-
-	-
<b>1,150,182,181</b>	<b>874,397,895</b>

**Other commitments**

Documentary credits and other short term trade related transaction  
Liability on account of outstanding forward exchange contract  
Forward assets purchased and forward deposit placed  
Undrawn note issuance and revolving underwriting facilities  
Undrawn formal stand by facilities, credit lines and other commitments  
**Total**

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

**Total Off-Balance Sheet items including contingent liabilities**

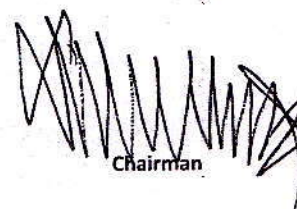
**1,150,182,181      874,397,895**

The annexed notes form an integral part of the Financial Statements.

  
Director

  
Director

  
Managing Director

  
Chairman

This is the Balance Sheet referred to in our separate report of even date.

Dated-Dhaka  
April 28, 2016

  
Howladar Yunus & Co.  
Chartered Accountants


  
MABS & J Partners  
Chartered Accountants


**Bangladesh Development Bank Limited**  
**Profit and Loss Account**  
**For the year ended 31 December 2015**

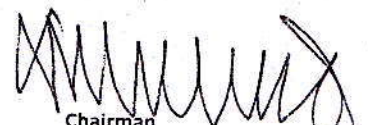
	Notes	Amount in Taka	
		2015	2014
Interest income	18	2,208,788,121	2,395,277,247
Interest paid on deposit, borrowing etc.	19	(1,890,324,096)	(2,093,741,013)
<b>Net Interest Income</b>		<b>318,464,025</b>	<b>301,536,234</b>
Investment Income	20	1,573,627,728	2,074,080,180
Commission, exchange and brokerage	21	24,983,975	33,761,758
Other operating income	22	257,792,431	271,825,952
<b>Total operating income</b>		<b>1,856,404,135</b>	<b>2,379,667,890</b>
<b>Operating expenses</b>		<b>2,174,868,160</b>	<b>2,681,204,124</b>
Salaries and allowances	23	623,929,332	762,563,981
Rent, Taxes, Insurance, Electricity etc.	24	54,007,172	55,461,192
Legal expenses	25	5,208,949	5,396,917
Postage, Stamp, Telecommunication etc.	26	9,389,452	8,891,645
Stationery, printing, advertisement etc.	27	43,130,182	23,667,506
Managing Director/Chief Executive's remuneration		3,560,000	3,560,000
Director Fees	28	1,840,200	1,770,000
Auditors' fees		842,000	696,650
Depreciation and repair of Bank's assets	29	67,088,777	166,517,889
Charges on loan losses		-	-
Other expenditure	30	155,710,870	153,627,419
<b>Total operating expenses</b>		<b>964,706,933</b>	<b>1,182,153,199</b>
<b>Profit/(loss) before provision</b>		<b>1,210,161,227</b>	<b>1,499,050,925</b>
Provision for loans and advances		577,800,000	50,000,000
Provision for diminution in value of investment		-	-
Other provision		-	-
<b>Total provision</b>	31	<b>577,800,000</b>	<b>50,000,000</b>
<b>Total profit/(loss) before taxes</b>		<b>632,361,227</b>	<b>1,449,050,925</b>
<b>Provision for taxation for the period</b>			
Current tax		145,000,000	290,000,000
Deferred tax		(29,940,793)	29,802,932
<b>Net profit/(loss) after tax</b>		<b>115,059,207</b>	<b>319,802,932</b>
<b>Appropriations:</b>			
Statutory Reserve		126,500,000	289,850,000
General Reserve		280,000,000	739,338,374
Building Fund		-	-
Dividend to Government		100,000,000	100,000,000
<b>Retained Surplus</b>		<b>506,500,000</b>	<b>1,129,188,374</b>
		<b>10,802,020</b>	<b>59,619</b>
<b>Earning Per Share (EPS)</b>	33	<b>12.93</b>	<b>28.23</b>

The annexed notes form an integral part of the Financial Statements.

  
Director

  
Director

  
Managing Director

  
Chairman

This is the Profit & Loss Account referred to in our separate report of even date.

Dated-Dhaka  
April 28, 2016

  
Howladar Yunus & Co.  
Chartered Accountants


  
MABS & J Partners  
Chartered Accountants

**Bangladesh Development Bank Limited**  
**Cash Flow Statement**  
**For the period ended 31 December 2015**

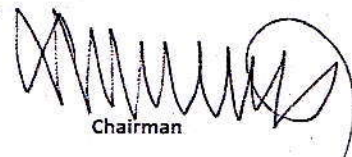
	Notes	Amount in Taka	
		2015	2014
<b>A. Cash flows from operating activities</b>			
Interest received		2,208,788,121	2,395,277,247
Interest paid		(1,890,324,096)	(2,093,741,013)
Dividend received		897,688,254	730,154,620
Fees and commission receipts		24,983,975	33,761,758
Recoveries of loans previously written off		11,500,000	33,774,372
Cash paid to employees		(627,489,332)	(718,619,347)
Income Taxes paid		(399,708,616)	(289,939,950)
Receipt from other operating activities	22(b)	921,538,972	1,575,729,324
Payment for Other Operating Activities	30(b)	(297,508,976)	(298,392,235)
<b>(i) Operating profit before Assets and Liabilities</b>		<b>849,468,302</b>	<b>1,368,004,776</b>
<b>Increase/(Decrease) in operating assets &amp; liabilities</b>			
(Increase)/Decrease in loans & advances		(1,543,621,071)	(1,043,869,062)
(Increase)/Decrease in other assets		(266,216,979)	(86,884,058)
Increase/(Decrease) in deposits from customers & others		21,590,677	3,361,285,348
Increase/(Decrease) in liabilities & provisions		371,944,542	(873,513,326)
<b>(ii) Cash flows from operating assets and liabilities</b>		<b>(1,416,302,831)</b>	<b>1,357,018,902</b>
<b>Net cash used in operating activities (A)=(i+ii)</b>		<b>(566,834,529)</b>	<b>2,725,023,678</b>
<b>B. Cash flows from investing activities</b>			
Sale/Purchase of securities		256,321,810	(3,952,080,641)
Disposal/Purchase of fixed assets		(36,394,654)	(47,936,395)
<b>Net cash used in investing activities (B)</b>		<b>219,927,156</b>	<b>(4,000,017,036)</b>
<b>C. Cash flows from financing activities</b>			
Decrease in long term borrowing		(269,557,801)	(474,489,264)
Dividend to the Government		(100,000,000)	(100,000,000)
<b>Net cash used in financing activities (C)</b>		<b>(369,557,801)</b>	<b>(574,489,264)</b>
<b>D. Net decrease in cash (A+B+C)</b>		<b>(716,465,174)</b>	<b>(1,849,482,622)</b>
<b>E. Effects of changes in exchange rate</b>		692,933	6,247,816
<b>F. Opening Cash and Cash Equivalent</b>		10,537,528,755	12,380,763,561
<b>G. Cash and cash equivalents at end of year (D+E+F) (*)</b>	32	<b>9,821,756,514</b>	<b>10,537,528,755</b>
<b>(*) Cash and cash equivalents :</b>			
Cash in hand		67,014,284	63,177,294
Balance with Bangladesh Bank		1,820,994,106	1,504,653,339
Cash with other banks		7,933,748,124	8,419,620,049
Money at call and short notice			550,078,073
		<b>9,821,756,514</b>	<b>10,537,528,755</b>

The annexed notes form an integral part of the Cash Flow Statement.

  
Director

  
Director

  
Managing Director

  
Chairman

Dated-Dhaka,  
April 28, 2016

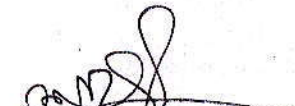
  
Howladar Yunus & Co.  
Chartered Accountants

  
MABS & J Partners  
Chartered Accountants


**Bangladesh Development Bank Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2015**

Particulars	(Amount in Taka)								
	Paid-up Capital	Statutory Reserve	Quasi Equity	General Reserve	Revaluation Reserve	Other Reserves	Retained Earnings	Profit/(Loss)	Total
Balance at 01 January 2015	4,000,000,000	1,947,721,336	134,744,560	3,144,338,374	7,012,807,417	965,907,514	332,257,272	-	17,537,776,473
Change in accounting policy/Transfer	-	-	-	173,416,741	-	-	(36,439,658)	-	136,977,082
Restated Balance	-	-	-	-	-	-	-	-	-
Surplus/Deficit on Revaluation of Properties	-	-	-	-	-	-	-	-	-
Surplus/Deficit on Revaluation of Investments	-	-	-	-	-	-	-	-	-
Adjustment for sold Assets	-	-	-	-	-	-	-	-	-
Dep. during the year	-	-	-	-	(123,531,685)	-	-	-	(123,531,685)
Adjustment for deferred tax	-	-	-	-	15,424,822	-	-	-	15,424,822
Difference arises in currency transaction	-	-	-	-	-	-	-	-	-
Net gain and losses not recognized in the Profit and Loss Account	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	-	517,302,019	517,302,019
Appropriations made during the year	-	126,500,000	-	280,000,000	-	-	10,802,019	(417,302,019)	-
Dividend to Govt.	-	-	-	-	-	-	-	(100,000,000)	(100,000,000)
Balance at 31 December 2015	4,000,000,000	2,074,221,336	134,744,560	3,597,755,115	6,904,700,553	965,907,514	306,619,632	-	17,983,948,710
Balance at 31 December 2014	4,000,000,000	1,947,721,336	134,744,560	3,144,338,374	7,012,807,417	965,907,514	332,257,272	-	17,537,776,473

  
Director

  
Director

  
Managing Director

  
Chairman

Dated-Dhaka;  
April 28, 2016

  
Howladar Yunus & Co.  
Chartered Accountants

  
MABS & J Partners  
Chartered Accountants

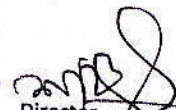
**Bangladesh Development Bank Limited**  
**Liquidity Statement**  
**(Asset and Liability Maturity Analysis)**  
**For the year ended 31 December 2015**

(Amount In Taka)

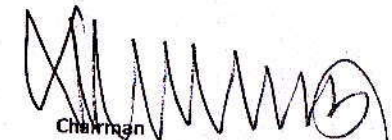
Particulars	Up to 01 month	1 - 3 months	3 - 12 months	1 - 5 years	More than 5 years	Total
<b>Assets:</b>						
Cash in hand						
Balance with Bangladesh Bank & Sonali Bank (incl. foreign currencies)	67,014,284	-	-	-	-	67,014,284
Balance with other banks and financial institutions & Agents	415,494,106	-	-	-	1,405,500,000	1,820,994,106
Money at call on short notice	83,300,000	4,620,000,000	3,230,448,124	-	-	7,933,748,124
Investment	-	-	-	-	-	-
Loans and Advances	4,174,300	18,221,413	5,006,529,680	1,946,200,000	4,438,900,000	11,414,025,393
Fixed assets including premises, furniture & fixtures	165,000,000	1,920,000,000	4,090,600,000	5,423,500,000	6,538,410,230	18,137,510,230
Other assets	-	-	-	-	8,322,881,780	8,322,881,780
<b>Total Assets</b>	<b>263,100,000</b>	<b>345,500,000</b>	<b>610,800,000</b>	<b>1,177,000,000</b>	<b>1,363,865,018</b>	<b>3,760,265,018</b>
	<b>998,082,690</b>	<b>6,903,721,413</b>	<b>12,938,377,804</b>	<b>8,546,700,000</b>	<b>22,069,557,028</b>	<b>51,456,438,936</b>
<b>Liabilities:</b>						
Borrowing from Bangladesh Bank, Other banks, financial institutions and agents						
Deposits & Other Accounts	16,500,000	18,900,000	75,800,000	292,772,248	400,000	404,372,248
Provision and other liabilities	1,422,200,000	3,924,900,000	14,143,900,000	3,495,664,867	385,000,000	23,371,664,867
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>927,300,000</b>	<b>2,498,000,000</b>	<b>6,336,153,111</b>	<b>9,761,453,111</b>
<b>Net Liquidity</b>	<b>1,438,700,000</b>	<b>3,943,800,000</b>	<b>15,147,000,000</b>	<b>6,286,437,115</b>	<b>6,721,553,111</b>	<b>33,537,490,226</b>
	<b>(440,617,310)</b>	<b>2,959,921,413</b>	<b>(2,208,622,196)</b>	<b>2,260,262,885</b>	<b>15,348,003,917</b>	<b>17,918,948,710</b>

Dated-Dhaka  
April 28, 2016

  
Director

  
Director

  
Managing Director

  
Chairman

The following assumptions have been applied in preparing the maturity analysis:

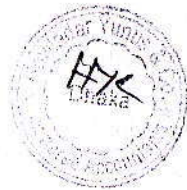
- Balance with other banks and financial institutions, Money at call on short notice are on the basis of their maturity.
- Investments are on the basis of their maturity.
- Loans and advances are on the basis of their maturity.
- Fixed assets including premises land & buildings, furniture & fixtures are on the basis of their useful life.
- Other assets are on the basis of their adjustment.
- Borrowings from Bangladesh Bank, other banks, financial institutions and agents are on the basis of their payment.
- Deposits and other accounts are on the basis of their maturity and payment.
- Provision and other liabilities are on the basis of their adjustment.



**Bangladesh Development Bank Limited**  
**Fixed Assets Schedule**  
**As at 31 December 2015**

Annexure - A

Particulars	C O S T				Dep. Rate (%)	DEPRECIATION				Written down value as on 31.12.2015
	Balance as On 01.01.2015	Addition during the year	Sales/Adj. during the year	Balance as on 31.12.2015		Balance as on 01.01.2015	Charged during the year	Sales/Adj. during the year	Balance as on 31.12.2015	
<b>At cost :</b>										
Land	13,854,848	-	-	13,854,848	-	-	-	-	-	13,854,848
Premises	578,215,498	-	-	578,215,498	2.5	307,589,801	8,198,400	-	315,788,200	262,427,298
Building U/C	304,490	-	-	304,490	2.5	-	-	-	-	304,490
Vehicles	99,110,083	2,894,000	6,297,560	95,706,523	20	64,088,436	12,551,057	3,424,237	73,215,256	22,491,267
Equipments	42,432,102	3,744,978	(351,504)	46,528,584	20	26,221,806	3,995,091	772,090	29,444,807	17,083,776
Computer equipments & software	68,861,606	20,621,830	3,328,328	86,155,108	20	43,962,952	10,829,068	329,461	54,462,560	31,692,548
Furniture & fittings	32,025,824	6,124,599	(4,802,999)	42,953,422	10	19,006,485	2,222,844	262,461	20,966,868	21,986,554
Sundry Asset	1,131,749	-	-	1,131,749	20	1,131,741	-	0	1,131,741	8
Interior Decore	24,629,948	3,009,247	7,984,657	19,654,538	10	3,512,029	1,912,166	718,734	4,705,461	14,949,078
<b>Sub-Total (A)</b>	<b>860,566,149</b>	<b>36,394,654</b>	<b>12,456,042</b>	<b>884,504,760</b>		<b>465,513,250</b>	<b>39,708,626</b>	<b>5,506,983</b>	<b>499,714,893</b>	<b>384,789,867</b>
<b>At revaluation :</b>										
Land	3,175,704,168	-	-	3,175,704,168	-	-	-	-	-	3,175,704,168
Premises	5,415,734,325	-	-	5,415,734,325	2.5	531,418,930	122,107,885	-	653,526,815	4,762,207,510
Vehicles	8,620,180	-	-	8,620,180	20	7,016,144	1,423,801	-	8,439,945	180,235
<b>Sub-Total:(B)</b>	<b>8,600,058,673</b>	<b>-</b>	<b>-</b>	<b>8,600,058,673</b>		<b>538,435,074</b>	<b>123,531,685</b>	<b>-</b>	<b>661,966,759</b>	<b>7,938,091,914</b>
<b>Grand Total (A+B)</b>	<b>9,460,624,822</b>	<b>36,394,654</b>	<b>12,456,042</b>	<b>9,484,563,433</b>		<b>1,003,948,324</b>	<b>163,240,311</b>	<b>5,506,983</b>	<b>1,161,681,652</b>	<b>8,322,881,780</b>



**Bangladesh Development Bank Limited**  
**Highlights on the overall activities of the Bank**

Sl no.	Particulars	Amount in Taka	
		2015	2014
1	Paid up Capital	4,000,000,000	4,000,000,000
2	Total Capital	17,983,948,710	17,537,776,473
3	Capital Surplus / (Deficit)	7,385,609,825	7,743,463,946
4	Total Assets	51,456,438,936	50,259,937,894
5	Total Deposits	23,371,664,867	23,350,074,190
6	Total Loans and Advances	18,137,510,230	16,501,046,016
7	Total Contingent Liabilities and Commitments	1,150,182,181	874,397,895
8	Credit Deposit Ratio (%)	76.28%	68.69%
9	Percentage of classified loans against total loans and adv.	38.29%	31.81%
10	Profit after Tax and Provision	517,302,020	1,129,247,993
11	Amount of Classified Loans during the year	6,945,625,000	5,248,279,000
12	Provisions kept against Classified Loans	2,904,132,141	2,239,181,146
13	Provision Surplus / (Deficit)	13,069,406	11,184,668
14	Cost of Fund (%)	9.22%	10.36%
15	Interest Earning Assets	18,184,726,576	12,031,755,128
16	Non-interest Earning Assets	33,271,712,360	38,228,182,766
17	Return on Investment (ROI)(%)	13.79%	17.77%
18	Return on Assets (ROA)(%)	1.01%	2.25%
19	Income from Investments	1,573,627,728	2,074,080,180
20	Earning per Share	12.93	28.23
21	Net Income per Share	12.93	28.23
22	Price Earning Ratio	N/A	N/A

